

National Urban Transport Policy Symposium - Summary

Thursday, October 11 and Friday, October 12, 2012

The National Urban Transport Policy Symposium (October 10-12, 2012) brought together transportation experts, officials, and politicians from around the world to examine shared challenges, identify shared opportunities, and discuss potential responses through replicable models of and specific policy mechanisms in national urban transportation policy.

Current Challenges in National Urban Transport Policy

Although there are large variations in the capacity, size, and support associated with each city and country, there is a set of shared challenges in creating a national vision of and policy for urban transportation. Challenges include:

- Integrating land use and transportation planning
- Addressing environmental concerns such as emission reductions
- Reaching social benefits, such as ensuring equity and public health
- Coordinating among different levels of government
- Affirming local authority
- Improving project evaluation, construction, and implementation
- Understanding private-public partnerships

There were two challenges highlighted in the discussion by a majority of participants:

- **A lack of planning capacity at the local level and a lack of national guidance**
- **The misperceptions held by and the disempowerment of the public**

In **Brazil**, three main challenges were identified:

- **A Lack of Planning in Mobility and Growth:** This necessitates the national government to provide clear policy guidance to mayors who then hold authority over and responsibility for the project.
- **Car promotion by the Ministry of Finance:** The Ministry of Finance is in conflict with new transportation legislation in that the Ministry promotes car manufacturing as a source of employment and economic growth. The national government must provide incentives for non-motorized transport to counter this.
- **Public Opinion:** Citizens value the status of car ownership, but price, time, and quality are best utilized in public transit.

In **Mexico**, four main challenges were identified:

- **Local Government Has No Capacity:** Although money is allocated to local government through PROTRAM, they do not know to manage these new resources to deliver effective projects. Cross-sector ministries (Social Development, Telecommunications, and Environment) must come together to provide guidance.
- **Lack of Focus on Responsibility:** No single entity is responsible at present. By giving local government political credit and political authority along with PROTRAM funding, it can be held responsible.
- **No Shared Risk:** There is no risk sharing between the national government and local government, which can be fixed through joint projects and the use of private financing.
- **Disempowered Citizens:** There is a need to educate citizens that they have a right to mobility and that they need to hold the city accountable through communication and technology.

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In the **United States**, two main challenges were identified:

- **Distribution of Project Selection:** There is a need to decentralize the decisionmaking power held by state Departments of Transportation and share it with metropolitan areas and cities. Generally, there needs to be a change in region-state relationships.
- **Stakeholders With No Voice:** Riders, particularly young people, should be given more power in decisionmaking and evaluating efficiency. This may be helped by investments in IT infrastructure to disseminate information and facilitate communication.

In **India**, two main challenges were identified:

- **Perception of Public Transport:** There is a need to view public transport as a public service similar to water or electricity. Consistency and efficiency should be expected.
- **Planning at the Local Level:** There is a lack of capacity at the local level. Requiring more detailed plans for funding and supporting demonstration cities are two ways of augmenting local capacity.

In **Colombia**, one main challenge was identified:

- **Lack of Local Capacity:** There are major delays in project execution because of poor technology, poor design oversight, poor implementation, and a lack of initiative among mayors.

Funding and Finance

Since 2010, the United States has seen no net growth in vehicle miles traveled despite increasing GDP. This drop in personal motorization, especially among the young, is not only true for the United States, but in several other developed countries as well. Correspondingly, there has been an increase in transit use since the 1990s, seen especially in the rail renaissance. Funding for national transportation through taxes, however, was based on a projected growth of motorization. There is thus an immediate need to reform the national policy to deal with this large funding gap.

Although there are several funding opportunities for growth enhancing projects with potential economic returns, there is a lack of local institutional capacity to take advantage of them and poor conceptualization of innovative projects. The financial viability of both the initial capital investment and ongoing costs may be helped by partnerships structured at the city level. These include co-funding, funding recurrent costs, property taxes, and sharing risks of revenue sources.

- In **Brazil**, there is a need to make the distribution of funds clearer and to charge personal automobiles for externalities. However, there is a problem with citizens and engineers entering the policy and funding debate. Funding has become a “black box.”
- In **Brazil**, public transit must move from using a single source of funding to a more diversified system that encourages durability. This may include lending from international banks, although there is an issue with direct international bank-city partnerships.
- In **Mexico**, there is a need to obtain and intelligently leverage private financing to build terminals with services (information, restrooms, etc.). Private practice can lead to introducing active management in public spaces to help underutilized and underperforming assets. The need for private practice and financing was echoed by **Brazilian** cities such as Sao Paolo.
- There is a need to understand that subway systems and expensive rail projects are not always the best answer, and that bus rapid transit (BRT) can be more cost effective.

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- There is a general need for experience sharing, educational exchange, and an evaluation of spending (cross-referencing corporate interests).

Project Selection and Development

The United States' transportation policy was designed to fund roadways but is currently incurring an unsustainable funding gap that no government body is politically willing to fix. Although public transit ridership exceeds expectations in every city, there is still no robust American transit infrastructure. TIGER grants provided a limited amount of money for competitive, multi-modal projects evaluated on national performance measures but have not been included in the newly passed transportation bill, MAP-21.

Rather than looking for best practices, it is perhaps better to focus on the transferability of projects that allow access to labor markets, innovation, people, and opportunity. There is a need for a social contract wherein durable, diverse, and predictable funding streams exist for innovative metropolitan transit authorities with institutional capacity. These authorities should fund projects through a cost-benefit appraisal-based process or a plan-based process with strong planning guidance. Ultimately, both processes should include a strong litmus test to uphold accountability.

- In **Colombia**, performance-based contracts and performance bonuses coupled with good, independent monitoring of equity and environmental quality standards would be helpful. However, equity and other soft indicators vary with time and location.
- In **Mexico**, rather than striving for a perfect contract, a flexible contract with long-term impacts and performance-based implementation could be best.
- An ideal federal review process might combine a cost-benefit analysis with political preference/administrative prerogative and competition based on performance.

Effective Institutional Structures for Reaching Policy Goals

JnNURM was launched to empower mayors and to establish an implementation and appraisal process that integrated transport governance and urban planning/land use. It provides a common framework and funding source among several ministries, state, and local governments to prioritize the movement of people rather than cars through public transit. It has promoted successful joint ownership between with central and state governments and of PPPs.

In an effort to safeguard public space, the United States enacted the National Environmental Policy Act (1969), which would be augmented by the amended 1990 Clean Air Act. These acts hold transport more accountable in achieving good air quality by providing incentives and a loss of flexibility if a party fails to conform. Fine particle pollution, and to a lesser extent greenhouse gas emissions, have been substantially reduced. However, the United States currently lacks a national transport vision, which may also be hindering its progress in reducing air pollution.

- In **Brazil**, ideally, there should be a metropolitan government with a diplomatic function that can negotiate an agreement among different government levels so that there is no fear of political retribution. This should be public and open to discussion and negotiation.

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- In **South Africa**, spheres of government rather than tiers work well so that there is a direct, transparent city-central government relationship. In this way, the city itself drives the agenda while the central government facilitates projects.
- In **London**, there is a need to rise above the fragmented authority in a cross-sectoral and coordinated manner in the metropolitan area.
- In **India**, there is a power struggle between central governments and city governments. Uniformity in planning and a mandated policy with legal backing may help this relationship.
- In **Mexico**, there is a three-year term on mayors and anxieties over re-election, which hinder the local capacity to plan and execute projects.
- It is important to link money to responsibility and allow for the best designs to be translated into works.

Project Implementation and Evaluation

Transportation projects should be seen as a network that can help overcome financial constraints and a lack of political will. Funding is more successful when project selection is based on competitive outcome and goals rather than a formula.

A bus rapid transit (BRT) standard needs to exist in order to differentiate among BRT systems. Primary measures include: median aligned standard, prohibiting turns across bus ways, off board fare collection, platform level boarding, multiple doors, frequency, branding, and information.

- In **Brazil**, there is a low capacity to evaluate, local authorities are unprepared, there is no methodology, and there is a lack of very basic statistics on transportation and parameters.
- There is a need for better data collection to support enlightened funding decisions to achieve both national and sustainable goals with low financial risk.
- There is a need to document best practices and good projects in BRT used internationally.

Facilitating Local Progress and Building Capacity

Local government cannot deliver on implementation due to a lack of planning capacity in Mexico. In order to guide local authority, the national government must adopt a long-term vision and decide upon an evaluation process, which the state can then execute. Students and universities can add capacity by evaluating and developing urban transportation projects. An example of a public-private partnership is the new mixed-use terminal in Mexico City, which was financed through real estate and financial capture.

The federal government in Brazil, through their new national urban mobility law, established guidelines that integrate air quality, climate emissions, and urban policy. The law also includes management tools to transfer these goals into action.

- In **India**, there is difficulty in facilitating local progress with major variations among cities and no formal mandate to integrate land use and transportation.
- PPPs must be well defined with a well-defined allocation of risk (public versus private) in a flexible contract that meets the needs of both the private sector and public accountability. This is the best way to introduce innovative solutions. These partnerships may also include NGOs.

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- In **Mexico**, there is a need to redesign the complex and very long process of funding in PROTRAM so that project analysis is more effective and easier for cities to manage.

Opportunities for Reform Roundtable

- In **Brazil**, there is an opportunity to use the new mobility law to implement a sound accountability process backed by evaluation resources, a comprehensive data bank, and a public discourse wherein the people are educated about the cost-benefit analysis. There is also an opportunity for more coordination in regional planning and funding, which can foster public transparency. Finally, there is an opportunity to inset environmental management in all urban transport policy to increase the modal share of non-motorized and public transport.
- In **London**, there is an opportunity to set outcomes without over specializing, to share data, to integrate land use and transportation planning, and for mayors to set cross-sector strategies.
- In **Mexico**, there is an opportunity for a sustainable national vision with local implementation and PPP encouragement, but also an apolitical institute and process to ensure longevity.
- In **India**, there is an opportunity to create centers of knowledge based on authentic and uniform data that can provide training, education, exchanges, study tours, and a network of global best practices. There is also an opportunity for more competitive evaluation and bridging the financing gap.
- In **South Africa**, there is an opportunity to implement BRT and to recapitalize the rail system to speed up local capacity building.
- In **Colombia**, there is an opportunity to develop a new law that encompasses global goals, technical assistance, local guidance, and performance-based outcomes. There is also an opportunity to increase enforcement and oversight.
- At the **World Bank**, there is an opportunity to increase the share of funding that is given to sustainable urban transportation projects.
- There is an opportunity to use twin cities for best practice sharing, such as Zurich and Kunming.
- Demonstration projects and competitive funding are both opportunities for clean, clear, transparent, cost-effective, and innovative project implementation.
- There is an opportunity for a social compact which encompasses a set of principles that a government can fill through opportunity, building data capacity, regionalizing planning and funding, and public accountability.

Next Steps: The Future of Sustainable Urban Transport Policy

All countries represented at the symposium must deal with transportation policy in the midst of external factors. Cities around the world are dealing with high urbanization, or reurbanization rates that are placing increased demands on public transit and “active transport.” Climate change is also altering the dynamic for public transit not only in terms of air quality and GHG emissions, but also adaptation plans for coastal cities. The international economic crisis and national economic recessions are forcing governments to fund less, but fund more intelligently and with more accountability of safety, equity, air quality, and cost-effectiveness. Motorization is also an external trend that will continue to influence urban transport policy, particularly in developing countries where there has been a quicker shift to two-wheel motorization.

Main points for the future of sustainable transport include:

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- There is a need for baseline data, monitoring performance, and high quality reporting in order to evaluate the effectiveness of projects and increase accountability.
- There is a need to build capacity through institutional structures that include multi-sector and multi-level leadership coalitions to ensure policy alignment across sectors and governments.
- Funding and authority should be reallocated to the level of government, which is incurring the burden of transportation problems.
- There is a need for smarter incentives and pricing systems that align with accessibility, equity of access, and minimizing adverse environmental consequences.
- National governments need to set performance/outcome-based goals to ensure that there is a return on their investments. Local governments should choose the most effective solution/means to achieve those goals (enhancing local ownership and context-appropriate planning).