

Ladies and gentlemen,

I would like to thank the organisation for their invitation to speak here today.

I was asked to speech about the Dutch public transport system.

## **SHEET2**

I would like to speak about the following subjects:

- Dutch public transport policy as a part of the transport policy.
- The division of roles and the legal framework for public transport in the Netherlands
- How does the system work in practice?
- What does the future hold?

## **Public transport in the Netherlands**

### **SHEET3**

The Netherlands is a small country with a dense population. We have 480 inhabitants per square km. We also have 170 passenger cars per square km. Add freight transport and you can understand why our roads are full. Public transport can play a vital role in keeping city centres accessible.

However public transport also has another aspect.

It also has an important social function. It enables people to work, live, shop, recreate and be mobile when for whatever reason they can't use an individual transport system.

Public transport services in the Netherlands include transport by trains, buses, trams, lightrail and metro.

Various companies operate bus services, tram/metro services and regional train services.

The Dutch railways (NS) operate the national railway services.

#### **SHEET4**

Public transport as a share of all passenger transport in the Netherlands is 5 % in trip numbers and 11 % in kilometres. The share of public transport is higher in highly urbanised areas (Randstad). In the Netherlands the share of transport per bicycle is much higher than in other countries. Still passenger cars are dominant in passenger transport in the Netherlands.

Public transport policy in the Netherlands focuses on making public transport more attractive for

passengers. Therefore we need strong connections and strong public transport systems.

## **SHEET 5**

### *Strong connections:*

We want to facilitate chain mobility, so that people can travel from door to door fast and safe. It is important that people can transfer between transport systems to reach their destination. For example they can travel the first part of their journey by car than transfer to a train and finish their journey by bus. For this we need good connections between these various transport systems. For example we invest in creating extra bicycle parking facilities (for 2200 bicycles) at station Utrecht. It should be easy for a passenger to transfer from their car or train to a bus, tram or metro service.

Information is also a key part of building these strong connections. Passengers should be aware of their choices. Sometimes parking your car at a station outside Amsterdam and taking a train into the heart of Amsterdam is much faster than

driving all the way and get stuck in a traffic jam. When accurate information about connections, travelling time and prices are available to the public, people can make an informed decision on which transport systems to use. The ministry along with local governments and private parties is dedicated to create strong connections by 2020.

*Strong transport systems:*

The ministry also wants to stimulate growth in public transport. We need strong transport systems to handle increasing passenger numbers. In 2020 the ministry wants these goals realised:

- Travelling by train without a timetable in highly urbanised areas (brede Randstad), by raising train frequencies and increasing capacity.
- Spider web like public transport networks and higher frequencies in urbanised areas of busses, trams and metro's. SHEET 6 ter ondersteuning van concept spinnenweb netwerk OV.

**SHEET 7**

To improve mobility further, the Dutch government has decided to convert the current fixed car taxes

(on purchase and ownership) into a price per kilometre driven. At certain busy locations and times, a peak rate is charged in addition to the basic rate. The principle at work is that road users as a whole will not pay more than is currently the case. Those who drive more, however, will pay more than average; those who drive less, or drive less polluting cars, will pay less in relative terms.

The Dutch road-pricing project intends to battle traffic-jams in the short term. By raising cost awareness of car owners per kilometre, the intention is to make car users and employers more aware of the alternative choices open to them: working from home, starting later or earlier, and using the public transport system more. With the introduction of the Dutch Road Pricing project, it is expected that car use in 2020 will decrease by 2 percent, which translates in an increase of 6% of the use of public transport.

## **SHEET 8**

To help realise the goals for public transport, the ministry has developed the High Frequency Rail

Transport Programme. This programme has identified four priorities for improving the quality and capacity of both passenger and freight transport. They are:

- Frequent services on the busiest lines in and around the *Randstad* in the west of the country;
- Cohesive regional public transport systems revolving around rail transport;
- Quality of travel times to the various parts of the country;
- A future-proof strategy for freight transport routes.

The government plans to achieve these ambitious aims by expanding the capacity and quality of the railways and by making the organisation of the rail sector, the rules and regulations applicable to it and the distribution of responsibilities between the various parties more transparent and more effective.

In the coalition agreement in 2007 the government aimed for 5% annual growth in passenger railway transport during its term in office (2011). The

action plan for growth on the railways contains 29 measures to make travelling by train more attractive. €4.5 billion has been earmarked for investment in the rail sector, through the High Frequency Rail Transport Programme.

## **SHEET 9**

The ministry wants to stimulate and facilitate growth in regional public transport, where possible. Research has shown that extra growth is possible in highly urbanised areas, if investments are made. There are investments required in infrastructure as well as in “softer” measures, such as vehicle enhancements. The action programme for regional public transport gives a boost to this growth potential. The programme sets out to deal with capacity bottlenecks, fill in missing links and improving speed through higher frequencies and better circulation. The government will invest 500 million euros. The local authorities will invest another 500 million euros.

Creating spider web like public transport networks is necessary to facilitate commuter traffic. A

coherent public transport system consists of several layers. Together they provide good and fast connections. Living and working locations outside city centres are directly connected with each other and with the city centre. That's how spider web networks are created.

Strong transport systems also imply accessible and sustainable transport systems. That is why we invest in accessibility. For example by 2015 50% of the bus and tram stops will be accessible for disabled persons.

## **SHEET 10**

The role of the central government is to invest in the mobility system to facilitate the goals and ambitions laid out in national policy. The mobility system contributes to the national interest of an economically strong and sustainable country. The central government is also responsible for the legal framework. This framework organises the market and creates the framework in which all parties must operate.



## Legal framework

### SHEET 11

Transport is an international business. The framework for regional transport as well as rail transport is for a large part European. The EU regulations and directives for rail transport and the public services obligations regulation, which covers all land passenger public transport, set the standards.

The Dutch legal framework for regional public transport can be found in the Passenger transport Act (Wet personenvervoer 2000). This law came into effect in 2001. Goals of the legislation are higher efficiency and better quality of the public transport services. Therefore the law introduced:

- Decentralisation of competence for bus, tram, metro, light rail and regional train lines services from the central government to regional governments. These are the 12 provinces and 7 cooperative bodies of municipalities around major urban areas. The central government facilitates and supports the regional governments in executing this competence.

We believe that the regional authorities are in the best position to take account of the region as a whole. They identify aspirations for their areas by producing a coherent package of measures.

- Competitive tendering as means to contract transport companies. The regional authority puts out to tender concessions for operating public transport exclusively in a certain area for a certain period of time. There are about 70 concessions in the Netherlands.

Urban transport in the three major cities, Amsterdam, Rotterdam and The Hague, are exempt from the obligation of competitive tendering. Instead they will have to choose between awarding the urban transport concession to an inhouse-operator or tender the concession competitively.

The national railways services have an additional legal framework. Current railway legislation entered into force in 2005. The Ministry awards the concession for operating national railway services and sets the conditions of the concession. The

current concession is awarded to the Dutch Railways (NS) until 2015. The management of infrastructure concession is awarded to Prorail. Competitive tendering is not mandatory for these concessions.

To facilitate the ambitions of the government for the railways, expanding the capacity and quality of the railways and making the organisation of the rail sector, the rules and regulations more transparent and more effective, current legislation has been evaluated in 2008. The government's reaction to the evaluation has been sent to parliament in July 2009. The government endorses the main conclusions of the evaluation.

## **SHEET 12**

The main conclusions of the evaluation are:

- The rail sector now has a decent structure, but it needs to be put to better use.
- Social efficient use of the railways is improving.
- The transport operators and the infrastructure manager are primarily responsible for day-to-day management.
- The statutory system could work better.

The evaluation will lead to some improvements of the rail legislation.

### **Financing public transport**

Regional public transport needs government subsidies to cover a part of the costs. The regional authority provides the subsidies for operating public transport to the transport company. The funds for transport policy, including for operating public transport services, are allocated from central government to regional governments in the form of block grants. The regional governments decide what share of the grant is spent on operating regional public transport.

The Dutch railways do not receive any subsidies to operate national train services.

### **Results so far**

#### **SHEET 13.**

Let's now talk about the results of the policies and legislation. Since we've introduced mandatory competitive tendering in regional public transport, we have seen an average cost reduction of 20 %. There have been more services, an average of

14% more trip kilometres, offered by the companies since 2003.

Railway: the number of passengers has been up since 2003, with 15,5 billion passenger kilometres in 2007. In 2007 the Dutch Railways operated about 5200 trains a day, a rise of 3 % to the previous year. Punctuality has gone up and was 87% in 2007.

## **Challenges**

### **SHEET 14**

Of course it is not all clear skies. The system also provides some challenges.

It can be challenging sometimes for the ministry to manage the rail operating concession. The state is also the only shareholder of the Dutch Railways and that can lead to tricky situations.

Recently the Council for Transport, Public Works and Water Management advised the government on regional public transport. The Council argued that greater passenger growth is possible. In the analysis, the Council concluded that public transport takes insufficient account of travellers'

needs. Under the present concession system, the public transport operators tend to regard the authorities and not the travellers as their costumers. It is the authority that tenders the concession and decides on the demands for the operator. The authority provides the subsidy. The authority has to balance between the social function of public transport and freedom for the operator to target potential travellers. Stimulating operators to seek for new customers in the concessions remains a focal point. Another challenge is stimulating innovation in public transport. Competitive tendering has influenced the relationship between authority and operator. It has become more businesslike. Because of the professional relationship between authority and operator, operators tend to provide what the authority has asked for. Nothing more. Innovation by the operator can be hindered, when there is little initiative from the operators.

## **What does the future hold?**

**SHEET 15**

Demographic developments in the Netherlands shall also in the future demand a robust mobility system. Our work is far from done. Cities will become larger as well as the need for mobility in those areas, rural areas will see a decrease in population. There will be a rise in the ageing population. This will have its effect on the choices the governments will make in the public transport systems.

The ministry is currently working on a vision on regional transport in 2028. The parliament has asked the ministry to give parliament its view on the envisioned quality of regional public transport in 2028. 2028 is 100 years after the Olympic Games of Amsterdam. The Dutch government has expressed a wish to host the Olympic Games again in 2028 so public transport should be fit for the Olympic Games. The document is still a work in progress, but I can give you a sneak preview.

Public Transport of Olympic quality includes:

- Acceptable travelling time
- Reliability
- User friendly

- Comfortable

This can be achieved by:

- High frequencies,
- Fast and easy connections
- Better circulation
- And better information

We need to incorporate the needs of passengers.

The relationship between spatial planning and mobility will only get more important. Where people live, work and recreate, investments in public transport are necessary.

We believe that if our goals are achieved, our mobility system is future proof, at least for the foreseeable future...

Thank you