

SUT Development Framework

A New Paradigm

What is the problem?

What is the evidence base?

What went wrong?

The new paradigm

Implementation

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1. What is the problem?

Today.....

- Congestion, pollution, accidents, energy consumption, GHGs - *increasing*
- Cities sprawling – the ‘haves’ seeking to escape to a better life, the ‘have nots’ trapped
- An apparently *inevitable spiral of decline* – even as incomes increase for many
- Increasingly frustrated - city leaders turn to ‘instant solutions’ - that usually fail

And Tomorrow?.....

- Pace of change *increasing*
- Uncertainty – and risk – *increasing*
- Policy agenda - *increasingly demanding + urgent*
- Stakeholders - *more demanding*

2. What is the evidence base?

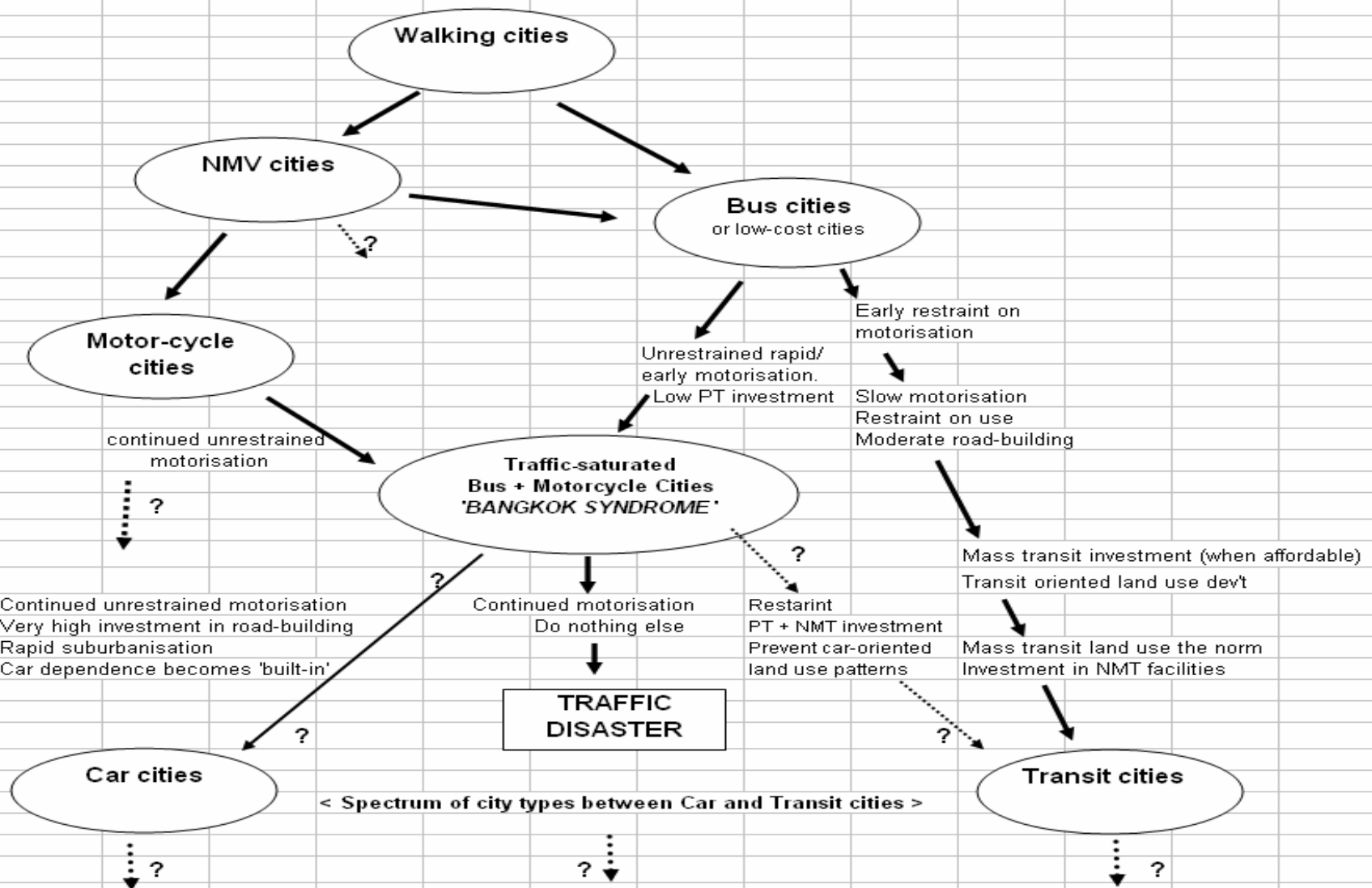
Sustainable cities tell us much:

Singapore... Hong Kong....Curitiba....Bogotá

- Recognise their future is largely in their hands
- Understand the req'ts for sustainability
- Ensure the decision-making body can deliver
- Recognise that SUT is not low-cost
- Apply processes to manage strategic risk
- Take care in committing to megaprojects

30+ years research tell us much

Example - Barter's city typology



3. What went wrong?

Five cities experience

	Colombo	Dhaka	Kathmandu	Changzhou	Harbin
Policy sustainable?	??	OK	?	No	No
Policy imp'd?	Minimal	Minimal	Minimal	(Imp'n)	Infra
Imp'd + successful?	?	?	?	?	?
Transport Plan					
Model-based?	Y	Y	Y	Y	Y
Affordable?	N	N	N	N	N
Risk-based?	N	N	N	N	N
Governance	???	???	??	Good	?

How did we go so far off- track?

Core problems	Underlying causes
1] Policies not effective	Focus on transport model 'black box' outputNot on 'what works' policy inputs
2] Planning ineffective	Task for the experts, little stakeholder influence <i>Assumptions:</i> a certain future, affordability not a constraint, implementation possible <i>Results:</i> Plans = ambitious wish-lists - not imp'd
3] Little implemented	Disconnect between planning + implementation
4] Unknown success	Performance assessment the exception
5] Poor governance	Technocratic influence over decisions? Stakeholder influence? Poor enabling environment

4. The New Paradigm

'Trying harder' incredible > fundamental change required

Defining features	
Policy	defined by 'what works'
Land use planning	part of the solution
Demand	managed to supply
Plans/ projects	relevant, affordable, robust, adaptable + implementable
Policy effectiveness	To be demonstrated to a sceptical stakeholder community

Old and New Paradigms

Characteristic	<i>Old Paradigm</i>	<i>New Paradigm</i>
Transport policy	Provide for forecast vehicle movement	Provide accessibility that is people-centred Demand managed to capacity
Future uncertainty	'An inconvenient truth' - ignored	Central importance. > Different strategy/ projects
Basis of Transport Strategy/ Plan	Model > unrealistic 'wish list' of projects	Visioning > strategic planning A supported Core Programme
Content of Transport Strategy/ Plan	Major roads within city + megaprojects	Transport system management Improved NMT/ Public Transport Dev't roads to guide city
Stakeholders	Little influence.	Strong influence
Governance/ institutions	Planning politicised. Analysis justifies decisions	Planning process technocratic Outputs influence decisions

5. Implementation

- Financing
- Management challenge
- Megaprojects

New Financing Paradigm

	<i>Old Paradigm</i>	<i>New Paradigm</i>
Affordability	Assumed	Result of Financial Planning
Responsibility	Mainly CG	Mainly City Authority
Who pays?	Mainly tax-payers	Beneficiaries/polluters
Spent on?	Major roads + BOT	Core strategic priorities
Role for PSP	Some megaprojects (result - liabilities)	Do + asset mgt/ ops (outturns as expected)
What \$\$\$?	Low + unpredictable revenues	Increased + secure revenues

Management challenge

- Core task - *managing dynamic complexity*
- Experiences - AON's CEO, world metros
- Our role
 - ✓ Develop sustainable policies
 - ✓ Force 'hard decisions' - build-in affordability
 - ✓ Focus on a deliverable core strategy
 - ✓ 'Reality-check' forecasts
 - ✓ Stress-test strategies, plans, megaprojects

Megaprojects

- Huge opportunity cost > mistakes costly
- Not all are 'good'
- 'BOT projects' require large *public* funding
- Projects may not deliver as expected

Metro Outturn compared with Forecast	
Capital cost	+50 to +100%
Imp'n time	0 to +50%
Operating cost	0 to +200%
Ridership	- 33% to -67%

> Major changes to project dev't necessary

Overall Conclusion

A change of approach

- Empowered city authorities
- Proactively managing strategic risk.
- Different plans - harnessing vision, facing up to hard choices
- Different projects - robust and adaptable
- Different project dev't and asset m'gt – private sector offering much more
- We all must change too!

For More Information

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