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## **Peculiarities of Road Passenger Transport Market**

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Every country needs strong transport connections to drive trade and economic growth and to create employment and prosperity. Transport networks are at the heart of the supply chain and are the foundation of any country's economy. They make places accessible, bring and bind us together and allow us a high quality of life.

The development of transport system is one of the foreground tasks of Belarusian state economic policy. The overall performance raise of automobile carriers and quality improvement of provided transport services are impossible without further technology development and modern management techniques and firstly on road passenger transport.

The transport sector is an important economic sector in Belarus. Belarus has been a net exporter of practically all modes of transport services. The country serves as a transit corridor between the European Union (EU) and Russia and potentially between the EU and Asia; thus, the strategic geographical location of Belarus places the country on two of the Pan-European corridors that the EU has committed to promote.

Belarus has a public road network length that is mostly adequate for current traffic levels. The Government is therefore implementing a program to improve the overall condition of the road network and expand the capacity of parts of the Republican roads. Belarus has adopted a detailed road classification system and has initiated general revisions of its

technical norms and standards in line with European standards and directives.

A significant financing gap exists in the area of road infrastructure. The quality of spending could also be improved through the systematic use of a road asset management system which should lead to a better prioritization of road sector interventions (investment, rehabilitation and maintenance). The Government plans to close part of the financing gap in the road sector through the expansion of road tolling [1].

The development of the transportation complex is a first-priority task, which affects the growth of the Belarusian economy and the improvement of the living standards of the population. The development of the state economy is impossible without resolution of the main transport system problems. Among the main disadvantages of the Belarusian transportation system are the low technical and technological levels. Also, the transport-logistic system is poorly developed.

The process of decentralizing transport production and management of road transport has led to the formation in the end of 1990's of a large number of small enterprises of various forms of ownership involved in the provision of passenger transport. As a result, it has become more difficult to control their activities, including in the sphere of environmental protection. Small firms and individual carriers, as a rule, do not pay environmental levies or fines and ignore environmental protection regulations. This all leads to the growth of the negative impact of certain parts of the road transport infrastructure on the environment and public health.

Road transport is, without exaggeration, the blood circulatory system of the country's economy, penetrating of industrial and agricultural production, as well as the service sector. When one takes into account that over 80% of producers do not have access to any other means of delivering their goods, it becomes clear that the role and significance of

road transport as a fundamental mode of transportation will continue to grow steadily, both domestically and internationally [1].

In Belarus, public transport has traditionally played a major role in moving passengers within cities, suburbs and between cities. In this, primarily buses, taxis and 'route' taxis are used. Public transport went through a serious crisis during the first years of market reforms, but in the recent past the situation has somewhat stabilized. Nevertheless, passenger carriers face a number of problems in their daily operations, primarily dealing with organizational, technical and financial issues such as the worsening of the transport services quality; the elimination or shortening of public transport routes; the rise in the transport expenses footed by the population; the increase in the number of illegal public transport operators.

The shortage of equipment in the transport fleet, an increase of 34 times in the waiting time for passengers during rush hours, the universal use of buses past their design lifespan, and a sharp drop in the rate of replacement of rolling stock all contribute to a decrease in the level of service. It is important to note that it is practically impossible to finance the replacement and development of the bus fleet solely from the accounts of regional and local budgets due to the continual deficits found there.

Modern public transport is in need of intensive reforms. The time has come to curtail the role of budget subsidies, moving instead to a system of self-financing and to establish a sound environment for the attraction of major private investment. It is therefore imperative that all levels of government turn their attention to solving the problems currently brewing in public transport. Local self-governing authorities should control access to scheduled routes, including any that were not established by a municipal order. This practice is fully justified and is in operation in several

developed countries. Competition on routes should be replaced with competition for the right to operate a given route based on the conclusion of longterm contracts for carrying out transport activities [2].

On the whole, some recommendations for transport sector can be marked out. These include the increase of logistics performance; the improvement of the institutional framework of the Belarus transport sector leading to the preparation of a consolidated National Transport Strategy; the improvement of transport sector sustainability which requires placing greater emphasis on maintaining assets and specially addressing the backlog in the maintenance of the road network.

It is necessary to mark that active work has already been undertaken aimed at improving legislation, road traffic rules, and regulatory support. Belarusian Government tries to perfect the normative legal base, which regulates passenger automobile transportation, to take rational measures to raise the recoupment of passenger traffic on urban and suburban routes, to use different methods for the analysis of the market of passenger transport services and to develop up-to-date management techniques for different types of transport services.

#### References:

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