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Why PPPs are key to good public transport

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Hundreds of people gather at bus terminals every morning, standing in line for tickets and jostling with the crowds to reach their destinations on time and in a cost-effective manner. The transport system of our country is built upon and primarily functions through services provided by state-run bus corporations. But change is the need of the hour for these corporations.

According to the International Road Federation, India's bus penetration is 1.4 buses per 1000 people, as opposed to South Africa's 6.5 buses per 1000 people and Thailand's 8.6 buses per 1000 people. In India, where many people cannot afford the higher tariffs that metro services and cabs charge, buses are the mode of travel they turn to. Buses, with their ability to connect obscure routes together in a cost-effective manner, continue to be the champions of the common man, accounting for more than 90 per cent of public transport in Indian cities. And yet, there are only 1.4 buses per 1000 people in India!

The public relies on the services provided by these corporations and the well-being and smooth functioning of these state-run corporations is directly proportional to the well-being of the masses. Strengthening their infrastructure is a public service that these corporations should strongly consider.

The world we live in today is dominated by technological innovation. The pace of change is rapid and the scale of innovation high. Technologically enabled solutions are changing the face of industries that were not traditionally impacted by technological advancement. Key to this changing technological landscape are private sector enterprises that are challenging our traditional notions of how things are supposed to work, by constantly updating the definitions we are used to.

State-run corporations can adapt the ever-evolving business models of the private sector. Start-ups and private sector companies constantly need to evolve their business models to keep up with market needs and work on providing significant value-add or face redundancy. As a result, their business models are agile and their delivery rapid.

Agility and innovation can add tremendously to the output of state-run corporations. The best way to accomplish such a transformation is by entering into public-private partnerships (PPPs) with entities best suited to solve the needs of state-run corporations. PPPs have the potential to yield results that are beneficial to all the parties involved. In India, especially, PPPs have historically been very successful in running state-run corporations -- witness the Mysore transport project that was begun in 2012. The transport sector can especially benefit from a PPP set-up because of the high return on investment possible therein.

One of the biggest hurdles to infrastructure development that governments face is the ROI (return on investment). Often, high inflow of investment is met by a slow turnaround rate on the projects, which leads to greater spending, eventually leading to lower profits for the government concerned. PPPs can be an effective way to counter such a problem, because it draws on one of the strengths of the private sector — their agility in responding to imminent business needs with innovation and efficiency.

If technology and PPP can individually bring about such tremendous change in the systems they touch, together they can unlock a combination that can resolve the struggles faced by many state-run corporations, especially so in the transport sector. Innovations like live monitoring and instant booking have already revolutionized the ride-sharing space, an important aspect of public transport. Our cities are growing in size and commuting between cities is becoming increasingly common. The demand for inter-city transport is on the rise.

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SRTC buses majorly service inter-city routes and the need for strong infrastructure on this front is eminent. Developing technologically advanced models for mass transport should now be the priority for government across the country. India's demography and economy both demand efficient mass transport systems that can ease road congestion by reducing the number of private vehicles on roads.

The National Urban Transport Policy (NUTP), in both 2006 and 2014, encouraged building of transport hubs, which should provide seamless inter-change between inter-city regional and sub-urban services, and the public transportation system of the city. NUTP also recommends introducing intelligent transport systems (ITS) for traffic management in our urban transport models.

Intelligent transport systems are the key to the future of smooth public transport. They are an assemblage, an aggregation, and application of information on transport gathered through technologies such as GPS and sensors, and work to achieve the aim of improving safety, mobility, and economics for smooth public transport.

ITS can bring together various transport service providers, both public and private, by bridging information gaps and allowing these enterprises to collaborate and provide mobility as a service, enabling individuals to make informed and intelligent decisions about transport. They can change the face of transport by adding efficiency and ease to the system, and encourage greater use of public transport modes.

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