

# Financing Transport: Aligning Benefits, Costs and Sustainability

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## Topics

1. Financing needs & revenue sources: options for public and private roles
2. Value chain – creation of benefits
3. Performance measures: alignment of benefits, risks, opportunities
4. Public benefit and equity issues
5. Viewing case studies



# Financing Needs

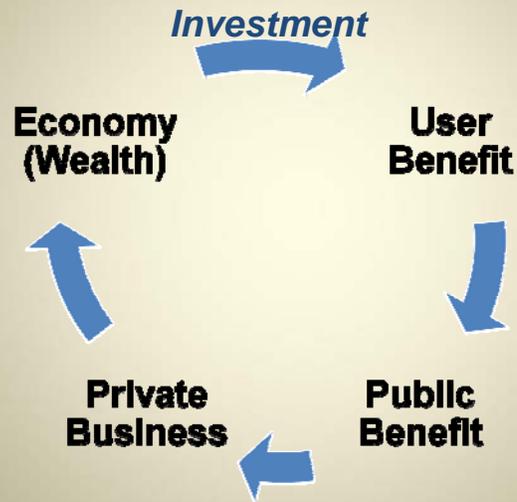
- Public Funds
- Private Investors
- Loans
- User Fees



# Public-Private Options

Ownership	Revenue Collection	Maintenance	Operation
	<i>All Public Sector</i>		
	<i>All Private Sector</i>		

# Value Chain



# Goals: Aligning Benefits

Group	Appropriate Design & Operation	Efficient Service Provided	Reasonable Benefit
Operator			
Users			
Public / Government			

# Performance Measures

Group	Design & Operation	Service	Benefit
Operator	<b>Financial</b> (revenue, cost, cash flow)	<b>Service Provided</b> (construction, management)	<b>Net Revenue</b> (return on investment)
Users	<b>Service Design</b> (area, cost, schedule)	<b>Service Obtained</b> (speed, comfort, safety, reliability)	<b>User Benefit</b> (access, mobility, cost, time)
Public / Government	<b>Gov. Finance</b> (taxes, fees, debts, assets)	<b>Δ Requirements</b> burden/relief in cost, workforce	<b>Econ Development</b> (jobs, income, development capacity)

# Governance - Regulation

## Whose Interest?

- Public Interest
- User Interest
- Public Interest

## Roles and Rights?

- Ownership
- Management
- Revenue Rights

## Goals

- Efficiency (services, resources)
- Equity (fairness, assistance)
- Sustainability (environment, economy)

# Financing: Part of a Strategy

Short-term: Solve Financing Needs

Medium-term: Improve Mobility

Long-term: Econ Growth and  
Urban Development

*Performance measures to monitor progress*

# Case Study Issues

- Whose money? Whose benefit? --local or global?
- Defining roles and risks of various parties
- Packaging revenue sources and contracts
- Selecting technology investment options
- Wider benefits: building institutions, reducing poverty, creating access for economic development
- Application of these issues for roads, rail, bus and pedestrian infrastructure

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*For more information on economic development  
impacts and performance measures*

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