Public-private partnerships for Urban road networks

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Better roads, better world.
Outline of presentation

• Context and challenges

• IRF case studies Urban PPPs:
  – Benefits captured through partnership approach
  – Issues encountered

• Factors for successful partnerships

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Urbanisation

Dense housing

Urban Deficit

Noise & air pollution

Urban sprawl

Traffic congestion

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Urban congestion in the US, 1982

Total delay = 0.7 billion hours
(1982)

Source: Texas Transportation Institute, Urban Mobility Report 2007
Urban congestion in the US, 2005

Total delay = 3.2 billion hours (2005)

Source: Texas Transportation Institute, Urban Mobility Report 2007

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Local government challenges

• Spatial constraints
• Technical & organisational constraints
• Fiscal constraints
• Capacity constraints

Q: How can partnerships help untying the knot?

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Key elements PPP

Integrated contract

Cost recovery mechanisms and financing

Autonomy for the contractor

Risk transfer and risk sharing

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IRF case studies Urban PPPs

**Working classification:**

- Congestion charging schemes
- Urban toll roads, amongst which High Occupancy Toll lanes
- Combined road & real estate development
- Long term maintenance contracts for urban roads
- Traffic management/parking/ITS partnerships

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IRF Case Studies Urban PPP

Melbourne City Link, Australia

A86 West, Paris, France

M50 Ring, Dublin, Rep. of Ireland

St. Louis de France, Quebec, Canada

Portsmouth PFI, UK

M6 Toll, UK

Attica Tollway, Greece

A14, Paris, France

91 Express Lanes, California, US
Partnership benefits found in the case studies

1. Continuous attention and timely funding

Example: Portsmouth PFI, United Kingdom

- Cost of rehab is $1.00 here
- Cost of rehab is $4.00 to $5.00 here
- 75% of life
- 40% drop in quality
- 12% of life
- 40% drop in quality

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Partnership benefits found in the case studies

2. High quality and level of service

Examples: M6 Toll UK, Attica Tollway Athens, A14 Paris

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Partnership benefits found in the case studies

3. Socio-economic benefits materializing sooner

- Example: 91 Express Lanes, California, US – availability of private finance
- Example: Melbourne City Link, Australia – accelerated investment and growth in GDP, improved travel times and reliability

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Partnership benefits found

4. Innovation
Example: A86 West, Paris, France – double floored tunnel tube

Example: St. Louis de France, Quebec, Canada – innovative pavement & maintenance techniques

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Issues encountered

• Willingness to pay for urban tolls remains sensitive issue

• Sufficient competition and capable private sector

• Capacity to deal with complex projects
Factors for successful Urban PPPs

- Political commitment
- Legal framework in place
- Clear investment plans & careful tuning with spatial planning
- Affordability
- Good governance & capacity

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Thank you for your attention!

More information:

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