Effectiveness of EU-supported public urban transport projects

Special Report 01/2014
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• European Court of Auditors

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The European Court of Auditors

- EU Institution based in Luxembourg

- EU’s independent external auditor:
  - legality and regularity audits – Annual Report
  - performance audits – Special Reports

- Collegiate body of 28 Members, one from each Member State

- Around 900 staff in audit, translation and administration
Scope of the audit

• EU funding allocated to urban transport for 2000-2013: 10.7 billion €

• Audit sample: 26 co-financed projects
  - 11 cities / 5 Member States: Spain, France, Italy, Poland, Portugal
  - railways, metros, trams, bus, IT projects

• Three main questions:
  - Were the projects implemented as planned in the grant applications?
  - Did the services provided by the projects meet user needs?
  - Did the projects achieve their objectives in terms of utilisation?
Conclusions of the audit

QUESTION 1
Projects implemented as planned in grant applications?

• Most projects **physically** implemented as planned

• 4 infrastructure projects had **delays** between 2 and 4 years. Main reasons:
  - making land available (even owned by municipalities)
  - change of route

• 10 projects exceeded their initial **budget** (3 by at least 20%)
  - soil conditions, archeological findings
  - administrative problems
  - contract price revisions or modifications of the project
Conclusions of the audit

QUESTION 2  (21 projects)
Do services provided by the projects meet user needs?

- Feedback from operators’ monitoring indicators (punctuality, cleanliness, information to travellers …) was positive
  - 18 had a monitoring
  - 5 cases where remuneration of the operator was linked to specific indicators

- User satisfaction surveys, when available, had positive results
  - 9 used this tool

Management tools should be required to monitor the quality of services and the level of satisfaction (indicators and surveys) so that remedial action can be taken.
Conclusions of the audit

QUESTION 3  (21 projects)
Objectives achieved in terms of utilisation?

• Many projects have less users than expected
  - 12 having targets: 2 OK (others, achievements from 2 to 87%)
  - 8 others: 4 showed signs of good performance

Result indicators with related targets should be required; they should subsequently be monitored.
Conclusions of the audit

QUESTION 3 (21 projects)
Objectives achieved in terms of utilisation?

- Several causes of underutilisation could have been tackled (11 / 14 underutilised)
  - insufficiencies in project design (feasibility studies)
  - weaknesses in mobility policy (coordination between transport modes, parking policy, absence of mobility plan)

A mobility policy should be required which:
- addresses consistency (transport modes, parking policy);
- demonstrates that the project is the most appropriate.
Conclusions of the audit

QUESTION 3 (21 projects)
Objectives achieved in terms of utilisation?

• Underutilisation may affect the achievement of expected benefits …
  Reduction in air pollution, noise, congestion, accidents, oil consumption and also, environment, health, growth, employment

• While being key at decision stage, these benefits are not assessed (except 2 projects)

• Underutilisation also increases the financial burden for the public authorities

Result indicators with related targets should be required regarding expected benefits such as reduction in pollution, noise, congestion, safety; they should subsequently be monitored.
Thank you
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