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DELIVERING INTEGRATED TRANSPORT MODES AND SERVICES TO CUSTOMERS

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ABSTRACT

Demand for passenger and freight transport plays a dominant role in the Hungarian economy. Thanks to the EU integration process and the changing social requirements, besides quantitative aspects the qualitative features have also gained significance when assessing the supply of services. Therefore, intermodal, integrated transport services have gained an impetus in the last decade. These solutions offer savings particularly in the area of social costs of transport, as compared to those characterising transport modes separately, but to a smaller extent they induce benefits at micro-economic level as well. The demand for integrated transport services will grow continuously in the future and in order to understand them better the market activities have to be analysed thoroughly, i.e. studies have to be focussed onto the nature of interaction between demand and supply. The intermodal transport market is determined primarily by current technologies, available financial sources and secondarily by eventual changes in transport policy. Thus, besides the interaction between demand and supply, the analysis shall involve the financing opportunities, the legal and regulatory framework and the long term, strategic concepts as well.

The report provides a parallel examination of passenger and freight transport market, both from the point of view of the supply and the demand side, presents their role in the economy and the society, reviews the upper-level incentives (harmonizing timetables, forming the associations within the public transport system, ensuring accessibility etc.) and specifies the roles of different stakeholders in the development of the institutional system, describes the interdependencies and the financial opportunities. The desirable future of the transport sector, the main strategic ideas, the plans and possible actions are also duly demonstrated.

1. THE STATE OF PASSENGER AND FREIGHT TRANSPORT

1.1. Passenger transport

Despite the steadily growing rate of car ownership and use (similarly to the European trends), public passenger transport in Hungary has still nowadays a considerable share in the modal split (Table 1).

Table 1 - Modal split of passenger transport*

%	Outside Budapest	In Budapest
Public transport	44.3	62.5
Private cars	50.4	35
Other	5.3	2.5
Total	100	100

* Expressed as number of trips; where there is a change of mode (chain-trips), the determinant one is taken into account. Data related to Budapest resulted from the household survey of BKV (2004), while those related to other areas and settlements resulted from the household survey of KTI (2008).

This is caused mainly by the following reasons: 1) the rate of car ownership has been relatively low compared to other European countries, especially before 1990, while its growth has been accelerated ever since; 2) tariffs of public transport were fixed by relevant authorities at a relatively low level, providing extensive discounts, taking into consideration social acceptability; and finally 3) the public transport network is very dense and extended (public bus services are provided at 99.9% of all settlements, while passenger rail services are also available in one third of them).

1.2. Features of long distance road and rail passenger public transport services and networks

Long distance road and rail public passenger transport services are both ordered by the Minister responsible for the transport sector. Regional Transport Organising Offices operating on behalf of the Ministry in different regions of the country are playing a decisive role in that process. Their presence in the localities reflects the subsidiarity principle all along the development and provision of public transport services.

An appropriate co-ordination of these services provided by different transport means and service providers is of utmost importance, especially when preparing harmonized timetables of public transport services. In this respect it is vital to:

- identify supply deficiencies and unnecessary parallel services,
- harmonise connecting services at transfer points,
- provide services of appropriate quality with suitable access times.

Intercity rail and road (bus) public passenger transport services are provided for 1) long distance; 2) regional; and 3) suburban travel.

International and contract based passenger transport services are considered as market activities thus they are excluded from the range of public transport services.

Long distance public transport bus companies are providing passenger transport services at 99.9% of all Hungarian cities and towns, transporting 507.4 million passengers, and performing 11.244 pkms annually, operating regular services on more than 40 thousand lines every day.

There are 24 public enterprises in the country (VOLÁN companies), providing public passenger transport services. They operate 6,720 public transport vehicles with an average age of 11.5 years. The reality, however, is better reflected by the fact, that more than a quarter of the vehicle fleet is older than 17 years.

142.7 million passengers are transported by rail, performing 830 million pkms yearly, running around 3,300 trains every day.

MÁV-START Zrt, the company providing rail passenger transport services, operates 2990 vehicles (railcars and passenger wagons).

The average age of these vehicles is 30.94 years That of the railcars, DMUs and EMUs is 20.7 years, while the average age of passenger wagons is 32.64 years. Regarding the engines of traction, the situation isn’t better at all: their average age exceeds 34 years.

It is the task of the Ministry responsible for the transport sector to assure an appropriate quality of public passenger transport services thus it has to fix required service levels in the contracts related to public services to be provided by railway companies (SLA). The main requirements are: 1) cleanliness 2) punctuality 3) appropriate information of passengers.

1.3. Local public transport systems

The number of settlements where local public passenger transport services are provided is varying from year to year, but even today it is above 100. The operation of local public passenger transport systems is commissioned by the local government which finances it partly from its own resources, partly from the State budget, where HUF 35.2 billion is allocated to that purpose yearly. Apart from keeping the tariffs at a relatively low level, another task is to develop timetables matching the demand and allowing to apply up-to-date methods of operation and management leading to high performance, which in turn, may imply increasing operating deficits, and due to permanent underfunding, an accelerated degradation of the vehicle fleet.

The local public passenger transport services are transporting 2 179.4 million passengers, performing 8 048.3 million pkms yearly, (60% of it has been realized in the capital city Budapest). Nearly 60% of that transport performance has been realized by buses, while the rest by trams, trolleybuses, underground and suburban railways.

The 422 buses are operated mainly by municipality owned enterprises (Kaposvári T. Zrt. Miskolci V.K. and Pécsi K. Zrt.), their average age is 8 years. BKV Zrt. (the public passenger transport company of Budapest) operates 1,200 buses; their average age is 16 years.

The general aim of local public passenger transport services is to meet the local travel demand, while in case of small settlements they provide access to the long distance public passenger transport services.

1.4. Passenger transport on inland waterways

Since 1st of January 2004 passenger transport on inland waterways is not considered to be a public service any more. It meets chiefly the demand generated by tourism. On the base of European best practice, there are plans to launch a regular service with modern speedboats along the Danube, within Budapest or even beyond its boundaries. A feasibility study is under preparation in this respect.

Compared to other transport modes, ferry transport meets marginal demand for passenger transport, but due to its importance as bridge substitute, it is still considered to be a public service. Across rivers and lakes there are 65 ferry services available in Hungary today.

1.5. Intermodal freight transport

5.325 million tons of freight, performing 1.113 billion ton-km were transported in Hungary by combined transport in 2009, which reflects a 2.60% decrease in volume and a 1.00% decrease in performance compared to the previous year. In this relatively small landlocked country domestic traffic is insignificant, so the main component of long distance combined transport is the railway transport. Concerning loaded containers, their incoming and transit transport performance is considerably high.

There is a relatively small number of firms providing combined transport services (e.g. Rail Service Hungária Kft., Hungarokombi Kft.) The main terminals of combined transport are presented in Fig. 1.

Table 2 - Basic data of combined transport in Hungary (2009)

	ITU	**Net weight of freight transported (thousand tons)**	**Freight transport performance (million ton-kms)**
Containers, swap-bodies	221,167	4,365.683	842.652
Trailers, semi-trailers	6,955	188.584	24.549
RO-LA	26,430	760.605	266.212

Source: Hungarian Central Statistical Office

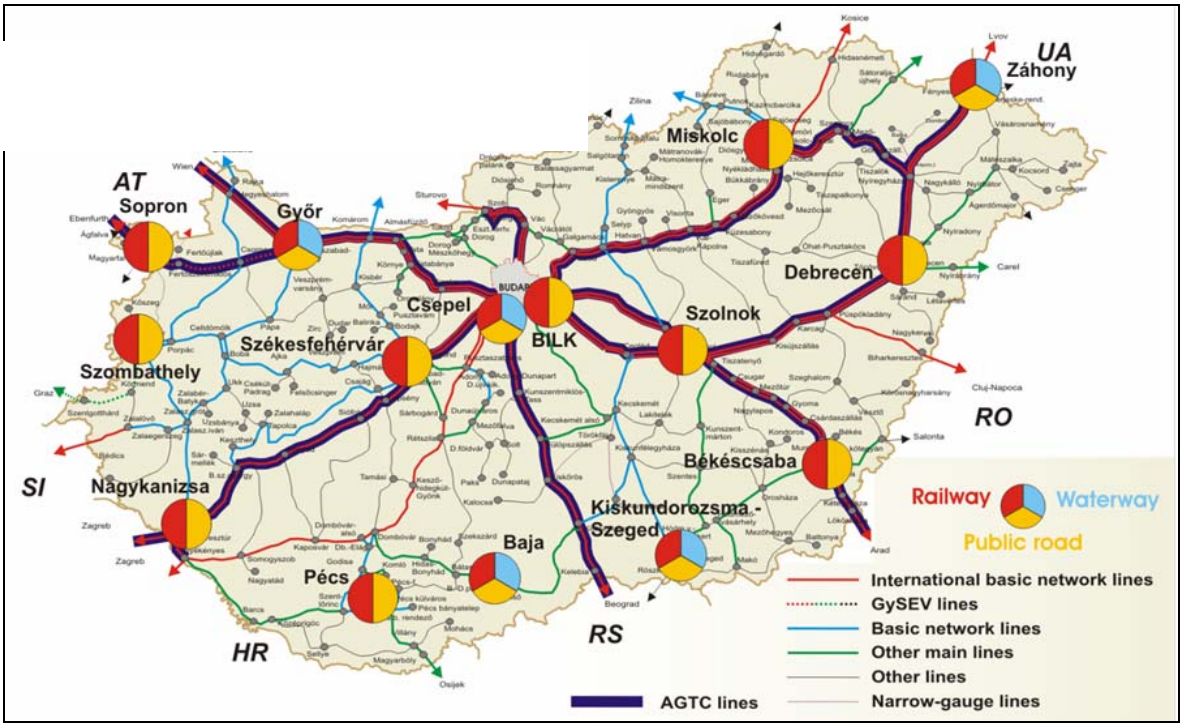

Figure 1- AGTC lines and terminals of combined transport in Hungary (Source: Institute for Transport Sciences Non-Profit Ltd.(KTI))

2. MEASURES ENHANCING CO-OPERATION OF TRANSPORT MODES

2.1. Institutional background and market structure of public passenger transport in Hungary

As a Member State of the European Union, the Republic of Hungary has a legal system which is, while respecting the national characteristics, duly harmonized to and integrated within the Community law, the *„acquis communautaire."*

Similarly to the two tiers (local and central) of public administration, the Hungarian public passenger transport system also has two basic components: the long distance (long distance and inter-urban transport) and the local public passenger transport systems (between and in vicinity of the settlements, respectively). The central government is obliged by law to assure the provision of long distance public transport services, while in

case of local governments, it is their optional task to assure the provision of local public passenger transport services.

On the market of long distance public passenger transport services by road, there are 24, principally State owned VOLÁN enterprises and 4 private companies providing public passenger transport services at present. On 1st of January 2005 public service contracts were concluded with State owned companies providing long distance public transport services by road, and these remain effective until 31st of December 2016. Private enterprises for similar tasks were selected through competitive tendering, public passenger transport service contracts signed with them remain also effective until 31st of December 2016.

Public passenger transport by railways is provided by MÁV Start Zrt. (part of the -State owned MÁV Group), and by GySEV Zrt. (a concession company owned jointly by the Hungarian and Austrian States). Public service contracts for 3 years were signed in 2010 with these companies providing public passenger transport by railways.

Railway infrastructure operation and management is carried out by MÁV Zrt. and GySEV Zrt., while a 3 years contract related to these tasks is expected to be signed by the State with these companies in 2011.

At more than 100 settlements local public passenger transport services are provided by companies owned by the municipality, or by the VOLÁN enterprises owned by the State. Several private companies are also providing local transport services, especially at small settlements.

2.2. Funding public passenger transport

Public passenger transport services are procured by the Client through a public service contract, in which the basic parameters of the services and funding requirements of their provision are duly detailed and mutually approved. It has to be noted, however, that in Hungary the maximum tariffs to be levied for long distance and local public passenger transport services are determined by the Client in a legal act. According to an extremely generous discount system based on social acceptability considerations, nearly 60% of the population is entitled to some sort of discount expressed in percentage of the full amount of fares (50%-90%), when using long distance public passenger transport, while in local public passenger transport the discount is a fixed amount.

Altogether HUF 400 billion are spent from the State budget annually by the central and local governments to organize and finance local and long distance public passenger transport services. These services are financed through several different facilities, which are harmonized, but operated under different terms and conditions.

As a consequence of changing structure of the demand for passenger transport and growing mobility of the people, the division of the public passenger transport system between local and long distance service providers is less and less capable to meet the demand, therefore weakening the competitiveness of public transport.

2.3. Harmonizing timetables

It is a common task of public passenger transport service providers and organizations ordering these services, to co-ordinate the timetables of individual transport providers, between different transport modes and/or local and long distance transports. Timetables of

long distance public passenger transport are usually prepared by the service providers, while the consultation aiming to their harmonization has to be coordinated by the Regional Transport Organising Offices acting on behalf of the Ministry responsible for the transport sector.

The timetables are harmonized in the following steps: 1) between transport modes 2) within transport modes 3) between local and long distance passenger transports. The aim of the harmonization is to provide passenger transport services by an efficient use of available resources and meeting the demand for public passenger transport services to the widest extent possible.

The notions of basic provision of public service and that of public service itself are not defined legally in Hungary, so the timetables related to public passenger transport services have to be created year after year as a result of appropriate co-ordination, derived principally from and based onto the previous ones. Concerning supply capacity planning, priorities are based on purpose of travel as follows: 1) meeting the demand for business travel (to/from school and workplace) 2) meeting the demand for access to other (public) transport services and finally 3) meeting the remaining or tourism related demand for travel.

Applying the principles described above, it can be stated in general, that concerning long distance and suburban public passenger transport, railway timetables should be harmonized with timetables of connecting bus transport services, while in regional transport the operation of railway and bus passenger transport has to be harmonized, exploiting the strengths of each mode (co-modality).

2.4. Timetable/fare/network integration in the local and long distance public passenger transport, the model of association

The Budapest Transport Association (BKSZ) has been established by stakeholders representing the municipalities and the central government on 1st of September 2005. The aim of this association is to take a gradually growing part in the organization, management and development of the public transport system of Budapest and its agglomeration, enhancing to achieve its approved objectives in a timely manner, as scheduled.

The Budapest Pass, based on a unified fare system of the local and long distance public transport providers operating within the administrative boundaries of Budapest, has been introduced in two steps: in 2005 and in 2009. An extension of the common fare system onto the agglomeration of Budapest is under preparation.

Several projects were realized, or are under preparation enabling the customers to use the services provided by the public passenger transport system of Budapest and its agglomeration as uniform, integrated services (online travel planner, uniform line numbering on connections serviced by different providers etc.).

It has to be noted, that under the project management of BKSZ, on the top of other developments, more than 1100 P+R and more than 700 B+R type parking spaces have been created in Budapest and in its agglomeration between 2008 and 2010. With the contribution of BKSZ, joining other initiatives, work has begun to develop further 4257 P+R and 1700 B+R parking spaces, 21 bus-turn lanes and 67 bus stops.

On the top of the projects carried out in the capital city, in the framework of the EU co-financed Regional Operating Programs significant resources were spent on the

development of public transport infrastructure between 2008 and 2010, providing local, regional or rural connections. These include the modernisation of bus stations and bus stops, building of bus-turn lanes, improving accessibility, building P+R and B+R type parking spaces, and developing services which contributed to improve travel comfort (e.g. appropriate passenger information services).

2.5. Improving accessibility of public transport facilities for disabled people

A key element for assessing the quality of public transport systems is their physical accessibility, i.e. making them accessible for disabled people.

According to expert opinion, less than 20% of the vehicles and the passenger transport infrastructure itself are really accessible for disabled people at present, and the cost of making the whole network accessible for them might reach HUF 350 billion. Due to the lack of necessary funding resources, these objectives cannot be achieved, but the refurbishment of existing, or the construction of new infrastructure at present or in the near future, as well as the compliance with accessibility requirements is being enhanced.

Obviously, making accessible the public passenger transport system can help only a part of disabled people, their demand for transport services can only be satisfied if transport, support and help services will be enabled to provide individual solutions for the severely disabled as well.

2.6. Demand responsive transport systems

Beside the cooperation of local and long distance public transport systems a significant challenge is how to provide public transport services in scarcely inhabited areas or areas with specific settlement structures, which are difficult to be reached by traditional means designed for public passenger transport or cannot be integrated into the existing network. The same applies to passengers with specific transport demand (elderly or disabled people) living in small settlements or in settlements located far away.

The public transport supply can be improved in these areas and for the passenger groups mentioned above, if - linked to the social projects launched for similar purpose (e.g. village bus, community bus services) - demand responsive transport services were developed within the public passenger transport system.

Several pilot projects have been launched during recent years to create public passenger transport systems where limited capacity vehicles are operated on flexible routes with flexible timetables. Extension of their application is actually hampered by high specific costs and the fact that their social acceptance is increasing only slowly and gradually.

2.7. Legal background

The provision of public passenger transport services is regulated by several legal acts and regulations both on the Community and on the national level.

The Minister responsible for the transport sector is acting on behalf of the State as a Client ordering these public services, while he/she is joined by the Minister responsible for the State budget since financial constraints are also to be respected. The local transport services are ordered by the local government (general assembly) of a given settlement.

3. MEASURES ENHANCING INTERMODAL FREIGHT TRANSPORT

Measures for enhancing intermodal freight transport can be classified in two categories:

- Financial incentives
- Administrative incentives

3.1. Financial incentives

Aiming to develop the intermodal freight transport services, the Hungarian Government provides the following direct* subsidies:

- HUF 2.890 billion were paid from the State budget to top up the operation costs of Ro-La services between 2008 and 2011.The obvious result of this subsidy is that Ro-La traffic still exists in Hungary: 36,791 and 26,430 trucks, mainly of Serbian and Turkish origin, have been transported by this mode in 2008 and 2009 respectively.
- Intermodal logistic centres are under development in the framework of the EU supported Program of Economic Development Operating Programme (GOP) and the Central Hungarian Region's Operating Programme (KMOP). Approved projects (procurement of machines and equipments, extension of industrial railway lines, expansion of terminals), can be subsidized up to HUF 750 million each and maximum 50% of the investment costs can be applied for (in the Central Hungarian Region, which includes Budapest and Pest county, these limits are HUF 600 million and 30% respectively). For that purpose there is HUF 30,259 billion available between 2007 and 2013, from which 85% is expected to be paid by the European Regional Development Fund (ERDF), while the remaining 15% is to be drawn down from the Hungarian State budget. The subsidy entails a contractual obligation to modify the modal split (shifting freight transport from road to railways and waterways), which shall be calculated by the following equation (where b_0 is the basic modal split, and b_1, b_2, b_3 is the target modal split to be achieved by the applicant in the three business years following the last year of the project's implementation):

$$\frac{subsidy\ \ applied\ \ for}{(b_1 - b_0) + (b_2 - b_0) + (b_3 - b_0)} \leq 7{,}10\ thousand\ \ HUF / ton$$

- The Transport Operating Program (KözOP) supports the construction of ports and industrial railway lines. HUF 15.1 billion is available as subsidy for that purpose between 2007 and 2013, 85% of which is expected to be financed by ERDF while 15% will be paid from the Hungarian State budget.

All three kinds of subsidies have been allocated maintaining close consultation with the professional partners (e.g. Association of Hungarian Logistics Service Centres). Due to the nature of these subsidies, apart from the Hungarian Government's approval, obtaining a "State aid notification" from the European Union was also necessary.

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* The measures related to transport infrastructure development and other programs (e.g. Marco Polo) have not been taken into account.

3.2. Legal acts and agreements

Hungary proclaimed the European Agreement on Important International Combined Transport Lines and Related Installations (AGTC) in 1994. Although a road toll system based on distance travelled doesn't functioning yet in Hungary, heavy good vehicles running as part of combined transport are exempted from traffic ban applied on weekends and national holidays within a 70 km radius around logistic centres.

Besides, Hungary has bilateral agreements related to international freight transport with its neighbours (Croatia, Romania, Serbia and Slovakia) and several other countries (e. g. Bulgaria, the Czech Republic, Germany and Italy).

4. STRATEGIC DOCUMENTS, PROFESSIONAL CONCEPTS

4.1. Passenger transport

The long term objective of the development of public passenger transport is to build up an integrated transport system, in line with the European tendencies, where railway and bus services are provided in harmony. In compliance with actual demand, available funding resources are to be spent in a more economic and efficient way to achieve an appropriate service provision and management.

Aiming to maintain or even to increase the present share of public passenger transport within the modal split, a significant improvement of the quality of services is inevitable. To this end the development of both the transport infrastructure and the running stock is necessary, although it is determined by severe budgetary constraints.

On the top of limited national resources, significant EU funds are available to finance the projects identified to achieve the objectives set up in the Regional Operating Programs, as well as in the Transport Operational Program.

4.2. Freight transport

All effective Hungarian transport policy documents emphasize the role and importance of intermodal freight transport. In the chapter dealing with freight transport of the Unified Transport Development Strategy, high priority is given to increase the share of combined transport in the modal split and to achieve a more efficient operation and management of intermodal logistic centres. A Concept for Development of Intermodal Logistics in Hungary was elaborated in 2006. The aim of this sector strategy is to create a freight transport and logistics system in Hungary, which - taking advantages from the geopolitical situation of the country – will be enabled to provide transport services as a hub for Eastern- and Southern Europe in an efficient and sustainable way (giving priority to freight transport by railways and on waterways). The Hungarian Logistics Strategy for 2007-2013, and the New Széchenyi Plan (National Development Plan) both deal with the problems of combined transport.

4.3. Development of the infrastructure of public passenger transport

The main task in this respect is the development and maintenance of both the railway lines and public roads. Appropriate travel times have to be assured on one hand, since they have serious impact on the quality of services rendered; the condition of buses has to be

maintained at a required technical and serviceability level on the other, but these measures require an increase of the demand for public funding.

Thus, every effort has to be made to improve the condition of railway lines and public roads enabling them to enhance the competitiveness of public passenger transport against individual modes.

It has to be noted that not only large scale projects contribute to the development of the infrastructure of public passenger transport, but outstanding results can be achieved at a significantly smaller cost by developing elements of the infrastructure eliminating bottlenecks, or improving local or regional accessibility, or that of the quality of services as a whole. These measures are essential from the point of view of increasing cost-efficiency and social added value as well.

4.4. Rehabilitation of railway lines

The state of the Hungarian railway network is characterized by the fact that speed limits are effective on nearly 40% of its length. These restrictions increase the travel times (each spot-like speed limit of 20 kmph might increase the travel time by 1.5-2.0 minutes) and also increase energy consumption, due to otherwise unnecessary braking and acceleration. Eliminating spot-like speed limits and focusing measures onto the bottlenecks and problems implying the biggest – network wide – effects on timetables (disturbing connections), the quality of services can be improved significantly at a relatively low cost.

In case the elimination of these deficiencies of the railway network can't start in the foreseeable future, the competitiveness of rail transport will continue to weaken and it will be less and less capable to meet the transport demand.

Upgrading the infrastructural elements causing bottlenecks and improving the technology on heavily trafficked main and suburban railway lines is extremely important (e.g. at "weak points" of suburban railway lines being overloaded due to the implementation of integrated periodic timetables; technical problems and actual conditions of the signal systems at head-stations).

4.5. Development of road infrastructure

Except the motorway and expressway network, conditions prevailing on the national main and secondary roads are hampering seriously the safe and on schedule circulation of buses in public transport. In order to improve this situation, appropriate financing for the development and maintenance of State and municipality managed roads shall be secured. Due to inappropriate road and traffic conditions, the degradation of serviceability level and technical conditions of buses operated by companies providing regular public passenger transport services has been accelerated, leading inevitably to a significant increase of vehicle maintenance and replacement costs to be financed by public money, thus burdening further the State budget. Due to the inappropriate quality of several public roads, the public passenger transport service providers cannot apply timetables enabling them to attract passengers to, or keep them within the public transport system, so the achievement of transport policy objectives are in jeopardy.

In this respect, from the point of view of public passenger transport, the existence (or lack) of bus turn-lanes and bus stops, their conditions, or the assurance of accessibility are of utmost importance.

4.6. Upgrading passenger transport facilities, enhancing intermodal transport

When a passenger decides to use public railway or public bus transport, the environment of his/her contact with the service provider can be decisive. Taking into consideration that fact, every effort has to be made to create such an environment, which may meet his/her expectations concerning the level of transport organization and that of aesthetic appearance. It is essential, that throughout the rehabilitation of passenger transport facilities, requirements related to physical environment and communication opportunities shall be met. The assessment of conditions and eventual classification of railway and bus stations should be based on the following criteria: overall conditions of the station, quality of service provided by the personnel and by the vehicles, as well as the comfort and the quality of ancillary services. Every time when it is achievable, investments have to be concentrated onto the passenger transfer points and intermodal options have to be enhanced. Considerable progress has been made through rehabilitation and construction of new stations during recent years, but accessibility for disabled people can be assured only gradually.

4.7. Replacement of public transport vehicles

In line with international tendencies, the share of private cars' performance in the modal split is increasing in Hungary as well, shifting away effective demand from public passenger transport.

Due to their age and condition, the majority of vehicles operated in public passenger transport are not capable to provide services of appropriate quality. This can only be mitigated by establishing a state-of-the art vehicle fleet, enabled to meet the expectations. A vehicle fleet accessible for disabled people too is a basic precondition to make the public transport services attractive, acknowledging that without it - assuming all other preconditions are assured - , public transport could not become an attractive option, therefore demand for mobility generated by social and economic activities could not be entirely met.

4.8. Investments aiming to develop traffic control and passenger information systems

A state-of-the-art and competitive public transport system cannot be achieved without applying the newest results of innovation of the information technology. Up-to-date traffic control systems and high-tech passenger information equipments have to be installed and operated for that purpose. Development priorities in this respect include:

- upgrading passenger information systems,
- implementation of electronic card based ticketing and electronic (Internet based) booking system, creation of opportunities to pay by bank card in ticket offices and on the board of buses,
- implementation of GPS based fleet management systems and complex on-board and plant based data transmission and procession and traffic control systems.

5. VISION OF THE FUTURE

As it can be derived from the summary above, the Hungarian public passenger transport system has very good preconditions (namely its considerably high share in the modal split and good performance reflected by the big number of passengers) to improve its competitiveness.

However, there are several negative impacts, the mitigation of which is inevitable to maintain the trends considered as positive to date.

The structure of the public passenger transport market is expected to be significantly modified on the middle term, because since 3rd December 2009, provision of local public passenger transport services and long distance public passenger transport bus services can only be awarded through competitive tendering in compliance with the Community law and Hungarian national law. Concerning rail transport, however, direct award of public passenger transport services remains possible. The regulation of local public passenger transport is different from the general market regulation, since the a notion of “internal operator” was introduced by Community law, allowing the local government to enter into public service contracts with a company being entirely under its management without competitive tendering, provided, that this company doesn’t provide transport services in any other segment of the transport market, so the market distortion resulting from the lack of competitive tendering remains local.

Another important aspect is a wider application of the subsidiarity principle. Instead of the two tiers (central and local) transport management effective at present, a three tiers management structure is under development, introducing a middle (regional) tier of transport management, therefore decisions concerning transport organization and management can be taken closer to the generation of the demand for mobility.

Finally, the importance of a co-ordinated development of long distance and local transport systems has to be emphasized, which is expected to be achieved through common network planning and service management efforts, enhancing the integration of transport systems of the capital city Budapest, and other big cities with those of their agglomerations.

As a basic document of the Hungarian transport policy, a Unified Transport Development Strategy (EKFS) has been prepared in 2008. Related to the development of passenger transport, the 4 priorities defined by this Strategy are the following:

- Optimizing the modal split of passenger transport by maintaining the share of public transport above the average of EU-27
- Improving the efficiency of the modal split of public transport by ensuring co-modality
- Increasing mobility and providing equal opportunities as well
- Ensuring economic sustainability of public transport by rational management