

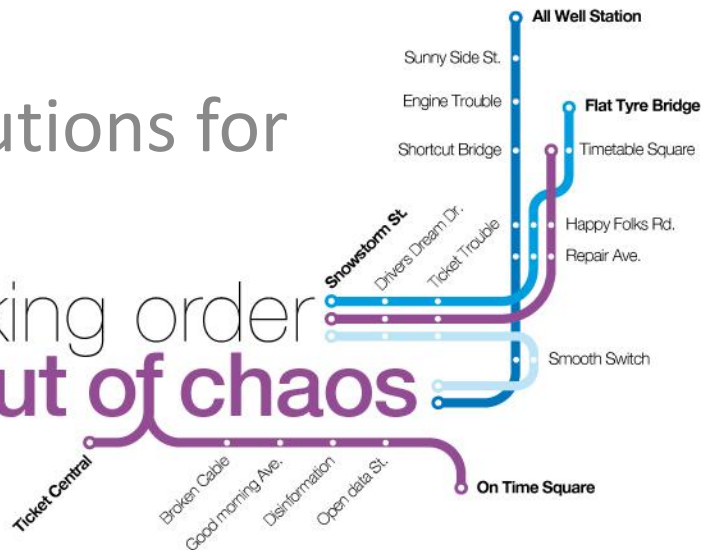
# Sören Belin



Fördublings  
projektet

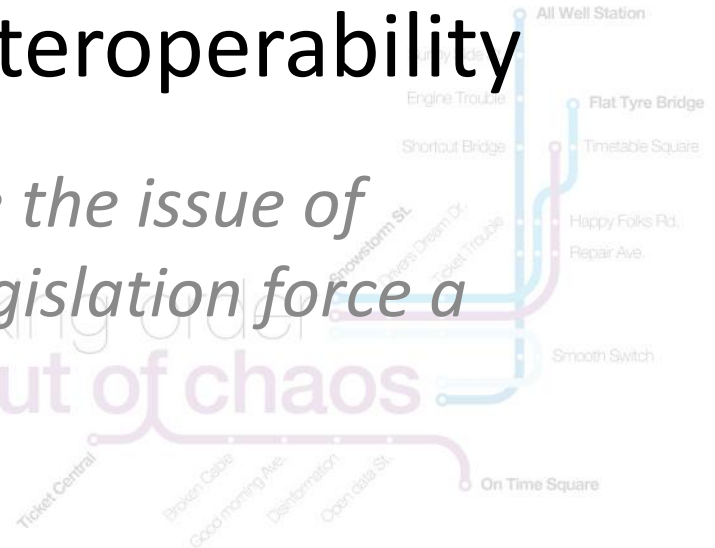
, Payment Solutions for  
the Future, Sweden

making order  
**out of chaos**



# The new legislation for Public Transport in Sweden expects interoperability

*Will the industry solve the issue of  
interoperability, or will legislation force a  
solution?*



## The organizations within the Swedish Doubling Project – the Industry (**We will double the market share for PT**)

- Swedish Public Transport Association
- Swedish Bus and Coach Federation
- Swedish Taxi Association
- Association of Swedish Train Operating companies
- Swedish association of Local Authorities and regions in Sweden
- Swedish Transport administration

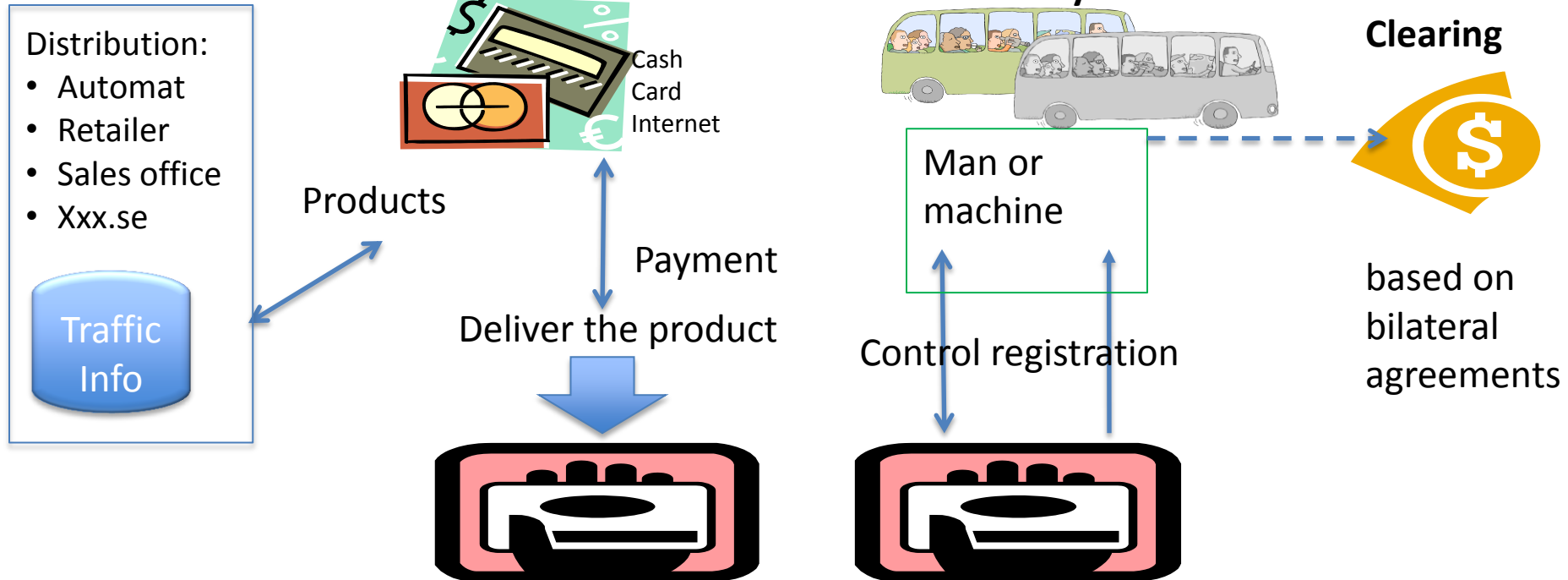
*The project started in 2008.*

# Interoperability?

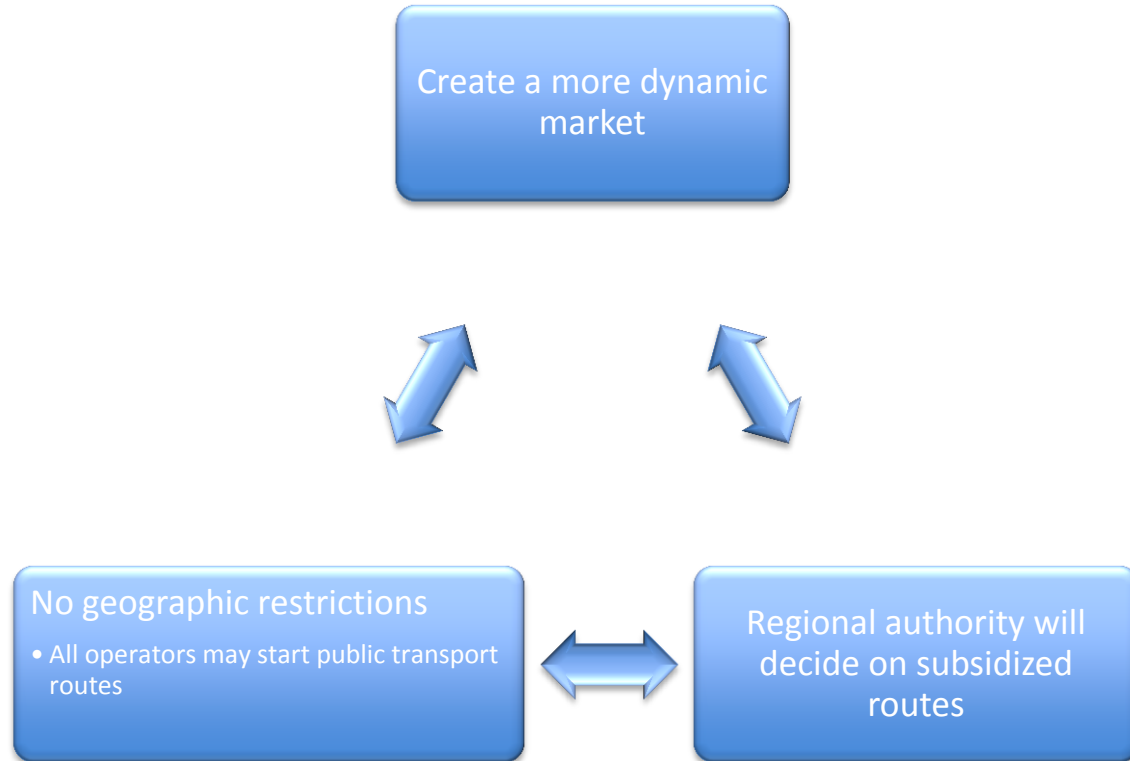
Traveling on public transport within and between separate traffic systems

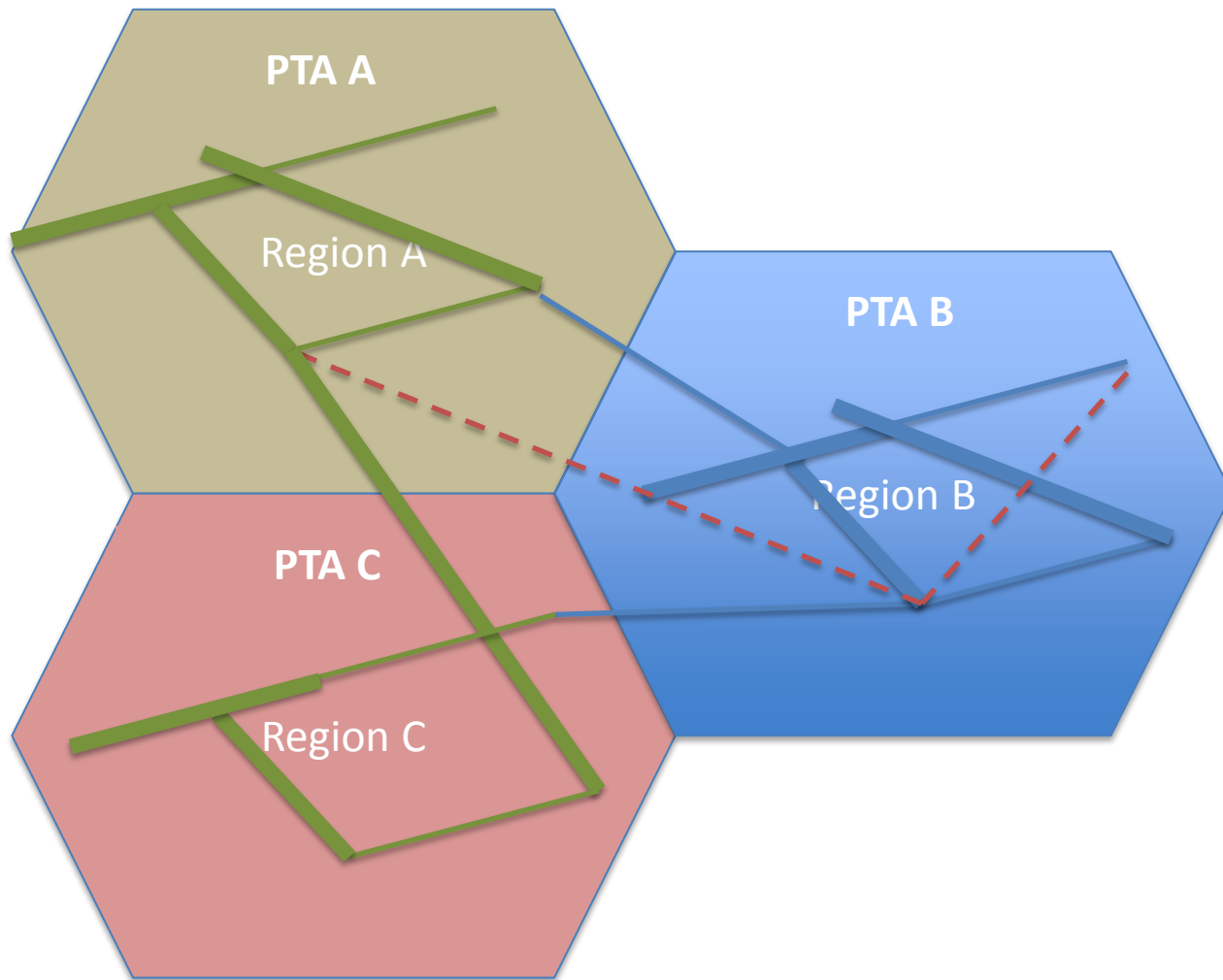
Where the customer may obtain a “ticket” (*proof of payment*) in one transaction for the entire journey during a defined time period

# What's required in order to become interoperable?



# The market for Public Transport will be significantly deregulated 2012





# The industry has come together in a Partnership in order to vitalize the market and to prepare for deregulation

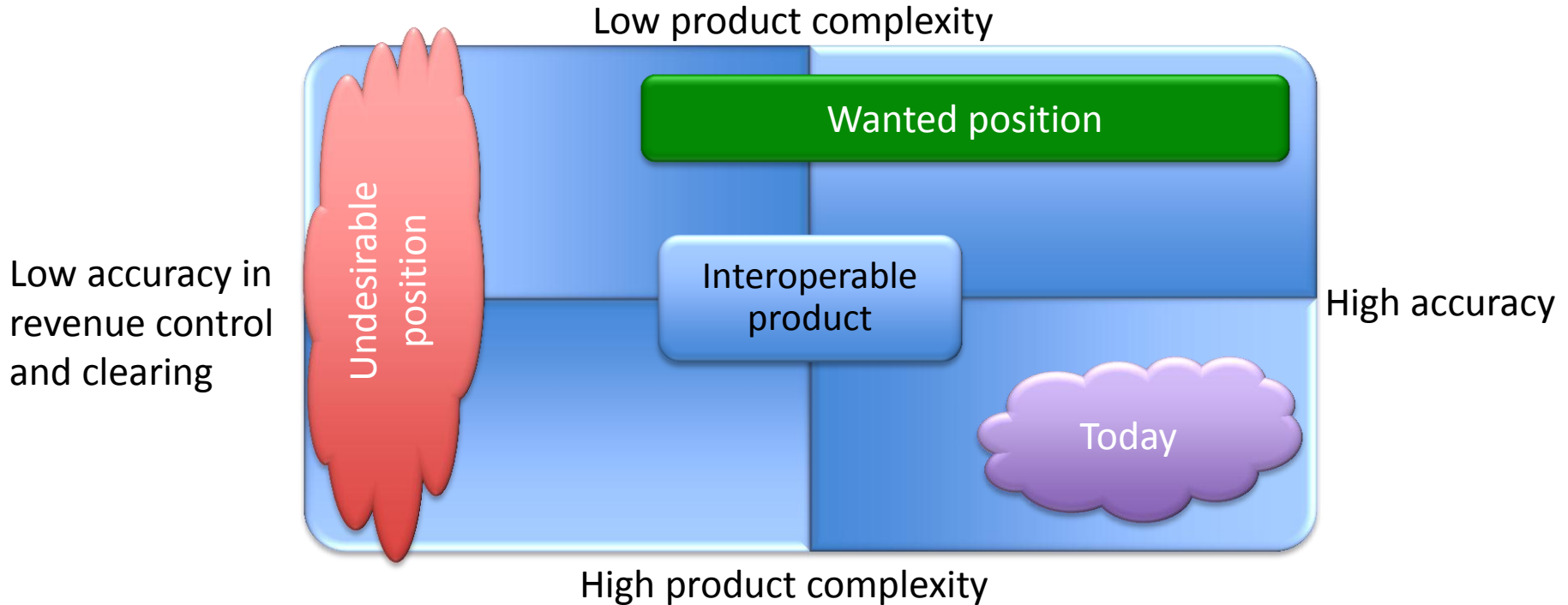




# Pricing schemes and business rules between PTA are even more fragmented

- Development focused on regional needs
- Politicians are eager to implement new features and pricing schemes – continuously
- Interoperability is second or third priority
  - *“If we shall become interoperable you must adjust to my system, regime and schemes”*

To achieve interoperability a critical mass of terms and conditions must be harmonized



# Strategic choice

- Continue with present regimes
  - Technology based on own cards or new pan-European standards
  - Separate pricing schemes
  - Geographical clusters
  - Complexity in integrating technology and commercial agreements remains the same
- Establish a new regime, long-term
  - National harmonized scheme for interoperable travel
  - Radically lower complexity in price schemes in general
  - Technology based on common payment systems, not own card schemes
  - Move logic to back-office
- Interoperability based on bilateral agreements and harmonized pricing schemes
- All development must be handled in present systems for at least 5 years in parallel with new initiatives

# Available options

- European card standard (IFM, ITSO etc)
  - Card issuing and payment with the operator
  - Unique equipment and logic at front end
  - Central point of administration of schemes, security etc
  - Interoperability must be implemented in the “card” and front end
- Contactless EMV-approved media (“London solution”)
  - Global standard in media and front end equipment (EMV)
  - Card issuing and payment through banks
  - Less (minimal) logic at front end
  - Interoperability is implemented in the back office systems of the operators

# Will we fix it?

- Harmonization is an imperative
  - Good start – but still a long way to go
  - It's all-in or nothing
- Interoperable means that you can't impose your scheme on everybody else
  - Win-win must be achieved for both publicly and commercially owned operators
  - Commercial agreements between operators must be in place
- It's not about technology – will require agreement at industry level and a strong leadership

# Will the government intervene?

- If interoperability becomes a mess for the traveler – definitely
  - Travelers do vote
- If there is no visible development at industry level within reasonable time – most likely
- It's up to the industry to get its act together

Thank you for your attention!

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InformNorden  
Sweden Malmö  
7-9th Sep 2011

making order  
out of chaos

