

ADB Transport Forum: Sustainable Transport for All

Transport Technology Funding & Implementation

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Funding : Public Transport IT

- ADB TA : PPTA, PATA, CDTA
 - Trust Fund : e-Asia Fund/PPIAF
 - Loan Project : Part of project component
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- Government Funding
- Concession Contract
- Joint Venture : Government + system company

Implementation : Public Transport IT

System cost and revenue

- Installation cost: US13 million
 - SC reader, GPS, CCTV on 1,380 buses, BMS center
- Financing source
 - 100% invested by Korea Smart Card (KSC) : bank loan with 2.8% per year
- Revenue source : 10% service fee of cash- and SC-pay fare revenue,
+ UB city compensation for free SC users
- Contract term : 4 years.
No guarantee on high project risks;
(foreign exchange rate and forecast revenue)

Implementation : Public Transport IT

Results

■ Revenue loss

- SC users decreased from 48% in Sep 2015 to 34% in Feb 2016.
- Fare evasion by cash-pay users. It is assumed 33%.

<Table 6> SC and cash-pay card revenue proportion (2015-2016)

	Sep	Oct	Nov	Dec	Jan	Feb
SC revenue	2,695 (48%)	1,794 (41%)	1,319 (37%)	1,379 (38%)	1,193 (35%)	1,110 (34%)
Cash revenue	2,918 (52%)	2,569 (59%)	2,226 (63%)	2,275 (62%)	2,180 (65%)	2,160 (66%)
Total	5,614	4,364	3,546	3,655	3,374	3,271

■ Dispute among stakeholders

Lessons Learned

- Useful Technology : e-ticketing system / Bus Management System
 - Needs Localization : enforcement, access to recharging
 - Sound Legal Framework and Financial Analysis
 - Risk Assessment
 - Transparency in Data
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- Action Taken by ADB and Government : PPIAF Fund TA
 - Financial analysis tool
 - Standard Service Contract

Thank You

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