



# Case Study: MOSCOW

## Quick Facts

Country:	Russia
City:	Moscow
Time frame:	2012 – on-going
Partner:	Moscow City
Products:	On-street parking Asset management Citation collection and debt management

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With a population of **11 million people** and **6 million cars**, Moscow is a metropolis that was suffering the same fate as many other large cities around the world: its streets were filled with motorists but there was no formal system for parking. On-street parking had become a challenge for drivers, residents, visitors and the city authorities.

## PROBLEM

**The lack of a controlled parking system affected mobility and infrastructure radically as well as caused many other problems throughout the city. A number of key issues needed to be addressed:**



## GOAL

The goal of 'Moscow Parking Space' was to improve city traffic, implement a paid parking solution that would help **decrease** the amount of legal and illegal **parking** spaces by **73%**, reduce traffic density in the central administrative area of Moscow and increase the average vehicle speed from **5 km/h to 15 km/h**.

Following a tender, NOW! Innovations was chosen to provide an online solution because of its experience and the functionality of its technical platform. NOW! Innovations has offered a mobile billing and payment platform for parking since 2000, gaining considerable experience that was relevant to this type of ambitious project.

- On-street parking was entirely free of charge and parking regulations were never enforced
- Chaotic traffic contributed to huge traffic jams
- Parking without rules meant drivers routinely parked on pavements, pedestrian crossings, grass verges and bus stops without any consequences

The 'Moscow Parking Space' project was launched by the city in 2012 to resolve all these challenges.

## PILOT

The first major milestone was to set up a pilot project that would test the new concepts, ideas and technology for the city. This required as much work as many full-scale schemes:

- Selecting a busy area suitable for the pilot
- Decreasing the number of parking spaces in this area
- Designating parking spaces
- Analysing the current legal framework and implementing any necessary changes
- Producing an inventory of required signage
- Issuing resident permits
- Communicating with local drivers, visitors and residents
- Creating a web-based portal for payments and account management

The pilot was launched in November 2012, introducing paid parking in the city centre area covered by Petrovka Street, Karetny Ryad and 18 neighbouring streets. Despite the pilot being scheduled to run until the end of February 2013, authorities had already deemed it a roaring success in December 2012.

## COMMERCIAL PHASE

Following the successful pilot scheme, the paid parking area was expanded. This involved introducing additional sophistication as well as increasing the physical area:

- Increasing the number of legal parking spaces
- Organising parking areas into formal zones
- Introducing 100% paid on-street parking
- Setting up pricing principles:
  - Zones
  - Dynamic pricing:
    - Hourly prices increase depending on the duration of parking
    - Parking space occupancy rates can dictate pricing
  - Motivate off-street parking
  - Implement mobile and card payments, eliminating any need for cash transactions
- Limiting the amount of new parking spaces within Moscow's congested Third Ring Road
- Replacing on-street spaces with off-street parking
- Directing the profits from parking fees to improve traffic management
- Establishing a public/private sector partnership to develop and manage parking

## ON/OFF-STREET PARKING

### App

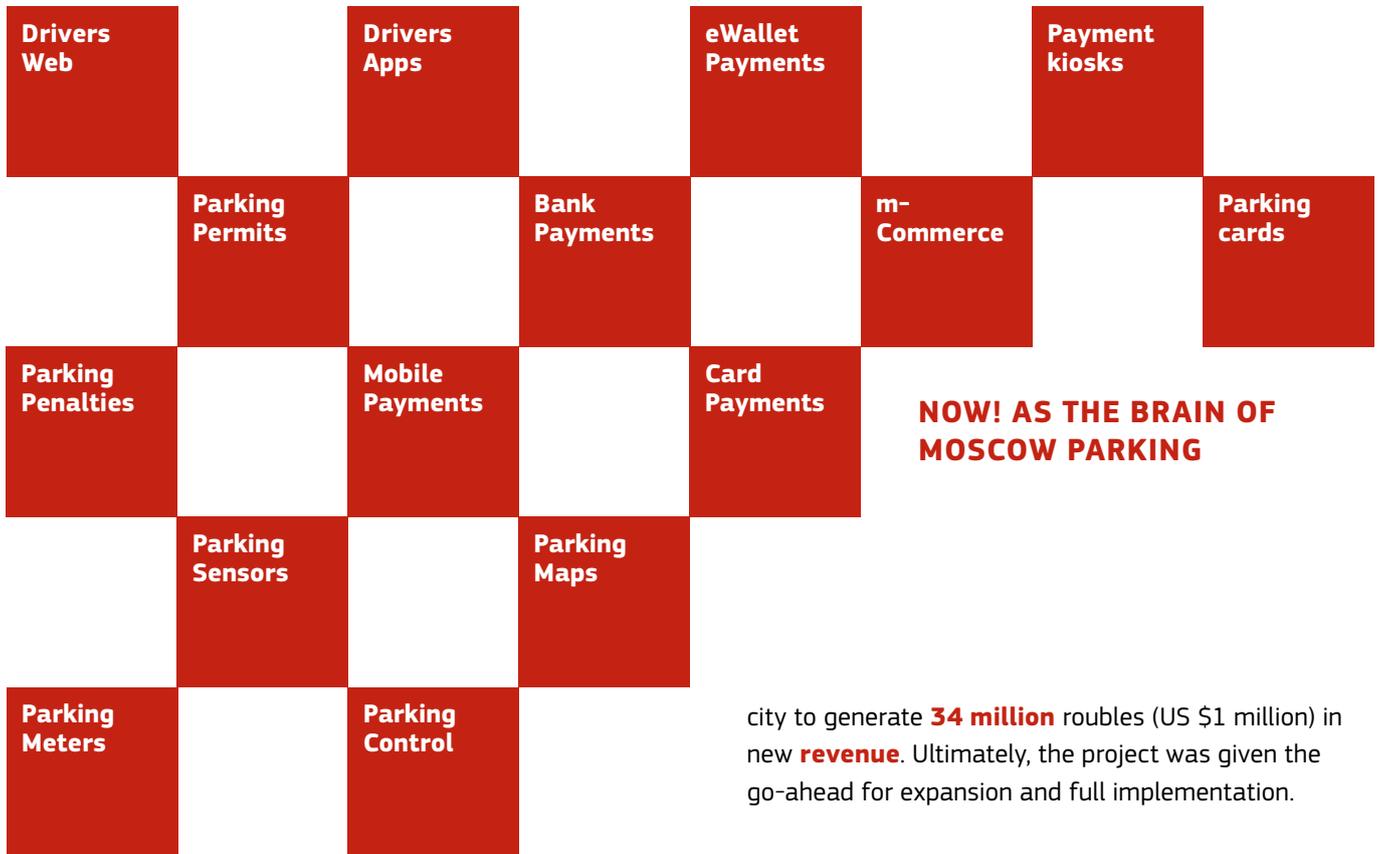


### SMS



### Parking meter





city to generate **34 million** roubles (US \$1 million) in new **revenue**. Ultimately, the project was given the go-ahead for expansion and full implementation.

Today, mobile parking is being expanded to even more parts of Moscow. As of October 2013 there were more than **270,000 parking spaces**, of which 4000 are paid parking spaces, and more than **400,000 drivers** using the system.

## FOLLOW-UP

After the full implementation of its platform, NOW! Innovations continues to help the city of Moscow improve its traffic flow and parking challenges by:

- Detecting the zones that cause the most traffic problems
- Video monitoring and informing drivers who transgress
- Increasing the level of enforcement
- Further decreasing the number of parking spaces where appropriate

## OUTCOME

By the end of the pilot, a leading global management consulting firm concluded that **traffic** flow on affected streets had **improved** by **6%-9%** and **illegal parking** had **fallen** by **64%** as a result of the higher fines and increased enforcement. It's also estimated that average parking space occupancy decreased from 4½ hours to 1½ hours. In addition, the fees and fines allowed the

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