

Paratransit in 2020

Is COVID-19 accelerating the evolution?

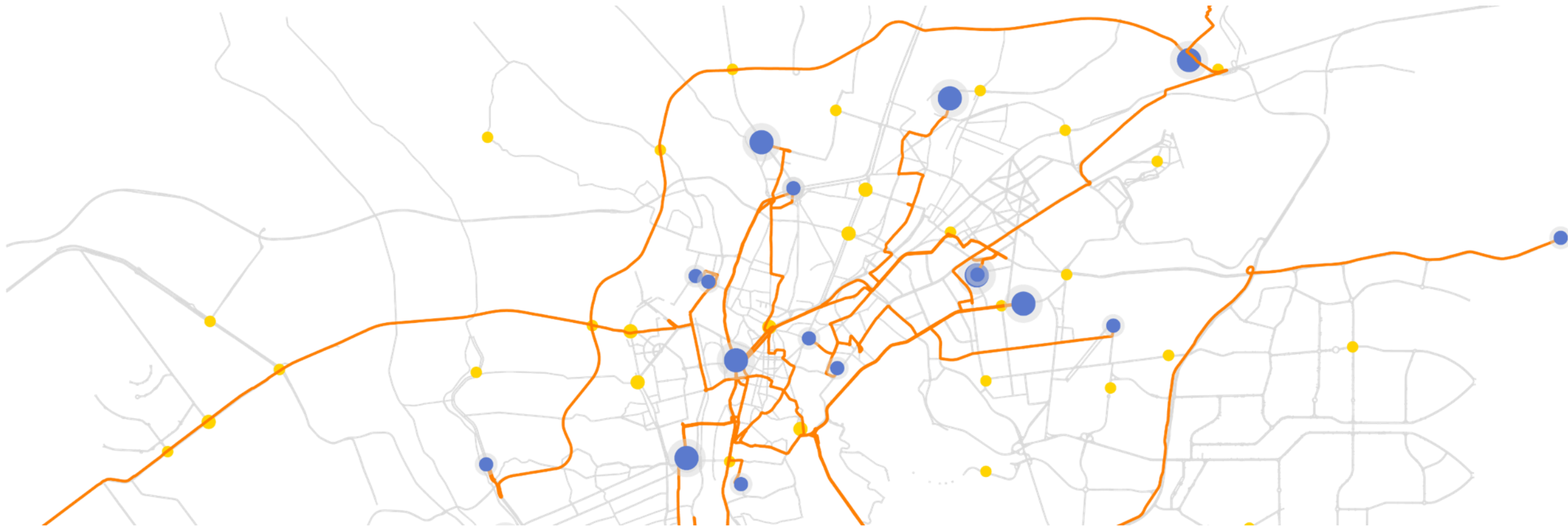
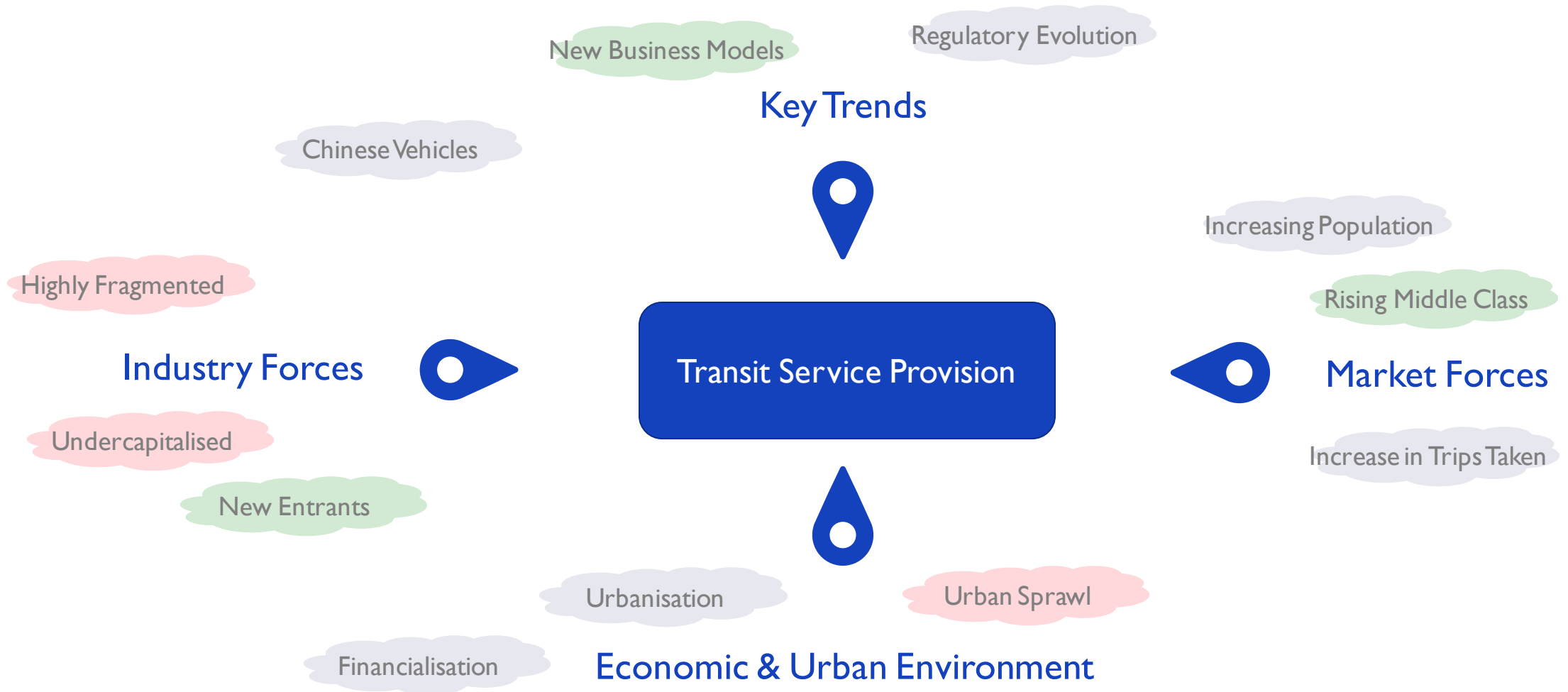


Table of Contents

- Background
 - Key Trends affecting the Sector
 - A definition of Paratransit
 - Trends:
 - Market Forces
 - Economic and Urban Environment
 - Industry Forces
- COVID-19
 - Case Study (Egypt)
 - Case Study (Uganda)
- Conclusion
 - The COVID-19 effect
 - What next?



Transit Service provision dominated by (informal) paratransit is rapidly evolving across Africa



The (informal) Paratransit Transport sector comprises a spectrum of different services

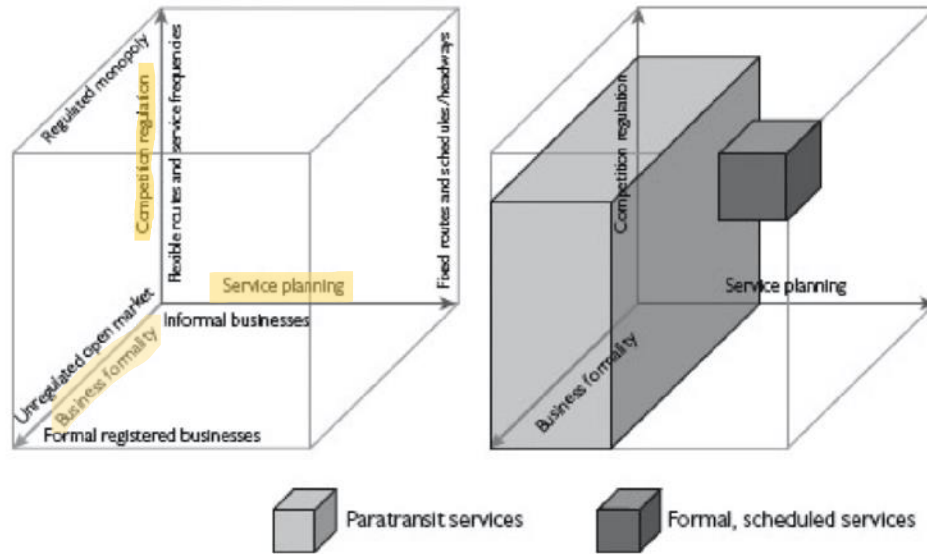
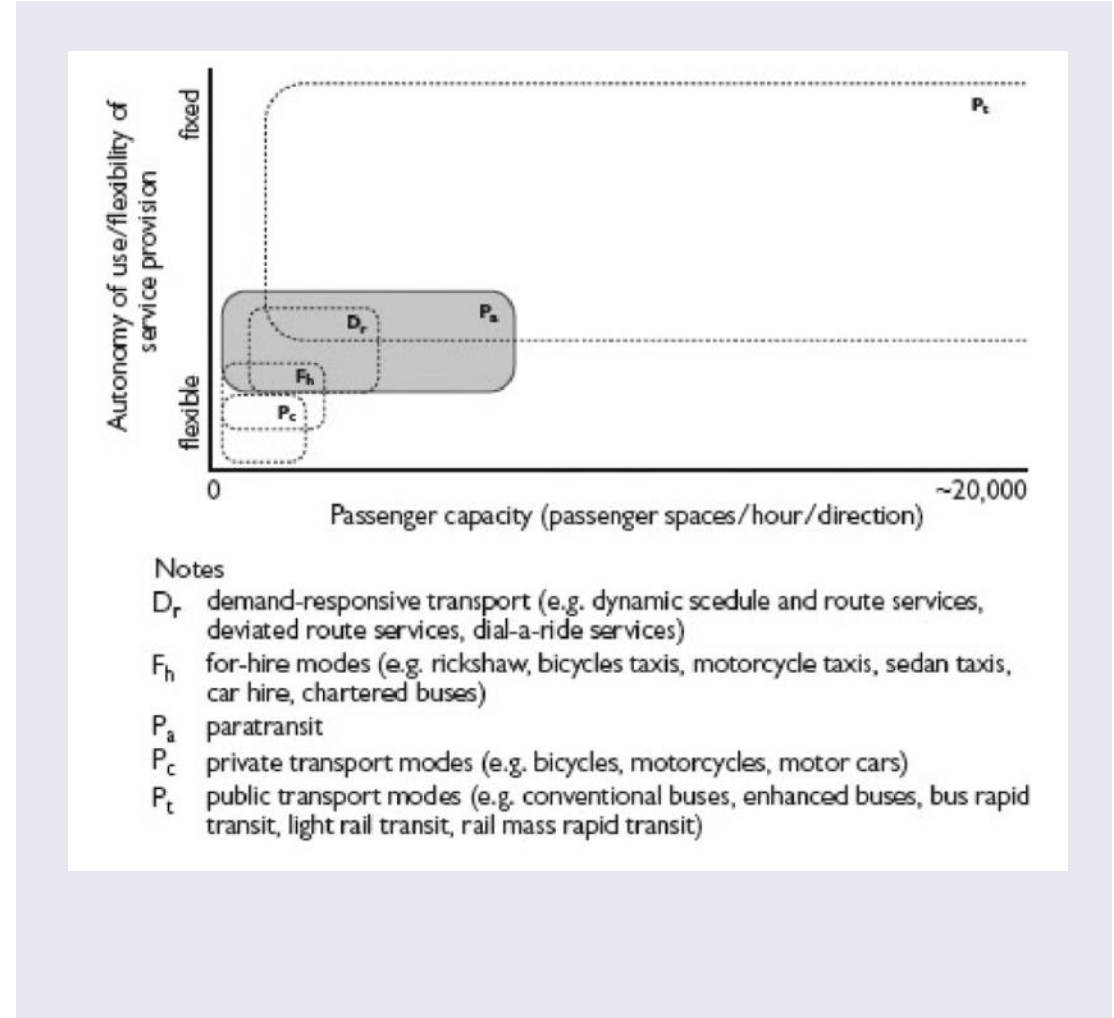
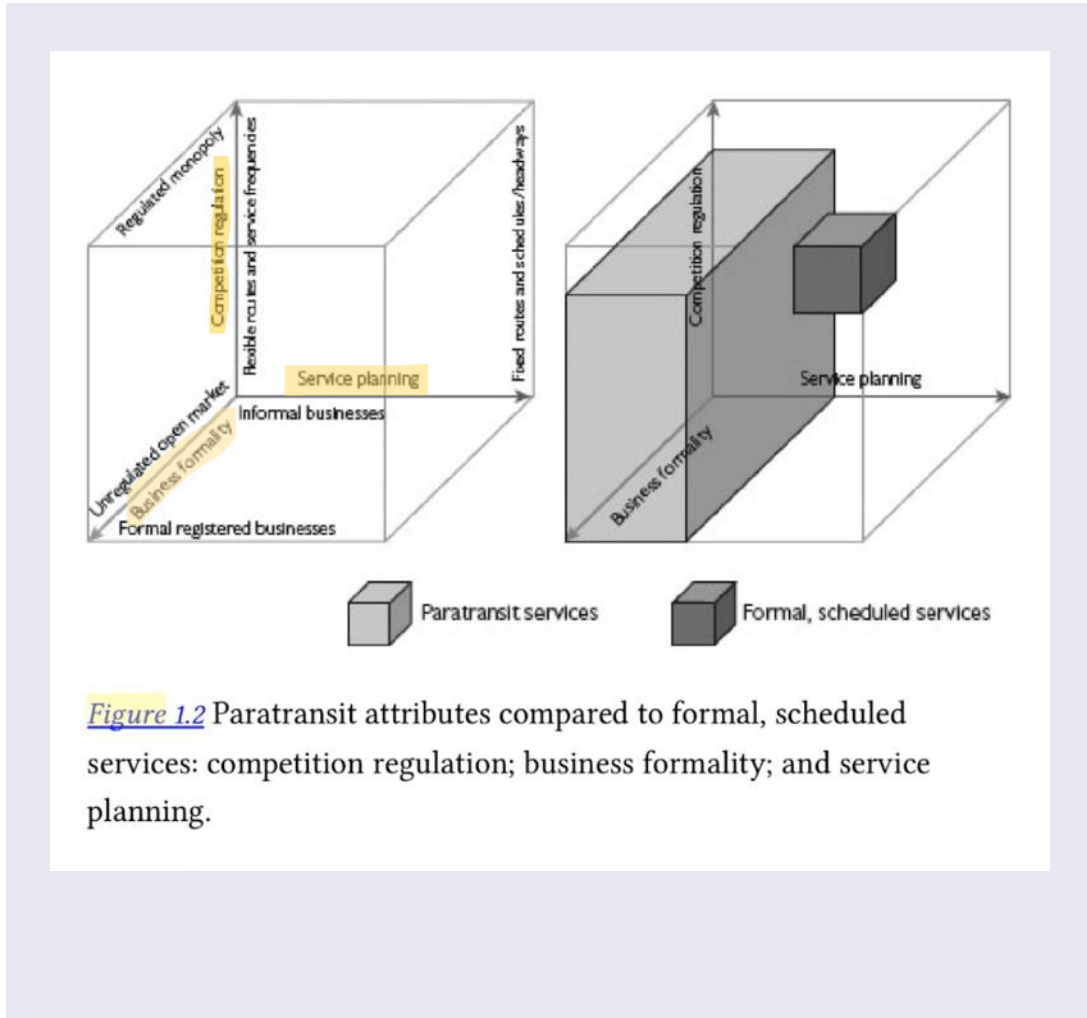


Figure 1.2 Paratransit attributes compared to formal, scheduled services: competition regulation; business formality; and service planning.

The (informal) Paratransit Transport sector comprises a spectrum of different services



The primary driver is employment generation, followed by service provision

Supply

- Small Fleet Owners
 - Organised in route associations / cooperatives
 - Sometimes Driver-Owners
- Target System
- On-Street Competition

Service

- Fill-and-go at terminals
- Direct Service Networks (minimal transfers)
- Cash fare collection



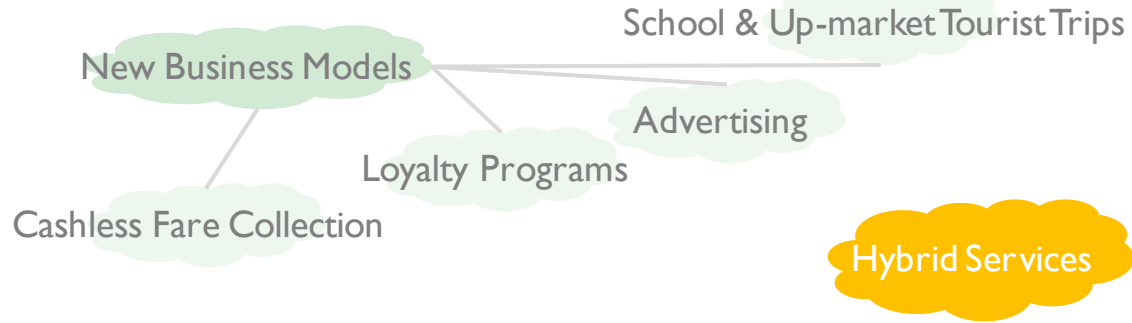
Cape Town (photo credit: Rodger Bosch)



'matafu' (Nairobi)

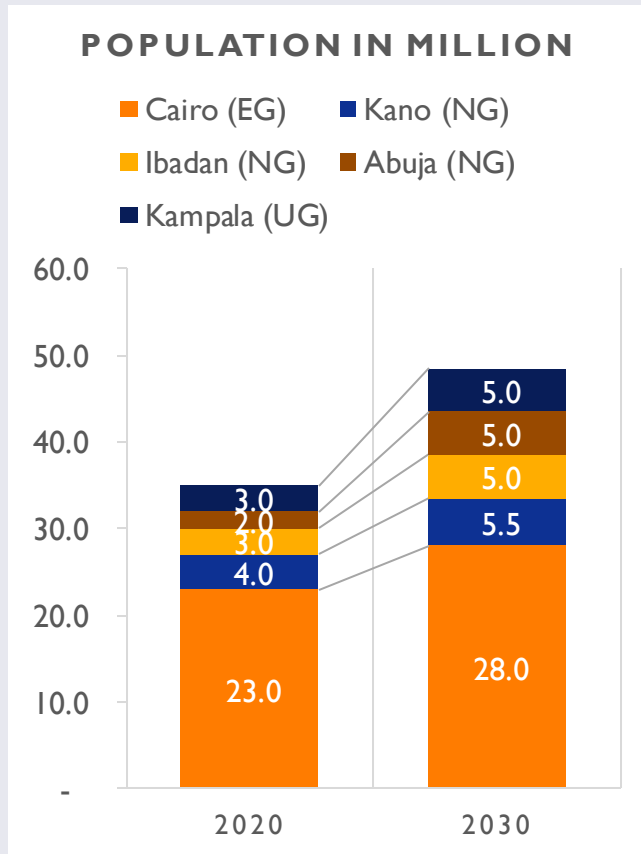
Background – A definition

The industry is rapidly changing ... but how ?



A rising population that is choosing to travel more ...

Increasing Population



Rising Middle Class

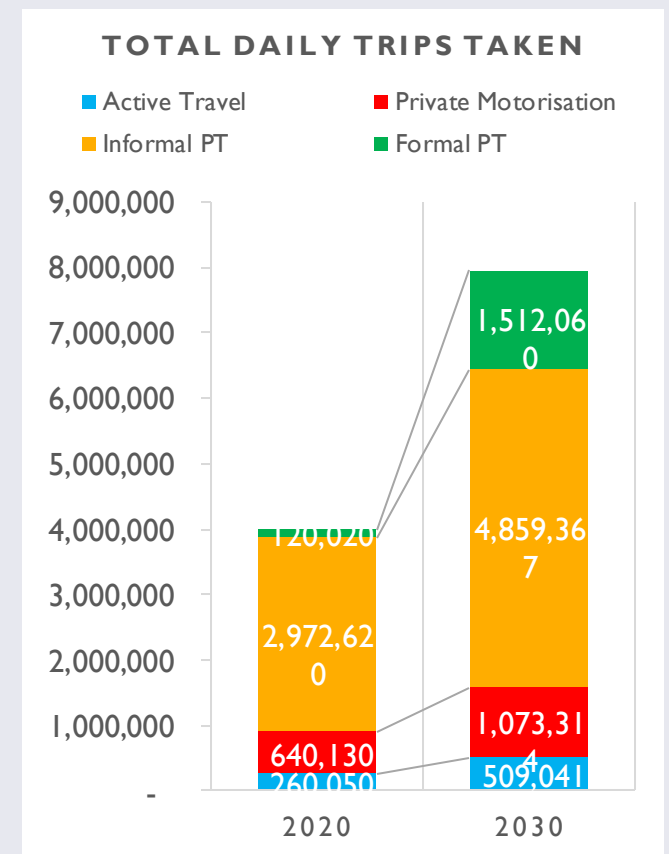
The New York Times

Coronavirus Is Battering Africa's Growing Middle Class

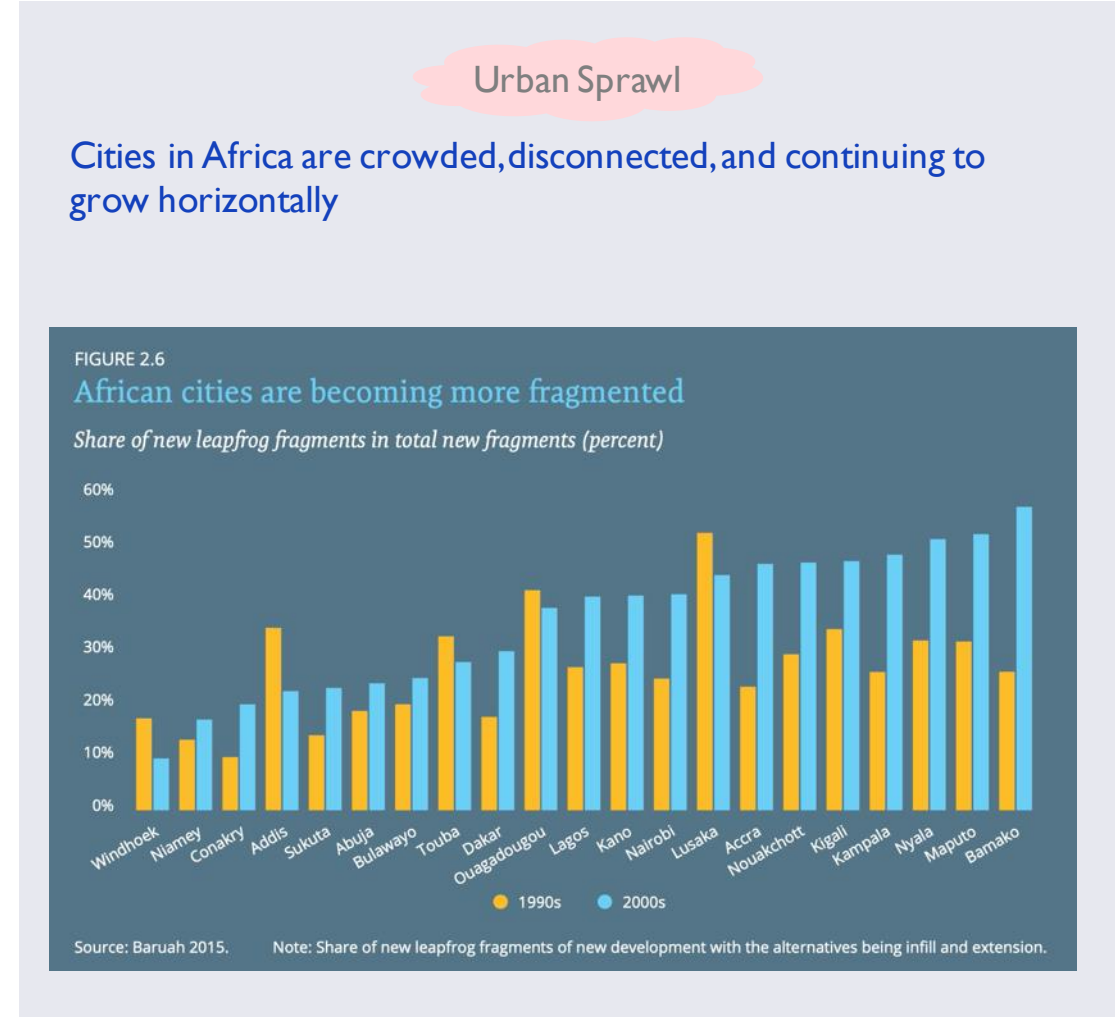
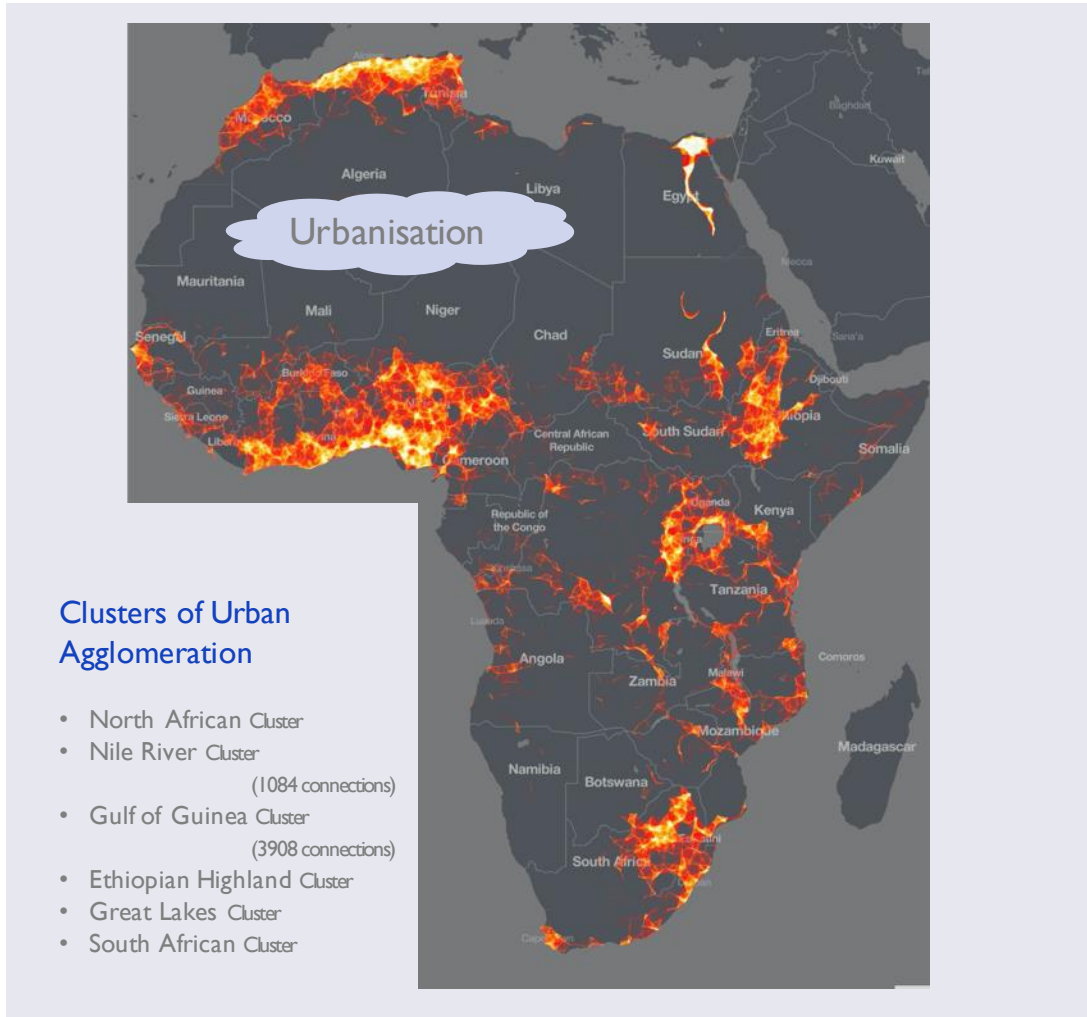
From Kenya to Nigeria, South Africa to Rwanda, the pandemic is decimating the livelihoods of the once-stable workers who were helping to drive Africa's economic expansion.

By Abdi Latif Dahir
 Published June 29, 2020
 Updated July 2, 2020

Increase in Trips Taken



Background – (2) Economic and Urban Environment
 ... within and between massively growing cities.



Traditional service provision paradigms are evolving

Financialisation

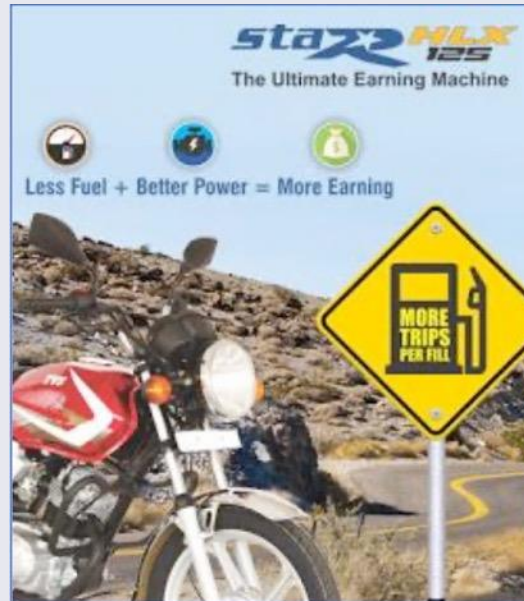
Paratransit is hard work ... and potentially lucrative.

Attracts unskilled labor market entrants



Shift from the traditional Tenant-Model towards loans.

Drivers assume financial risk ... in addition to commercial and operational risks



Formal actors driving the shift ... but not fully.

A cottage industry of providers across the value chain, such as Uber middlemen

دليل أرقام وفروع وكلاء شركة أوبر مصر - جو دابيل

رقم هاتف شركة أوبر عناوين مكاتب أوبر رقم خدمة عملاء أوبر للشكاوي مكاتب أوبر في شبرا رقم اتصالات أوبر رقم دعم أوبر ايس رقم أوبر الموحد مصر عنوان مقر شركة أوبر مكاتب أوبر في شبرا عناوين مكاتب أوبر شبرا الخيمة مكاتب أوبر وكريم في القاهرة عنوان مقر شركة أوبر رقم هاتف شركة أوبر عنوان أوبر للتدريب شركة أوبر في مصر خدمة عملاء أوبر مصر شكاوي

وكيل أوبر مصر مدينة نصر
العنوان: حمودة محمود، المنطقة التامن، مدينة نصر، محافظة القاهرة
الهاتف: 0748 177 0115

وكيل شركة أوبر مصر الجديدة
العنوان: 17 لطفى مصر الجديدة بجوار فيلا عاتق صفدي محطة الحرس الجمهوري مصر الجديدة 11736
الهاتف: 9223 999 0112

العالمية جروب الوكيل الرسمي والحصري لشركة أوبر وكريم وسويش
العنوان: كوبري الملك فيصل، أبو قتادة، العمرانية، الجيزة
الهاتف: 6140 712 0109

شركة أوبر وكريم المربوطة
العنوان: 70 طريق المربوطة، عطاطي، الهرم، الجيزة
الهاتف: 5649 684 0114

شركة السلطان الوكيل المعتمد لشركة أوبر وكريم
العنوان: المشية ميدان الساعة، كفر طهرمس / ب، قسم بوناق، الدكرور، الجيزة

مكتب حسين ابوالذهب أوبر وكريم الزاوية الحمراء
العنوان: محمد الأسمر، الزاوية الحمراء، محافظة القاهرة

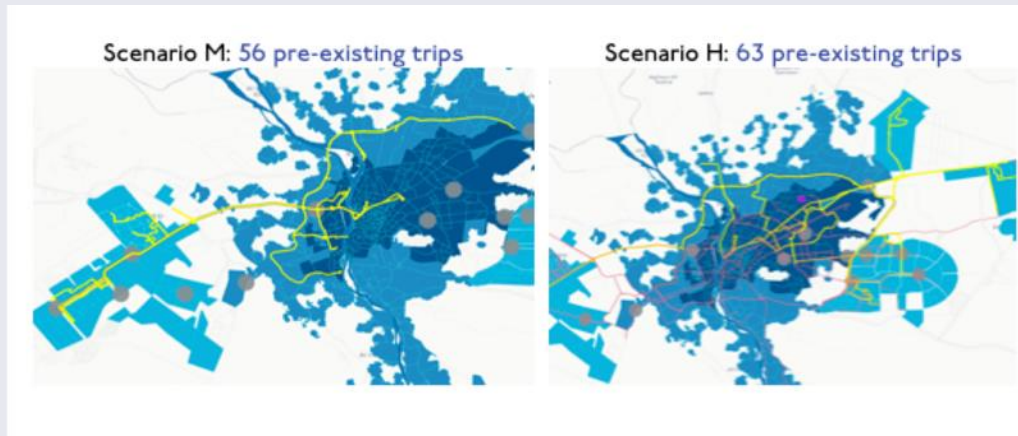
شركة ترو وكيل أوبر وكريم
العنوان: 178 عبد المحسن الوسيحي، الزهراء ومساجن الحامية، قسم عين شمس، محافظة القاهرة
الهاتف: 6023 886 0111

Access to capital remains low ... and organising the industry is a daunting task

Highly Fragmented

Ownership is highly dispersed

Leading to excessive on-street competition.



Undercapitalised

Chinese Vehicles

Paratransit in Egypt was about effectively employing live-savings ... yet signs hint at the sector being able to absorb more capital

- *Chinese Vehicles cost ~1/3 of Japanese Vehicles ... yet drivers overwhelmingly choose Japanese Vehicles*
- *Vehicle rent 36% of total daily income*

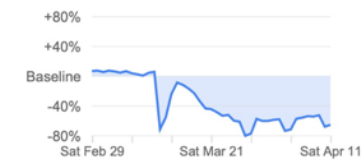
Regulatory Evolution

Was Paratransit affected by COVID-19 as heavily as the formal sector?

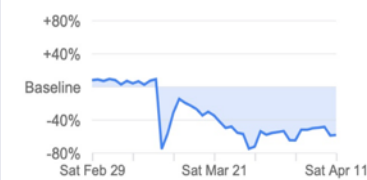
Stay-at-home Guidance

Public policy led to a massive reduction in travel at its peak ...
but paratransit seemed less affected than formal modes of transport.

-65% compared to baseline in Cairo



-58% compared to baseline in Giza



-48% compared to baseline in Qalyubia



Public Measures

Environmental hygiene measures

- Cleaning and disinfecting stations, vehicles
- Mandatory mask-wearing

Social Distancing measures

- Increased Service Frequency on formal services
- Limit on seats sold per vehicle

Economic Support

- 500 EGP for 3 month for irregular workers
- CTA increased route-concession fees and demanded early payment in March 2020, cannibalising its licences (!)

Banning paratransit might work in the short-term, but fails in the longer run

Paratransit Measures



Short-term Ban on PT



Long-term Boda-Boda free Zone

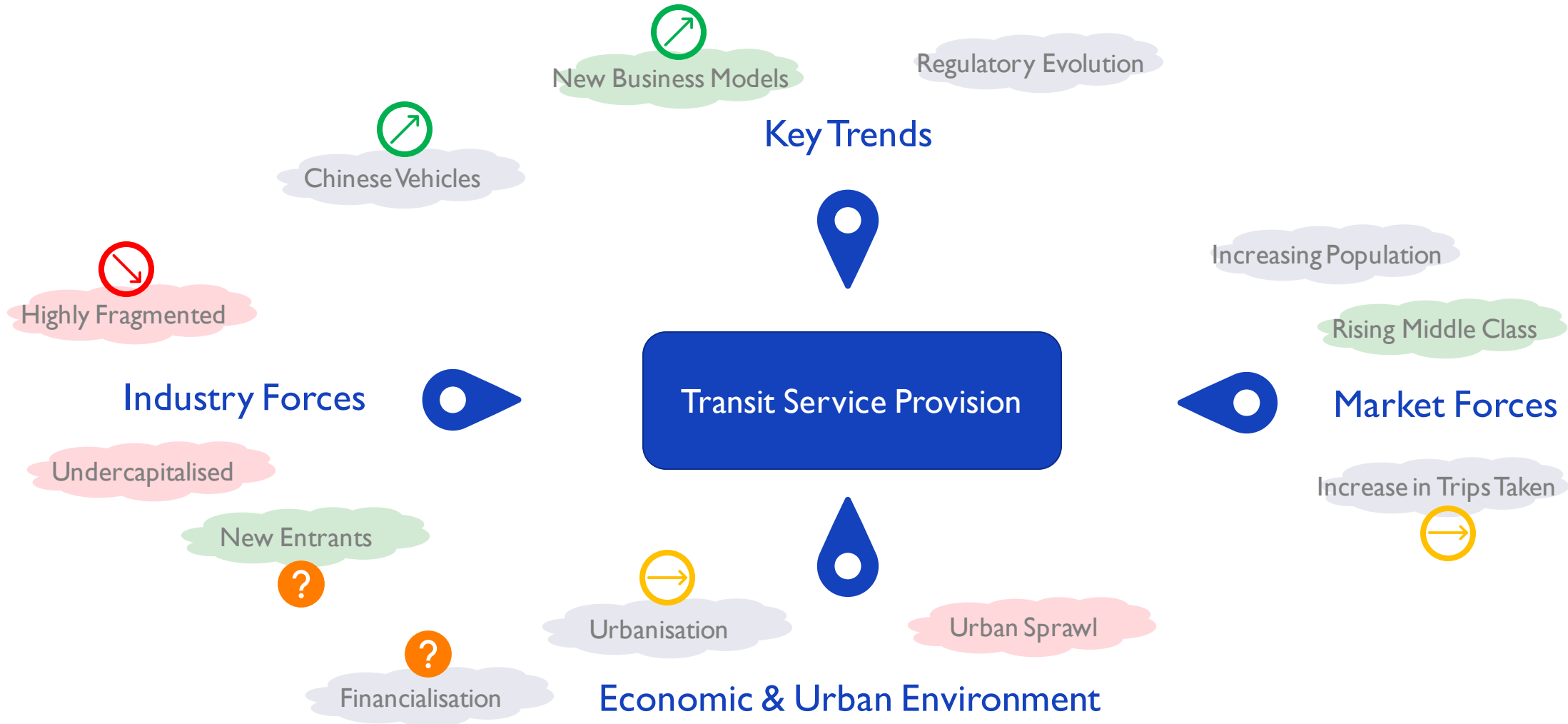
35% (up to 44%) of Boda-Boda trips outlawed!

Ban lasted one month



Conclusion – How is COVID-19 affecting the evolution

The pandemic is likely to be accelerating the change ... but risks undermining recent gains



Professionalising Paratransit

No meaningful reform without working with the sector

How can we achieve sustainable development goals through them?



Smart Capitalisation to achieve Deep Decarbonisation

Some numbers to take home

- *By 2030, paratransit will cover*
 - *61% of trips (Business as usual Scenario)*
 - *54% of trips (Sustainable Development Scenario)**For 6th of October City, Cairo.*
- *In Egypt Transport contributes 48,3 Mt CO²e*
 - *Current Actions mitigate ~1.12 Mt CO²e annually, or less than the annual growth in emissions*
- *Replacing all Microbuses in the GCR costs less than 17 km of line in the Cairo Metro*

Thank you for Listening

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for Cairo



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Have a break' and let others wrestle with traffic

Passengers sitting in crowded bus stop in Downtown, Cairo