

## **Impact of a Loan-Based Public Transport Fare System on Fare Evasion Experience of Transantiago, Santiago, Chile**

Bucknell, C., Muñoz, J. C., Schmidt, A., Navarro, M., & Simonetti, C. (2016). Impact of a loan-based public transport fare system on fare evasion: experience of Transantiago, Santiago, Chile. *Transportation Research Record*, 2544(1), 20-27. <10.3141/2544-03> Accessed 23 Dec 2020.

### **Abstract**

With the arrival of Transantiago, the integrated public transport system of Santiago, Chile, a new payment method was implemented: the smart card. A critical aspect for smart cards is the loading network. Transantiago had a weak loading network, and, to tackle fare evasion, a loan was given through the smart card to those with insufficient funds, to complete one additional trip. The benefit was active from 9 p.m. to 9 a.m. (the next day). No extensive analyses have examined the benefit—specifically whether the operating hours were optimal to reduce fare evasion. On May 1, 2014, an unannounced pilot plan extended the time window of the benefit until 11 a.m. Data analysis showed that this extension could effectively reduce fare evasion, as new smart card users took advantage of the benefit, effectively lowering failed trip attempts of users with positive but insufficient funds, and slightly increasing failed trip attempts by users with negative funds (who previously used the benefit). Estimates showed that 6,000 trips per day were no longer evaded as a result of the extension. On November 24, 2014, the benefit was publicly announced, after which failed trip attempts increased. Suggestions for the future are made to reduce fare evasion..