"The Price of Progress: Yerevan's Public Transport Reform Tests the Limits of Affordability"

For more than two decades, residents of Armenia's capital Yerevan paid 100 drams (about $0.25) for a bus ride – a fare that remained unchanged through economic cycles, currency fluctuations, and three different presidential administrations. This price will change from the February 1st, 2025, when the price tripled to 300 drams ($0.75) for a single ride. The increase coincides with the city's transition from aging minibuses to a modern fleet of Chinese-manufactured buses, marking the most significant overhaul of Yerevan's public transport system in recent memory.

2025թ. փետրվարի 1-ից տրանսպորտային տոմսերի արժեքը կազմելու է՝

* 90 րոպե տևողությամբ ուղերթ - 300 դրամ
* Մեկօրյա ուղետոմս - 900 դրամ
* 10 ուղերթի ուղետոմս - 2,200 դրամ
* 7-օրյա ուղետոմս - 5,000 դրամ
* ամսական ուղետոմս - 9,000 դրամ
* 90-օրյա աբոնեմենտ - 24,000 դրամ
* տարեկան ուղետոմս – 90,000 դրամ

Եթե ենթադրենք որ ուղևորը յուրաքանչյուր օր երթևեկոլեւ է 2 անգամ, ապա միջին երթևեկության արժեքը կազմելու է

* Տարեկան քարտով մեկ 123դ
* Ամսական քարտով՝ 150դ
* 10 ուղևորության քարտով՝ 220դ
* 7-օրյա քարտով՝ 357դ

[Table showing comparative transport prices across cities]

The new fares align Yerevan with other Eastern European capitals and are not in align with Armenia’s direct negibours. A single ticket in Warsaw costs 3.40 złoty (326 drams), while Sofia charges 1.6 BGN (338) for a digital ticket. Compared to Armenia’s negbours. In Tbilicy the price is 140 drams and in Baku 118 drams.

[European price indices comparison chart]

The true impact of transport costs becomes clear when measured against local wages. While the monthly transport expenditure for a typical Yerevan worker has increased from 5,000 to 9,000 drams ($12.50 to $22.50), this represents a significantly larger portion of local incomes compared to other regional capitals. In Warsaw, where the average monthly salary exceeds 716 drams, a transport pass consumes roughly 1.5% of a worker's income. In Yerevan, where average monthly wages hover around 216 AMD , the new transport costs claim nearly 4.2% of earnings.

[Monthly wages comparison chart]

This disparity becomes even starker when examining how many monthly transport can an average sullary afford in each city. An average worker in Warsow can afford 61 monthly passes if only buys passes and. With old system the worker in Yerevan could afford on average 43 passes and with a new system 24 passes, which is one of the lowest numberd compered to other cities. This metric provides a stark illustration of the real burden the new fares place on local residents.

[Hours-worked-for-transport chart]

The city administration has attempted to soften the impact through an elaborate system of discounts. Students receive a 15% reduction, pensioners 30%, and several categories of citizens, including disabled individuals and families with four or more children, can travel free of charge. The new system also introduces technological improvements, allowing payment through a municipal website, mobile applications, and bank card integration. The new system may be to complex for the averege Joe (rewrite)

However, the pricing structure may have unintended consequences. The new 90-minute ticket costs 300 drams, while the average taxi ride in Yerevan starts at around 600 drams. For groups of two or three people traveling together, the taxi option suddenly becomes economically competitive – precisely the opposite of what public transport reforms typically aim to achieve.

[Taxi pricing comparison chart]

The mathematics of convenience now favor private transport. A family of three traveling together would pay 900 drams for public transport – more than a short taxi ride. This economic calculus risks increasing the number of vehicles on Yerevan's already congested streets, potentially undermining one of public transport's primary goals: reducing urban traffic.

This challenge is not unique to Yerevan. Across the post-Soviet region, cities struggle to balance modernization costs with social affordability. Tbilisi, Georgia's capital, maintains lower fares at 1 GEL ($0.38) but operates an older fleet. Baku recently raised its metro fare to 0.50 AZN ($0.29), though this remains significantly below Yerevan's new pricing. Meanwhile, Moscow, despite its higher wages, keeps public transport relatively affordable through substantial municipal subsidies. (write all prices mowsow too in AMD)

What sets Yerevan's case apart is the abruptness of the change. While the need for modernization is clear – the city's aging minibus fleet had long been a source of public complaint – the steep price increase represents a dramatic shift in the social contract between city authorities and residents. The new fare structure places Yerevan's public transport costs closer to those of central European cities like Budapest or Prague, while local wages remain at regional levels.

[Cost of living vs transport cost ratio chart]

The city's approach to modernization raises broader questions about development strategies in emerging economies. Should infrastructure improvements be funded primarily through user fees, or should governments maintain higher subsidies during transitional periods? The answer has implications far beyond transport policy, touching on issues of social equity and urban development.

Yerevan's transport authorities defend the new pricing as necessary for maintaining a modern fleet and improving service quality. The unified ticket system, allowing transfers within 90 minutes, represents a significant improvement over the previous arrangement. Electronic payment options and integrated fare cards bring the system technically in line with European standards. However, the question remains whether technical modernization should proceed at a pace that outstrips local economic conditions.

As Yerevan's residents adapt to the new reality, the true test will be whether the improved service quality justifies the higher costs in the public mind. The outcome may shape how other cities in the region approach their own modernization efforts. For now, Yerevan's experience suggests that in the drive for urban improvement, the speed of change matters as much as its direction.

The path forward for Yerevan's public transport presents a challenging balance. While the modernization from marshrutkas to new buses addresses long-standing concerns about service quality, the steep fare increase places a significant burden on residents. A typical Yerevan worker can now afford only 24 monthly passes with their salary, compared to 43 under the old system – a dramatic reduction in purchasing power that affects daily life for thousands of families. The new system's complexity, with its various payment methods and discount categories, adds another layer of adjustment for residents.

The fundamental question facing Yerevan is not whether to modernize – that need is clear – but rather how to pace and fund these improvements without making public transport prohibitively expensive for its primary users. When a group of three people finds it cheaper to take a taxi than use public transport, the system may be working against its own goals of reducing traffic and providing accessible transportation for all. As Yerevan residents adapt to these changes, the city's experience may demonstrate whether rapid modernization at the expense of affordability is a sustainable path for urban development in Armenia.