



Bus

Liberalisation stage: emerging

- Entered bus market in 2002
- 2,360 buses
- 4 waterbuses
- 6 trams
- 3,340 employees

Our position

Arriva is the largest international bus operator in Italy, it operates approximately 5 per cent of the market.

We run urban and inter-urban services in the north of the country, airport connection services to Turin, Milan and Bergamo airports and services for students with disabilities in Rome. We also operate daily and seasonal waterbuses in Trieste.

The market

The opening of the bus passenger transport market is slow, and competitive tendering is not yet commonplace.

Bus services are currently highly subsidised, with low fares. Provincial or municipal local authorities are responsible for bus provision and setting fares (inside a general framework provided by the region), and public transport funding is provided nationally by the state. In some regions public private partnerships have been set up.

Where contracts are in place they are typically net cost.

There are a large number of local operators, mostly owned by regions and municipalities.

Rail

Liberalisation stage: yet to liberalise

The market

Early attempts at competitive tendering in the Italian rail market failed, however there are potential changes and opportunities which we are examining through the formation of Arriva Italia Rail.

In 2010, Trenitalia, owned by Italian state railway Ferrovie dello Stato (FS) signed six-year service contracts for regional services in many areas, with six-year extension options.

Some regions, including Piemonte, have been considering market opening and Arriva will continue to monitor any market entry opportunities.



Bus
Waterbus

Case study: Electronic ticketing in the Province of Turin

An award-winning integrated ticketing and real-time information project was launched by Arriva's SADEM bus business, GTT Turin and 19 local bus operators. The consortium has introduced an integrated system of tariffs and fares in both the Piemonte region and the Province of Turin. The initiative covers 28 municipalities, and some 24 million route kms a year, serving around 160,000 passengers a day.

Some 730 buses and 15 travel offices have been improved and upgraded with the new technology, and more than 500 retailers accept the scheme's contactless smartcard. The initiative accepts payment by smartphone and internet and aims to:

- improve public transport access and payment options
- reduce fare evasion
- provide real-time information for the public, both on-street and online
- improve and automate business ticketing processes.

The initiative was completely rolled out by the end of 2013.

Successes

- Arriva's 100 per cent contract retention rate in Italy reflects our track record of excellent operational performance and improved levels of passenger satisfaction.
- In partnership with local authorities we have developed and introduced new technology, helping improve operating efficiency and customer satisfaction. For example, we have fitted buses in our SAF, SADEM and Trieste Trasporti businesses with GPS systems to monitor and manage the fleet, improving punctuality and information for passengers.
- In our SAF business, we developed a pilot project in collaboration with the Politecnico University of Milan called 'Best Driving Tutor' to introduce a driving style focused on reducing fuel consumption and CO₂ emissions, while promoting road safety. The project was presented at the World Expo 2010 trade show in Shanghai.
- A six-monthly customer satisfaction survey in Brescia, where our companies SIA and SAIA operate, shows consistent improvements with overall customer perception of services now scoring seven out of 10.
- We won a tender in Rome to operate transport services for students with disabilities – an opportunity in a new market.

Key dates

	2013	Operation of the service in the Province of Cremona awarded for the second time to KM (in association with other local operators) until 2021
	2012	Arriva Italia Rail formed
	2011	Contracts in Friuli Venezia Giulia, operating in Udine and Trieste, extended until 2015
	2008	Acquired the remaining 20 per cent stake in SADEM, and subsidiary SAPAV
	2005	Acquired an 80 per cent stake in SADEM, plus an interest in subsidiary company SAPAV, both operating in the Turin area
	2005	Increased stake in SAF to 60 per cent
	2004	Invested in a 49 per cent stake in SAF's urban, inter-urban and contracted operations in Udine
	2002	Invested in associated interests in KM and Trieste Trasporti
	2002	Acquired SAB's urban, inter-urban and airport bus services operating to the east of Milan