

10th Urban Mobility Conference / CODATU XVII-2017

Innovative Funding For Urban Mobility

Case study: RATP  & Ile-de France mobility

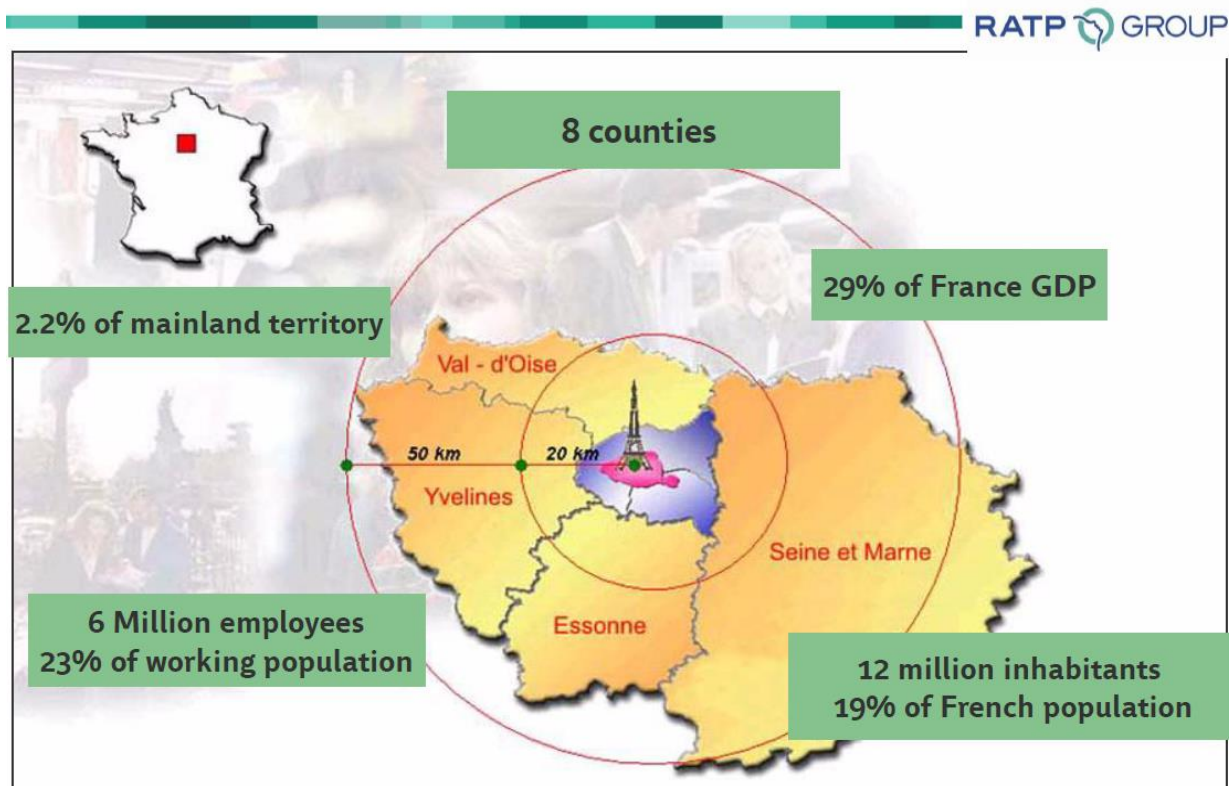


ORGANIZATION OF ÎLE-DE-FRANCE REGION URBAN MOBILITY

Île-de-France region: A very wide and dynamic mobility area

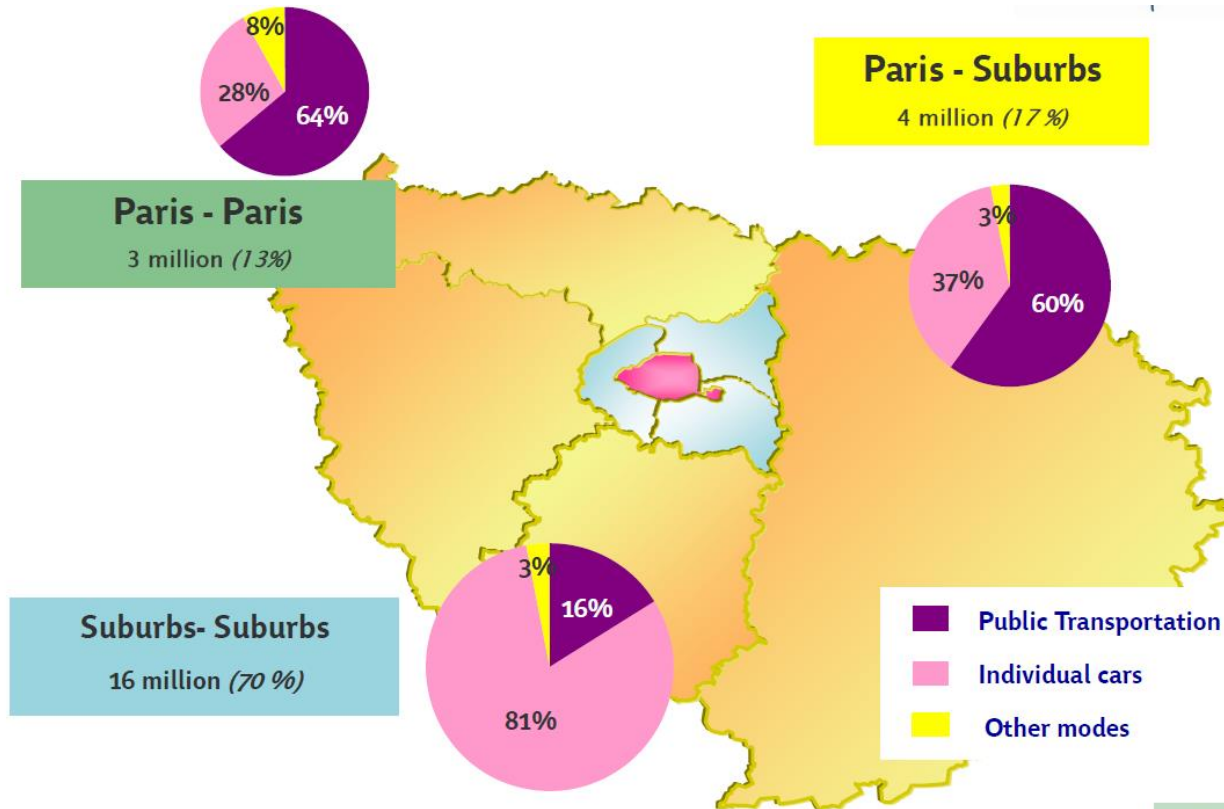
- ❑ Mobility area of the Parisian region is much more over than the Paris city territory
- ❑ Mobility is managed by Île-de-France Mobility, Transport Authority

Ile-de-France area : Political administration



Île-de-France region: A very wide and dynamic mobility area

- ❑ PT is the main mode to go from Paris to Paris or from Paris to Suburbs : Over 60%
- ❑ However car is 81% to go from suburbs to suburbs, that is to say 13 million trips / day



Île-de-France area: 3 public transport companies - 4 modes of transportation

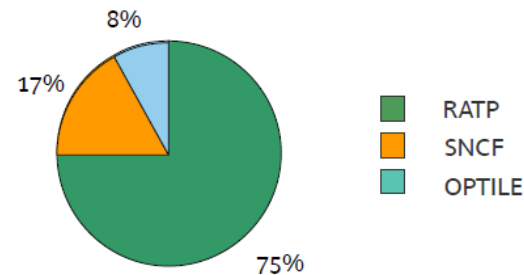
- ❑ RATP: Created in 1949
- ❑ leading multimodal operator in Île-de-France



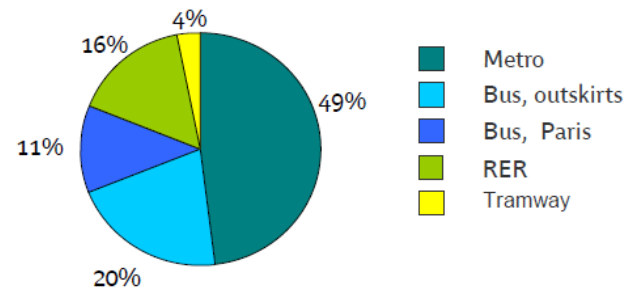
● Competitive market: over 50 operators

● Traffic in progress: over 4 Bln journeys, ¾ borne by RATP

3,3
Billion
journeys / year
RATP



Market share for different public transportation operators



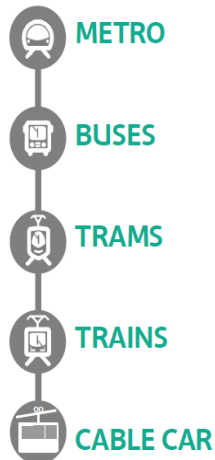
RATP share by mode

A worldwide and integrated public transport company

- An experience of an integrated group with expertise in all field of transport service

□ RATP = GROUPE RATP

5 modes of transport



4 areas of expertise

- **DESIGNING**
and completing infrastructure projects.
- **OPERATING**
and animating transport networks
- **UPGRADING**
and maintaining existing networks
- **DEPLOYING**
travel services



That includes also ITS systems: from design to operating & maintenance , as well developing

RATP as operator of Île-de-France Mobility

- ❑ 12 million passengers per day mainly in Paris area: 80% of the daily ridership of the region area
- ❑ Financial figures regarding O&M contract of RATP for Ile-de-France Mobility (2016)

Average daily ridership

created in 1949



METRO – 5.6 M



BUS – 3 M



TRAMWAY – 1 M



REGIONAL RAILROAD – 1.7 M



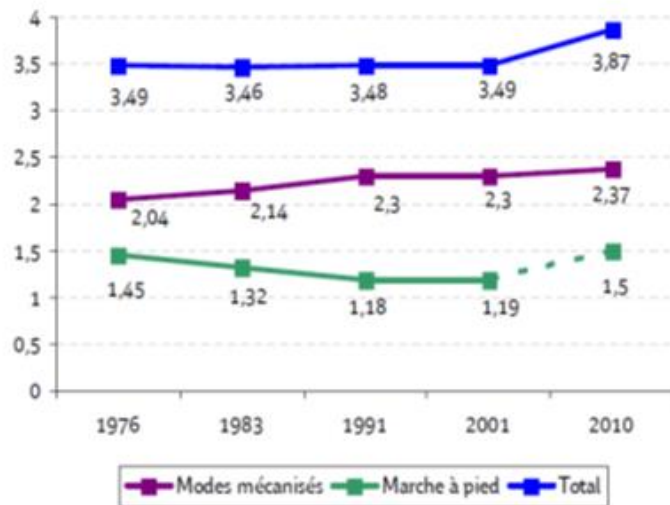
- 43,700 Employees
- € 1,8 billion of investment (INR 135 billion)
- € 5.5 billion turnover (INR 412.5 billion)
- € 171 million net income (INR 13 billion)

353 bus lines- 14 metro lines – 9 tramway lines – 2 commuter lines

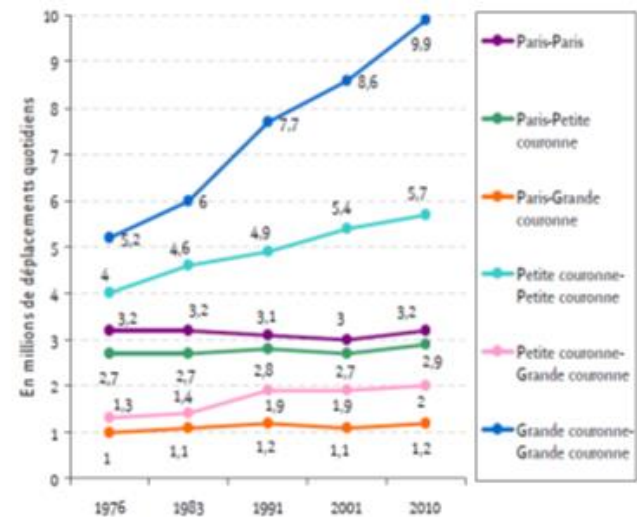
Transport Authority has to face to an ongoing increase of mobility

- ❑ First regarding motorized mode
- ❑ As well as walk

- ❑ Especially from suburbs to suburbs

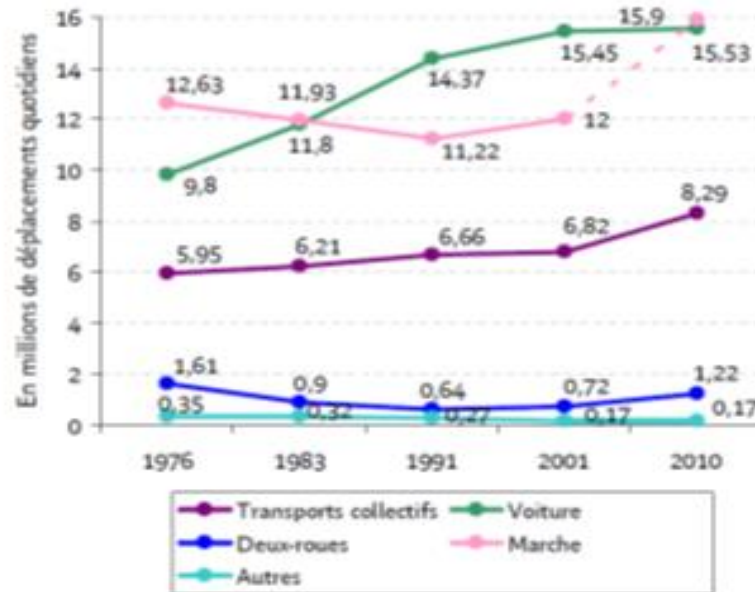


Trip per day / capita



Since the 2000s Public transport has captured the mobility growth

- ❑ Car is stabilized while transport public is progressing (in million trips per day)

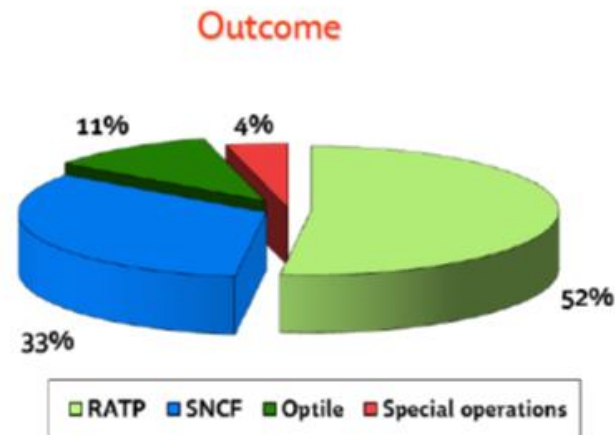
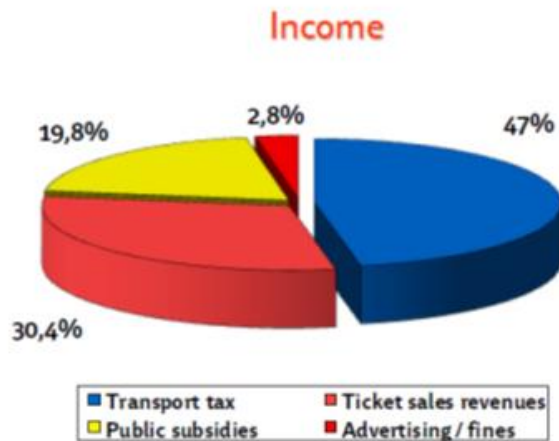


Public transport financial needs are tremendous for the Île-de-France region

- ❑ Since 2006, current annual budget, excluding development investments, increased by € 1 billion (INR 75 billion) to reach the sum of € 9 billion (INR 675 billion) in 2016
- ❑ 47% of income is provided by special tax paid by companies (tax on gross salary)



Annual budget (for operations):
9 billion Euros per year



Business model for public transport is no longer valid

- ❑ To face the financial needs during the next decade to avoid mobility issues
 - ❑ To maintain the punctuality and regularity performance ratios
 - ❑ To modernize and secure the network
 - ❑ Additional financial needs regarding annual expenses is € 2.3 billion (INR 172 billion) : that is to say
 - 0,7% of GDP of IdF region
 - €1.5 billion for additional investments (development)
 - and € 800 m for additional operating needs
 - ❑ Companies and firms can no longer be put to additional contribution because of the level of their current financial contribution which is 47% (€4.3 billion per year)
- ➔ This situation is not specific to the Île-de-France case but also to all other big cities in France



IS THERE ANY SOLUTION FOR FINANCING ADDITIONAL NEEDS?

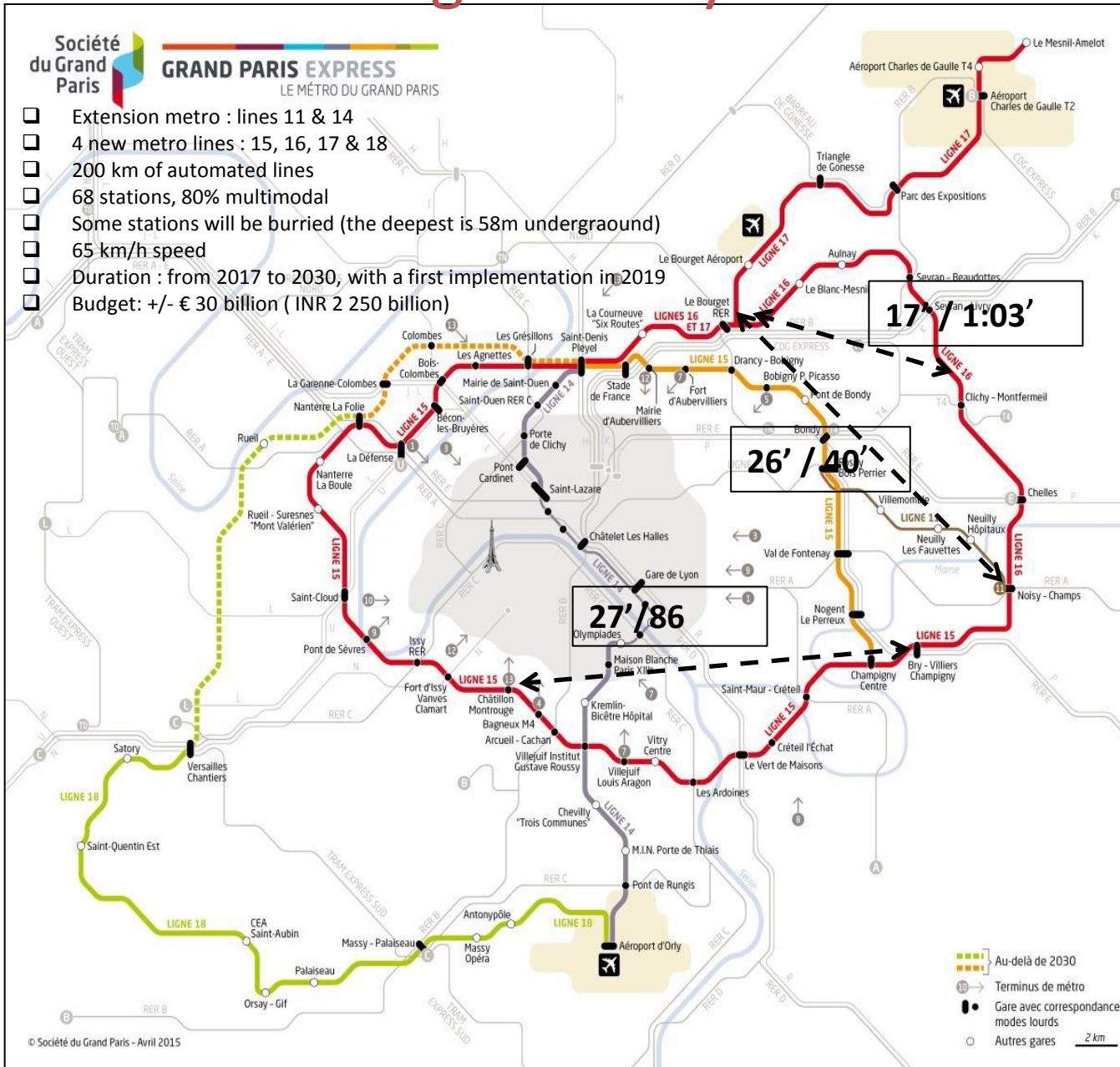
A global approach that involves all actors concerned by this urban development issue

- Having a smart region meaning in terms of mobility by developing and innovating new modes of transportation
- Taking into consideration personal car as part of the global mobility approach (car sharing, Park & Ride, etc.) Developing smooth modes (walk, bicycle, etc.)
Reviewing the ticket price list to improve the global passenger revenue in accordance with the improvement of the service
- Putting to contribution motorist (specific tax on gasoil, road toll, etc.)
- Developing innovative mobility solutions that reduces the kilometre cost and that makes mobility much more integrated
- Developing digital solution that gives new revenue source
- Real estate revenues of buildings belonging to the operator or PTA
- Create new building tax that could be in accordance with the expected capital gain of the Public Transport investment (as it is for the GPE project- from €1 to 18€ per m² /year)
- Maintaining competition / pressure to get the best price with the highest level of performance (RATP remuneration has been reduce by €100M /year – 141 Incentive indicators)
- Etc.

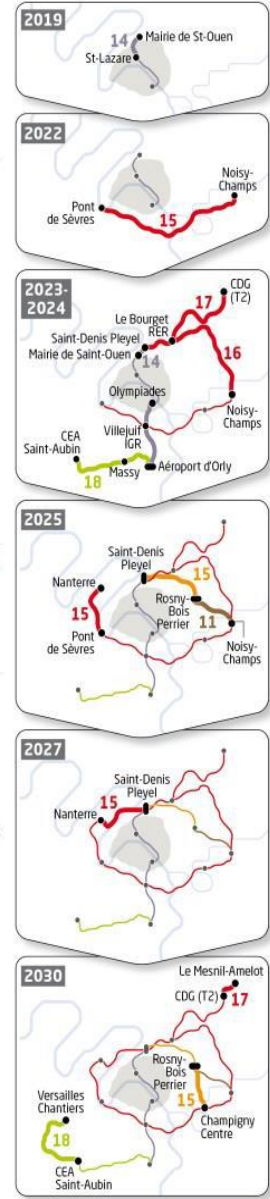
GPE will significantly reduce driving time

Société du Grand Paris
GRAND PARIS EXPRESS
 LE MÉTRO DU GRAND PARIS

- ❑ Extension metro : lines 11 & 14
- ❑ 4 new metro lines : 15, 16, 17 & 18
- ❑ 200 km of automated lines
- ❑ 68 stations, 80% multimodal
- ❑ Some stations will be burried (the deepest is 58m underground)
- ❑ 65 km/h speed
- ❑ Duration : from 2017 to 2030, with a first implementation in 2019
- ❑ Budget : +/- € 30 billion (INR 2 250 billion)



Calendrier de mises en service



- Au-delà de 2030
- ⊕ Terminus de métro
- Gare avec correspondance modes lourds
- Autres gares
- 2 km

Digital, advertising and other additional non-transport must contribute to finance PT

- **Revenue from non-transport sources is part of the RATP business model. Financial risk is borne by the operator.**
- Thanks to its wide public transport network outstretched in Ile de France (**12 million passengers per day**), revenue from non-transport sources is high but no significant:
 - **€100 m (750 INR):** €80 m for advertising and €20 m for retail
 - Other more marginal activities: Contract for distribution of free press titles: €1.7 m but declining steadily, and Contract for monetisation of online audiences (ratp.fr and Apps): €1.2 m,
 - Rental revenues from infrastructures (connection of telecom client networks to RATP's network): €21 m (1,525 million rupees).
- But it is **only 2%** of the total revenue.

Digital, advertising and other additional non-transport must contribute to finance PT system

□ At this stage

- Data regarding mobility is a treasure, but we do not know how to make money with
- Digital economics model is still unknown
- Public authorities make pressure on operators in order they give free access to their data
- 4 major French operating companies (KEOLIS/RATP/TRANSDEV/SNCF) decided few months ago to gather their data in a common database for developing special apps for mobility users
- GAFAs have developed their business by using and managing data
- GAFAs consider Mobility as an opportunity for developing their business

Conclusion

- ❑ **“Whatever the urban mobility system is, innovative solutions have to be continuously implemented to finance public an integrated, sustainable, attractive local transport system model”**
 - ❑ **that takes into consideration:**
 - **The global financial needs of the mobility system**
 - **local constraints : legal, political, social, physical, economics...**
 - **all components of the mobility to have a global vision at the highest level of area/territory**
 - ❑ **that is part of the global urban development plan of the City**
 - ❑ **that includes all economics actors who are concerned directly and indirectly by the mobility system**
- ❑ **Business Model has to be built by the PTA, who is financially autonomous and shares between all actors this BM on a realistic, sustainable, transparent and win/win basis**

Thank You!