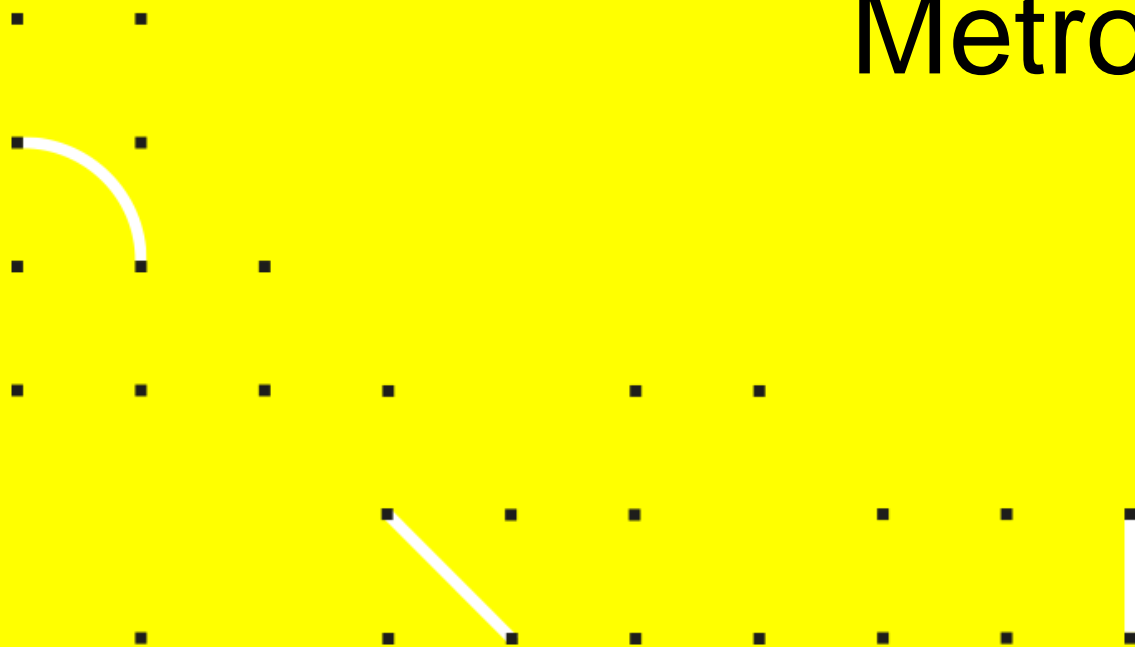


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Metropolitan Area of Lisbon

Financial Case Study

SUMPs-Up mobility practitioners webinar 7:

Financing and funding options for Sustainable Urban Mobility

10th december 2019

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1. AML

2. Knowledge to decide

3. Priorities

4. Implementing a new fare system

Organizational and Financial support

5. Results

6. Final Remarks

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1. Metropolitan Area of Lisbon (AML)

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AML territory

AML municipal association

AML transport authority

- 18 municipalities
- 3.015 km²
- 17 cities
- 2 821 349 inhabitants
- 27% PT population
- 36,1% PT GDP



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AML Governance Model

Transport Authority since 2015 (Law 52/2015) :

- 1) extinguishes AMTL (state organism that integrated a representant from municipalities)
- 2) approves new framework on Public transport that succeeds the RTA (automobile transport ruling law) from 1948 under the scope of UE Regulation (CE) 1370/2007

Municipalities and Intermunicipal communities became **transport authorities**

Tenders for bus public transport to be launched until December 2019, opening the market (UE Directive 1370)

Municipalities and AML are able to guarantee a better and integrated public transport

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2. Knowledge to decide

TCB



Vimeca



Carris



Transtejo
Soflusa



ID



MTS



Metro Lisboa



CP



BT



Vimeca

Fertagus



HLM/ JISA



TST



RL

AML PUBLIC TRANSPORT NETWORK

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18 Public transport operators:

Train (2, 1 public 1 private)

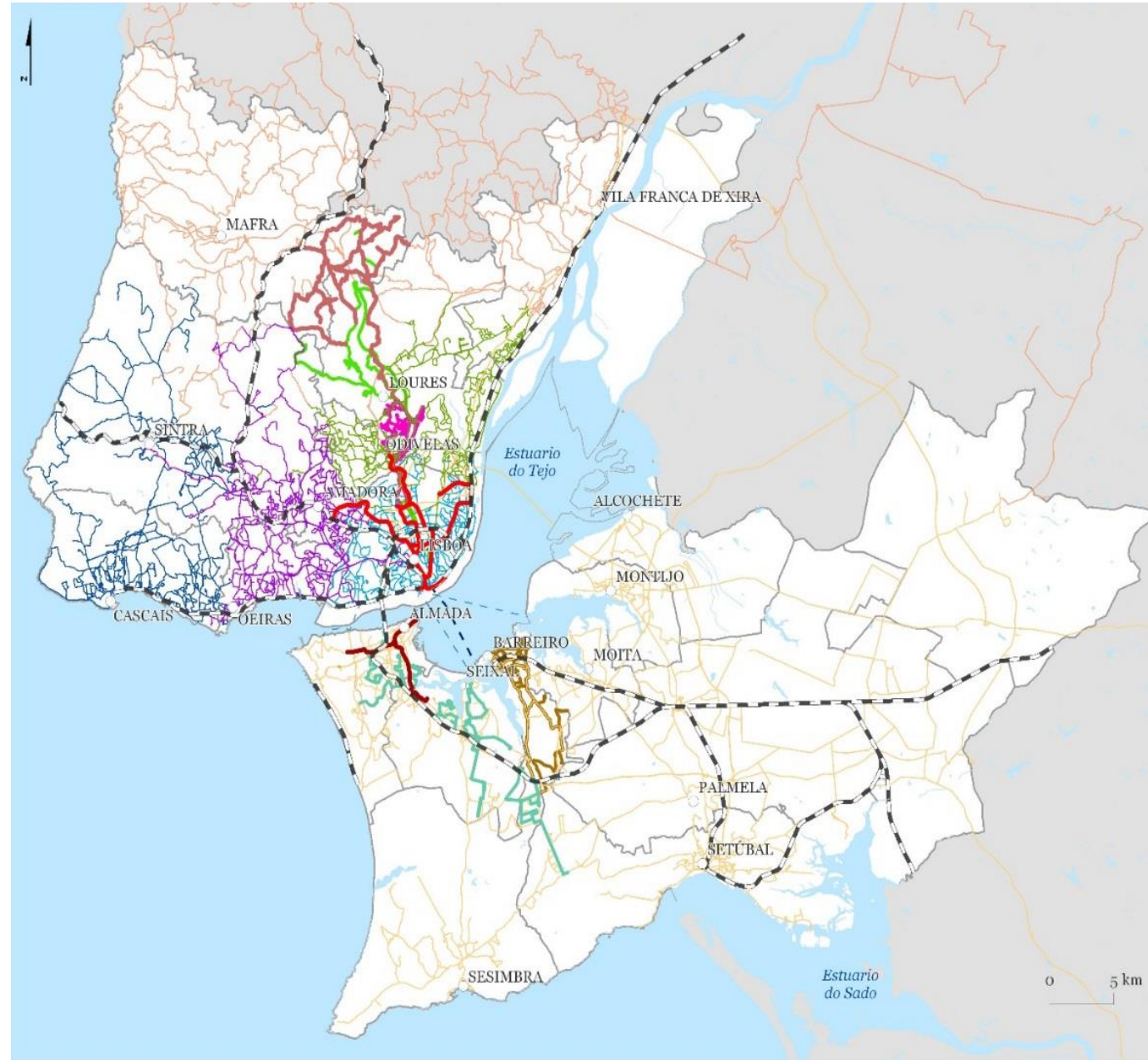
Metro (2, 1 public 1 private)

Ferries (2 public)

Bus (3 public 9 private)

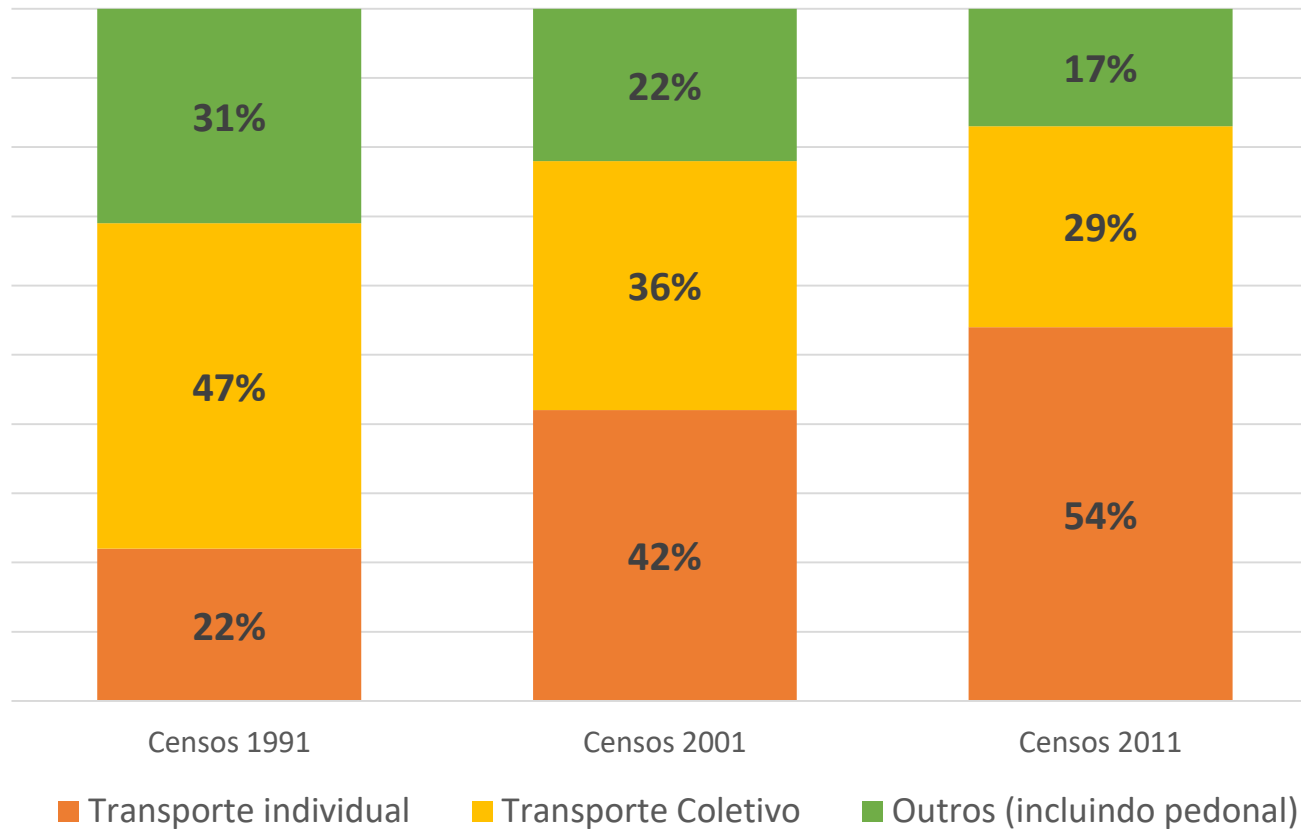
OPERADORES DE TRANSPORTE

 Sedes Município	Operadores Rodoviários	 TCB
 Limite Concelhos	 Barraqueiro	 TST
Operadores Ferroviários	 Carris	 Vimeca
 Rede Ferroviária	 HLM	 SulFertagus
 ML	 Isidoro Duarte	Operadores Fluviais
 MTS	 JJ Sto. António	 Transtejo
	 RL	 Soflusa
	 Scotturb	



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Modal Split in AML (Census)



In the last 20 years:

- Increase in the use of car (+32%)
- Decrease in the use of public transport (-18%)

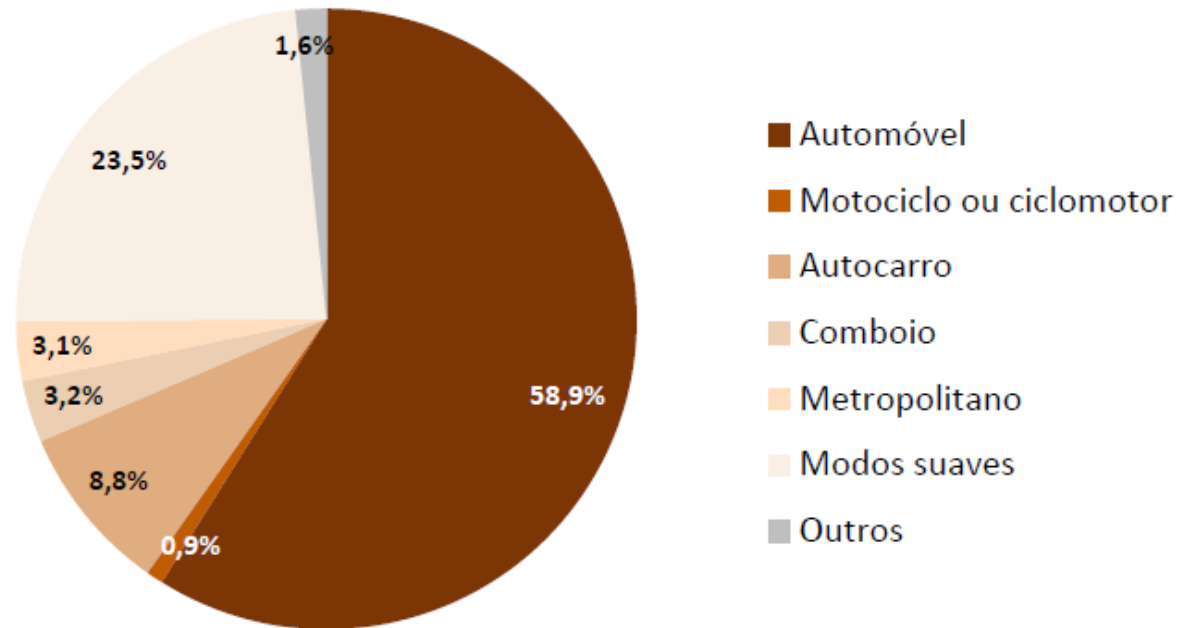
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Mobility Survey AML(INE 2017)

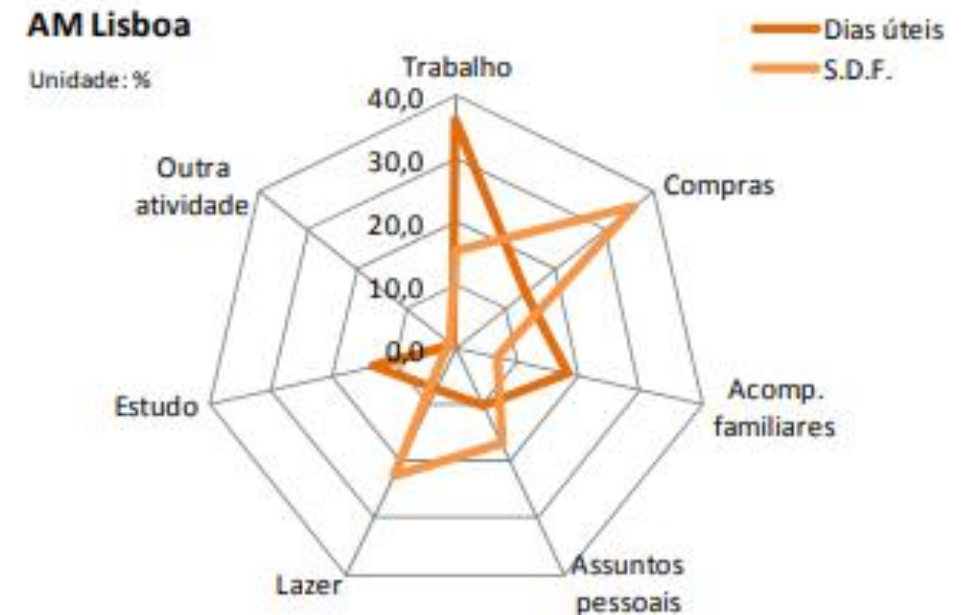
MODAL SPLIT

Medium journey duration 24,3 minutes

Medium journey distance 11 km



Strong increase in car and decrease in PT
(+15% car since 1998)



Most journeys by work motives, but other motives increasing

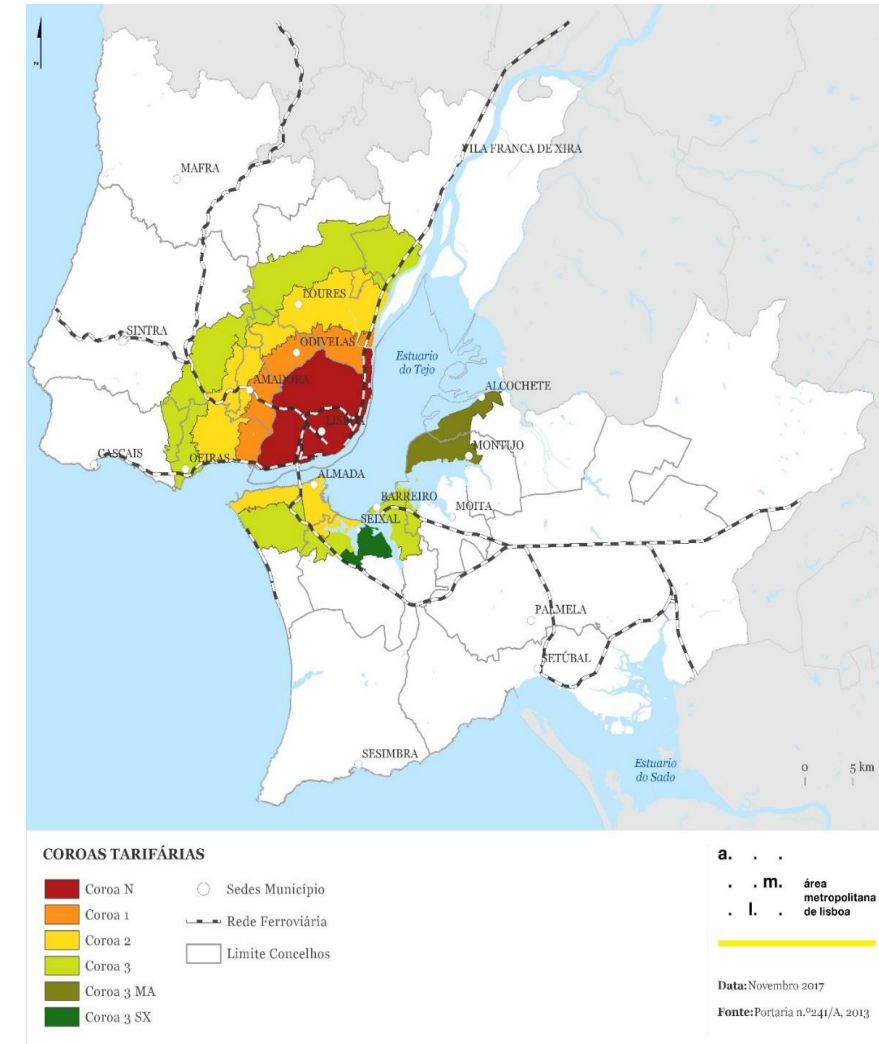
AML Existing Fare System

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- 7 000 different PT titles
- Medium price 41€; 47€ normal 87% PT pass > 40€
- **80% of the territory and 30% population outside the intermodal system**

During crisis period -> ***PT fares should cover operating costs***

- PT Price increase **+37%**
- Strong PT supply and investment reduction
- **Loss of 25% PT passengers** (-100 Million passengers only in public operators)



Complex System, inequally covering territories, operators and services.

Difficult to understand. Overpriced.

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System Revenues and Needs

RECEITAS DO SISTEMA (M€) - TOTAL DE 469 M€

■ Vendas de títulos ■ Compensações Estado
■ Transporte Escolar (Municípios) ■ Compensação da Concessão MTS



In AML 92% of PT system revenues
from ticket sales

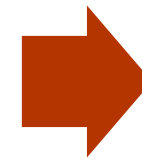
*EU medium cost to sales coverage of
50% (UITP 2017)*

Source AML 2016

PT system complex
and underfunded



Low use of PT



Urgent Action
must be take to
promote PT

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3. Definition of Priorities

AML: Priorities on mobility and transport

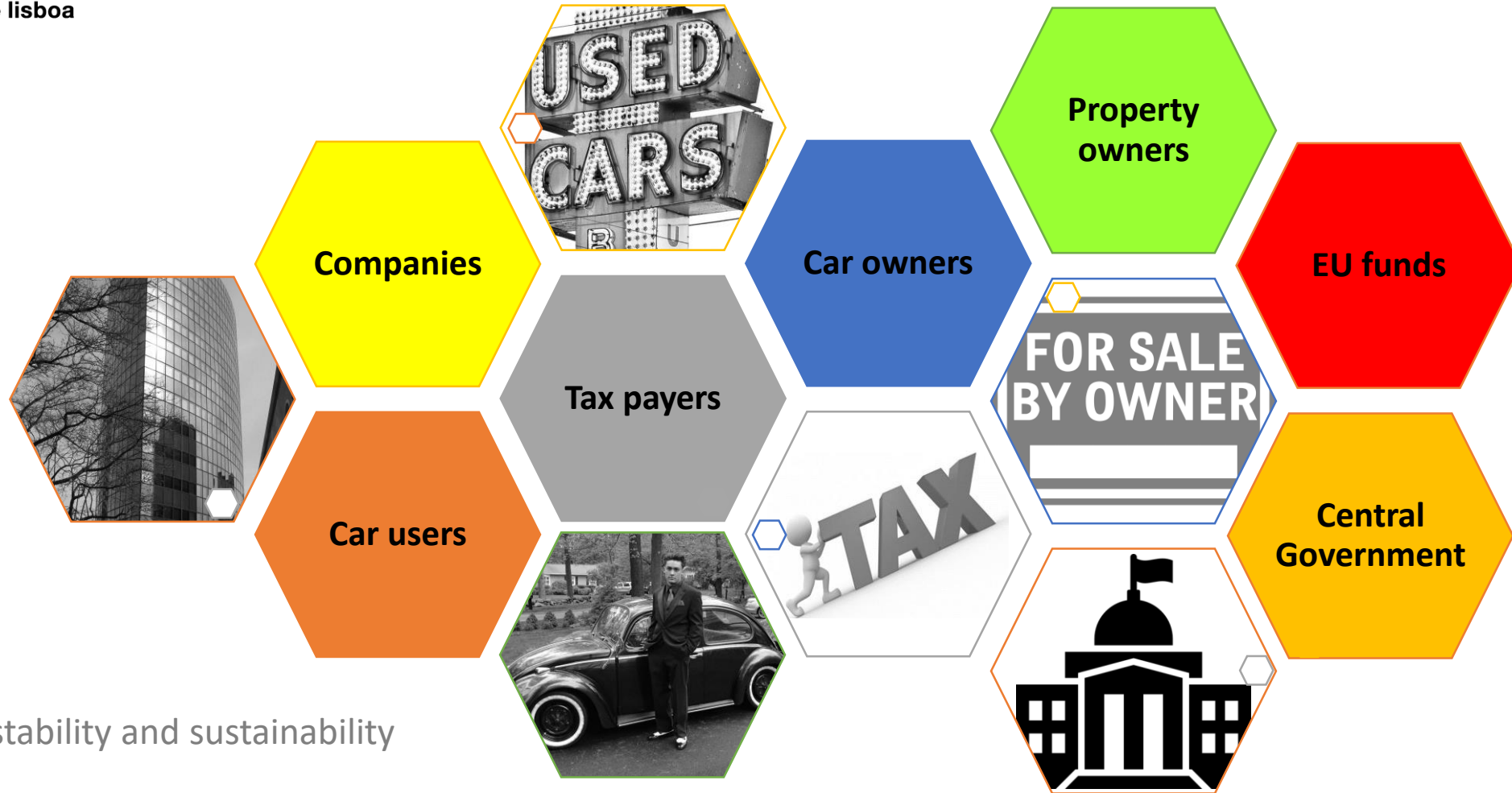
1. Implementing a new fare PT system: fare simplification, with lower price and creation of a single intermodal metropolitan pass (tariff simplification)
2. Preparation of AML's tender of future public transport network, taking into account the **improved provision of public transport service** and a greater compliance with mobility standards
3. Identification of high capacity infrastructures and services investment proposals in AML, with priority to PT and reinforcement and qualification of services
4. Promoting ITS systems with technology solutions that meet current needs, integrated transport system information and the consolidation of a metropolitan ticketing system

An **integrated vision for the metropolitan transport system** with the assumption by AML of the functions of **regulation, management and planning of all modes of transport.**

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How to guarantee financial support on mobility and transport?



Temporal stability and sustainability

Universality

Proportionality

Simplicity

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Companies

How to guarantee financial support on mobility and transport?

Property tax increase

Month value contribution per employee creation (fixed value)

Contribution via salary creation (variable value)

Reduced acceptance of car costs on corporate income tax

Car owners

Circulation tax increase

Increase corporate income tax related to cars

Additional vehicle transaction tax

Car users

How to guarantee financial support on mobility and transport?

Congestion fee creation

Parking fares increase

Contribution on fuel value creation

Parking and road tickets / fines allocation

**Central
government**

Transport fund increase

Allocation of a percentage of economic growth to the transport system, in terms of GDP

Higher allocation of income taxes to transport authorities (tax assignment)

Environmental Fund allocation to transport authorities

AML Financial Support for mobility and transport

31,2 Million Euros (2018) financial support from **municipalities** (Deliberation 29/CML/2018)

Distribution based on :

- Total revenue between 2015 and 2017
- Population (Census 2011)
- Area
- Municipalities with internal operators 5 M€
- No municipality pays > 4% medium revenue or 20€ per inhabitant
- 80% in 2019, 100% 2020

11,9 Million Euros (July 2019) from **municipalities** additional support for PT offer increase (+ 40%)

Distribution based on :

- Production weight in vehicles.km (cen. 4) in delegating municipalities (10 ME)
- Proportion of 5 M€ in non-delegating municipalities

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4. New fare system in AML: organizational and financial support

Governmental Public Support Programme for PT Tariff Reduction (PART- “Despacho” 1234-A/2019)

Objectives: fight traffic congestion, GHG emissions, air pollution, noise, energy consumption and social exclusion

National Programme - For all the territory

104 Million Euros of Central State Financial Support (Environmental Fund) to Intermunicipal entities:

Distribution between intermunicipal entities based on:

- Population that uses public transports (A)
- Average duration of commuting by public transport (B)
- Transport System Complexity Factor (C)

Municipal compulsory reimbursement: 2019 2,5% 2020 10% 2021 20%

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New Fare System

New Fare System in AML, from april 2019:

- 1 single title for all AML: all operators, all modes, all services - **Navegante**
 - 1 metropolitan pass for AML 40€
 - 18 municipal pass 30 €
 - Children >= 12 do not pay
 - Adults +65 years 20€ AML
 - Family title (*since August*) – for all members of families with residence at AML. Price= x 2 normal pass: 80€ / 60€

(eventual state discounts do be aplyed eg. Students, income)



A partir de abril,
o seu passe custa menos

NAVEGANTE municipal → 30€

NAVEGANTE +65 → 20€

NAVEGANTE metropolitano → 40€

NAVEGANTE municipal família → 60€
(A partir de julho de 2019)

NAVEGANTE 12 anos → grátis

NAVEGANTE metropolitano família → 80€
(A partir de julho de 2019)

1 PASSE → TODAS AS EMPRESAS DE TRANSPORTE → 18 MUNICÍPIOS
ALCOCHETE, ALMADA, AMADORA, BARREIRO, CASCAIS, LISBOA, LOURES, MAFRA, MOTA, MONTUJO,
ODIVELAS, OEIRAS, PALMELA, SEIXAL, SESIMBRA, SETÚBAL, SINTRA E VILA FRANCA DE XIRA
Carregamento disponível nos locais habituais e MULTIBANCO

Se ainda não utiliza, adquira já um cartão para ter acesso ao passe
Custa mais acreditar do que comprar.
Passe a palavra.

Para mais informações:
www.aml.pt/passe-palavra
ou Portal Viva, sites dos municípios
e sites das empresas de transporte

Liboa viva

AML new fare system organizational model

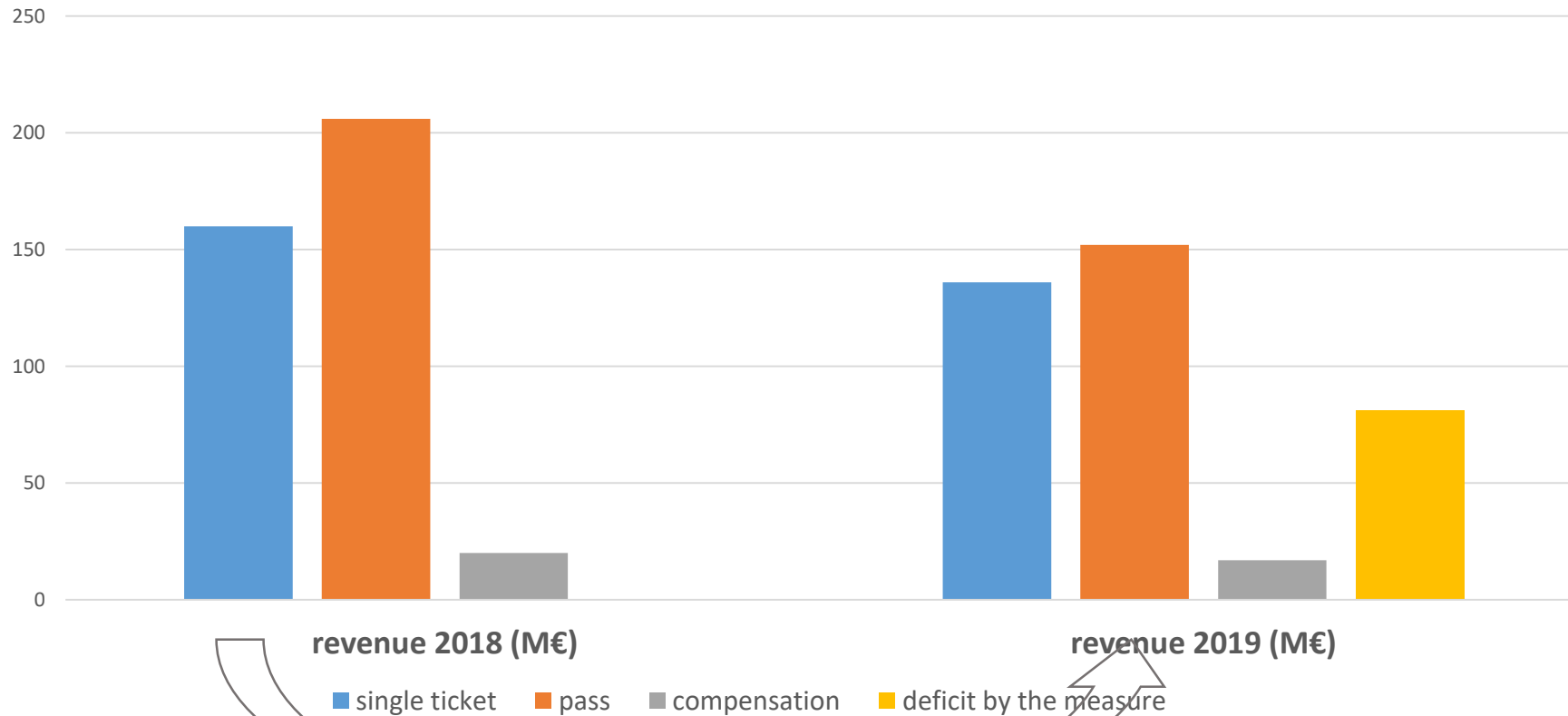
- **Regulation** from AML with Rules for the Implementation of the New Fare System
- **Contracts** for delegation of tariff powers from municipalities and State to AML (Public Enterprises as Metro, Train, Ferries)

Payments to PT operators :

- Payment based on **2018 Revenues for each operator + tariff rate 2019(TAT) (1,14%)**
- All revenues considered (ticket selling and compensations) + prevision of single ticket loss
- Additional gain for demand increase
 - ✓ **Monthly payments**, with a first prepayment.
 - ✓ **Corrections** considering real sales

AML new fare system organizational model

Previewed Impact of new fare system in AML



15% of single ticket revenue was lost, but, from this amount, 85% of it appeared as pass ; 15% deficit

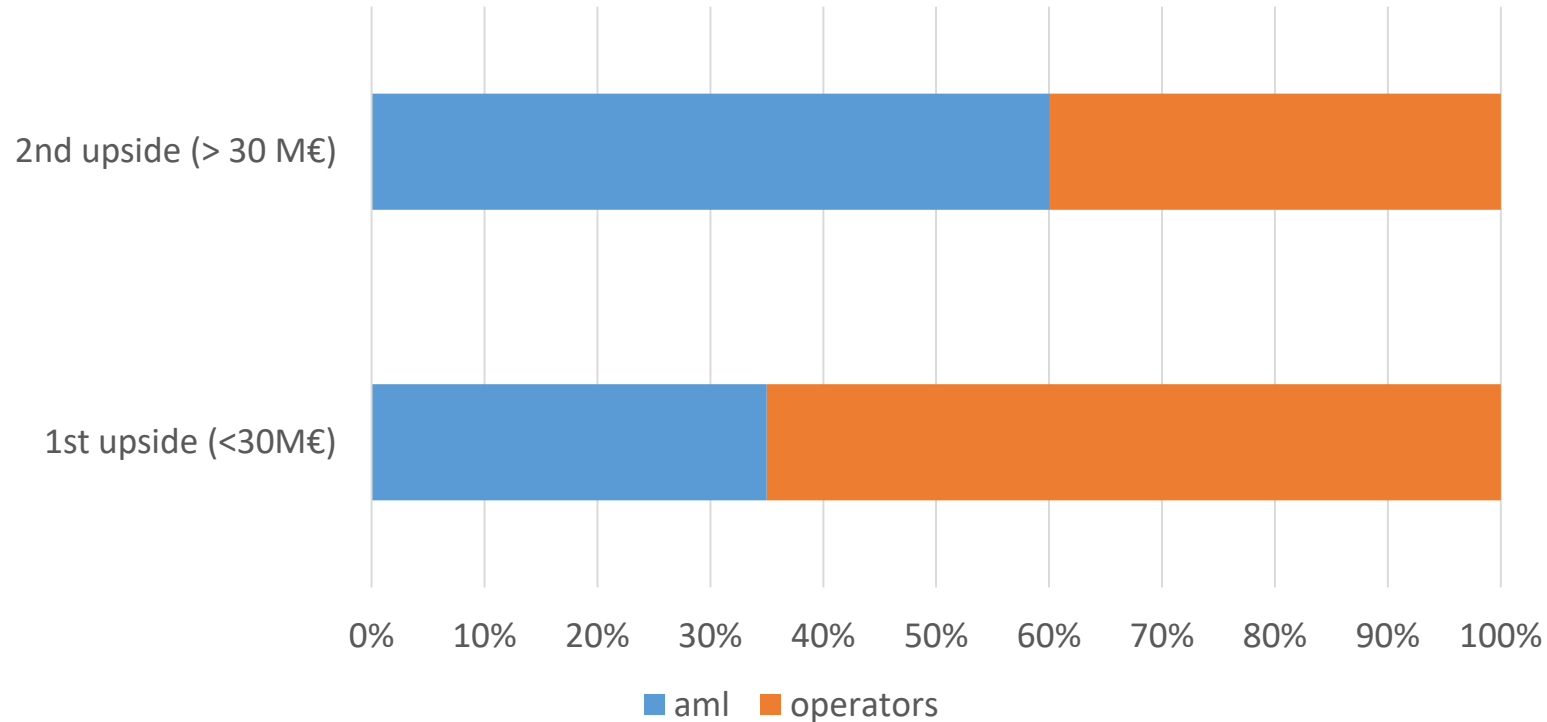
AML new fare system organizational model



Total amount for the implementation: 82 Million Euros

AML new fare system organizational model

UPSIDE Distribution between AML and operators



2nd upside:

- distribution by passengers increase

1st upside (when the 2018 revenue is reached):

- to reach 2018 revenue + TAT
- to pay additional investment by municipalities

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5. Results

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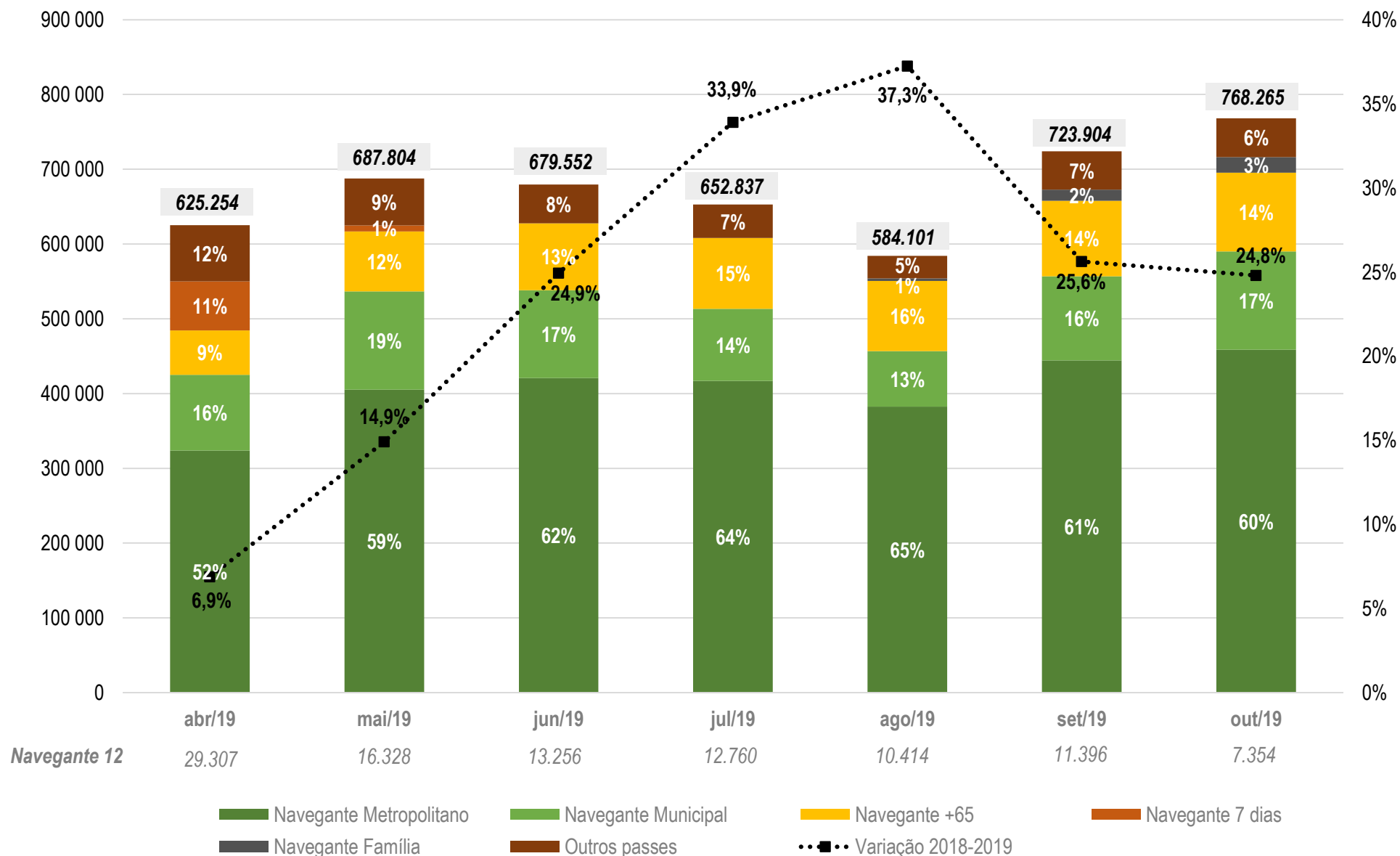
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Evolution of PT Ticket Navegante Sales 2018/2019

Family Pass
5775 families
22000
persons/ cards
(3,7 médium)

New pass cards:

+118%

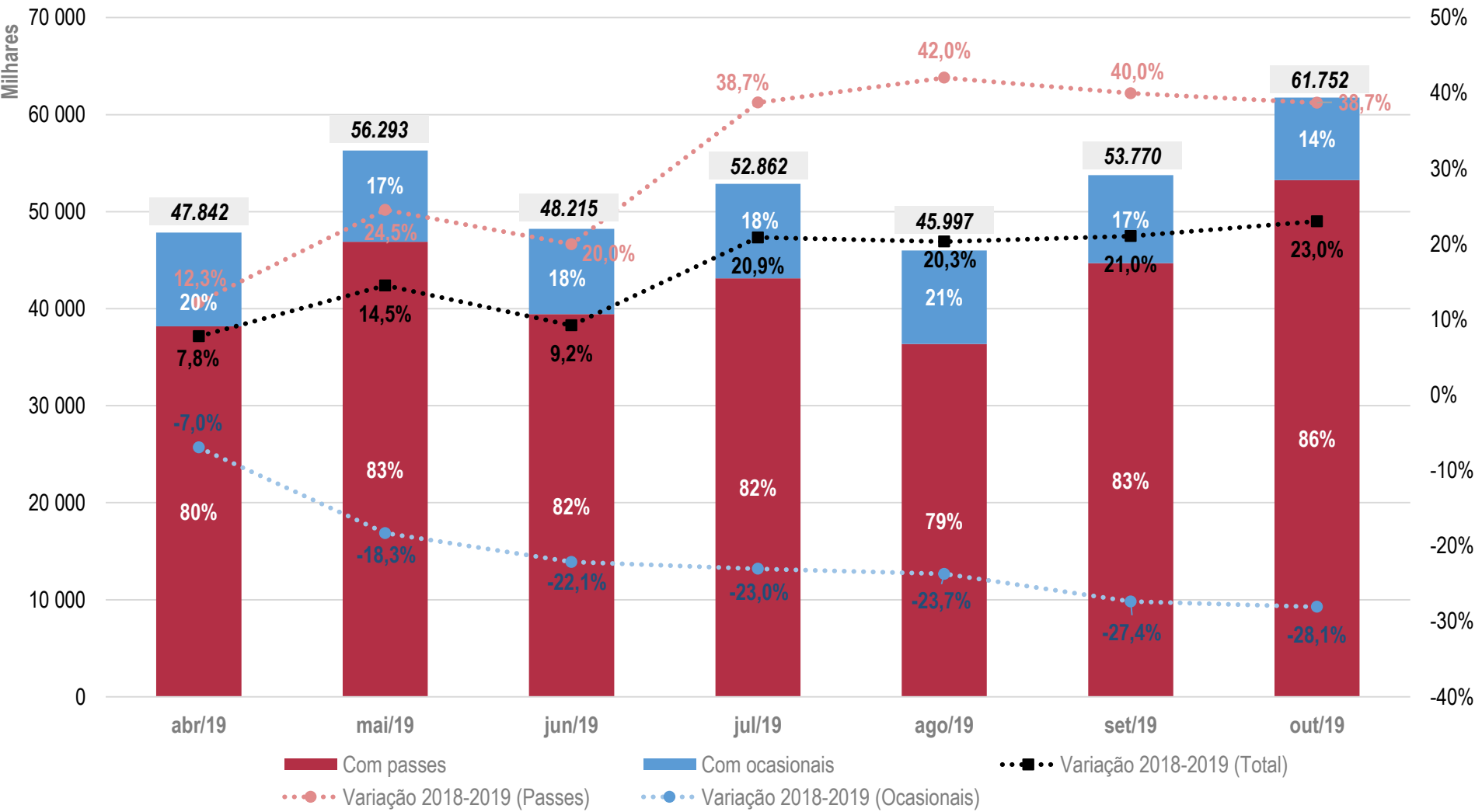


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Evolution of PT Passenger in AML 2018/2019

2nd trim
2019 + 11%

3rd trim
2019 + 21%



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6. Final Remarks

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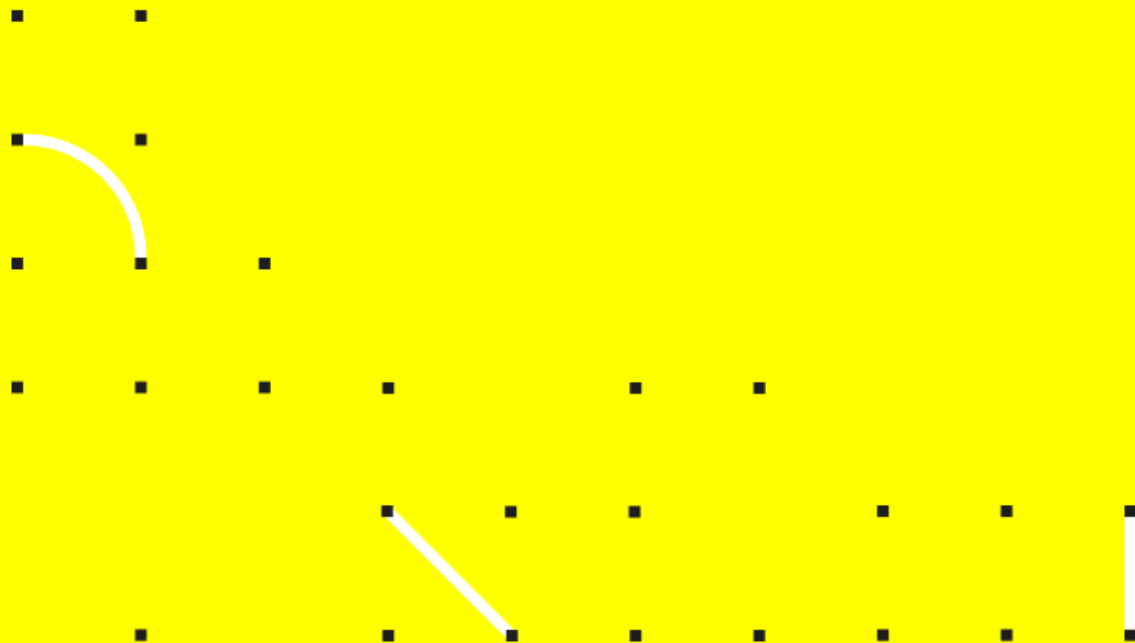
Final Remarks

- **Knowledge of the system as a fundamental basis for proposals:** there was low level of knowledge and no tradition of sharing transport data in AML
- Radical challenges (as this) make calculation and forecasting much difficult
- The implementation of this system has shown that **people are available to change their mobility behaviour**
- Solutions must be found despite existing organizational constraints

- 1) **New fare system 2019** -> Answer to the demand + Compensate transport operators who had costs with increased supply to meet demand?
- 2) **Procedure for the PT bus network system with + 40% offer (2019/ 2020)**
- 3) **ITS integrated** ticketing, contract management and information system (2020)

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Thank you
Obrigada!

Metropolitan Area of Lisbon
Transport System Planning and Managemet Departament
Planning and Coordination Division

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10th december 2019