

# Financing Public Transport

Oslo's long term funding commitment

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# Ruter: PT Authority for the Norwegian Capital Region



## Norway

Population 5,1 mill

Gross domestic product  
per capita EU 190 %

Unemployment rate 3 %

## Oslo + Akershus

Population 1,2 mill

2 counties

22 + 1 municipalities

**Ruter#**

# Partners in PT Oslo and Akershus, the overall picture



# 326

## million passengers

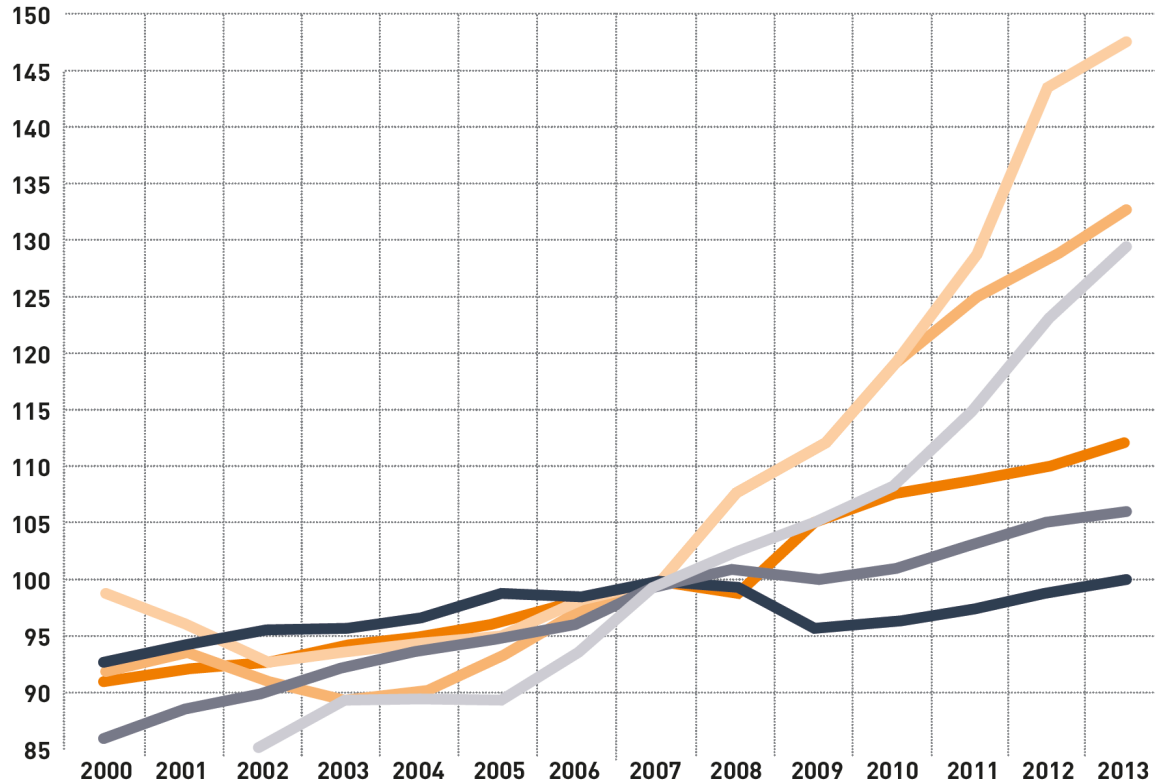
boarding on metro, bus, tram, train and ferry 2014



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# Modal change!



+ 48 % PT in the Akershus

+ 32 % PT trips in Oslo

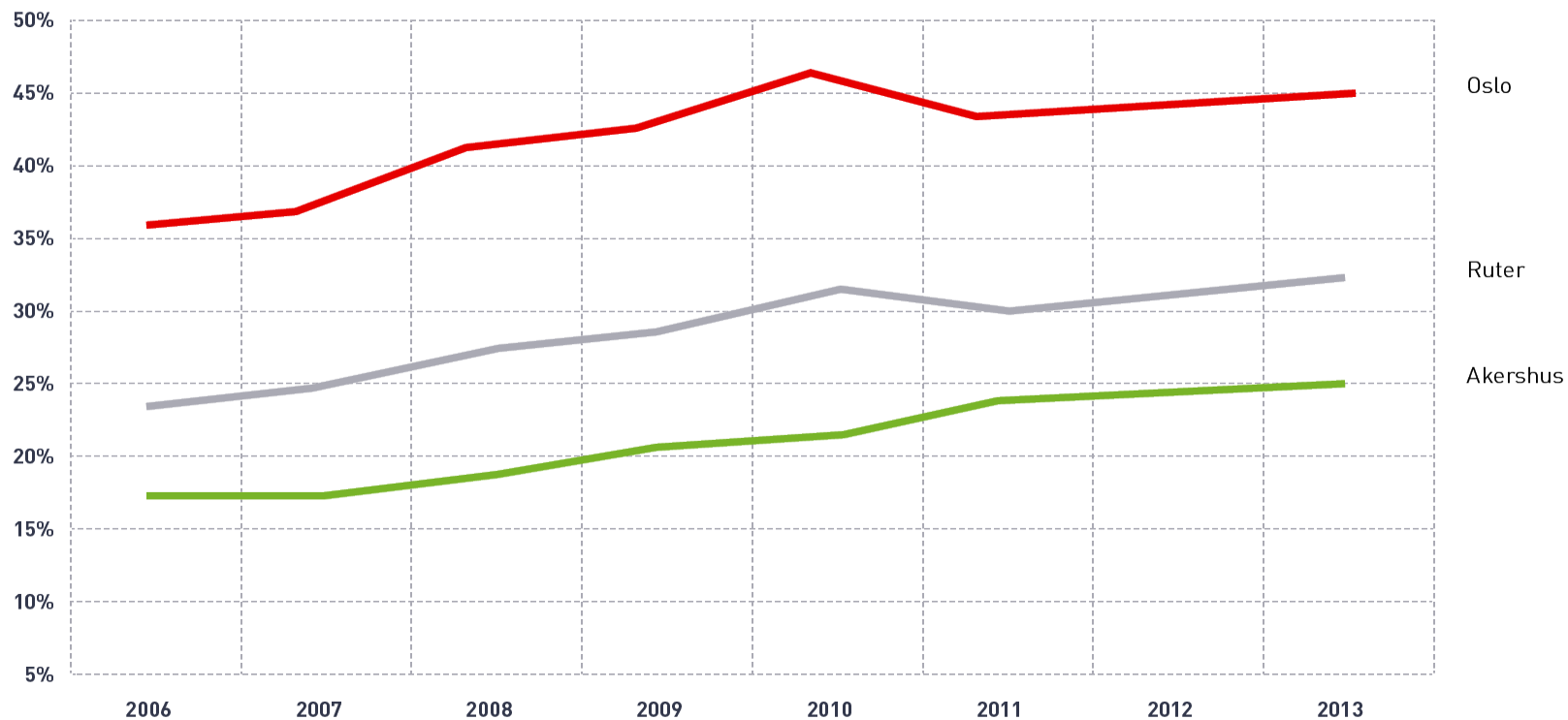
+ 30 % vehicle km produced

+ 12 % population growth

+ 6 % private car use in Akershus

- 0 % private car use in Oslo

# PT market share



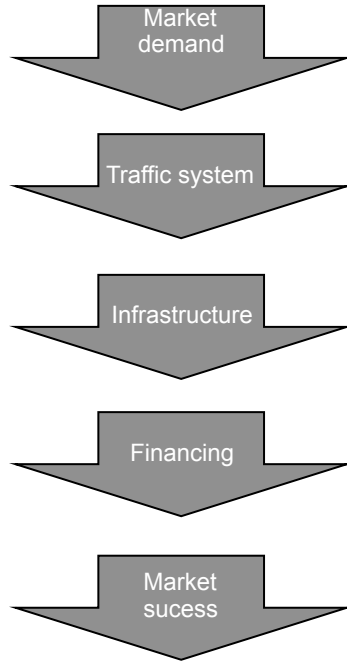
Kilde: Ruters MIS.

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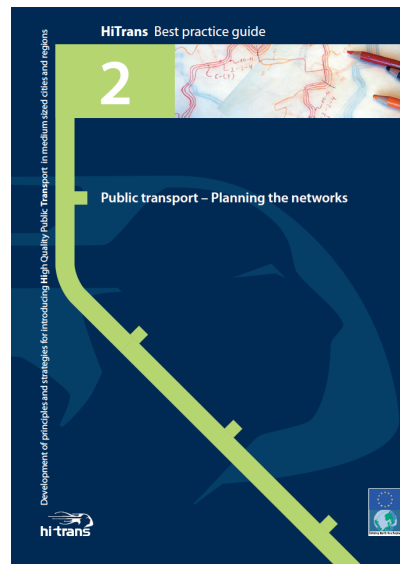
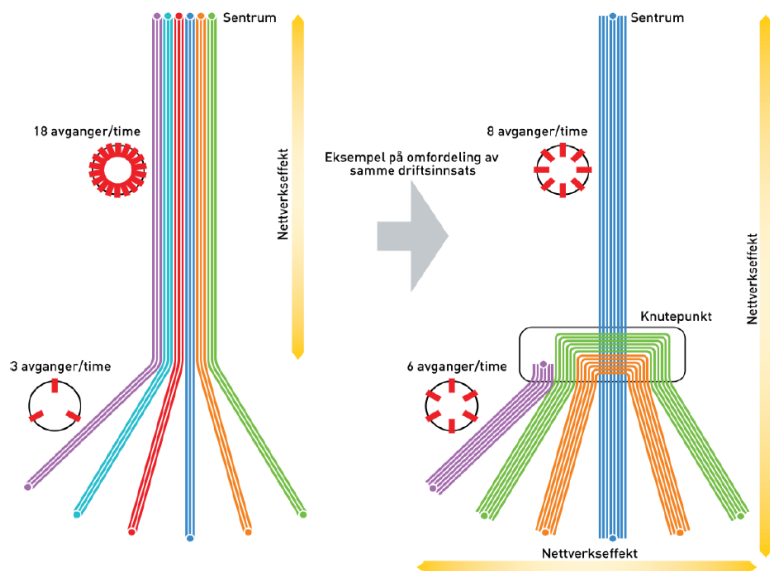
**Success criteria**

# A market driven planning method



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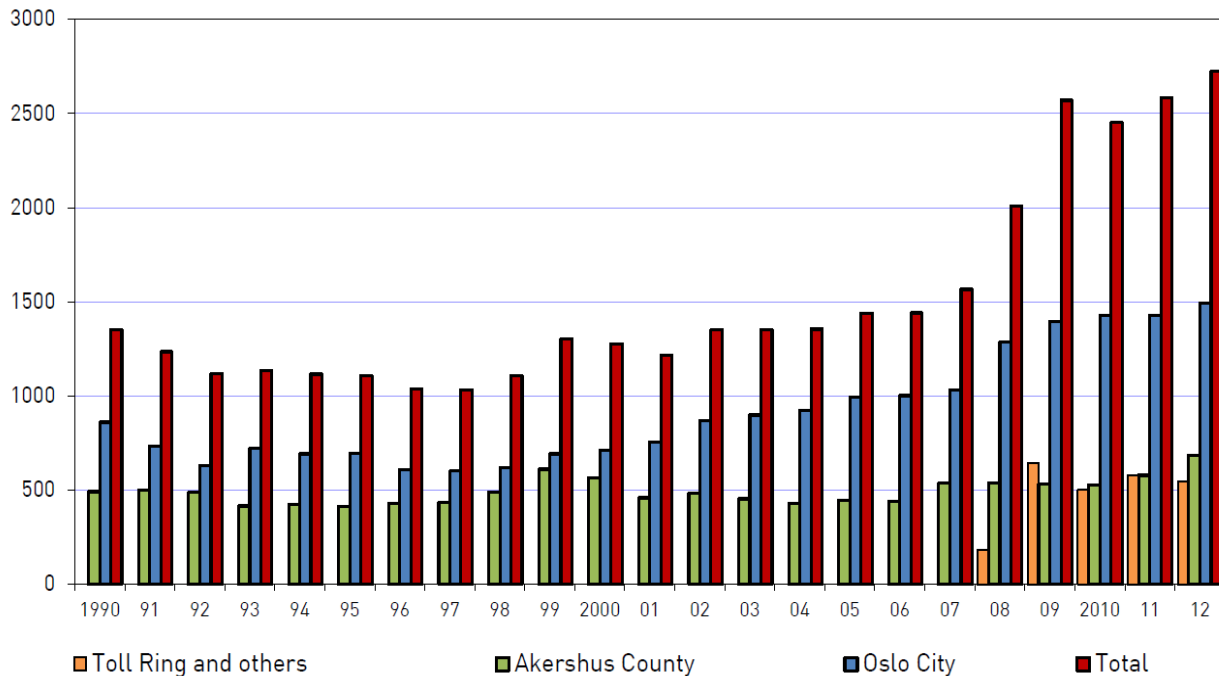
# Optimizing resources, inspired by HiTrans



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# Most importantly - long term funding commitment

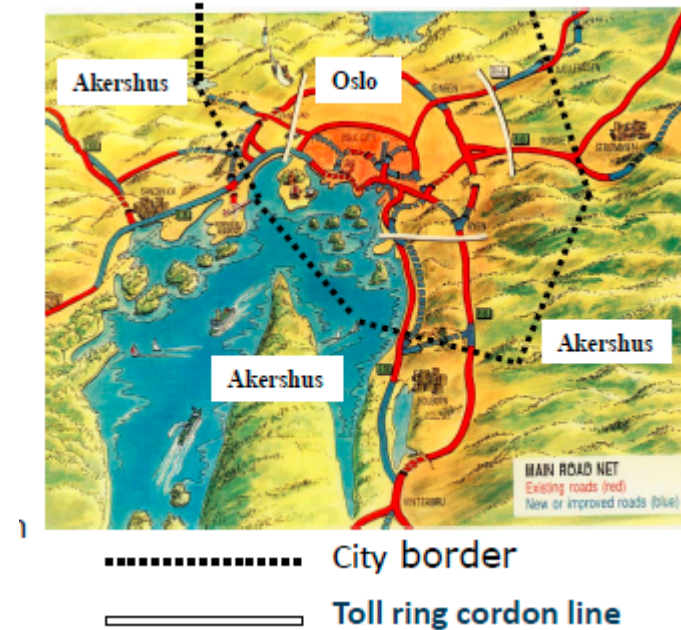
MNOK 2012



- Increased public financing, incl. share of Toll Ring revenues
- Common regional organization
- Customer-driven development
- Production moved in direction of heavier markets
- Increased frequency
- New rolling stock (metro)
- Real time information
- Reduced fares Oslo 2008 and Akershus 2011/2012
- Increased Toll Ring fares 2008 (and 2013)

# Road tolling in Oslo

- **1990: Oslo Package 1**, 20% revenue allocated to PT infrastructure
- **2001: Oslo Package 2**: NOK 2,0 on tolls earmarked for PT infrastructure and NOK 0,75 on PT tickets earmarked for PT rolling stock
- **2008: Oslo Package 3**: An additional cordon line on the western border, a new toll charge structure and 60% of revenues earmarked to PT infrastructure, rolling stock and operations (2008-2030)



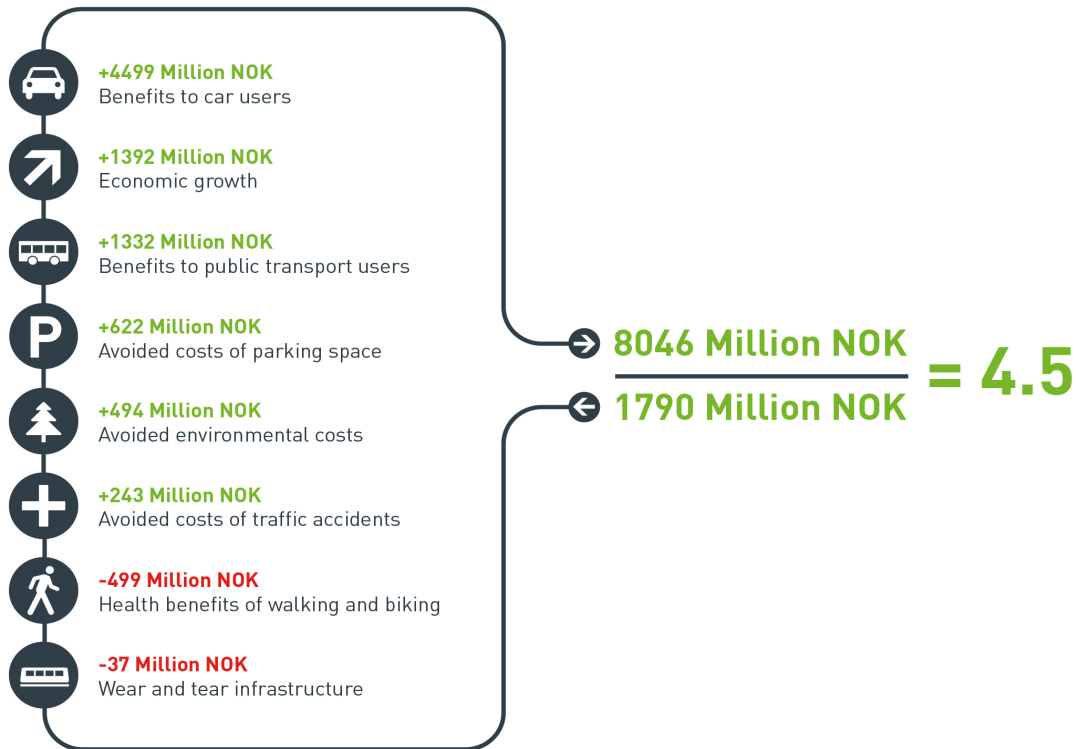
## Owner commitment

- Ruters owners Oslo and Akershus have signed a written agreement with Ruter where:
  - «Both parties commit to ensure that Ruters subsidies are kept at the real value of the 2007-level, in order to give the company economic stability»
- This is supported by guidelines given by the government regarding use of toll revenue for PT:
  - «The use of toll revenue should be a supplement to the ordinary subsidies from regional authorities, ensuring that PT budgets should be kept on at least the level of today»

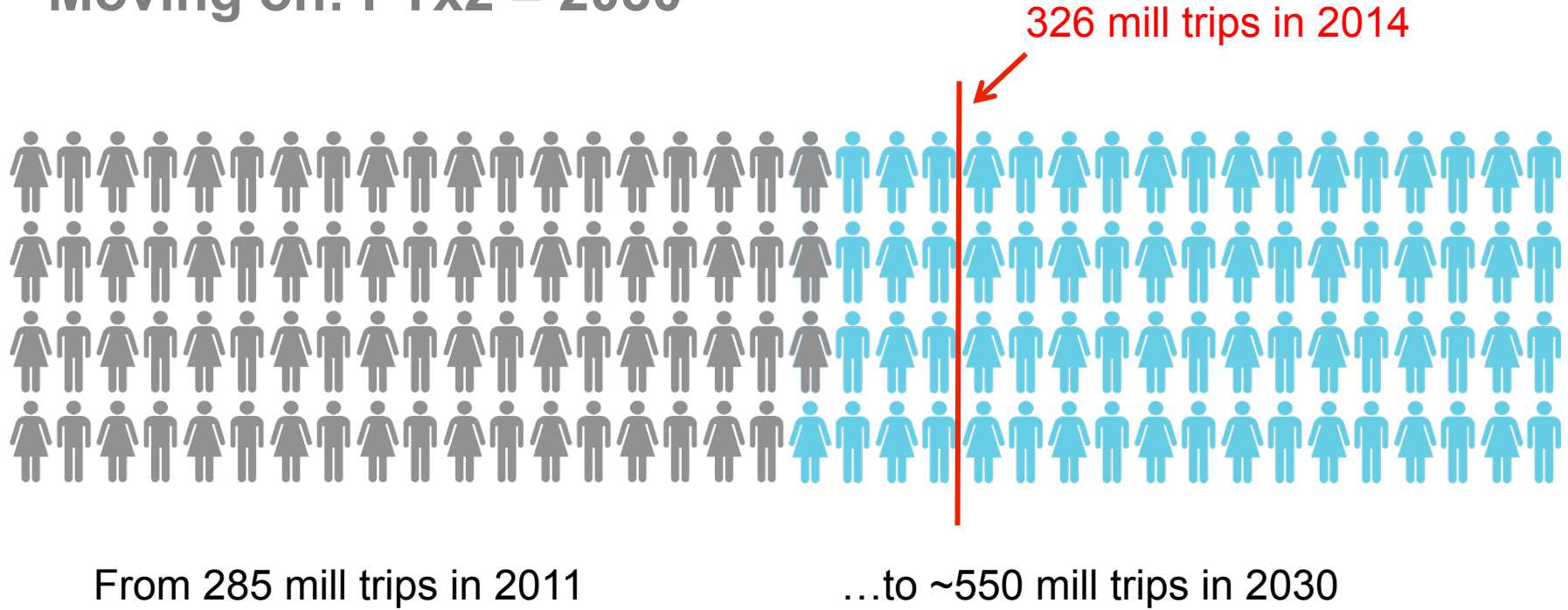




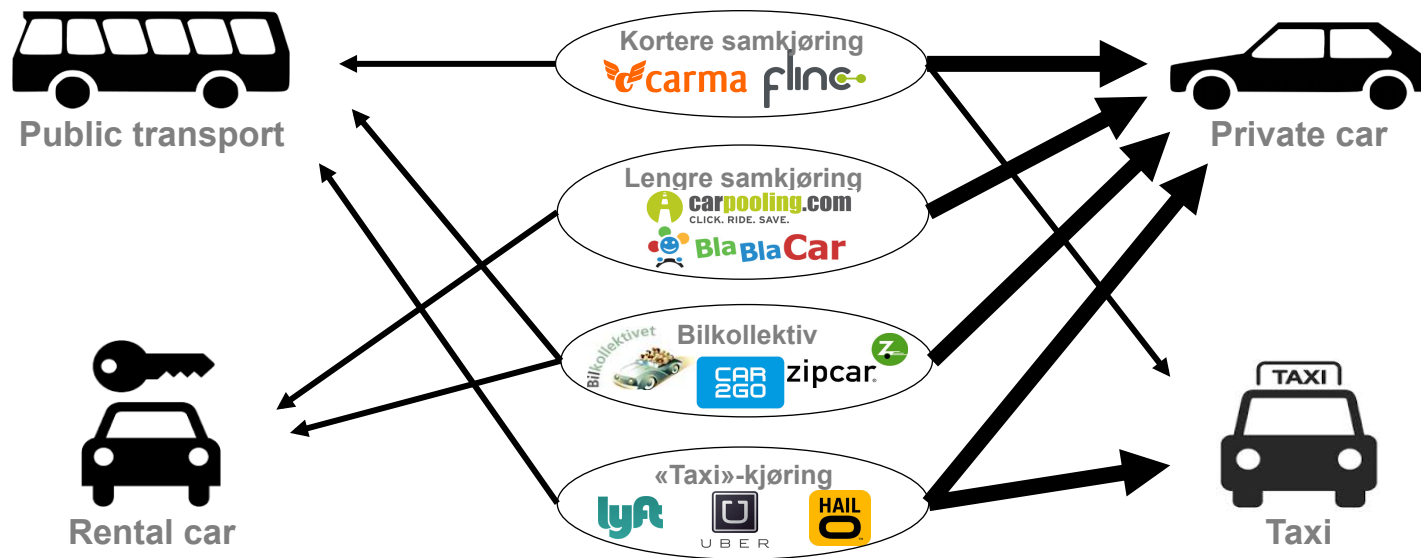
# We also know the value of this policy



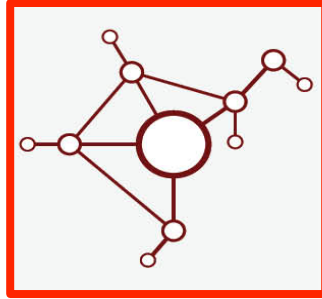
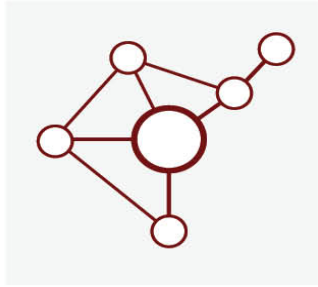
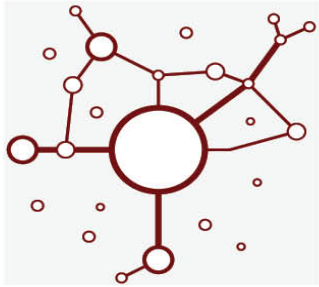
Moving on: PTx2 = 2030



## Changing markets – new competition, new possibilities

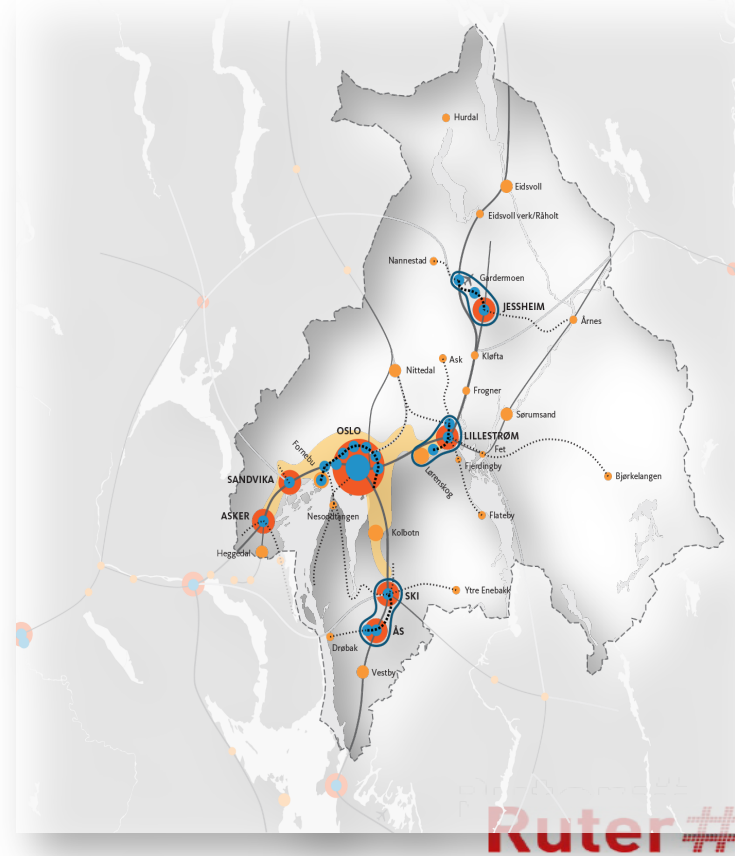


# PT oriented land use is "the next commitment"



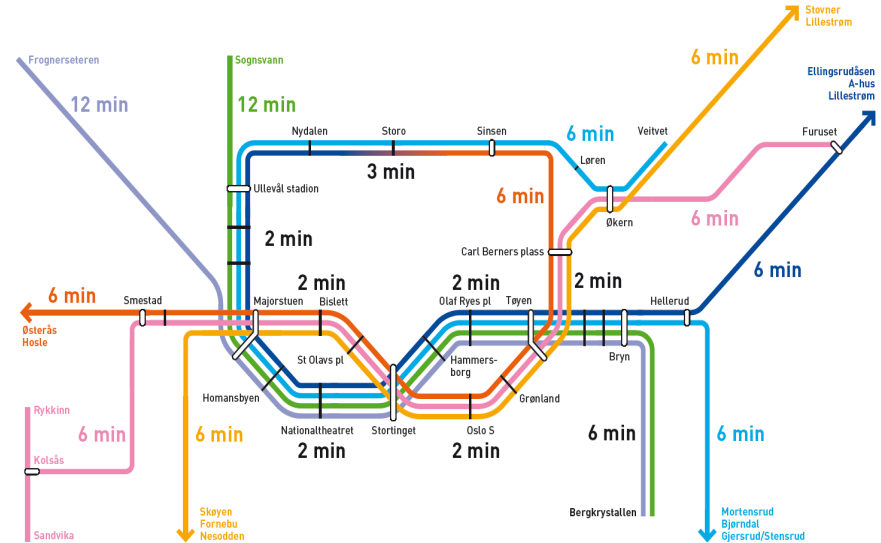
Short term effect by 30 % population increase in the Oslo region

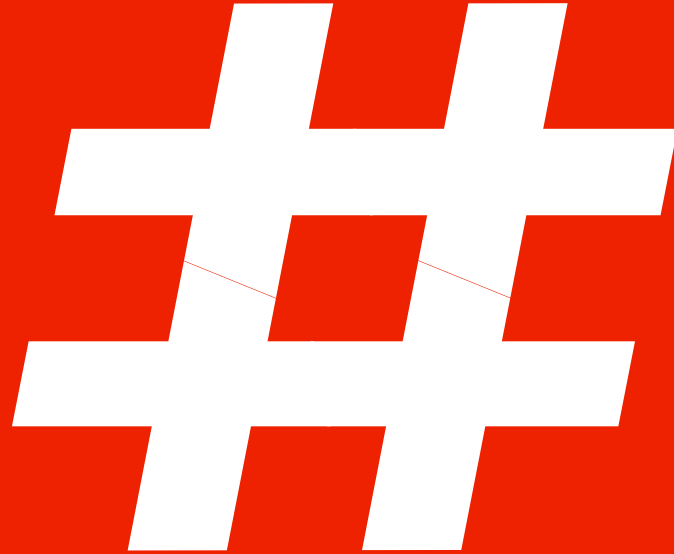
	Car use	PT
Densification	- 8 %	+ 12 %
Urban Sprawl	+ 3 %	- 19 %



# How to finance future growth?

- Capacity problems indicates need for large infrastructure investments over the next 10 years (3-4 billion euros)
- A national commitment to PT investments in the cities of Norway is acknowledged. On paper
- The biggest challenge, however will be to ensure yearly funding for PT operations (subsidies). Socio – economic impact is not a real parameter in local budgeting.





Thank you!