

FROM PARATRANSIT REFORM TO PARATRANSIT TRANSITION

Core message: Integrate, don't eliminate.

Experience with paratransit reforms in Africa: **Laverne Dimitrov** | **Head of Africa, UITP**

Public transport is more than formal supply

➤ 1.1-PUBLIC TRANSPORT MORE THAN JUST FORMAL SUPPLY

In the Global South, travel demand cannot be adequately served by mass transport (only) that are characterized by fixed routes and time-tables.

Why?

- **Urban Sprawl development** makes provision regular formal transport expensive and therefore unaffordable for government.
- Formal transport supply does not fully respond to **bespoke** & **wide range** of passenger **needs**.

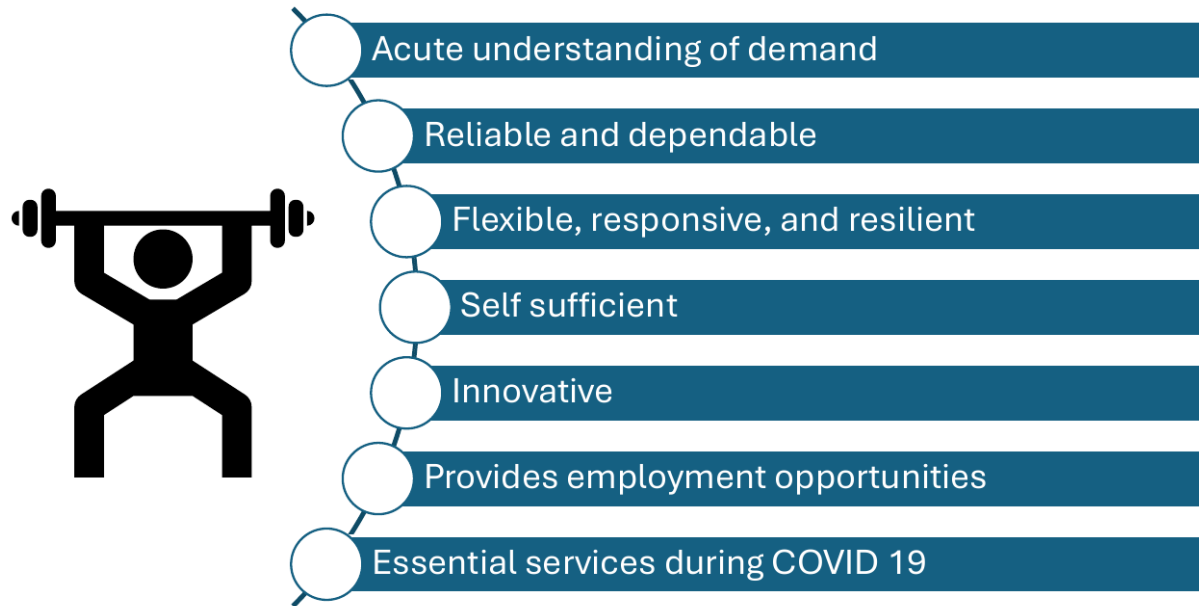
Source: World Bank presentation on Informal Transport & Decarbonisation by Gershwin Fortune, February 2022



In many African cities, paratransit is not filling a small gap. It is the public transport network.

Paratransit is dominant for a reason

> 2.1-WHY IS PARATRANSIT SECTOR SO DOMINANT?



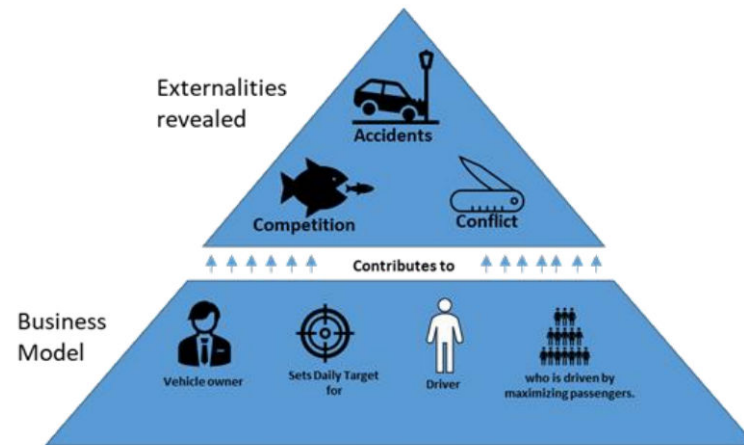
Reform should preserve what works: demand knowledge, flexibility, resilience, entrepreneurship and employment.

The business model shapes behaviour

➤ 2.2-CORE CONTRIBUTOR TO POOR DRIVING BEHAVIOUR

Erratic and often **un-safe** informal public transport operations is fueled by:

- Individual paratransit owners that **maximises their own interest**;
- Each paratransit driver to achieve a specific **daily revenue target** to be handed over daily to the taxi owner;
- Any **surplus** left over is kept by the driver.



You cannot regulate your way out of a business-model problem. Change the incentives, not only the rules.

Source: World Bank presentation on Informal Transport & Decarbonisation by Gershwin Fortune, February 2022

From reform to transition



**Fleet modernisation is an outcome of reform
— not the starting point.**

Build the relationship → organise the sector → redesign the network and contracts → improve the business → then scale cleaner fleets.



A practical example: corporatisation in South Africa

PRS / Marabastad–Randburg pilot

**15 operators / 29
vehicles**

Operators brought into one
private business

**Operators contribute
equity**

Vehicles + operating licences

Development finance

Combined with technical and
change-management support

Business gains

Scale, fleet mix, lower capital cost,
better working conditions

**Professionalisation
has to make
economic sense to
the operator.**

A livelihood cannot simply be
exchanged for a policy objective.

Different countries, common reform principles

CAPE TOWN

Hybrid integration

Operators incorporated as shareholders in operating companies.

DAKAR

Institutional leadership

Authority-led fleet renewal and BRT with operator and donor participation.

KENYA

Collectivisation

SACCOs organise fragmented operators and enable standards and pooled finance.

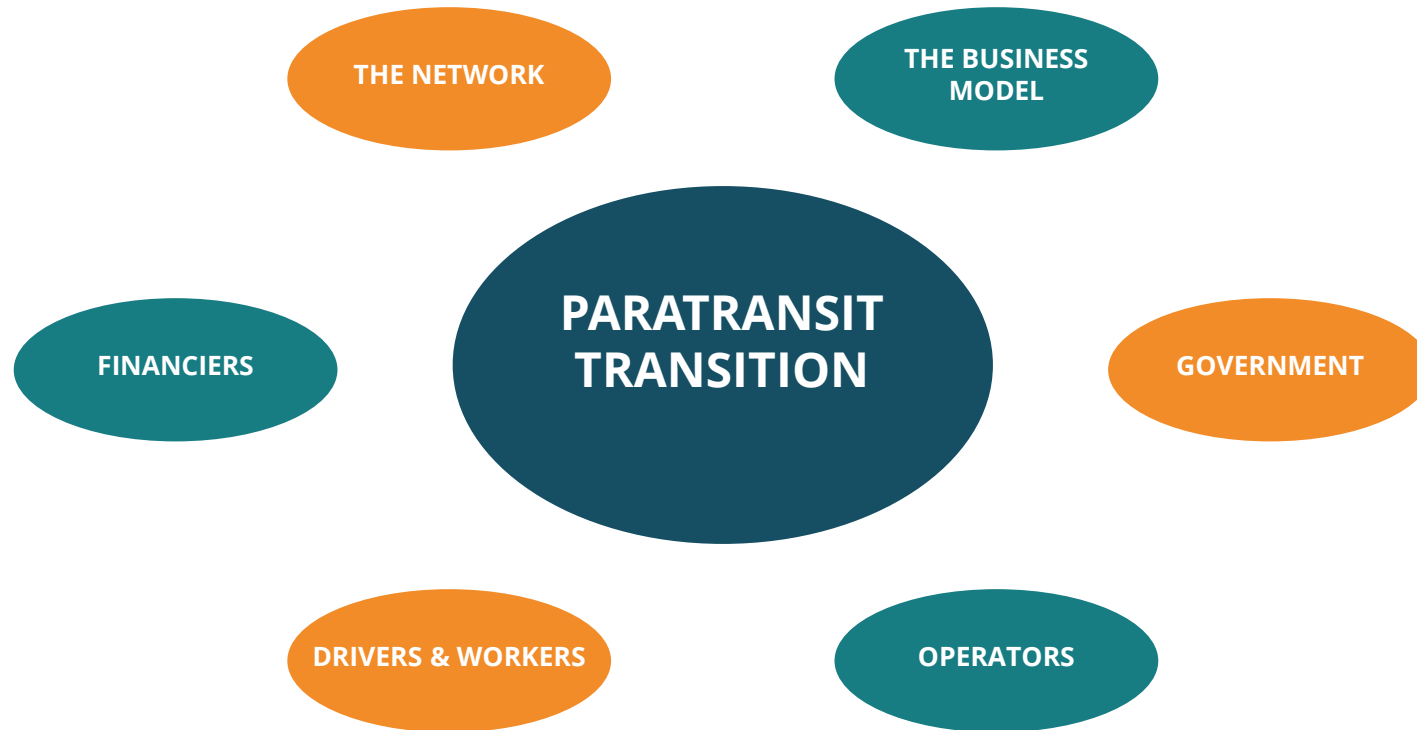
TANZANIA

Regulation + technology

National regulation, vehicle tracking and e-ticketing support professionalisation.

Principles can travel. Institutional and business models must fit the local market.

Who is actually being reformed?



It is a transport reform, a business reform and a labour-market transition at the same time.

Electrification cannot substitute for reform

An electric matatu operating under an unsustainable business model is still an unsustainable public transport business.

- Who owns the asset?
- Who carries the risk?
- How is the operator paid?
- Who funds charging / depots?
- Can the model scale?

Modern vehicles need modern institutions and modern business models.

The transition we should design
Africa does not need to choose
between
paratransit and modern public
transport.

Paratransit is part of the starting point
for modern public transport.

RECOGNISE → ORGANISE → INTEGRATE →
PROFESSIONALISE → MODERNISE



Operators cannot simply be beneficiaries of reform — or obstacles to reform. They have to become partners in designing it.

UITP PARATRANSIT KNOWLEDGE & CAPACITY

From understanding the sector to supporting transformation



ADVANCING
PUBLIC
TRANSPORT



DASA
DATA ANALYTICS
SOLUTIONS



POLICY BRIEF

DESCRIPTION, ROLES,
AND FUNCTIONS
OF PARATRANSIT

MAY | 2024

INTRODUCTION

A focus on mobility in the Global South

Looking at mobility and transport in the Global South, two aspects are striking.

First, both the population and urbanisation are growing at a rapid pace. According to a World Bank Report¹, the urban population in African cities is projected to double in 25 years, from 472 million people in 2017 to nearly 1 billion in 2042. According to the Asian Development Bank², "Asia is moving into an era of unprecedented urbanization", with 55% of the Asian population projected to live in urban areas by 2035.



Second, there is an inherent correlation between urbanisation and transport demand; as urbanisation increases, the need to access economic, social, leisure, and other opportunities increases to a relatively greater extent. Transport demand stems from this need to access these opportunities - transport is commonly defined as the movement of people to achieve a specific trip purpose derived predominantly from a land-use activity and/or a daily programme of activities³. Transport demand is influenced by a multitude of interwoven factors, including, but not limited to, trip purpose, time of day, proximity of desired destination, land-use attributes (desirable area, mix, proximity, and density), travel distance and duration, value of time, affordability, and safety and security factors.

Consequently, the establishment of integrated, collective, and shared transport systems that are efficient, reliable, safe, and affordable is critical to enabling cities in the Global South to function well, supporting their growth, and helping them become resilient amidst rapid urbanisation.

Over the past two decades, progressive attempts to enhance public transport in Global South cities have heavily focused on the introduction of bus rapid transit (BRT) and high-capacity rail projects. Due to significant urban sprawl in the Global South

DESCRIPTION, ROLES &
FUNCTIONS OF PARATRANSIT

How paratransit works and the roles it can play

POLICY BRIEF · 2024

THE VALUE OF
DATA FOR THE
PARATRANSIT
SECTOR

What data is needed, how to collect it, and how data can support integration, safety and better operations.

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KNOWLEDGE BRIEF · 2024

A BUSINESS MODEL
TOOLKIT FOR THE
PARATRANSIT
SECTOR

A practical framework to understand operators, incentives, revenue targets and the political economy of transformation.

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TRANSFORMING
THE INFORMAL
TRANSPORT
SECTOR

Lessons and case studies on resilience, sustainability and the transformation of informal transport.

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