



Study on passenger transport by taxi, hire car with driver and ridesharing in the EU

ANNEX IV – Case Studies Report

Study contract no. MOVE/D3/SER/2015-564/SI2.715085

GRIMALDI | STUDIO
LEGALE



**Università Commerciale
Luigi Bocconi**

CERTeT
Center for Research
on Regional Economics,
Transport and Tourism

WAVESTONE

Prepared by: Simona Frazzani (Grimaldi), Gabriele Grea (CERTeT Università Luigi Bocconi), Alessandro Zamboni (Wavestone), Noti Kletia (Grimaldi), Dalila Frisani (Grimaldi), Giuseppe Siciliano (CERTeT Università Bocconi), Mirjam Louws, Marc Padberg (Kneppelhout Korthals Advocaten), Zuzanna Wencel-Czuryszkiewicz, Artur Swinturn (Magnusson Poland), Agnes Said (Sweden).

Revised by: Simona Frazzani

26 September 2016



EUROPEAN COMMISSION

Directorate-General for Mobility and Transport

Directorate C - Land Unit C.1 - Road Transport

Contact: Peter SZATMARI

E-mail: peter.szatmari@ec.europa.eu

*European Commission
B-1049 Brussels*

***Europe Direct is a service to help you find answers
to your questions about the European Union.***

Freephone number (*):

00 800 6 7 8 9 10 11

(*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

LEGAL NOTICE

This document has been prepared for the European Commission however it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

More information on the European Union is available on the Internet (<http://www.europa.eu>).

TABLE OF CONTENTS

I.	AMSTERDAM CASE STUDY	7
I.1	Introduction	7
I.2	Regulatory and Administrative Framework.....	7
I.3	Enforcement.....	15
I.4	New Urban Mobility	16
I.5	Market analysis.....	16
I.6	Users' satisfaction	18
I.7	Market conditions and development.....	19
I.8	Conclusions	19
II.	BRUSSELS CASE STUDY.....	21
II.1	Introduction	21
II.2	Regulatory and Administrative Framework.....	22
II.3	Enforcement.....	32
II.4	New Urban Mobility	36
II.5	Market analysis.....	38
II.6	Users' satisfaction	43
II.7	Market conditions and development.....	44
II.8	Conclusions	46
III.	LONDON CASE STUDY	47
III.1	Introduction	47
III.2	Regulatory and Administrative Framework.....	47
III.3	Enforcement.....	63
III.4	New Urban Mobility	65
III.5	Market analysis.....	66
III.6	Users' satisfaction	73
III.7	Market conditions and development.....	77
III.8	Conclusions	78
IV.	PARIS CASE STUDY	80
IV.1	Introduction	80
IV.2	Regulatory and Administrative Framework.....	80
IV.3	Enforcement.....	90
IV.4	New Urban Mobility	91
IV.5	Market analysis.....	92
IV.6	Users' satisfaction	98
IV.8	Conclusions	101
V.	ROME CASE STUDY.....	102
V.1	Introduction	102
V.2	Regulatory and Administrative Framework.....	103

V.3	Enforcement	113
V.4	New Urban Mobility	115
V.5	Market analysis	115
V.6	Users' satisfaction	117
V.7	Market conditions and development.....	120
V.8	Conclusions	121
VI.	STOCKHOLM	123
VI.1	Introduction	123
VI.2	Regulatory and Administrative Framework.....	123
VI.3	Enforcement	128
VI.4	New Urban Mobility	129
VI.5	Market analysis	130
VI.6	Users' satisfaction	132
VI.7	Market conditions and developments	133
VI.8	Conclusions	134
VII.	WARSAW CASE STUDY.....	136
VII.1	Introduction	136
VII.2	Regulatory and Administrative Framework.....	136
VII.3	Enforcement.....	144
VII.4	New Urban Mobility	146
VII.5	Market analysis.....	147
VII.6	Users' satisfaction	148
VII.7	Market conditions and development.....	150
VII.8	Conclusions	150
VIII.	VIENNA- BRATISLAVA CASE STUDY.....	152
VIII.1	Overview of the taxi, hire car with driver and ridesharing in Vienna	152
VIII.2	Overview of the taxi, hire car with driver and ridesharing in Bratislava.....	153
VIII.3	Cross border catchment area	154
VIII.4	Transport providers information	155
VIII.5	Conclusions	156

Methodology

The methodology for the in-depth case studies was similar to the methodology applied to the country reports with the addition of the consumer panel.

The case-studies have been prepared based on desk research and with the replies to the stakeholder consultation. Each case study has been drafted by a national legal expert according to a template. A different template was used in the cross-border case since it covers only certain cross-border aspects.

Each report is accompanied by quantitative data collection covering the available data at the local level. Once the case studies were prepared they were submitted to CERTeT to describe the market. At the same time, the authors of this study were closely involved in the revision of the case studies, ensuring completeness and comparability and added the results of the interviews with local stakeholders.

The interviews involved the local public authorities and the market operators for taxis, hire cars with drivers and ridesharing. Various interviews, both in person and over the phone were carried out in order to assess and define certain specific issues.

The consumer panel has been prepared by Wavestone and launched at the end of May 2016 based on a questionnaire agreed with the European Commission. The purpose was to collect information from "real users" of all the three types of services: taxi, hire car with driver and ridesharing. Where available, the results have been compared with recent surveys carried out by the local authorities.

I. AMSTERDAM CASE STUDY

I.1 Introduction

The Dutch taxi market has a long history of regulation and deregulation. Before the year 2000, the Dutch taxi market was regulated with standard tariffs and a fixed number of licenses. However, to improve the quality of the taxi market and to lower the prices for passengers, the government changed the way it regulated the taxi sector. After the year 2000, the market became less regulated, whereby the fixed tariffs and the fixed amount of licences for taxis were abolished. In the period 2004-2015, further measures were introduced such as a national exam, restructured tariffs and the so called '*Toegelaten Taxi Organisatie*' (TTO, also known as "*Approved Taxi Organisation*", ATO).¹ In July 2004, a national chauffeur exam was introduced to set a standard for street knowledge and expertise.² There were approximately 4200 TTO drivers in Amsterdam as of May 2016.³

Taxis are a popular form of transport in a city where many residents do not own a car. Amsterdam is by far the biggest market for the street and call taxi, with about 3,000 taxis regularly working there; the exact number is not known because of the taxis' ability to work anywhere. Taxis in Amsterdam are generally quite expensive but can be useful to take on occasion - such as getting to the airport for early flights, taking luggage to and from the train station or during the night when public transport services are limited.

Amsterdam city centre is a myriad of roads, lanes and footpaths. Because space in the city centre is limited, taxis cannot stop anywhere they like. To keep traffic flowing in the city at peak efficiency, stopping is not allowed at various places, like the bus- or tram stops. This is also one of the reasons why there are so many fixed taxi ranks ("*taxistandplaatsen*"). In 2014, there were 68 taxi stands with 357 places. In 2015, there were 69 taxi stands with 377 places.⁴

There are almost 50 taxi ranks in and around the city centre. In Amsterdam, it is possible to either call a taxi company or go to one of the many official taxi ranks around the city centre. The taxi market can be divided into two categories: (i) the contract market and (ii) non-contract market. The contract market consists of taxis hired on a pre-arranged contract basis to take passengers on regularly performed trips. The non-contract market includes the call (dispatching) taxis and the street taxis (found at taxi stands "*standplaatstaxi*", or hailed on the streets "*aanhoudtaxi*").⁵ The ranks are recognisable by the blue sign: "P-taxi".

I.2 Regulatory and Administrative Framework

I.2.1 Regulatory framework for taxis

¹ L. Whittaker, "*How to design the Dutch taxi market anno 2015*", Erasmus University 2015, p. 4-10.

² L. Whittaker, "*How to design the Dutch taxi market anno 2015*", Erasmus University 2015, p. 4-10.

³ Reply from Amsterdam Municipality, 22 June 2016.

⁴ Taxi monitor 2015.

⁵ Evaluatie tariefstructuur taxivervoer, Ministerie van Infrastructuur en Milieu, Rebel, April 2016, page 17.

In addition to general taxi regulation (i.e. Netherlands Passenger Transport Act⁶, Netherlands Passenger Transport Decree 2000⁷, Regulation of taxi drivers 2005⁸, Regulation on maximum tariff and publication of taxi transport tariffs⁹ and the Taxi Transport Deregulation Act ("*Taxiwet*")¹⁰, Amsterdam has established a Taxi Regulation¹¹ based on the *Taxiwet*. These came into force in November 2012 and contain regulations for the Amsterdam 'pick up' taxi market. One of the reasons for the additional regulation was to improve the quality of the taxi market. According to an inquiry, in 2011 the taxis in Amsterdam ranked in the bottom 3 in taxi quality among 22 European cities.¹² As of 1 June 2013, only TTOs and drivers with an Amsterdam taxi dispensation (a professional certificate to operate as a taxi driver in Amsterdam) are allowed to pick up customers at the street or taxi stands.¹³ TCA (Taxicentrale Amsterdam) is such a TTO.¹⁴ The municipality of Amsterdam decided that taxis are not allowed to be affiliated with more than one TTO (Article 2.2. of Amsterdam Taxi Regulation). As of May 2016, there were 12 TTOs in Amsterdam.¹⁵

Taxis are permitted to freely offer their services throughout the Netherlands except in municipalities where a TTO is established and for specific areas like Amsterdam Schiphol Airport. In these specific areas including Amsterdam, a driver or company that wants to offer street taxi transport must first become part of one of the municipality-appointed TTOs (e.g. concession holder for Amsterdam Airport Schiphol), regardless of whether or not the driver is a resident of the relevant municipality.¹⁶ The Amsterdam City Council aims to improve the quality of taxis in Amsterdam with this policy.

Taxi organizations with TTO-licenses are recognizable by means of a taxi number and a roof light with the name of the organization for which they work.¹⁷ The TTO policy offers advantages especially when it comes to service, quality and safety (page 18 of the Amsterdam Taxi Regulation). If a driver engages in professional misconduct, he/she can be suspended according to Article 1.5 of the Amsterdam Taxi Regulation).

Furthermore, each municipality or dispatch centre can impose additional rules on the driver (again to improve the quality of the taxi market in the municipality).¹⁸ The dispatch centres are associations of taxi companies and are responsible for taking orders, managing traffic, complaints, and billing among other things. The drivers connected to Taxi Centrale Amsterdam (TCA) in Amsterdam for example must take a psychological test followed by an internal TCA course. In this course, a lot of attention is paid to customer service, street map knowledge and the FMS Terminal (TCA's ride conciliation

⁶ <http://wetten.overheid.nl/BWBR0011470/2010-07-01>.

⁷ <http://wetten.overheid.nl/BWBR0011982/2016-02-02>.

⁸ <http://wetten.overheid.nl/BWBR0018667/2015-10-01>.

⁹ <http://wetten.overheid.nl/BWBR0010998/2016-01-01>.

¹⁰ <https://zoek.officielebekendmakingen.nl/stcrt-2015-44664.html>.

¹¹ http://decentrale.regelgeving.overheid.nl/cvdr/XHTMLoutput/Historie/Amsterdam/296033/296033_1.html

¹² <http://www.trouw.nl/tr/nl/4492/Nederland/article/detail/2952742/2011/10/06/Amsterdam-scoort-slecht-in-taxi-test.dhtml>. According to the researchers, most of the drivers were not or bad qualified: they miss red traffic lights, drive via loopholes, mess up with tariffs and invoices and they refuse passengers.

¹³ Article 82b of the Netherlands Passenger Act 2000. Further rules with respect to TTO's can be found in the Taxi Regulation.

¹⁴ <https://www.tcataxi.nl/en/organisation/history.html>

¹⁵ Reply from Amsterdam Municipality to the stakeholder consultation, 22 June 2016.

¹⁶ https://www.researchgate.net/publication/285235126_International_comparison_of_taxi_regulations_and_Uber, p.10.

¹⁷ http://www.expatica.com/nl/about/Taxis-in-Amsterdam_103096.html.

¹⁸ <https://www.rijksoverheid.nl/onderwerpen/taxi/inhoud/extra-eisen-voor-taxi-s-in-gemeenten>.

and orders accepting system). Besides the TCA course, TCA drivers must also take resistance training on aggression and prevention.¹⁹

I.2.2 Administrative framework for taxis

The Dutch taxi market was subject to licence quantity restrictions up until 2000. Limits were set by local authorities, based on an estimate of the demand for taxi services and the potential to operate a profitable service.²⁰ Reform was brought in via primary legislation with a number of provisional measures put in place.²¹ Entrance into the market was significantly simplified, including in Amsterdam.

*Qualitative requirements*²²

The Taxi Act, which is part of the Wp2000, contains rules governing taxi transport, drivers and cars. If someone intends to carry out taxi services in the Netherlands (including in Amsterdam), he or she must be in compliance with the relevant rules and regulations. The underlying obligations include:

- Apply to the Kiwa Register for a **Business permit** (*ondernemingsvergunning*) to operate a taxi service. The Government dropped (since 01-01-2016) the requirement of professionalism (*eis van vakbekwaamheid*) as part of the business permit. The Ministry of Infrastructure and the Environment further altered the Taxi Act and has the intention to drop the business permit completely. In this case, new taxi companies will only need to issue a VOG and pay EUR 1,500 to Kiwa for the taxi driver's permit.²³
- Apply for a **Certificate of good conduct for individuals** (*Verklaring omtrent het gedrag voor natuurlijke personen, VOGnp*) from the Ministry of Security and Justice. A VOG indicates that the owner has not committed any criminal offences. For driving a taxi, a VOG is compulsory. In accordance with article 22 of the Bp2000 the driver must fulfill the requirement of reliability ("*eis van betrouwbaarheid*").
- **Declaration of collective transport.** If the business is a general partnership (*VOF*), the driver must complete a collective transport declaration stating that the partners operate the taxi company at their joint risk and expense.
- Apply for a **licensing certificate**. As a taxi operator in the Netherlands, a licensing certificate is mandatory. A paper version of this certificate inside the taxi is no longer mandatory (per 01-01-2016). The competent authority to apply for this certificate (simultaneously with the business permit application) is the Kiwa Register. To do so, the taxi driver must be able to demonstrate that the vehicle for which he applies the certificate is permanently at his disposal. This is the case when:
 - In the Register of the Centre for Vehicle Technology and Information (hereinafter "RDW"), the registration number of the vehicle is registered to the licensee ("Vehicle Registration card");
 - The licensee certificate is still registered in the licensee's name;
 - There is a legitimate rental, lease or car loan contract for the vehicle(s).

¹⁹ <https://www.tcataxi.nl/en/organisation/the-drivers.html>.

²⁰ A. Baanders and M Canoy, Ten years of Taxi Deregulation in the Netherlands – The Case for Re-Regulation and Decentralisation (2010), p. 8, <http://etcproceedings.org/paper/ten-years-of-taxi-deregulation-in-the-netherlands-the-case-for-re-regulation-a>.

²¹ Wet Personenvervoer (Passenger Transport Act) 2000.

²² Of someone intends to start a taxi company, a guideline can be found at: <http://www.answersforbusiness.nl/guide/starting-taxi-company>.

²³ <http://www.taxipro.nl/ondernemen/2015/05/06/evaluatie-taxiwet-ondernemersvergunning-taxi-gaat-verdwijnen/>.

- **Taxi driver's diploma.** In the Netherlands, taxi drivers need a taxi driver's diploma from the Central Office for Motor Vehicle Driver Testing (*Centraal Bureau Rijvaardigheidsbewijzen* or *CBR*). There are different examination procedures (theory test and practical test). These depend on the taxi drivers' card the driver wants to apply for:
 - Full taxi driver's card: for all types of taxi transport;
 - Limited taxi driver's card: for driving regular passengers, on set routes and at regular times;
 - Target group transport: for contract transport of elderly people, children and people with impairment.

The driver applies for the examination to the CBR.²⁴ In 2015, 1945 people applied for the examination, of which 743 candidates passed. Thus, the success rate was only 40%.

- **Parking licence.** Taxi drivers in Amsterdam need a parking licence to park at the rank, in the form of a smart card that opens a barrier which normally closes the rank off. Conditions of good conduct are linked to this parking licence and it can be withdrawn by the municipal inspectors.²⁵

Fitness of the vehicle and taximeter

- **Periodic motor vehicle tests ("APK")²⁶:** After the initial test, the vehicle needs to be tested annually or every two years. The RDW website includes a (Dutch-language) table that shows when you need to have your vehicle tested.
- **Periodic Technical Inspection ("APK").** The inspection obligation and legislation are included in the 1994 Road Traffic Act.²⁷ During an APK, the vehicle is inspected by a service station or by a testing station. The inspector carrying out the APK will check whether the vehicle is roadworthy, environmentally safe and registered correctly. In the Netherlands, the service station or testing station where the vehicle tested must be approved by the RDW.²⁸
- **Taxi test certificate and vehicle requirements.** In order to provide taxi services in the Netherlands, a driver must meet different (legal) requirements with regard to their vehicle:

²⁴ <https://www.cbr.nl/adressen.pp>.

²⁵ A. Baanders and M Canoy, Ten years of Taxi Deregulation in the Netherlands – The Case for Re-Regulation and Decentralisation (2010), page 10.

²⁶ <http://www.answersforbusiness.nl/regulation/periodic-motor-vehicle-test-apk>.

²⁷ <https://www.rdw.nl/SiteCollectionDocuments/APK/handleidingen/Appendix%20VIII%202016.pdf>.

²⁸ <https://www.rdw.nl/englishinformation/Paginas/About-RDW.aspx?path=Portal/English%20information/About%20RDW>.

- **Taxi test certificate:** a taxi test certificate is required for the vehicle. The RDW performs these tests.
 - A taxi must display **blue number plates** obtained through an application to the RDW. The RDW taxi testing certificate is to be enclosed with the RDW application. Once the vehicle passes taxi inspection, it obtains special blue licence plates.
 - Taxis must have a **taximeter**. Taxis that do not provide contract transport services must be fitted with a certified taximeter, which must be inspected annually by the Netherlands Metrology Institute²⁹ (*Nederlands Meetinstituut, Nmi*). The taximeter needs to fulfil a number of requirements set out by the law (article 78 Bp2000).
- **Taxi on-board computer.** Each taxi must be fitted with a taxi on-board computer. The computer automatically registers the date of each journey, the working hours, the driving times and the rest periods. The Kiwa Register issues various computer cards for retrieving data from the computer:
- Driver's card³⁰ (see above) (four functions: visual identification (photo of the driver), access to the computer, digital signature by using a password and registers journey data, working hours, driving times and rest times);
 - Business card (see above);³¹
 - Control card (valid for 5 years);³²
 - Inspection card;³³
 - System card;³⁴
 - Reference cards.³⁵

Organisational requirements

- **Permit to use bus lanes with taxi.** In Amsterdam, taxi drivers may use bus lanes (or tram lanes) when driving a taxi. However, to do so, the driver must obtain a permit or dispensation from the municipal or provincial authority. The application procedure conditions may differ from one municipality or province to another.³⁶
- **Taxi business card.** A taxi company in the Netherlands requires a taxi business card (*ondernemerskaart*). This card can also be obtained from the Kiwa Register. The company must be registered in the Dutch Business Register of the Chamber of Commerce and have a taxi transport business permit in order to apply for the card. The card enables the company with access to the data in the computer of its taxis. With the business card, the company can monitor the journey administration and the working and resting times and link this data to the business. The company must be able to show this data when the business is inspected.
- **Taxi driver's card.** All taxi drivers in the Netherlands must have a driver's card (*Board Computer Taxi* or *BCT card*). The driver's card must be visible to the traveller. This driver's card can be obtained from the Kiwa Register as well. Among other things, the driver needs a taxi driver's diploma and a VOG to be eligible for the driver's card. The behaviour of the taxi driver is continuously screened. If he or she commits a criminal offence, such as an assault or driving under the

²⁹ Testing and certification mobility and police enforcement available at: <http://www.nmi.nl/mobility-and-police-enforcement/testing-and-certification-mobility-and-police-enforcement/verification-4/>.

³⁰ <https://diensten.kiwa.nl/vergunningen/taxi/chauffeurskaart> (six conditions).

³¹ <https://diensten.kiwa.nl/vergunningen/taxi/ondernemerskaart>.

³² <https://diensten.kiwa.nl/vergunningen/taxi/keuringskaart>.

³³ <https://diensten.kiwa.nl/vergunningen/taxi/inspectiekaart> (two conditions: agreement between Kiwa N.V. and the inspection service).

³⁴ <https://diensten.kiwa.nl/vergunningen/systeemkaart>.

³⁵ <https://diensten.kiwa.nl/vergunningen/referentiekaarten>.

³⁶ <http://www.answersforbusiness.nl/regulation/permit-use-bus-lanes-taxi>.

influence of alcohol, the driver's card will be withdrawn. The driver's card gives the driver access to the taxi on-board computer. The driver's card is personal and not transferable.³⁷ It is not possible to rent a card/taxi licence. Buying or selling a licence is only possible under specific conditions.

- **Taxi fares card and complaints procedure.** Taxi drivers must notify their customers in advance about their taxi fares and rates with taxi fares cards. The fares must be clearly readable on the outside of the taxi and from all seats within the taxi. The ILT published a model taxi fares card.³⁸
- **Taxi trip pricing structure:** the price of a taxi trip depends on the distance and duration, as well as the starting rate (the so-called double rate system). Maximum rates apply. Once the taxi trip is completed, the driver must provide the customer with a printed bill that clearly states how the price for the trip has been calculated.
- Amsterdam taxis are either independent or work with a taxi service company to get customers.

Insurance and taxi headings

- **Suspending vehicle registration.** In the Netherlands, if someone has a business that owns a company car, there are certain obligations regarding motor vehicle tax, periodic motor vehicle tests and car insurance.³⁹
- **Motor vehicle tax** (*motorrijtuigenbelasting*): the tax rate for all vehicle types can be found at <http://www.belastingdienst.nl/rekenhulpen/motorrijtuigenbelasting/> (Dutch). This tool also allows you to see which types of fuel-efficient cars are exempt from paying vehicle tax. If the vehicle is used for a company, several costs may qualify as business costs. In that case, the MRB may be deductible. Only fully electric cars are exempt from paying MRB.
- **Car insurance:** It is mandatory for all cars to have at least third-party liability car insurance. The Dutch name for this coverage is WA (Wettelijke Aansprakelijkheid). This obligation is regulated by the Motor Insurance Liability Act (WAM) in the Netherlands. This car insurance covers damage inflicted by the car to other people and their property. It is also possible (but not mandatory) to choose WA Plus or All Risk coverage. These other types of insurance offer more comprehensive coverage. WA Plus covers, among other things, theft, damage caused by fire, storm, and vandalism. All risk car insurance provides the most comprehensive coverage. It covers damage caused by an accident that was deemed the taxi driver's fault or where fault cannot be determined. Additionally, the driver can (and sometimes must, see below) take out other vehicle insurance such as passenger insurance. For a taxi company it is particularly important to have the right insurance especially if the car is certified with the so-called "TX-Keur".⁴⁰ The TX-Keur is the national quality mark for the taxi transport service. In some municipalities (including Amsterdam), insurers and private locations (Schiphol) require extra quality of the taxi company or driver, namely that they apply for the TX-Keur. The driver or company can apply for the TX-Keur under the condition that they have been working for a minimum of twelve months.

³⁷ Article 1.6 Amsterdam Taxi Regulation.

³⁸ https://www.ilent.nl/Images/Modeltariefkaart%20II_tcm334-320294.pdf.

³⁹ However, if someone wants to stop using its company car for a longer period of time, he or she may decide to suspend the registration of the vehicle. This can be done digitally via an RDW-certificate or a DigiD and Chamber of Commerce number. To have the registration suspended a fee must be paid. A suspension starts immediately and lasts up to one year. Someone can always decide to extend the duration.

⁴⁰ <http://www.tx-keur.nl/> and <http://diensten.kiwa.nl/transport-en-mobiliteit/tx-keur-reglement-voor-taxiondernemingen>.

The WAM sets minimum requirements for car insurance. The minimum sum insured (as of June 11, 2007⁴¹) increased to EUR 1,000,000 per passenger and up to EUR 5,000,000 per occurrence and at least EUR 1,000,000 for damage to property.

If the taxi company is certified with a TX-Keur, additional requirements apply.

For taxi transport by self-employed without personnel:

- Business liability insurance: minimum cover of EUR 1,000,000 per occurrence
- Passenger insurance (*Ongevallenverzekering Inzittenden*) excluding driver with minimum cover of EUR 10,000 in case of death and EUR 30,000 for permanent disability;
- WA (*Wettelijke aansprakelijkheid*) for taxis with minimum cover of EUR 5,000,000 per occurrence for personal injury and EUR 1,000,000 for material damage.

For self-employed with personnel and a taxi dispatch centre one extra requirement apply:

- Liability insurance for the driver in the case of a one-sided incident with minimum insured sum of EUR 1,000,000 per occurrence.

The RDW checks at least once a year whether the (company) vehicle is insured. If it is not, the driver or taxi company may be fined.⁴² Most insurance companies also offer special insurance for taxi vehicles.⁴³

Fares

Taxis in Amsterdam are quite expensive. Taxi drivers can set their own price list, but the government sets out a maximum fare price. The cost of a taxi in Amsterdam depends on three elements - a starting tariff, a cost per km and a cost per minute which is all calculated by the compulsory meter in the vehicle. The maximum rates are as follows:

	Taxi Car (4 people)	Taxi Van/Bus (5-8 people)
Start tariff	EUR 2,95	EUR 6,00
Price per km	EUR 2,17	EUR 2.73
Price per minute	EUR 0,36	EUR 0,41

Journeys in the rush hour/heavy traffic will cost more than travelling in light traffic due to the time fare component. In addition, waiting rates are charged at EUR 40.65 per hour.

The passenger can agree to the fixed prices before the car starts driving. Even if the passenger has agreed on the fixed price, the passenger has the choice of paying the fare according to the taximeter (which means that the taximeter should always be running).

In general, legal taxis in Amsterdam have a blue licence plate, a driver's pass on the dashboard and price list visible inside and outside of the car. The so-called *black taxis* or 'snorders' are illegal taxis. There are hundreds of these black taxis, especially in the

⁴¹ Besluit van 4 juni 2007 tot wijziging van het Besluit bedragen aansprakelijkheidsverzekering motorrijtuigen.

⁴² <http://www.answersforbusiness.nl/regulation/vehicle-insurance>. As a driving school owner, you must insure your driving school vehicle and passengers based on the Motor Insurance Liability Act. Almost 1000 taxi companies with together 18,700 taxis have been certified with TX-Keur at the end of 2015.

⁴³ Such as <http://www.taxiverzekeringen.nl/>.

Amsterdam South East area (*Amsterdam Zuidoost* or '*Bijlmer*'). They are difficult to fight, since customers are happy with them because they are cheaper than legal taxis.

Airports

In addition to the general rules as described above, Amsterdam has additional rules for specific areas like Schiphol and Central Station. Amsterdam only allows licensed taxis to offer their services at these locations. This licence demands extra quality standards from the drivers and their vehicles. The drivers always have an exemption for the tram and bus lanes and have good street knowledge and a well-maintained vehicle no older than six years. If it is a diesel vehicle, it must be fitted with a soot filter. These drivers also need to have a nationally valid TX mark of approval (blue sticker) and they are not permitted to refuse short trips. A premium taxi licence is yellow. Reference is made to answer 6 of the TCA (*Taxicentrale Amsterdam*) questionnaire: "*We have taxis who service from Schiphol Airport. The Airport is not accessible for every taxi in the Netherlands. If you want to pick up people from the airport the taxi company has to be awarded the European Tender. Or the taxis have to register at Stichting Taxi Controle to get access to the airport. These taxis have to have, as an additional to the normal regulation, TX-Keur. This is the national quality mark for taxi. We also have taxis who service from the Passenger Terminal Amsterdam where there are no different regulations applicable.*"

As the taxi rank at Schiphol Airport is owned by the airport authority (i.e. private property), the new passenger transport act Wp 2000 does not apply. This made it possible for the airport authority to create its own regulation in 2004. The airport has only one central terminal building and only one taxi rank. Because of earlier taxi conflicts, the authority opted for the regulation of access by using a combination of taxis operated under concession and "additional" taxis with quality control. Three companies have four concessions between them, for the operation of normal taxis and for minivans. The rank has room for 14 vehicles for immediate boarding, of which 10 are reserved for the concessionaires and 4 for the "additional" taxis. The vehicles are admitted to the rank from a holding area, by an automatic system with barriers that monitors the occupation of the rank. If there are less than 10 concession taxis at the rank, extra "additional" taxis are admitted. The latter should have a permit from the airport's "taxi quality foundation" ("Stichting Taxi Controle", STC) which is available to any taxi meeting the conditions, but is withdrawn when these are violated. The taxis have a transponder which opens the barriers of the holding area and the rank, which can be deactivated in the case where there is a violation of the rules. Prices are free and clearly advertised on the outside of the vehicle (according to the national regulation) and there is an inspector from the airport authority present at all times. Short trips cannot be refused and the taximeter must always be used. This means that it is possible for a passenger to compare prices and choose any taxi at the rank [STC, 2010].⁴⁴

Stichting Taxi Controle (foundation for taxi control) was established by Schiphol Nederland B.V.⁴⁵ STC is an independent organisation. It coordinates, controls and – where necessary – regulates, the street taxi process in and around Schiphol area. In order to apply for taxi service in this area, the taxi driver needs to enter into an agreement with STC. Currently, AMStaxi, BBF Schipholtaxi, My Taxi Centrale, StadsTaxiAmsterdam (STA), STAXI, Taxistad, Taxidirect, TCA en TCM are taxi organisations approved by STC.

⁴⁴ Baanders, Canoy, "Ten years of taxi deregulation in the Netherlands – the case for regulation and decentralization", quoted, page 9.

⁴⁵ <http://www.stichtingtaxiconrole.nl/>.

Statistics on permits ⁴⁶

Permits	Nr. 2014	No. 2015
Taxi permit granted	3642	3927
Taxi permit withdrawn	76	84
TTO's with permit	11	11
TTO's with permit withdrawn	0	0
Tram/bus lane release	668	758

I.2.3 Hire cars with driver

Hire car with driver services represent a segment of the taxi sector, in particular, the pre-booked segment. Therefore, the same rules apply with the exception to the price which is contracted in advance for hire car with driver service. The City of Amsterdam divides the taxis operators among: official taxi operators, alternative taxis and special taxi services (see para I.5.1).

I.3 Enforcement

Dutch law provides out-of-court procedures for submitting and handling complaints. Based on the Wp2000 and the Bp2000, the Dutch national enforcement body is the Human Environment and Transport Inspectorate (ILT). ILT is the supervising authority for taxi drivers and taxi companies. ILT is part of the Ministry of Infrastructure and the Environment.⁴⁷ The supervisory body in Amsterdam is also the municipality itself (local civil servant). At Schiphol and other airports, other rules and regulations apply. The supervisory authority is the Royal Netherlands Military Police (*Marechaussee*).

The transport departments of the ILT are committed to the safety of transport by road, on water and by air. Examples include the supervision of companies operating in these sectors and the requirements with respect to rest and driving/sailing/flying times, professional competence, loading and maintenance. The ILT advocates the safe transport of passengers by taxis and fair competition within the sector. Infringement of the legislation and regulations carries a fine.

Administrative measures can also be implemented. The Policy Regulation for the imposition of administrative fines under the Working Hours Act and Working Hours Decree has been amended.⁴⁸ For example, the violations of the Bp 2000 referred to in Article 8:1 (4) of the Working Hours Decree have been designated as offences punishable by fines under the violation codes B 2 4 1 (15) up to and including 2 4 2 (21) for such offences. These violations concern the use of on-board computers in taxis. For example: use of an on-board computer is obligatory in taxis in the Netherlands. If this is not the case (or the computer is not operational, the driver or the company) risks a fine of EUR

⁴⁶ Taxi monitor 2015.

⁴⁷ https://www.ilent.nl/english/road_transport/.

⁴⁸ Amendment to the policy regulation for the imposition of administrative fines under the working hours act and working hours, available at: https://www.ilent.nl/english/Images/Policy%20Regulation%20for%20the%20imposition%20of%20administrative%20fines%20under%20the%20Working%20Hours%20Act%20and%20Working%20Hours%20Decree_tcm343-363689.pdf (p. 10).

4,400.⁴⁹ If a transport company or self-employed driver has not fulfilled their registration obligations (working hours and rest periods), they incur a fine of EUR 2,200.⁵⁰ The fine for not having a taximeter (or non-functioning taximeter) is EUR 900⁵¹. If the taxi company operates taxi services without a valid licence it risks a fine of EUR 4,300.

Complaints: the driver must inform the customers where they can lodge complaints⁵². For this purpose, the driver's business' P-number must be visible inside the taxi. The P-number is the number under which the driver's business is registered with the ILT. Taxi companies that are not connected by membership with the Royal Dutch Taxi Transport Organisation (*Koninklijk Nederland Taxivervoer*, "KNV Taxi") can register with the Dutch Foundation for Consumer Complaints Boards (*De Geschillencommissie*).⁵³ KNV Taxi members are automatically connected to this Complaints Board.

Statistics on enforcement by the Amsterdam municipality⁵⁴

2014	2015
Total reports of findings 2014: 843	Total reports of findings 2015: 955
% drives well performed 2014: 31	% drives well performed 2015: 16
% drives with small violations 2014: 61	% drives with small violations 2015: 72
% drives with big violations 2014: 8	% drives with big violations 2015: 13
Criminal proceedings 2014: 9	Criminal proceedings 2015: 4
Total inspections by ILT 2014: 1202	Total inspections by ILT 2015: 159

I.4 New Urban Mobility

Amsterdam is a pioneer city in the use of electric vehicle and electric car sharing. In 2012, subsidy schemes had come into effect. Since then, the numbers of electric cars on the streets of Amsterdam has risen considerably. The subsidies have helped implement around 400 electric taxis, 400 delivery vans, 25 lorries and 150 company cars; the City has granted six million Euros for vehicles and 350,000 Euros for the extension of the charging infrastructure. The City of Amsterdam is currently preparing a new subsidy scheme for completely electric vehicles.⁵⁵

City2Go⁵⁶ provides a car sharing service within the city and the users of the vehicle have parking spots within the city. It provides a free-floating car sharing and the vehicle may be reserved via the app at the nearest point and returned to another parking spot.

I.5 Market analysis

I.5.1 Taxis and hire cars with driver

Taxi operators

⁴⁹ Article 2:4:2 (1) Working Hours (Transport Workers) Decree.

⁵⁰ Article 80 (4) Passenger Transport Decree.

⁵¹ https://www.ilent.nl/onderwerpen/transport/taxi/ondernemers/wet_en_regelgeving/taxameter/

⁵² <http://www.taxiklacht.nl/pages/taxiklacht/CONTACT?windowuid=uid1417776975>.

⁵³ <https://www.degeschillencommissie.nl/ondernemers/registreren/taxiondernemers/>.

⁵⁴ Taxi monitor 2015.

⁵⁵ <http://www.iamsterdam.com/en/local/about-amsterdam/latest-news/new-subsidies-for-electric-cars>.

⁵⁶ <https://www.car2go.com/NL/en/amsterdam/how/>.

Amsterdam has the following certified taxi organisations (TTO):

- Staxi B.V. - KVK 56445431
- Taxistad B.V. - KVK 56623143
- STA B.V (Stads Taxi Amsterdam) - KVK 56530056
- TCA (Taxicentrale Amsterdam B.V.) - KVK 33268902
- AMS (Stichting AMS Taxi) - KVK 50973428
- Taxi Direct Amsterdam B.V. - KVK 56379293
- My Taxi Centrale B.V. - KVK 57437874
- BBF (TCS en Schipholtaxi) (Bergisch, Boekhoff en Frissen Personenvervoer B.V.) - KVK 34276673
- Sustainable Taxi Services B.V. (Taxi Electric) - KVK 53218205
- Aemstel Taxi (Taxi H.A.F.) - KVK 57495602
- Member Taxi Amsterdam (MTA) - KVK 34170145
- TAT (Stichting Take a Taxi) - KVK 53212819

The municipality of Amsterdam has decided that taxis are not allowed to be affiliated with more than one approved taxi organisation (dispatch centre) at any time if the driver wants to pick up people who hail a taxi on the street (art. 2.2 Regulation).

There are a few **taxi online booking services and applications** on the market:

- **Uber**, the international taxi app service (uber.com) is available for rides in Amsterdam. It comes as either **UberBlack** (original service with VIP taxi sedans), **UberVan** (larger minivans available) or **UberX** (lower cost version). Users can order a car through the phone app and payment is automatically handled. Fares between Schiphol airport and central Amsterdam cost around EUR 45 for UberBlack and EUR 28 for UberX. Unlike the aforementioned Uber options, drivers for the UberPOP service do not adhere to the legal requirements for taxis: they do not have company licenses and/or driver identity cards.⁵⁷ In the summer of 2013, Uber started an UberPOP pilot program in Amsterdam, before subsequently deciding to regularly offer this service. UberPOP was also offered in The Hague, Rotterdam and Utrecht. Because the cars and drivers did not adhere to the legal requirements, the transport services that follow the UberPOP formula were prohibited and the drivers were subjected to fines. Nowadays only UberBlack, UberVan and UberX exist:⁵⁸

Comparison between the Uber tariffs and the Amsterdam Taxi Centrale fares (2016)⁵⁹

	Regular taxi in A'dam	UberX	UberBlack	UberVan
Starting tariff	EUR 2.95	EUR 1.00	EUR 3.00	EUR 6.00
Euro's per minute	EUR 0.36	EUR 0.25	EUR 0.35	EUR 0.40
Euro's per km	EUR 2.17	EUR 1.10	EUR 1.90	EUR 2.70

- **Abel**⁶⁰ is an Amsterdam start-up shared taxi app service (rideabel.com) which uses electric cars. Prices are lower than Uber as rides can be shared with up to 3 people - a fare between Schiphol and central Amsterdam can be as low as EUR 17.

⁵⁷ Rapport Rebel, "Tussentijdse evaluatie taxiwet", 2014.

⁵⁸ <http://kimnet.nl/node/456>.

⁵⁹ <https://www.uber.com/nl/cities/amsterdam/>.

- The Dutch company **Tinker**⁶¹ also offers some discounts to the standard taxi rates to Schiphol and other airports by utilizing shared taxi rides.

I.5.2 Alternative taxis

In Amsterdam, there are also other alternatives to the traditional taxi service. For example, a Bike Taxi or a Disco Taxi.

Special taxi services

- [Van Delden Limousine Service](#)
- [DriveUgo](#)
- [Uber Amsterdam](#)
- [Amsterdam Taxi Online](#)
- [Connexion Schiphol Hotel Shuttle](#)
- [myDriver](#)
- [Schiphol Travel Taxi](#)

I.6 Users' satisfaction

	Customer satisfaction (rate) 2014	Customer satisfaction (rate) 2015⁶²
Amsterdam taxi market (overall)	Inhabitants Amsterdam: 6	Inhabitants Amsterdam: 5.8
	Regular users: 5.9	Regular users: 6
% rate 6 or higher for drive made	Inhabitants Amsterdam: 9	Inhabitants Amsterdam: 9.5
	Regular users: 7.7	Regular users: 8.4
Number complaints	57	130
% number complaints dealt with satisfactorily	96	93

The results of the Wavestone consumers' panel highlight that in Amsterdam, 69% (44) of the respondents used a taxi in the past 3 months, 13% (8) used a private car with driver service and 19% (12) used both of them.

The respondents who were residents of Amsterdam cited the following reasons for using a taxi: (i) the price of the journey (55%, 23), (ii) the safety and reliability of the service (29%, 12), and (iii) the driver route knowledge (26%, 11). On the other hand, the main

⁶⁰ https://rideabel.com/?query_string.

⁶¹ <https://tinker.travel/nl/>.

⁶² Reply from the Amsterdam municipality, 22 June 2016.

reasons cited by the respondents for using a private car with driver over a taxi service in Amsterdam were (i) the price of the journey (93%, 14), (ii) the booking user-friendliness (67%, 10), and (iii) the payment method (67%, 10).

We also observed that the average satisfaction of users for private car with driver service (8.05/10) was greater than for taxi service (6.86/10).

I.7 Market conditions and development

The city has grown considerably in recent years. After a low point in 1985 of 675,000 inhabitants, the Municipality now counts 841,186 inhabitants.⁶³ In recent years, the population increased by about 10,000 a year even during the recession period, while the overall population has been declining in the Netherlands.

The number of visitors (only in terms of the number of overnight visitors) increased substantially (about 450,000 per year) with a peak in 2014 thanks to the reopening of many museums and growth in the number of hotel rooms. The growth is expected to continue in the coming years. The actual number of visits is several times larger and is estimated at 17.6 million people. This is because Amsterdam attracts many day trippers. According to the 2015 PwC Cities of Opportunities Report,⁶⁴ *“amongst the 31 global vibrant centres of finance, business and culture, the city of Amsterdam takes a very strong fourth position right at the top where they are only surpassed by London, New York and Singapore respectively”*. The city has the capacity and intends to attract more value for money for tourists and business, which can support the development and use of hire transport. The city is also an important business centre partially due to Schipol airport as an international hub and the city’s taxi sector, both of which are changing to meet the demand of high-profile business.

According to the PwC Report, *“through the position of Schiphol airport and the city’s ability to attract a strong score on Number of International Association Meetings and International tourists Amsterdam ranks 3rd on this indicator, just behind London and Beijing (...).Combining Licensed taxis and sustainability, Amsterdam Airport Schiphol has introduced 167 electric Tesla-taxis to the mix of urban transport, which is a pioneering initiative and one that is brand defining for the city. The city and other stakeholders can use this as an example to further ‘green’ mobility in Amsterdam”*.⁶⁵

I.8 Conclusions

A minority of taxi drivers in Amsterdam have given the industry a bad name over the years. In 2011, the taxis in Amsterdam ranked in the bottom three cities on an inquiry performed on the quality of taxi services in 22 European cities. Problems for visitors have included drivers refusing to take passengers on short trips and overcharging on fares. By implementing the Taxi Regulation in 2012, the Amsterdam authorities have taken action to clean up the business - all drivers must now be registered with a TTO and all journeys are tracked by GPS. The TTO must perform a continuous control over the affiliated taxis, and additional quality requirements are imposed for taxis at Schiphol airport. According

⁶³ April 2016 (CBS).

⁶⁴ PwC, Amsterdam a City of Opportunities, 2015, p.12. <https://www.pwc.nl/nl/assets/documents/pwc-amsterdam-city-of-opportunity.pdf>.

⁶⁵ PwC, Amsterdam a City of Opportunities, p. 28.

to the authorities, the quality of the taxi service has improved and additional measure will be taken to continue in this direction.⁶⁶

⁶⁶ The Amsterdam Municipality wishes the quality to improve further. Reply from the Amsterdam municipality to the stakeholder consultation, 22 June 2016.

II. BRUSSELS CASE STUDY

II.1 Introduction

The Brussels regulatory framework has been exhaustively described in the Country Report. The hire transport sector is based on a two-tier system, which makes distinctions between taxis and hire cars with driver (*service de location avec chauffeur- SLC*). The current market situation and the regulation in place for SLCs have rendered it difficult for other services to enter into the market and provide new and competitive services. Reports indicate that Brussels is one of the most congested cities in the world with a large number of privately owned cars.⁶⁷

The Smet Plan 2015-2019 was announced by the Regional Ministry for Mobility, Pascal Smet on February 2015.⁶⁸ It includes an initiative to overhaul and reform the sector resting on three pillars: taxis, PHVs, and platforms.⁶⁹ The Smet Plan 2015 in its original proposal rests on the following points:

- a) **Client-orientation:** clear and simplified taxi tariffs are foreseen. Since taxis often refuse rides shorter than three km as they are unprofitable, the possibility to have flat tariffs for short rides is considered. A forfeit tariff for airports is also a possibility. In addition, a smartphone app to which all taxis could be connected may be foreseen.
- b) **Better mobility:** this would include the possibility to use bus lanes when they are free, except when too dangerous. In addition, taxi sharing would be extended: Collecto, a system of taxi sharing during the night could be available 24/7. Advantageous fares are foreseen, both to and from the train stations and the airports and in the case of major events like exhibitions, etc., between Heysel and the city center and Heysel and the airport.
- c) **Better working conditions for taxi drivers and rent ability in exchange for transparency:** the behavioural test for drivers would be adjusted to provide resistance to stress and have a focus on client-orientation. A system for virtuous drivers is foreseen and the possibility to regulate dispatch centres may be introduced. Another possibility could be to introduce mystery shopping to fight discriminatory practices. A digital taximeter could also be introduced and the charge would be borne by the Region. In addition, the yearly tax may be abolished which could help drivers buy vehicles and equipment. The legislation concerning taxi licenses may be revisited and the numerous clauses for taxi licenses could be re-evaluated and eventually changed.
- d) **Technological innovation and new services:** possible regulatory framework for ridesharing could be introduced subject to the provider of the service being approved by the Region based on criteria foreseen under the legislation. The service provider must make sure that they are respected and could be fined if the criteria are violated, including a revocation of their operating agreements. The new services would not have the same privileges as taxis and a register of drivers and vehicles would be required. Rides for the services provider would be compulsory. Drivers' criminal records would also be checked by the service provider and while tariffs would be freely set, they must be clearly communicated

⁶⁷ <http://www.forbes.com/pictures/ehmk45kheg/1-brussels-belgium/>.

⁶⁸ Minister Smet, Note aux membres du Gouvernement de Bruxelles-Capitale, *Note de Principe – Plan de Transport Rémunéré de Personnes*, 2015-2019.

⁶⁹ According to publicly available information, the note announced that the current PHV legislative limitations (namely, the written contract between the customer and the driver, the three hour/90 Euros minimum requirement, the obligation to agree on a price prior to the ride, the minimum cost of the car) could have been lifted. See Note, *supra*. This was met with resistance by the taxi sector.

to the client before the booking and a variation of more than 25% would be prohibited. Insurance would also be required.

The reform is currently ongoing; however, no agreement has been reached among the relevant stakeholders on how the Plan should be implemented. No main changes at the legislative level have occurred and no draft bill has been submitted to the Regional Parliament for the time being.⁷⁰

The Regional authorities (*Bruxelles Mobilité, Direction des Taxis* of the Brussels Capital Region) are the competent authorities to grant taxi licences and private hire car with driver authorisations.

II.2 Regulatory and Administrative Framework

The regulatory framework has been described in the Country Report. The regulatory act for both taxis and SLCs is the *Ordonnance relative aux services de taxis et aux services de location de voitures avec chauffeur* of 27 April 1995, as subsequently modified (hereinafter, the "1995 Ordonnance")⁷¹ and the Decree of 29 March 2007 as lastly amended in 2015⁷².

Specific provisions were introduced for collective taxis. The 2008 Decree⁷³ defines the technical requirements applicable to the vehicles providing this service. The vehicle must be identified by the following distinctive words: "TAXI COLLECTIF COLLECTIEVE TAXI". The vehicle must be equipped with a device connected to the telephone switchboard which transmits the data regarding its journey.

A collective taxi vehicle can transport up to 3 passengers as established in article 7 of the Regional Decree, and must be affiliated with a radio taxi service (Article 5 of the 2008 Decree). According to Article 2 of the Decree, only a radio taxi is authorised to manage and distribute collective taxi rides during the night (this means that with respect to these services, the user cannot ply for hire and pre-booking is required).

II.2.1 Taxis

The applicable regulation differentiates between taxi drivers and taxi operators. As provided under the *1995 Ordonnance*, the possession of the licence is a compulsory requirement for an operator to provide taxi service. A driver must have a valid "certificate of ability" to lawfully exercise the taxi driver profession.

⁷⁰ Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis* and following interview with a relevant stakeholder, 20 April 2016.

⁷¹ Its text is available at:

http://www.ejustice.just.fgov.be/cgi_loi/change_lg.pl?language=fr&la=F&cn=1995042733&table_name=loi.

⁷² *Arrêté du Gouvernement de la Région de Bruxelles-Capitale relatif aux services de taxis et aux services de location de voitures avec chauffeur*, as amended by the *Arrêté du Gouvernement de la Région de Bruxelles-Capitale modifiant l'arrêté du Gouvernement de la Région de Bruxelles-Capitale du 29 mars 2007 relatif aux services de taxis et aux services de location de voitures avec chauffeur, relatif à une adaptation de la formation professionnelle de chauffeur de taxi* of 16 July 2015.

⁷³ *Arrêté du Gouvernement de la Région de Bruxelles-Capitale relatif à la fixation des conditions particulières d'exploitation des taxis collectifs* of 29 May 2008 (2008 Arrêté).

Section I, Decree of 29 March 2007 as later amended⁷⁴, lays down the procedures to obtain a licence to provide taxi services and it lays down the requirements for the entry into circulation of a vehicle destined to the taxi service. It also regulates the need to hold a certificate of ability to become a taxi driver, and the conditions for an operator to obtain a taxi licence.

Taxi driver licence

According to Article 12, the candidate must pass a behavioural test with an organization designated by the Administration and that is able to carry out personality tests for drivers of public transport services.⁷⁵ Prior to taking such test, a check on the criminal background of the candidate is performed. Those candidates who possess a certificate attesting that they have an offer by a taxi operator are given priority (when compared to other applicants) in the rankings to take the behavioural test.⁷⁶

Once the candidate has passed a behavioural test, he obtains a temporary certificate of ability with the validity of one year to work as an employed driver or self-employed under training provided by a professional driver with at least 5 years of experience. After a working period of at least 4 months under the temporary certificate, the applicant can attend the ecological driving course required under Article 12 of the 2007 Decree.⁷⁷

In order to obtain a permanent certificate of ability, an applicant who possesses a temporary certificate must attend mandatory training courses which are organized by the competent Administration⁷⁸ and pass the related exams which are composed of a theoretical⁷⁹ and practical part, as provided for under Article 17 of the 2007 Decree.

These courses include several topics such as map reading and are mandatory for the admission to the theoretical examination. However, the candidate may decide to attend additional training courses organized by public bodies authorised by the Ministry and be exempted from the theoretical examination.

⁷⁴ *Arrêté du Gouvernement de la Région de Bruxelles-Capitale modifiant l'arrêté du Gouvernement de la Région de Bruxelles-Capitale du 29 mars 2007 relatif aux services de taxis et aux services de location de voitures avec chauffeur, relatif à une adaptation de la formation professionnelle de chauffeur de taxi* of July 2015).

⁷⁵ As modified by *Arrêté du Gouvernement de la Région de Bruxelles-Capitale modifiant l'arrêté du Gouvernement de la Région de Bruxelles-Capitale du 29 mars 2007 relatif aux services de taxis et aux services de location de voitures avec chauffeur, relatif à une adaptation de la formation professionnelle de chauffeur de taxi* of 16 July 2015.

⁷⁶ See *Arrêté du Gouvernement de la Région de Bruxelles-Capitale modifiant l'arrêté du Gouvernement de la Région de Bruxelles-Capitale du 29 mars 2007 relatif aux services de taxis et aux services de location de voitures avec chauffeur, relatif à une adaptation de la formation professionnelle de chauffeur de taxi* of 16 July 2015, Article 2(1).

⁷⁷ With the temporary certificate the applicant must, within a 12 months' period from the issuance of such certificate, perform a full-time service of at least 6 months, regardless of whether this is provided as an employee or a self-employed at the service of two operators aimed at covering practical training on topography, taximeter reading and a roadmap ("*tenu de feuille de rue*"). The working period with the last operator must be of at least 3 months.

⁷⁸ Article 17, para. 1, of the 2007 Decree.

⁷⁹ The theoretical part is comprised of a written part, concerning topics such as the topography of the region as well as applicable regulation, and an oral part, concerning map reading. The topics are: Regulation on taxi services; Social regulation applicable to the taxi driver profession; Reading of maps: location of a destination venue chosen by a potential client; Regulation on access to the venues where taxi vehicles can lawfully stand; Information on people with reduced mobility and their transport by taxi, as well as prescriptions on security rules that the taxi drivers must follow; Communication and appropriate behaviour with the clients.

After having passed the exam, the candidate obtains the certificate of ability, which is issued on the basis of the following documents:

- a certificate showing that the candidate has successfully passed the theory training course exams or a certificate of attendance of courses concerning taxi driver training;
- a certificate that the candidate has successfully passed the ecological training;
- the evidence of the *feuilles du route* filled in by the candidate during the last three working months and his *salary fiches* concerning the abovementioned practical training period;
- certificate of good driving and behaviour;⁸⁰
- a DIMONA declaration for employed drivers;⁸¹
- a certificate attesting to their affiliation with a social security organisation for self-employed drivers.

The certificate of ability shall be renewed every two years.

Taxi operators

In order to provide taxi service, a taxi operator licence is required (see Articles 3 and 4 of the 1995 Ordonnance). This licence allows standing in areas situated for taxis in public streets.

For the taxi operators ("*exploitants*"), the conditions to obtain a licence are laid down under Article 5 of the Ordonnance. Article 2, para. 1, of the 2007 Decree provides that the taxi service provider can exercise his/her profession subject to compliance with conditions of morality⁸², solvency⁸³ and professional qualification.

There is a cap on the number of the licenses: currently the cap is set at 1200 ordinary taxis and 100 taxis reserved for people with reduced mobility (also called mixed taxis, as provided for under Article 3 of Decree fixing the maximum number of vehicles to provide taxi services in the Brussels Capital Region of 4 September 2003).⁸⁴

When the number of active taxis is below the threshold, the Government publishes an announcement in the Belgian official journal ("*Moniteur Belge*") with regard to how many licenses may be issued as well as the applicable procedures. Following the public tender, the licenses are assigned to the subjects who have presented the best qualitative offer at

⁸⁰ Article 17(6) of the 2007 Decree, as modified by Article 5 of the *Arrêté du Gouvernement de la Région de Bruxelles-Capitale modifiant l'arrêté du Gouvernement de la Région de Bruxelles-Capitale du 29 mars 2007 relatif aux services de taxis et aux services de location de voitures avec chauffeur, relatif à une adaptation de la formation professionnelle de chauffeur de taxi* of 16 July 2015.

⁸¹ The *déclaration immédiate de l'emploi* (DIMONA) allows an employer to electronically declare to the National Office of Social Security (ONSS) the hiring and the end date of employment of an employee. See more at: http://www.belgium.be/fr/emploi/contrats_de_travail/documents_sociaux/dimona#sthash.vV4IbmyR.dpuf.

⁸² In accordance with Article 2, para. 2, of the 2007 Decree, morality conditions are satisfied if the taxi operator proves he or she has a «*bonne conduite, vie et mœurs*» and as not incurred in the last five years, in Belgium or abroad, into a judgment condemning him or her for the infractions in book II, title III, chapters 1st to V, and title IX, chapter 1st and II of the Criminal Code.

⁸³ According to Article 2, para. 3, of the 2007 Decree, to fulfil the conditions of solvability, he or she must be an owner of the vehicle used for the service or be on time with the payments if the vehicle has been bought through a loan or leasing, and not be late of more than six months in the payment of taxes or the payment of social security or of salaries, as well as be able to support the reparation and maintenance costs of the vehicle.

⁸⁴ *Arrêté du Gouvernement de la Région de Bruxelles-Capitale fixant le nombre maximum de véhicules pour lesquels des autorisations d'exploiter un service de taxis peuvent être délivrées sur le territoire de la Région de Bruxelles-Capitale* of 4 September 2003.

the most competitive prices.⁸⁵ According to the competent Administration, “the criterion of public utility and such procedure to obtain the authorisation is aimed at ensuring a certain level of quality of taxi services”,⁸⁶ but according to a stakeholder, it is also to preserve the “rentability” of the licence.

The taxi licence has 7 years validity and can be renewed for either the same time or a shorter period if particular circumstances justify this shorter period.⁸⁷

The renewals are issued under certain conditions, such as satisfactory morality conditions, enough vehicles in relation to which the licence has been used, as well proof of all the necessary social security payments. Taxi vehicles must have specific insurance called “*assurance transport rémunéré de personnes*”, as provided by Article 5 of the 2007 Decree.

Taxi licenses can also be cumulated with an authorization to provide SLC services, and can relate to one or several vehicles.⁸⁸ However, a single vehicle cannot serve both as a taxi and as a SLC.

On a yearly basis, taxi operators pay a regional tax of 575 Euros.⁸⁹ However, operators that start using a digital taximeter benefit from a reduction in the tax (200 EUR instead of 575 EUR).⁹⁰

Transferability

Since February 2014, licences to carry out a taxi service can be transferred to third parties for free or for remuneration.⁹¹

The conditions that the transferee must observe are the following: (i) the continued use (for at least ten years) of the vehicle in the sale transaction, and (ii) fulfilment of all the obligations, including the annual validation of the licence during the same period.

The transferee must comply with the requirements to obtain a taxi operator licence as laid down by the Ordonnance as well as all the conditions to lawfully operate a taxi in accordance with the 2007 Decree. In any case, the transfer is subordinated to the

⁸⁵ See Article 6 of the 1995 *Ordonnance* and reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis*.

⁸⁶ Reply to the stakeholder consultation by *Bruxelles Mobilité, Direction des Taxis*.

⁸⁷ Article 7 of the 1995 *Ordonnance*. See, more specifically, Article 10 bis of the 1995 *Ordonnance*, Articles 62, 63 and 77 of the *arrêté du Gouvernement de la Région de Bruxelles-Capitale du 29 mars 2007 relatif aux services de taxis et aux services de location de voitures avec chauffeur, Arrêté du Gouvernement de la Région de Bruxelles-Capitale fixant la composition et le fonctionnement de la Commission visée à l'Article 10bis, 4 de l'Ordonnance relative aux services de taxis et aux services de location de voitures avec chauffeur* of 27 April 1995 of 24 April 2014.

⁸⁸ Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis*.

⁸⁹ This is foreseen in the *Ordonnance relative aux services de taxis et aux services de location de voitures avec chauffeur* of 27 April 1995 which is the general piece of legislation applicable insofar as fiscal matters are concerned.

⁹⁰ *Ordonnance relative aux services de taxis et aux services de location de voitures avec chauffeur* of 27 April 1995, as amended by *Ordonnance* of 2013-12-19/14, which has entered into force on 01/01/2014.

⁹¹ Reply to the stakeholder consultation provided provided by *Bruxelles Mobilité, Direction des Taxis*. In particular, Article 62 of the 2007 has been modified by the *Arrêté du Gouvernement de la Région de Bruxelles-Capitale* du 24 avril 2014 (MB 20-05-2014).

approval of a Committee of the Regional Government. The Committee assesses whether the conditions are satisfied and whether the amount agreed for the transfer is reasonable with respect to the economic value of the licence.

As indicated by the *Direction Mobilité* of the Brussels Capital Region, the value of the transfer ranges from 0 to 40,000 Euros. This value has been provided by applicants applying for a transfer authorization.⁹² Taxi licenses are also traded on the illegal market with their estimated value ranging from 50,000 to 60,000 Euros.⁹³ By contrast, Article 9 of the 1995 *Ordonnance* specifies that the vehicles in relation to which licenses have been granted cannot be rented to third parties.⁹⁴

In addition to illegal trading of licences, illegal employment practices in the taxi sector encompass the “forfait location” practice: in this system, an operator (the employer) provides a car to a taxi driver (the employee) who has to pay the operator a daily forfeit in order to use the vehicle as well as the fuel. Namely, the driver rents out his or her work to the employer. He does not have a salary and social security payments are made based on the minimum wage. This situation leads to an abuse of the drivers’ employee position as well as to social (and fiscal) fraud.

This practice is widespread in Brussels since it ensures revenue for the operator, and the drivers reap the benefits of additional revenue should they make more rides since such profits rests on them.⁹⁵

However, drivers forego all the benefits of employee status including the right to a minimum wage (should their earnings be lower, the operator would have to pay them the difference).

The Rebel study carried out in 2013, indicates that in the short run, the forfait location system is advantageous for the driver considering that he can earn more compared to the legal system; in the long run, however, this system is harmful for the driver because he forgoes social protections. To fight this illegal practice, the federal Government and the related actors signed a protocol in January 2016.⁹⁶ This however rests on the will of actors such as taxi operators to counter social fraud.⁹⁷ To combat VAT evasion which occurs as a result of the “forfait location” practice being very widespread in Brussels⁹⁸, self-regulation initiatives are currently being proposed as they are at the top of a protocol signed by the whole of the Belgian taxi sector with the competent federal authorities.⁹⁹

⁹² Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis*.

⁹³ Interview with a stakeholder.

⁹⁴ This Article provides that: « *La location par l'exploitant, sous quelque forme que ce soit, du ou des véhicules à toute personne qui en assure ou en fait assurer la conduite, est interdite.* ».

⁹⁵ Rebel Study and Transport&Mobility Leuven, « *Etude socio-économique du secteur des taxis bruxellois* », April 2013.

⁹⁶ Interview with a stakeholder.

⁹⁷ Accord de coopération avec le Secteur des Taxis, 20 January 2016, available at http://www.tommelein.com/wp-content/uploads/bsk-pdf-manager/2016-02-08_175.pdf.

⁹⁸ “Un accord historique dans le secteur des taxis et les services d’inspection signent”, available at: http://www.rtb.be/info/belgique/detail_le-secteur-des-taxis-et-les-services-d-inspection-signent-un-accord-historique-2?id=9191273.

⁹⁹ For a more detailed overview of how tax is evaded under this illegal system, see Rebel Study and Transport&Mobility Leuven, “*Etude socio-économique du secteur des taxis bruxellois*”, April 2013, page 15 and following.

⁹⁹ http://www.tommelein.com/wp-content/uploads/bsk-pdf-manager/2016-02-08_175.pdf.

Technical requirements applicable to licensed vehicles

The Region establishes the regulations for the taxi's technical requirements and visual identification. The 2007 Decree lays down a series of requirements that taxis must comply with, such as the requirement to have at least 3 lateral doors, have good status and be well maintained, and be compliant with the quality, cleanliness and comfort conditions.¹⁰⁰ The detailed information is included in the Country Report.

Article 33(1) of the Decree provides that the sign "TAXI" plate as well as an identification number must be clearly visible on the exterior side (so-called "*Identité visuelle*"). Taxis must be black with yellow –black stripe around the car.¹⁰¹

Taxi vehicles must be previously identified by the Administration prior to their entry into service. The plate identifying the taxi must be placed on top of the vehicle. The identification number must also be made clearly visible in the interior of the car.¹⁰² The plate must respect special dimension requirements established in that provision. In order to easily identify the driver, a coloured picture of the driver, the number of his certificate and, if applicable, the references of the taxi service operator that employs the driver must be placed on the headrest visible to the passengers.¹⁰³

Article 37(1) of the 2007 Decree establishes that the vehicles must be equipped with a digital taximeter during the entire service, which indicates and prints in an easily visible fashion, the indications both daily and during the night. Sunlight must not impair the screen visibility. The taximeter must respect the requirements established in the Decree of 13 June 2006 concerning measuring instruments.

According to paragraph 2 of Article 37 of the 2007 Decree, the taximeter has data storage capacity of at least 7 days. This data is protected so that its integrity, origin and character are assured at all times. This data is preserved by the taxi operator for at least five years (in his premises or third parties' secured storage server). The preserved data must be shown to the functionaries and agents of the Administration should they ask for it. According to Article 38, the taximeter must be turned on when the taxi is in service and turned off otherwise and the mechanism that calculates the price that the digital taximeter shows must be in service until the end of the ride.

According to Article 39, the taximeter must be accompanied by a transmitting luminous device placed on top of the roof. The taximeter is the property of the Administration and must be returned to the Administration when the operator ceases the activity or the authorization is suspended or withdrawn. Article 40 of the 2007 Decree requires that, when the taximeter is on, the transmitting device must be lit.

Article 42 of the 2007 Decree provides that the taximeter cannot be controlled at a distance, or cannot be accompanied by a device that stops it. The Smet Plan includes the obligation to introduce on the taxi vehicles the last generation taximeter: however, this provision, due to the costs it implies, has met resistance of taxi operators.

¹⁰⁰ Article 32(1) of the 2007 Decree.

¹⁰¹ Article 32(d) of the 2007 Decree.

¹⁰² See Article 33(1) of the 2007 Decree.

¹⁰³ *Id.*

In addition, as of 1 January 2016, credit card readers are compulsory for taxi drivers to increase transparency and combat fiscal malpractices. If a driver does not have a credit card reader in the car, a complaint can be filed by the customer with the competent Administration.¹⁰⁴

With regard to mixed taxis which are available for people with reduced mobility, they must be wheelchair accessible.¹⁰⁵

As mentioned above, a certain number of taxis are reserved for persons with reduced mobility, but they can also operate as normal cabs (called "mixed taxis"). In 2015 there were 97 licensed mixed taxi vehicles in the Region.

Conditions of service

Except for taxis offering the collective taxi service, there is no obligation to be affiliated with a dispatch centre.¹⁰⁶ According to one stakeholder to the consultation, around half of the operators are affiliated to a dispatch centre.

Some dispatch centres are also operators (as is the case of Autolux or Taxis Ucclois). For collective taxi services, an affiliation with a radio-taxi is necessary.¹⁰⁷

Pursuant to Article 28(1) of the 2007 Decree, drivers must, when the taxi is free, pick the passenger up except if the vehicle is found less than 300 meters from a taxi stand where one or more taxi vehicles are free and available.

After the end of the ride, the taxi must go back to its stand. However, pursuant to Article 28(2) of the 2007 Decree, the driver may refuse to provide a ride to a passenger asking for a long ride or towards a less populated destination. In that event, the taxi driver is authorised to charge a provision for long rides. In addition, a taxi driver can refuse passengers who are drunk or under the influence of drugs.

From publicly available information, Minister Smet's reform plan as it stood in the 2015 February Note could foresee the possibility to be affiliated with a smartphone app for Brussels taxi drivers.¹⁰⁸

II.2.2 Taxi fares

¹⁰⁴ Interview with a stakeholder.

¹⁰⁵ Article 1(2) of the *Arrêté du Gouvernement de la Région de Bruxelles-Capitale fixant le nombre maximum de véhicules pour lesquels des autorisations d'exploiter un service de taxis peuvent être délivrées sur le territoire de la Région de Bruxelles-Capitale* of 4 September 2003.

¹⁰⁶ Reply to the stakeholder consultation.

¹⁰⁷ Articles 3 and 5 of the *Arrêté du Gouvernement de la Région de Bruxelles-Capitale relatif à la fixation de conditions particulières d'exploitation des taxis collectifs* of 29th of May 2008.

¹⁰⁸ See: <http://fr.pascalsmet.be/articles/mobilite/le-plan-taxi>.

- *Hailing and rank*

Fares for taxi transportation services are regulated by the 2010 Decree¹⁰⁹. Article 1 establishes the following fares for taxi transport per kilometres:

- Tariff I: 1,80EUR/km;
- Tariff II: 2,70EUR/Km;
- Take on board: 2,40EUR;
- Hour waiting: 30EUR/h;
- Extra charge for the night travel (from 22 to 6 am) to the take on board charge: EUR 2.

Tariff I is applied inside the Brussels Capital Region while tariff II is applied when the taxi leaves the Brussels Capital Region (at the condition that the arrival point is still outside the Brussels Capital Region). No supplements are foreseen for extra luggage, dogs or a ride to the airport. A waiting tariff is applicable when the taxi drives less than 16.5 km/h (the taximeter stops working and the waiting tariff applies which is 0,5 Euros per minute).

- *Pre-booked*

No supplement is required when the booking is carried out through a radio taxi.

Special fares are applied for the collective taxi service (named Collecto). For such particular service, tariffs are regulated by the Decree of the Brussels Capital Region of 4 February 2010.¹¹⁰ In accordance with Article 1 of this Decree, a fixed fare of EUR 6 to non S.T.I.B. and MOBIB users is applied, whereas the fixed fare for all S.T.I.B. and MOBIB users is EUR 5. Collecto taxis can only be pre-booked.

Airports

There are no fixed fares to and from Zaventem. The same tariffs that must be shown on the taximeter apply. According to a consultation, several taxi operators (e.g. Autolux) offer a discount in a forfait tariff of 20% if the booking is placed for a two-way route between Brussels City and Zaventem Airport.

According to one stakeholder to the consultation, these discounts were authorised only if they were below the maximum tariffs prescribed by the abovementioned legislation. Such discounts currently applied by the bigger players, e.g. Autolux. According to another stakeholder to the consultation, the small operators have found it hard to keep up with these discounts. As seen *supra*, one of the proposals of the plan Smet is the fixed fare to and from the airport based on the model of many European cities.¹¹¹

¹⁰⁹ *Arrêté du Gouvernement de la Région de Bruxelles-Capitale relatif à la fixation des tarifs applicables aux services de taxis* of 26 August 2010, as subsequently modified as subsequently modified.

¹¹⁰ *Arrêté du Gouvernement de la Région de Bruxelles-Capitale fixant les tarifs applicables aux services de taxis collectifs* of 4 February 2010

¹¹¹ Minister Smet, *Note aux membres du Gouvernement de Bruxelles-Capitale, Note de Principe – Plan de Transport Rémunéré de Personnes*, 2015-2019: <http://www.bruxellesmobilite.irisnet.be/articles/la-mobilite-de-demain/taxis>.

For the Charleroi airport, many taxi operators offer fixed pre-booked rides and ridesharing options from the airport and return. Usually these taxis are licensed in Charleroi by another licensing authority than the Brussels Capital Region and can offer only rides from the airport. At the Brussels Gare de Midi, taxis delivering services to Charleroi often provide taxi carpooling on place, for fixed pre-arranged fares agreed to on the spot. In principle, they should return empty to the base.

Similarly to Zaventem, the Smet plan in its original proposal would require a fixed fare to and from the airport.

II.2.3 Hire cars with driver (*service de location avec chauffeur* - SLCs)

The Brussels Capital Region issues separate authorizations for hire cars with driver (SLCs).¹¹² Unlike for taxis, there is no maximum number¹¹³ and drivers need not pass an exam to provide the service of SLC. The authorization is issued to the operator and must mention the number of vehicles in relation to which it is granted.¹¹⁴ Each operator can only be granted one authorisation.¹¹⁵ Moreover, it is personal to that operator.¹¹⁶ In addition, the authorisation cannot be transferred.¹¹⁷

In order to obtain an authorisation, the operator must satisfy the same criteria of morality and solvency which apply to obtaining a taxi licence. In addition, vehicles must comply with the criteria established under the 1995 Ordonnance, which provide that only a certain type of vehicle can provide the service. One stakeholder to the consultation has confirmed that self-employed SLC drivers – some of which work as individuals, others as a company - face some requirements to sit for an accountancy test (not specific to the transport sector),¹¹⁸ while at other times interested SLC candidates cannot do so because they do not have the diploma requisites required to become self-employed.¹¹⁹

The authorisation is valid for 5 years and can be renewed for the same period, subject to verification of the necessary criteria to obtain an authorisation.¹²⁰ If particular circumstances occur, an authorisation of a shorter duration can be issued, subject to a positive assessment following an investigation of the abovementioned criteria. In addition, the quality of the vehicle must be verified as well.

The service must be performed within the Region or at least originate from the Brussels Capital Region, on the basis of the Article 16 of the 1995 Ordonnance.¹²¹ While the starting point of the service needs to be the territory of the Brussels Capital Region, according to the Courts, no additional impediment to operating across regions can be

¹¹² Article 16 of the 1995 Ordonnance.

¹¹³ See Article 18 of the 1995 Ordonnance.

¹¹⁴ See Article 17, para. 2, of the 1995 Ordonnance.

¹¹⁵ See Article 17(2) of the 1995 Ordonnance.

¹¹⁶ Article 23 of the 1995 Ordonnance.

¹¹⁷ *Id.*

¹¹⁸ "Tout le monde peut il devenir independent", available at:

<http://bruxelles-j.be/travailler/entreprendre/tout-le-monde-peut-il-devenir-independant-ou-bien-faut-il-remplir-certaines-conditions/>.

¹¹⁹ Interview with a stakeholder, 9 May 2016.

¹²⁰ Article 20 of the 1995 Brussels Ordonnance.

¹²¹ See Article 16 of the 1995 Ordonnance and judgment No.41/2010 of the Belgian Constitutional Court.

applied by means of regional laws except for an objective of legitimate interest (which cannot be the protection of regional operators).¹²²

Moreover, the Belgian Courts have recognized that SLC service providers having obtained their authorisations in other regions can pick up and drop passengers off in the Brussels Capital Region. According to the Courts, disallowing SLC authorised services providers of other regions to give their services in the Brussels Capital Region would run counter to the principles of monetary and economic Union of Belgium.¹²³ Therefore, Regions can enter into protocols to agree on the operation of SLC services across the regional territory.

The service in the Brussels Capital Region is subject to certain organisational conditions, required by the applicable legislation (namely, the written contract between the customer and the driver, the three hour/90 Euros minimum requirement, the obligation to agree on a price prior to the ride with the customer, the minimum cost of the car).

Fitness of the vehicle

Concerning technical requirements, only certain types of vehicles can provide SLC services. More specifically, there are several categories:

- luxury: where three distinct and isolated compartments are used, the wheelbase of at least 2.8 meters, the price for a new vehicle is of at least EUR 31.598,83 (indexed on 1 January 2016) and the vehicle must not be older than 7 years;¹²⁴
- high luxury: the wheelbase should be of at least 2.9 meters and the price of at least EUR 47.841,23 (indexed on 1 January 2016) and the vehicle must not be older than 10 years,¹²⁵ in addition to having three compartments;
- ceremony vehicles: which respect the same criteria applicable to the high luxury vehicles unless the Ministry approves other vehicles that have specific characteristics concerning their use, on the basis of an opinion issued by a commission.¹²⁶

A minibus category is also available. The vehicle belonging to this category needs to be 2,60 meters long, it has to have a price of purchase (not used) of EUR 25.397,19 (indexed on 1 January 2016) and may not be older than 7 years old.¹²⁷

Furthermore, except for ceremony vehicles, the vehicles providing SLC services must also have air conditioning and a luminous device that permits the customer to read. In addition, Article 89 of the abovementioned 2007 Decree specifies that the vehicles must have a plastic identification sticker indicating the identification letters and numbers preceded by the letter L.

¹²² Judgment No.41/2010 of the Belgian Constitutional Court, B.5.3.

¹²³ Judgment No.41/2010 of the Belgian Constitutional Court, B.5.3.

¹²⁴ Article 85(1) of the 2007 Decree. Also see:

<http://www.bruxellesmobilite.irisnet.be/partners/professionnels/exploitants-limousines>.

¹²⁵ Article 85(2) of the 2007 Decree. Also see:

<http://www.bruxellesmobilite.irisnet.be/partners/professionnels/exploitants-limousines>.

¹²⁶ Article 85(3) of the 2007 Decree.

¹²⁷ Article 86 of the 2007 Decree. Also see:

<http://www.bruxellesmobilite.irisnet.be/partners/professionnels/exploitants-limousines>.

The vehicles must not have signs that cause confusion with the taxis, nor can they have a taximeter or an instrument allowing radio communication.¹²⁸

Conditions of service

The SLC may only be pre-booked in advance of a minimum three hours and EUR 90. A register, also in electronic form, must be kept in the company's headquarters where each rental must be recorded.

In addition, a written agreement must be concluded at the company's head office; while a copy must be kept on board the vehicle.¹²⁹ The written agreement shall mention the vehicle shall be made available for at least three hours and the payment can only occur after the client receives the bill at his premises/headquarter.

Fares

The fares need to be agreed upon in a written form contract between the SLC provider and the user, but there is a minimum of EUR 90 for a minimum drive of 3 hours (and each additional hour costs 30 Euros).¹³⁰

Despite the restriction, new SLC services have entered the market, such as Uber and CarAsap, which provide pre-booked services at fixed fares.

For example, CarAsap offers a fixed price for the ride from the centre of the city to the Zaventem airport (around EUR 34) and for Charleroi Airport (EUR 114).

For the journey from city centre, Uber offers the following range of prices: EUR 24-32 with UberX and EUR 37-49 with UberBlack.

Incentives

From publicly available information, there are incentives given to some operators at the Regional level, such as Carasap, a service operative since 2014, which as a start-up, has benefitted of an interest free loan by Regional Funds to new business models (SRIB Fund).¹³¹ This loan was granted in 2015. Carasap uses the Addison Lee technology.

II.3 Enforcement

¹²⁸ Article 88(2) of the 2007 Decree.

¹²⁹ While Minister Smet has confirmed in Parliament that an electronic contract is allowed, the Law leaves open various interpretations.

¹³⁰ See Decree of 20 MARS 2008 - Arrêté du Gouvernement de la Région de Bruxelles-Capitale fixant les tarifs minima applicables aux services de location de voitures avec chauffeur, Article 1, premier.

¹³¹ http://www.carasap.be/fileadmin/templates/img/presse/CARASP-LE%20SOIR-18_1_16-ARTICLE.pdf and <http://www.finance.brussels/fr/news/carasap-la-nouvelle-technologie-pour-se-d%C3%A9placer-%C3%A0-bruxelles>.

The same authority oversees compliance with the legislative framework. Enforcement is shared between the Region and the police.¹³² Radio taxis are – insofar as they fall within the ambit of telecommunications – a federal competence.¹³³

With respect to the supervisory enforcement tools, the illegal provision of taxi and PHV services is punished as provided for under Chapter V of the 1995 Ordonnance, which provides that the exercise of the taxi activity without licence or the provision of a PHV service without an authorisation is subject to an imprisonment of up to 3 months and to an administrative fine.¹³⁴ In the case of recidivism within two years from the conviction, the penalty applied cannot be lower than double the penalty applied earlier.¹³⁵

The procedural mechanisms for infractions that may lead to the suspension or the loss of the licence (sanction for the taxi services operators) and/or the certificate of capacity of taxi drivers (sanction for the taxi driver) are spelled out under Chapter IV of the Decree of 29 March 2007¹³⁶, as of the latest amended by the Decree of Brussels Capital Region of 16 July 2015. Those concerning the PHV services are provided under Title III of the same piece of legislation.¹³⁷

In both cases, the competent Administration proposes to the Ministry or the Regional Government the following:

- The Ministry has competence for the temporary suspensions of up until 6 months;
- The Government has competence for the suspensions of a period beyond 6 months or for the definitive revocation.¹³⁸

Concerning drivers, if a client has filed a complaint, a disciplinary Council examines the complaint when it may cause the suspension or revocation of the certificate and, should this Council decide the complaint has merit, a suspension or revocation of the certificate of capacity is imposed.¹³⁹

The applicable regulatory framework allows the Government to grant the quality of the agent or officer of judiciary police to functionaries and sworn regional agents. They look for infractions and draft a *proces verbal* which is then transmitted to the *Procureur du Roi* – competent at the federal level - who follows up on this. In 2015, there were 582 *proces verbaux*.

The administration is also in charge of following up on the complaints made by customers insofar as taxi drivers and taxi operators are concerned. As explained in the Belgium country report, the number of complaints with respect to taxi drivers has been as follows:¹⁴⁰

¹³² Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis*.

¹³³ Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis*.

¹³⁴ The text is available at:

http://www.ejustice.just.fgov.be/cgi_loi/change_lg.pl?language=fr&la=F&cn=1995042733&table_name=loi.

¹³⁵ *Id.*

¹³⁶ See, for its entire text: http://www.qtl-taxi.be/3_28_549_4604_FR_Arrêté_d

and http://www.qtl-taxi.be/3_28_549_4235_FR_Arrêté_d.

¹³⁷ *Id.*

¹³⁸ Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis*.

¹³⁹ Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis*.

¹⁴⁰ Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis*.

Year	N. of complaints
2010	86
2011	107
2012	186
2013	206
2014	233
2015	325

Therefore, an increase in the customer complaints can be observed in the five-year period between 2010 and 2015.

The motivations for the complaints *vis-à-vis* the taxi drivers, and an annual overview for the years 2010 to 2015, are provided in the following chart:¹⁴¹

Reason for customer complaint	2015	2014	2013	2012	2011	2010
Refusal of ride	46 14,15 %	8 3,43%	22 10,68%	22 11,83%	10 9,35 %	10 11,63%
Abusive tariff	73 22,46 %	63 27,04%	48 23,30%	55 29,57%	32 29,91 %	24 27,91%
Impoliteness or verbal aggression	69 21,23 %	72 30,90%	55 26,70%	54 29,03%	35 32,71 %	18 20,93%
Physical aggression	8 2,46%	8 3,43%	10 4,85%	5 2,69%	-	-
Racist behaviour	0 0,00%	1 0,43%	0 0,00%	0 0,00%	-	-
Sexist behaviour	0 0,00%	0 0,00%	0 0,00%	0 0,00%	-	-
Dangerous driving	69 21,23 %	30 12,88%	26 12,62%	14 7,53%	6 5,61 %	5 5,81%
Refusal to provide the ticket	7 2,15%	6 2,58%	6 2,91%	8 4,30%	1 0,93 %	2 2,33%

¹⁴¹ Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis*.

Too lengthy ride	8 2,46%	9 3,86%	5 2,43%	0 0,00%	3 2,80%	2 2,33%
Cleanliness/ comfort in the vehicle	5 1,54%	2 0,86%	0 0,00%	2 1,08%	0 0,00%	1 1,16%
Theft/loss of objects or money	8 2,46%	8 3,43%	3 1,46%	3 1,61%	4 3,74%	7 8,41%
Accessibility to PRM taxis	4 1,23%	0 0,00%	0 0,00%	0 0,00%	1 0,93%	0 0,00%
Radio taxi	8 2,46%	3 1,29%	2 0,97%	6 3,23%	-	2 2,33%
Hotels	0 0,00%	1 0,43%	-	-	-	-
Collecto	2 0,62%	0 0,00%	0 0,00%	1 0,54%	-	1 1,16%
Moto-Taxis	0 0,00%	0 0,00%	0 0,00%	0 0,00%	-	-
Failure to respect the applicable regulation/other	18 5,54%	22 9,44%	29 14,08%	16 8,60%	14 13,08%	14 16,28%
Stewards	0 0,00%	-	-	-	1 0,93%	0 0,00%
Total number of complaints	325 2015	233 2014	206 2013	186 2012	107 2011	86 2010

It is worth mentioning that on 20 January 2016, the sector signed a protocol with the competent administration to avoid social fraud and other illegal forms of work (e.g., forfeit renting, as explained *supra*) from the employers of the taxi sector,¹⁴² as well as ensure compliance of the applicable regulations by the taxi sector.

This replaces an already existing agreement with the authorities¹⁴³ and does not concern only Brussels but the whole country.

¹⁴² Accord de coopération avec le secteur des taxis, 20 January 2016.

¹⁴³ Interview with SFeBeT, 13 April 2016.

II.4 New Urban Mobility

Car sharing was first regulated in 2013.¹⁴⁴ On March 2016, the Regional Parliament approved a modification of the 2009 Ordonnance¹⁴⁵ allowing the competent authority to grant non-nominal parking cards for “free floating car sharing”.¹⁴⁶ This was to increase the number of the car-sharing operators in the city.

In the Brussels city municipality, the car-sharing operators must be approved by the Municipality. This is done on the basis of a Regulation that sets forth the conditions under which such service providers can operate.¹⁴⁷

It is possible to benefit from the funding for the use of electric cars, as laid down in the 2007 Decree.

¹⁴⁴ 21 MARS 2013 - Arrêté du Gouvernement de la Région de Bruxelles-Capitale fixant les modalités d'utilisation des places de stationnement réservées en voirie aux opérateurs de véhicules à moteur partagés. Available at: http://www.ejustice.just.fgov.be/cgi_loi/change_lg.pl?language=fr&la=F&cn=2013032112&table_name=loi.

¹⁴⁵ Ordonnance portant organisation de la politique du stationnement et création de l'Agence du stationnement de la Région de Bruxelles-Capitale of 22 January 2009

¹⁴⁶ See new para. 4 of Article 6, « Le Gouvernement peut prévoir des cartes de dérogation qui s'appliquent sur le territoire de plusieurs communes. Le Gouvernement peut octroyer la compétence de délivrer ces cartes de dérogation à l'Agence du stationnement ou aux communes. » added to the 2009 Ordonnance with the Ordonnance portant modification de l'ordonnance du 22 janvier 2009 portant organisation de la politique du stationnement et création de l'Agence du stationnement de la Région de Bruxelles-Capitale et de l'ordonnance du 3 avril 2014 relative aux règlements complémentaires sur la circulation routière et sur la pose et le coût de la signalisation routière of 14 April 2016.

¹⁴⁷ <http://www.brussels.be/dwnld/75641653/r%C3%A8glement%20voitures%20partag%C3%A9es%20FR.pdf>.

- **Cambio:**¹⁴⁸ Cambio is present in Brussels since 2003. It was developed as an initiative between NGO Taxistop and public transportation services as a model for combined mobility in order to implement car sharing stations close to public transports stops with a view to improve Brussels' private mobility. Cambio has reserved parking lots in certain areas in the city and the car can also be picked up and be dropped in different parking points in the city. As of September 2015, according to publicly available information, Cambio counted a fleet of 330 cars.
- **Zen Car:** Zen Car is another car-sharing operator having a fleet of environmentally friendly, electric cars.¹⁴⁹ Zen Car is a service of short-term rent. Every subscriber has the possibility of having a vehicle 24 hours a day and 7 days a week via a smart card which is handed over to him during his registration.¹⁵⁰
- **Zipcar:** Zipcar, a company owned by Avis Holding Group and present in many other cities, will soon offer its first free-floating car sharing service in Brussels. It will have a fleet of 250 Peugeot cars and it will start to operate in Brussels on mid-September 2016.¹⁵¹
- **Ubeeqo:**¹⁵² Ubeeqo has started operating in Brussels in June 2016. No free-floating car sharing will be initially proposed and the system will be based on a traditional service, where parking can be done only in reserved areas. A fleet of 40 vehicles is initially foreseen.¹⁵³
- **DriveNow:**¹⁵⁴ DriveNow is a BMW and Sixt partnership that offers free-floating services in many German cities and other EU cities. It started operating in Brussels in mid-July 2016 with a fleet of 150 MINI and BMW vehicles.¹⁵⁵

Car2Go: a company controlled by Daimler, Car2go will start operating in Brussels on September 2016.¹⁵⁶

Peer-to-peer car rental models (Caramigo and Drivy) also co-exist in Brussels.

A bike-sharing service, **Villo**, has been introduced by the authority and it is part of the integrated mobility plan.

The legislation provides for the possibility of radio taxis to organize ridesharing (taxi pooling) services at night through the collection service. In addition, private services have also affirmed themselves. The company Taxi Vert introduced the **Splyt** app, which allows taxis ridesharing with people chosen via the application. The person may book a taxi for a certain destination and decide with whom to share it with.¹⁵⁷ Payments are made via the smartphone.

For non-profit ridesharing, Belgian law as reported provides the possibility of tax-breaks for using a carpooling system for the house-work trips by car with colleagues or not colleagues.¹⁵⁸ Such tax-break is applied on the house-work transport benefits the

¹⁴⁸ <https://www.cambio.be/>.

¹⁴⁹ <https://www.zencar.eu/>.

¹⁵⁰ <http://www.brussels.be/artdet.cfm/6593>.

http://www.lecho.be/entreprises/auto/Zipcar_a_choisi_Bruxelles_pour_son_premier_free_float.9796410-3032.art?ckc=1&ts=1471875637.

¹⁵² www.ubeeqo.be/.

¹⁵³ Express, Un nouvel acteur de car sharing dans les rues de Bruxelles, 7 June 2016.

¹⁵⁴ <https://be.drive-now.com>.

¹⁵⁵ For the rates it applies, see: <https://be.drive-now.com/#!/rates>.

¹⁵⁶ Express, Un nouvel acteur de car sharing dans les rues de Bruxelles, 7 June 2016.

¹⁵⁷ <http://www.taxisverts.be/en>.

¹⁵⁸ http://finances.belgium.be/fr/particuliers/transport/deduction_frais_de_transport/trajet_domicile_travail/covoiturage?language=fr.

employer must provide to the employees and entails a diminution of the taxation applicable to the employees' income in the form of a lesser charge for the employer.

Until 2014, there were incentives for electric cars, mixed vehicles and electric minibuses, available at the national level, but they have been suspended since then.

In addition, a stakeholder to the consultation has reported that for inter-urban city-to-city carpooling, there are public funding aimed at promoting the service via events, operation of software, etc.¹⁵⁹

II.5 Market analysis

II.5.1 Taxis

More specifically, as to taxi services, there are several types of actors with different business models: on the one hand, there are radio taxis who connect demand (clients) and supply (operators) but are not themselves operators (e.g. Taxi Verts or Taxi Bleus). On the other hand, there are operators who have a vertically integrated business model, i.e. they act both as radio taxis and as operators (such as, e.g., in the case of **Autolux, Unitax, Taxi Capital or Taxis Ucclais**).

As "pure" dispatch centres, **Taxi Verts** and **Taxi Bleus** have a strong position in the Brussels market. Operators pay Taxi Verts and Taxis Bleus in order to be connected to the central centres (these are called "*frais d'affiliation*"). Other radio taxi services are rendered by Autolux, Unitax and Taxis Ucclais, which, as seen, are vertically integrated operators who have their own fleet and drivers. Unitax is, in particular, a market actor operating both in Flanders and Brussels. Some taxi operators, e.g. Unitax or Taxi Capital, also offer SLC services. Some stakeholders have reported that that some operators, e.g., Taxi Verts, have an exclusivity clause with the drivers which prohibit the latter from being affiliated with another radio taxi central.

As of May 2016, there were 6 dispatch centres in the Brussels Capital Region.¹⁶⁰

Taxi services in the pre-booked segment can be booked through radio taxi¹⁶¹ (the major radio taxi companies being, as see *supra*, Taxi Verts and Taxi Bleus) but also directly on the smartphone via apps. To keep up with new competitive constraints, apps for taxis are starting to develop in Brussels which is a vivid example of the proliferation of new business, such as taxi carpooling. E-Cab is an example of an app through which both an immediate ride and, upon a premium service, an advance ride can be booked.¹⁶² Splyt, a

¹⁵⁹ Interview with Taxistop, 3 May 2016. There are other initiatives such as the Social Car project but they are funded with EU funds. The capital region of Brussels knows about the SocialCar project, but is not directly involved. More info about socialcar: www.socialcar-project.eu.

¹⁶⁰Source: Direction des Taxis de la Région de Bruxelles-Capitale, May 2016: http://www.gtl-taxi.be/8_0_0_0_FR_Info_Flash_32413_1.

¹⁶¹ Radio taxis in Brussels are: Autolux (which is vertically integrated and thus also is a service operator of both taxi and SLC and has even developed its own app: see <http://www.taxisautolux.be/fr>), Taxi Bleus, Taxi Capital, Taxis Ucclais 2000, Taxis Verts, Unitax (which is also an operator). Radio Taxis are a federal competence. Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis* and *Loi du 8 août 1988 modifiant la loi spéciale du 8 août 1980 de réformes institutionnelles*.

¹⁶² E-cab is created by G7, one of the biggest taxi groups in Europe, and is active in Paris, Brussels and Amsterdam, as well as in other seven French cities.

London-based app developer which has recently partnered this year with Taxis Verts,¹⁶³ offers both the service of individual taxi booking but also taxi carpooling where the customer can on the spot order a cab to share with others and the app looks for such vehicles in his or her area.¹⁶⁴ Taxitoshare is another app operated by Taxi Bleus.¹⁶⁵ Other apps available are taxi.eu and Taxiproxy.

The Brussels Capital Region *Direction des Taxis* confirmed that apps to place taxi bookings, at present, are not regulated by the Region.

Taxi services operators (both companies and self-employed) are in majority small and medium enterprises. Indeed, a study carried out in 2013 by Rebel Group and Transport&Mobility Leuven¹⁶⁶ - covering the Brussels Capital Region - shows that 84% of the operators possess only one vehicle: hence, the sector is dominated by independents – whereas only 1.5 % of the operators have more than ten vehicles. In particular, in 2013 the data was as follows:

Number of vehicles	Number of operators	Percentage	Total number of taxis	Percentage
1	661	84,1%	661	53,9%
2-4	88	11,2%	227	18,5%
5-9	25	3,2%	162	13,2%
Larger than 10	12	1,5%	177	14,4%
Total	786	100,00%	1,227	100,0 %

This panorama, where the majority of the taxi operators are small operators, is still accurate today as one stakeholder to the consultation has confirmed during the consultation.

In 2015, the total number of active taxi vehicles was 1,273, with 1,127 taxis and 97 mixed/PRM taxis. Except for 2014, when 15 new licenses as well as 4 reserve licenses were granted which slightly increased the number of vehicles in circulation, between 2010 and 2015 no new licenses were granted.¹⁶⁷

The below table summarizes the data as to the current licenses for taxis in the Brussels Capital Region. It is interesting to see that the number of issued licenses stayed almost unchanged:

Year	Vehicles	Licenses	Number of	Reserve	Replacement
------	----------	----------	-----------	---------	-------------

¹⁶³ <https://splytapp.com/>.

¹⁶⁴ The client can look for the profile of the user (e.g. female) and choose whether to share the ride with such a user. The savings compared to the general taxi fares when making a shared booking would be around 40%. See <http://www.taxiintelligence.com/taxis-verts-launches-uk-app-splyt-in-brussels/>.

¹⁶⁵ <http://taxilive.be/2016/03/16/premiere-mondiale-a-bruxelles-le-partage-de-taxi-est-possible-des-maintenant/>.

¹⁶⁶ Rebel Study and Transport&Mobility Leuven, "Étude socio-économique du secteur des taxis bruxellois", April 2013.

¹⁶⁷ Reply to the stakeholder consultation provided provided by *Bruxelles Mobilité, Direction des Taxis*.

				exploitants		vehicles
2010	1,232 (1,134 Taxis +98 mixtes)	763	763	14	271	
2011	1,224 (1,127 taxis+97 mixtes/PMR)	778	778	56	219	
2012	1,225 (1,128 taxis+97 mixtes/PMR)	781	781	55	217	
2013	1,224 (1,127 taxis+97 mixtes/PMR)	778	778	11	200	
2014	1,273 (1,126 ordinary taxis+97 mixtes/PMR+50 electric taxis)	791	791	9	238	
2015	1273 (1127 ordinary taxis+97 mixtes/PMR+49 electric taxis)	787	787	4	200	
May 2016	1270 (of which 97 mixtes/PMR+49 electric taxis)	786	786	N/A	N/A	

Concerning the transfer procedure, the Belgian competent authorities for the Brussels-Capital Region provided the following data:

- 2010: 14 transfers;
- 2011: 32 transfers;
- 2012: 11 transfers;
- 2013: 11 transfers;
- 2014 and 2015: 0 transfers.

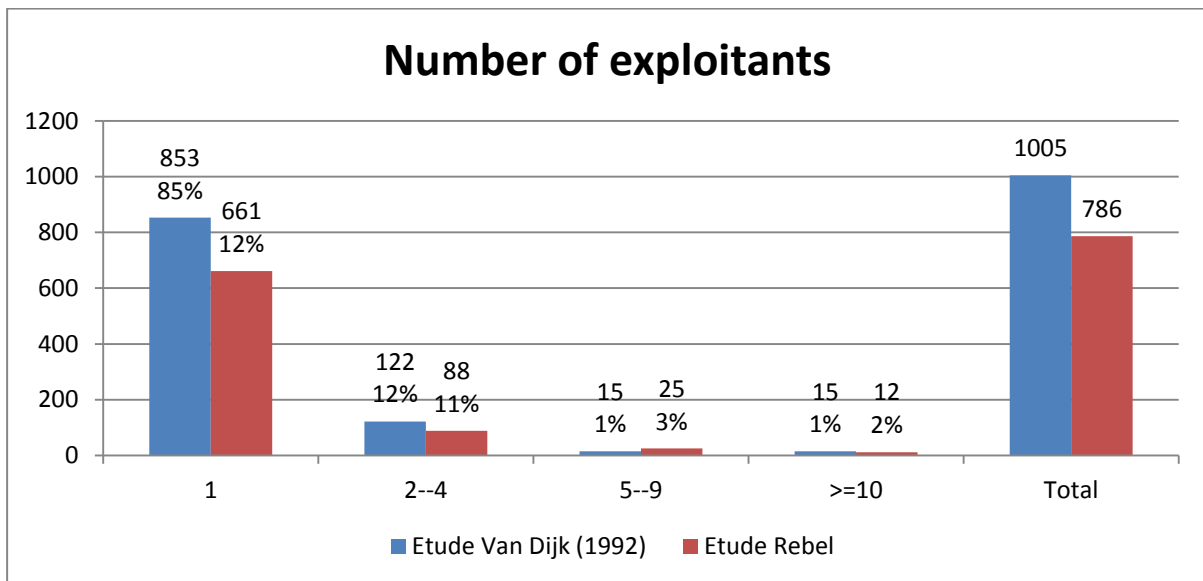
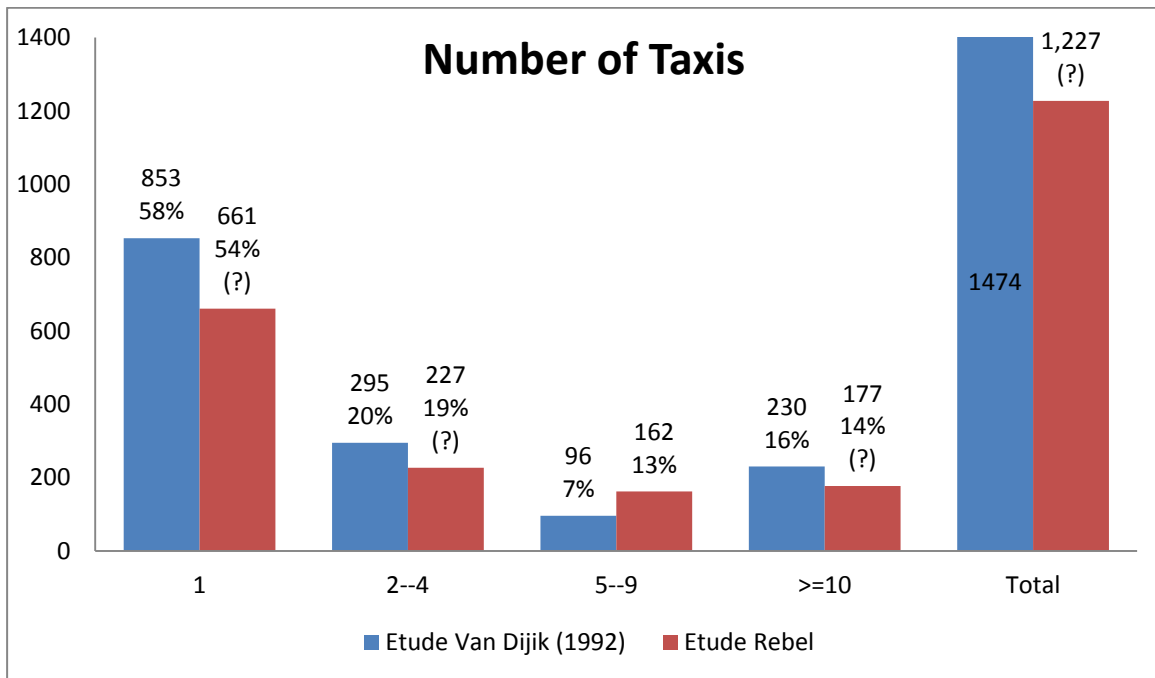
There are still 9 dossiers pending from 2015 but no transfer has been completed.¹⁶⁸

With regard to the number of vehicles, the below statistics - extrapolated from the 2013 Rebel Study - show the variation in the number of vehicles per operator between 1992 (when the Van Dijk study was carried out) and 2013 (when the Rebel study was completed).

These confirm what was noted *supra*, namely that the majority of the operators own one vehicle and the majority of the vehicles in circulation belong to small operators.

¹⁶⁸ *Id.*

It is also interesting to note that the number of vehicles providing taxi services has decreased since 1992, when data for Van Dijk Study's was gathered.



Source: 2013 Rebel study¹⁶⁹

II.5.2 Hire cars with driver (*service de location avec chauffeur - SLCs*)

SLC services can be distinguished between traditional ones (*exploitants*) - which also operate through apps, and not only via phone calls¹⁷⁰ - and those carried out through the intermediaries enabled by technology platforms.

¹⁶⁹ Rebel Study and Transport&Mobility Leuven, "Etude socio-économique du secteur des taxis bruxellois", April 2013.

Among the latter, **UberX** (and most recently, the high end services **Uber Black**)¹⁷¹ operates in Brussels by using the services of SLC authorised drivers, all self-employed, who are VAT registered professional drivers who own a private hire car authorisation and have commercial insurance. Since 2014, **Carasap**, which places itself as a competitor to the company car is also another intermediary SLC service currently active in the Brussels Capital Region.¹⁷² According to publicly available information, Carasap currently has a business-oriented clientele but are trying to expand in the residential customer segment and is currently benefiting from incentives given by regional authorities as was specified *supra*. Drivers can provide their PHV services for both Uber and Carasap concomitantly.

In 2015, according to the Brussels administration, there were 215 vehicles and the number of authorisations delivered was 15.¹⁷³ The below table provides an overview of the situation concerning SLC operator authorisations on a per year basis between 2010 and 2015:

Year	Total no of vehicles	Number of authorisations issued	Total no of authorisations
2010	Complementary: 1 Principal: 206	?	49
2011	Complementary: 1 Principal: 233	11	72
2012	Complementary: 1 Principal: 211	12	74
2013	Complementary: 0 Principal: 235	11	68
2014	Complementary: 0 Principal: 210	10	62
2015	Complementary: 0 Principal: 215	15	75

In March 2016, according to publicly available information, there were 104 limo services and 232 SLC vehicles operating in Brussels.¹⁷⁴

In March 2016, according to publicly available information, there were 104 operators holding SLC authorisations and 232 SLC vehicles authorised in Brussels.¹⁷⁵

¹⁷⁰ It is unclear whether the use of apps is made conditional on exclusivity.

¹⁷¹For the prices applicable by Uber Black (which, for similar destinations, match those of taxis), see: <https://newsroom.uber.com/belgium/uberblack/>.

¹⁷² <http://www.carasap.be/>.

¹⁷³ Reply to the stakeholder consultation provided by *Bruxelles Mobilité, Direction des Taxis*.

¹⁷⁴ <http://www.bruxellesmobilite.irisnet.be/articles/taxivoitures-de-location-avec-chauffeur>.

¹⁷⁵ <http://www.bruxellesmobilite.irisnet.be/articles/taxivoitures-de-location-avec-chauffeur>.

According to official data, the evolution in the last few years was as follows:

Period	Operator SLC authorisations	Number of SLC vehicles
May 2013	73	254
May 2014	63	237
May 2015	71	212
May 2016¹⁷⁶	117	248

II.5.3 Ridesharing

The Government has organized a collective taxis service, **Collecto**¹⁷⁷ which operates upon pre-booking by the client between 23 h and 6 h in all 19 Brussels Communes. A ride with Collecto costs EUR 6 and EUR 5 for the holders of the public transport operator integrated service card (MOBIB card). The Region reimburses the difference between this forfait tariff and the tariff shown in the taximeter.

Carsharing services are also largely available in Brussels.

II.6 Users' satisfaction

In the Brussels Capital Region, customers, i.e. business representatives, in the presence of specific events (such as business exposition) lament the quality of taxi services. This is for example the case with respect to the seafood Expo 2015 customer survey carried out by the Brussels Capital Region.¹⁷⁸

One stakeholder to the consultation explained that recently a Code of Conduct "Taxi Bruxellois: Charte de l'Employeur" has been adopted by several taxi companies.

More specifically, the Code provides that the taxi operators adopt a proper and transparent recruiting policy, avoid dumping and combat forfait location.

In addition, taxi operators commit to exercise control with the respect to the dress code of drivers, the cleanliness of the taxis and the possibility for the customer to pay with credit card. In addition, the same Code also provides that the taxi operators commit to ensuring that the practice of the refusal to provide short rides is fought, as well as control is carried out to ensure that the destination is reached by the shortest route.

¹⁷⁶Source: Direction des Taxis de la Région de Bruxelles-Capitale, May 2016: http://www.gtl-taxi.be/8_0_0_0_FR_Info_Flash_32413_1.

¹⁷⁷<http://www.bruxellesmobilite.irisnet.be/articles/taxi/comment-ca-marche>.

¹⁷⁸The Expo 2015 survey provided by a stakeholder, 20 April 2016.

The results of the consumers' panel highlight that, in Brussels, 55% (26) of the respondents used a taxi in the past 3 months, 9% (4) used a private car with driver service and 36% (17) used both of them.

The respondents who were residents of Brussels cited the following reasons for using a taxi in Brussels: (i) the price of the journey (55%, 23), (ii) the safety and reliability of the service (29%, 12), (iii) the driver route knowledge (35%, 8) and (iv) the cleanliness of the vehicle (35%, 8). On the other hand, the main reasons cited by the respondents for using a private car with driver over a taxi service in Brussels are (i) the booking user-friendliness (100%, 20), (ii) the price of the journey (95%, 19) and (iii) the payment method (80%, 16).

We also observed that the average satisfaction of users for private car with driver service (8.43/10) was greater than for taxi service (6.19/10).

II.7 Market conditions and development

In the Brussels Capital Region, there are 19 communes. As of January 2015, the Region's inhabitants were 1 175 173.¹⁷⁹ The city of Brussels is the historical *centre* of the Brussels Capital Region and covers 32.6 square km.

	Commune	Region
Surface area	32.6 km ²	161.4 km ²
Population (1 January 2015)	175,534 inhabitants	1,175,173 inhabitants

While the city may not be among the top EU destinations, it is the home for many EU institutions; embassies; NATO and the EU headquarter of many foreign companies as well as an important centre for business. These entities provide a large basin of hire transport users. However, the presence of these foreign institutions and workers does not seem to be taken into account in the calculation of the licenses and authorisations.

There are various actors in the market, namely operators who are in possession of either a taxi licence or an authorisation to operate an SLC service (or both), taxi drivers (both salaried employees and self-employed) and SLC drivers, dispatch centres, some of which are vertically integrated, as well as new innovative service providers.

There are also collective taxi services in the Brussels Capital Region.¹⁸⁰ These latter operate both telephonically and via an app.¹⁸¹

¹⁷⁹ <http://www.statistics.irisnet.be/files/publications/focus-de-libsas/FOCUS-11-FR.pdf>.

¹⁸⁰ Reply to the stakeholder questionnaire provided by *Bruxelles Mobilité, Direction des Taxis*.

¹⁸¹ <http://www.taxisverts.be/en/collecto/>. See also: <http://www.bruxellesmobilite.irisnet.be/articles/taxi/reserver-un-collecto>.

However, according to the licensing authority, the official licenses are concentrated within a few operators having accumulated licences over the last years by means of purchase in the illegal market.¹⁸²

On their side, taxi associations lament a lack of skilled taxi drivers for taxi services in the Region, which they attribute to the stringent mechanisms to meet the qualitative criteria of access to the profession (only 50% of candidates pass the behavioural tests, tests are organized only rarely each month).¹⁸³

As mentioned above, the illegal employment practice of the “*forfeit location*” is widespread in Brussels. This is a form of social dumping since the driver is not guaranteed the minimum salary, on top of also being a fiscal fraud. As seen *supra*, the drivers bear the risks of the low demand and are at the mercy of taxi operators. In the long run, their social protection (*i.e.* for pension purposes) is eroded.

More specifically, the Rebel Study confirms that “while it is difficult to have the exact data since this is an illegal practice, sources confirm that this practice is widespread in Brussels for the 80% of the salaried drivers. Some additional sources speak of 90% of salaried drivers using this practice.”¹⁸⁴

According to the taxi industry representatives’ stakeholders in the course of the consultation, this number is decreasing.¹⁸⁵ They explained that, even under the *forfeit location*, the drivers are considered as employed. In 2015, when compared to the rest of the country (where there are circa 65,35% employed taxi drivers, and 34,65% self-employed), Brussels has a higher number of self-employed taxi drivers.¹⁸⁶ The average gross salary reported to the fiscal authorities and the ONSS for employed drivers is EUR 19.613.001.¹⁸⁷

Concerning airports, the situation differs between Zaventem and Charleroi. As one stakeholder to the consultation has reported, at the moment, the Brussels taxis cannot pick customers up in Zaventem without having been previously pre-booked and the Zaventem taxis licensed to stand at the airport (which have been granted a licence by the Zaventem municipality) cannot pick up customers in Brussels on their way back from the city to the airport. The Plan as it stood in February 2015 would have envisaged a fixed/*forfeit* tariff to the airport¹⁸⁸ as well as the possibility for Brussels licensed operators to pick passengers up in Zaventem regardless of whether a pre-booking exists or not. This is contested by the taxi industry.

As to Charleroi, for the time being, the service is open to all Charleroi licensed taxis, which is the situation for taxi operators having a licence from other Municipalities other than Charleroi (also including Brussels which is different). They cannot stand at the taxi stands in the airport street at the arrivals. They can drop customers off at the private parking area, but are not allowed to pick customers up on the spot. They can pick

¹⁸² Interview with a stakeholder, 20 April 2016.

¹⁸³ Interview with FeBet, 13 April 2016.

¹⁸⁴ Rebel Study and Transport&Mobility Leuven, “Etude socio-économique du secteur des taxis bruxellois”, April 2013, page 15.

¹⁸⁵ Gtl Taxi, follow up May 24 2016.

¹⁸⁶ No statistics at regional level were given. *Id.*

¹⁸⁷ *Id.*

¹⁸⁸ Minister Smet, Note aux membres du Gouvernement de Bruxelles-Capitale, *Note de Principe – Plan de Transport Rémunéré de Personnes*, 2015-2019.

customers up if pre-booked. In that case, the customer needs to go to the parking area located in the private parking where the taxi vehicle is parked.

A very recent judgment of the Mons Court of Appeal may impact on how taxi services are operated at the Charleroi airport.¹⁸⁹ Such judgment, currently appealed before the Supreme Court, establishes that the road where taxis can stand is on the airport's private property. Thus, according to the airport company Brussels South Charleroi Airport, in the future a concession mechanism where only one or two companies will be allowed to stand at the taxi ranks prior to signing a contract with the airport may be foreseen with the aim of increasing quality. The airport is also envisaging possible sanctions in case quality is not respected.¹⁹⁰

Among the innovative mobility services, in February 2015, Caramigo, a peer-to-peer car rental service, coexisting with Drivy, entered into a pilot agreement with the Schaerbeek commune, which would render some cars owned by the Schaerbeek municipality available to be reserved via the Caramigo platform during the weekend.¹⁹¹ The agreement is not yet operative but is expected to launch soon. Other such agreements may be made available, too.¹⁹²

II.8 Conclusions

Brussels is a city where taxis currently suffer a drop in the supply and quality of the service. It is an administrative hub as it is the capital of the European Union, but it does not offer a vibrant or dynamic provision of transport services as seen by the fact that the number of taxi licenses has remained static and new innovative service providers found very difficult to enter the market and expand their services. The regulatory framework, especially for SLCs, does not incentivize the development of the service and its operations through new technology services and intermediaries. Rather, requirements related to the fitness of SLCs and the conditions of services are intended to avoid direct competition with taxis. However, some intermediaries have been able to enter the market to facilitate alternative services to taxis. Thus, taxi operators are trying to catch up with the emergence of new intermediaries creating their apps or entering into partnerships with intermediaries and are expanding their offerings, including the possibility to share a taxi, in order to make their service more attractive. Ridesharing is available in the form of taxi ridesharing (Collecto) and private taxi ridesharing (Splyt), while the number of car sharing operators is growing.

¹⁸⁹ Cour d'Appel de Mons, 18 March 2016, 2016/1334.

¹⁹⁰ Interview with Brussels South Charleroi Airport, 14 July 2016.

¹⁹¹ <http://www.lesoir.be/791236/article/actualite/regions/bruxelles/2015-02-11/schaerbeek-embarque-avec-caramigo>).

¹⁹² Interview with Caramigo, 21 April 2016.

III. LONDON CASE STUDY

III.1 Introduction

In the recent years, the London hire transport market has experienced a large increase in the number of hire car vehicles and drivers due to the popularity of app-based operators which has seen a corresponding surge in the number of licensed private hire drivers and vehicles in London.¹⁹³ The increase in the number of the hire cars in the recent years (64% over the last three years) has prompted Transport for London (TfL) to introduce new regulations, which entered into force in June 2016.

The large availability of hire transport services has benefited the travelling public by offering a greater number of choices and has ensured customer safety. As clarified by the Transport for London (TfL), the licensing authority, the *"two tiers of the system are distinct due to the types of services each trade provides, the geographical markets they cover and the targeted customer journeys they cater for"*.

In 2014, the London Assembly and Transport Committee published a report on London's taxi and private hire services setting out recommendations for the Mayor and TfL on how to improve services for passengers.¹⁹⁴ Following the report, TfL has published a Provisional Taxi and Private Hire Strategy 2015 and a review of the private hire industry with the purpose to *"enhance standards of safety and customer service in light of the impact of new technology and the rising numbers of private hire vehicles in London"*.¹⁹⁵

III.2 Regulatory and Administrative Framework

III.2.1 Taxis

Licensing was first introduced for London taxis in the 1700s. The basis of the current licensing regime was introduced in the mid-1900s and TfL complies with a significant number of Acts of Parliament and secondary legislation in its role as industry regulator. These include the London Hackney Carriage(s) Acts of 1831, 1843, 1850 and 1853, the Metropolitan Public Carriage Act 1869, and through the London Cab Orders from 1934 and the TfL Act 2008.

As clarified by the national authorities, there are no quantitative restrictions for taxis and PHVs.¹⁹⁶

There are, however, qualitative restrictions. For taxis, there is the notoriously difficult "Knowledge for London" test to obtain a drivers licence and the Conditions of Fitness test to obtain a vehicle licence; for PHVs, there is the topographical exam skills assessment, and other conditions to be fulfilled to obtain an operator, driver and vehicle licence.

¹⁹³ Transport for London Provisional Taxi and Private Hire Strategy 2015, p. 2.

¹⁹⁴ Future Proof - Taxi and Private Hire Services in London.

¹⁹⁵ <https://tfl.gov.uk/info-for/media/press-releases/2016/january/tfl-sets-out-plans-to-modernise-and-enhance-london-s-private-hire-industry>.

¹⁹⁶ Reply to the stakeholder consultation provided by the Department for Transport.

The Taxi and Private Hire Directorate within TfL has day-to-day responsibility for the delivery of taxi and private hire licensing services. As is the case in the rest of England and Wales, in order to drive a taxi in London, two licences are required:

- a taxi driver licence; and
- a taxi vehicle licence.

For private hire services, three licences are required:

- a private hire operator's licence;
- a private hire driver's licence; and
- a private hire vehicle licence.

A. Taxi drivers licence

There are two types of London taxi drivers' licences: All London (Green Badge), of which in 2014 there were around 22,000 drivers, and Suburban (Yellow Badge) drivers,¹⁹⁷ of which there were around 3,700. The distinctions depend on which Knowledge test is successfully passed: while the "All London" tests the knowledge of the entire London Metropolitan area, it is possible to also sit for a Knowledge test limited to one or more suburban areas.

The applicable legislation is foreseen under the London Cab Order 1934. Para. 24 provides that no licences will be issued until the age of 21. Under para. 25 of the London Cab Order 1934, licences may be refused if the applicant fails to satisfy TfL that he or she:

- (i) Is of good character; and
- (ii) Is fit to act as a driver; or
- (iii) Has held a licence within the preceding 3 years, has not acted as a taxi driver in the majority of that period (otherwise than by reason of illness or other unavoidable cause).

"Fitness" to act as a driver is not defined in the legislation. According to guidelines issued by the TfL, "fitness" encompasses evidence of the following: medical fitness; driving proficiency; and appropriate knowledge of route selection from pick-up point to destination.¹⁹⁸

In order to be granted a driver's licence by TfL, in addition to the age requirement of 21 (there is no upper age limit), the applicant driver¹⁹⁹ must show that he/she:²⁰⁰

- a) Has a full DVLA, Northern Ireland, or other European Economic Area state driving licence;
- b) Meets the DVLA Group 2 standard of medical fitness to drive;

¹⁹⁷ Suburban licence for one or more of the nine suburban sectors of Greater London (namely, Enfield, Haringey and Waltham Forest, Barking & Dagenham, Havering, Newham and Redbridge, Bexley, Greenwich and Lewisham, Bromley, Croydon, Merton and Sutton, Hounslow, Kingston upon Thames and Richmond upon Thames, Earling and Hillingdon, Barnet, Brent and Harrow). In this latter case, they will be tested on the topographical knowledge of that area.

¹⁹⁸ <http://content.tfl.gov.uk/driver-operator-and-vehicle-licensing-guidelines.pdf>. Reply to the stakeholder consultation provided by the Department for Transport.

¹⁹⁹ Non-EU candidates must show the right to live and work in the United Kingdom.

²⁰⁰ Disabled people can also apply, provided certain criteria are fulfilled. See: <https://tfl.gov.uk/>.

- c) Is of good character. To establish this an applicant is required to undertake an “enhanced” criminal records check;
- d) Successfully passed the Knowledge of London test²⁰¹ so as to satisfy the requirement that the driver is able to take passengers to a destination by using the shortest possible route. Paragraph 27(1)(b) of the London Cab Order 1934 provides that TfL may attach a condition to taxi drivers’ licences that do not allow the driver to ply for hire when the licensee has not satisfied TfL that he has an adequate knowledge of the metropolitan area. As seen supra, applicants can therefore apply to be licensed for the whole of London (‘All London’) or one or more suburban sectors and will be tested on their knowledge of that area;
- e) Paid a fee amount.²⁰²

These conditions are further specified in the Licensing Guidelines issued by the TfL.²⁰³

Paragraph 27(1)(b) of the London Cab Order 1934 allows TfL to limit taxi drivers’ licences to discrete areas based on the driver’s knowledge.²⁰⁴ Basically, a candidate can choose whether to apply for an all London licence (which comprises both metropolitan London area and the suburban sectors) or a Suburban licence.

Following satisfactory character and medical check, the applicant is sent a Knowledge of London introductory pack: in this respect, it is worth mentioning that the candidate for an all London licence can carry out a self-assessment, and then sits in tests to verify the knowledge of all London or the area with respect to which the licence is sought.

TfL’s guidelines on “The Knowledge of London examination System” summarize the process (which can in average last for two to four years before the test is successfully passed) as follows:²⁰⁵

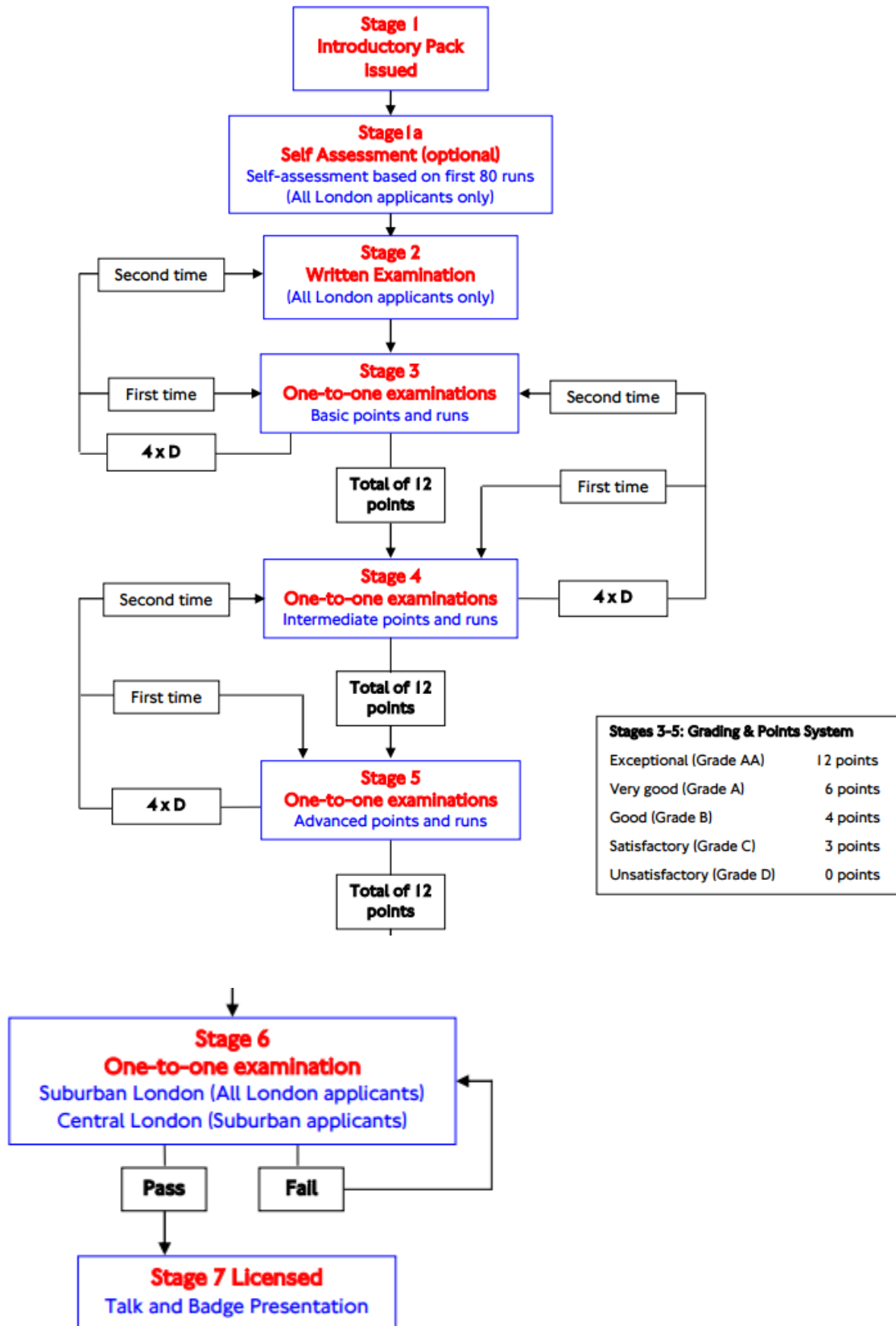
²⁰¹ <https://tfl.gov.uk/info-for/taxis-and-private-hire/become-a-taxi-licensee?intcmp=3521>.

²⁰² See: <https://tfl.gov.uk/info-for/taxis-and-private-hire/>.

²⁰³ The Guidelines provide that “in assessing whether an applicant is medically fit, TfL will have regard to the medical standard that would apply in relation to a DVLA Group 2 licence. Group 2 licences are required for large goods vehicles and buses and the medical standards for Group 2 drivers are much higher than those for Group 1 (ordinary motor cars and motor cycles): see <http://content.tfl.gov.uk/driver-operator-and-vehicle-licensing-guidelines.pdf>. Concerning the enhanced criminal records check, the Guidelines specify that “character will normally be assessed on the basis of information supplied by the Disclosure and Barring Service (DBS). The DBS provides a “one-stop shop” service to those requiring criminal records’ disclosures and barring checks for employment purposes. It was formed from the merger of the Criminal Records Bureau (CRB) and Independent Safeguarding Authority (ISA).” If the candidate has any of the following convictions (the list is not exhaustive), it is unlikely that the application will be successful: (a) major violent offence (murder, manslaughter etc.); (b) more than one conviction of any type of violent offence in the last 10 years; (c) serving a custodial sentence, even if they have been released early on licence or the sentence was suspended; (d) having been convicted, cautioned or subjected to any other penalty for a serious sexual offence (rape, indecent assault, trafficking, possession of indecent images etc.); (e) having been convicted, cautioned or subjected to any other penalty for more than one sexual offence of any type, irrespective of age; (f) being listed on either the Children’s or Adults’ barred list; (g) having been convicted, cautioned or subjected to any other penalty for touting in the last 12 months or have more than one penalty for touting in the last five years.

²⁰⁴ TfL Staff Manual, Advice and Guidance on the Consideration of taxi and private hire licence applications in London.

²⁰⁵ <http://content.tfl.gov.uk/knowledge-examinations-system.pdf>.



Source: Transport for London

Furthermore, all taxi driver applicants will undertake a taxi specific driving test in a TfL licenced cab, where they must show attention to passenger safety and comfort, and

vehicle features. The test is conducted by the Driver and Vehicle Standards Agency on behalf of TfL. In particular, the drivers must demonstrate competency in using the features to assist disabled people.

In addition, below is a list of fees, as extrapolated from TfL’s “Apply for a taxi driver licence”:

Initial application	£80
DBS online application	£56.85
DBS paper application	£58.85
Post Office Check and Send	£7.15
Medical	Payable to your GP who can advise you of the cost
Knowledge of London written examination (All London only)	£200
Knowledge of London appearance (One off payment)	£400
Issue of licence fee	£192

Test fees

DSA Hackney Carriage Test	(payable to Driving Standards Agency)
a. Monday-Friday 09:00-17:00	£92.94
b. Evenings and Saturdays	£112.34
c. Wheelchair test only	£50

Source: Transport for London

The driver licence is valid for three years.²⁰⁶

B. Taxi Vehicle licence

Section 6 of the Metropolitan Public Carriage Act 1869 (as amended), and Paragraph 7 of the 1934 Order (as amended) provides that TfL shall grant a taxi vehicle licence to an applicant if it is satisfied that:

- a) The applicant is a fit and proper person to hold a cab licence;
- b) The vehicle in respect of which the application is made conforms to the Conditions of Fitness from time to time laid down by Transport for London; and
- c) The requirements of paragraph 8 of this Order as to liability to third parties are met.

²⁰⁶ Reply to the stakeholder consultation by the Department for Transport.

TfL requires the following criteria to be abided by in order for a vehicle licence to be issued:

1. All new vehicles or vehicles new to licensing must as a minimum meet the Euro 6 standard for emissions at the time of the licensing;
2. Vehicles already licensed must not be older than 15 years at the time of the licensing²⁰⁷ and they must meet the design standards set out in the Conditions of Fitness document published by the TfL²⁰⁸;
3. All taxis must have a taximeter.

As to 1, at the end of 2015, the Mayor and TfL have confirmed that from 1 January 2018, all taxis licenced for the first time must be zero emission capable, while new diesel taxis will not be allowed in London.²⁰⁹

In order to be granted a licence, vehicles for use as taxis in London have to satisfy the Metropolitan Conditions of Fitness. The current Conditions of Fitness were adopted by TfL in 2007, in accordance with the terms of paragraphs 7 and 14 respectively of the London Cab Order 1934, as amended.

These prescribe, for instance, a turning circle of 8.535 metres (para. 7.1), a partition separating passenger from the driver (para. 14.1), an overall length of no more than 5 metres (para. 14.2), and a flat floor in the passenger compartment for which there are minimum height limits (para. 4.41). In addition, an approved taximeter must be fitted. All new taxis are required to be constructed to accommodate a person in a wheelchair in the passenger compartment (para. 3.2).²¹⁰ No vehicle over 15 years of age will be licensed.²¹¹

Licences, which are valid for one year,²¹² are issued in the name of a vehicle's registered keeper, which can be a company or other entity.²¹³

Article 35 of the London Cab Order of 1934 provides that the owner of every taxi must cause the cab to be fitted with a taximeter of a type approved by TfL.²¹⁴

²⁰⁷ Conditions of Fitness, para. 5.A.1.

²⁰⁸ <http://content.tfl.gov.uk/taxi-conditions-of-fitness.pdf>.

²⁰⁹ See the following webpage: <https://tfl.gov.uk/info-for/media/press-releases/2015/october/mayor-and-tfl-finalise-ulez-requirements-for-taxi-and-minicab-trades>.

²¹⁰ Since 1 January 2000, every taxi operating in London has to be wheelchair accessible: see L. Butcher, Taxi and private hire vehicle licensing, Briefing Paper, House of Commons Library, 5 August 2015.

²¹¹ Para. 5A1 of the Conditions of Fitness provides that: "From 1st January 2012, no licence will be issued to a vehicle over 15 years of age as calculated from the date on which the vehicle was first registered under the Vehicle and Excise Registration Act 1994. NB: TPH Notice 09/11 sets out the circumstances in which the Licensing Authority will grant exemptions to vehicles from the 15 year maximum age limit for taxis."

²¹² For details, see TfL, Apply for a taxi driver licence (last accessed, March 2016).

²¹³ TfL Staff Manual, Advice and Guidance on the Consideration of taxi and private hire licence applications in London.

²¹⁴ Article 35: "[(1) The owner of every motor cab shall cause the cab to be fitted with a taximeter of a type approved by [Transport for London].

[(2) Any such meter shall be so construed and adjusted that:

(a) after the taximeter has been started at the commencement of the hiring or at such later time as the driver thinks fit, the fare payable for the hiring as prescribed in paragraph 40 is automatically recorded and displayed by the taximeter;]

(b) the total up to an amount of not less than 10p of any extra charges payable by a hirer of the cab, can be displayed by the meter. [(2A) . . .].

(3) Every taximeter so fitted shall be sealed in such manner as [Transport for London] may from time to time direct and may be marked in such manner as [Transport for London] may from time to time permit, and no person shall place such seal or mark on the taximeter unless he is authorised in that behalf by [Transport for London]."

Taximeters used in London taxis are formally approved and regulated by TfL, and must comply with the specific requirements as defined by TfL. The latter includes audit and tariff change tests and details the approval mechanism for taximeters under the control of TfL. Taximeters used in London must also abide by the requirements set out under the Measuring Instruments Directive 2004/22/EC (MID) (annex MI-07).²¹⁵

C. Conditions of service

The compellability of the taxi service is a key aspect of the regulatory framework for taxis and it ensures that those taking short journeys or travelling to unpopular destinations are able to travel. Where a taxi is waiting at a taxi rank or stops pursuant to a hail, the driver is under a duty to take a passenger anywhere they might wish to go, within a prescribed distance unless they have a reasonable excuse.²¹⁶ However, compellability only applies when a taxi is in a rank or it has stopped after hailing, but there is no obligation to stop when hailed if they are free. This distinction is not clear and many passengers wrongly believed taxis to be under a duty to stop when hailed.²¹⁷ *Hunt v Morgan 1948 2 All E.R. 1065* is a leading case. This case relates to the interpretation of S 17(2) of the Hackney Carriage London Act of 1853.²¹⁸ On 8 July 1947, the appellant, a taxicab driver, was driving along a London street with his flag up when he was hailed by a person wishing to hire the taxicab. The appellant, without reasonable excuse, refused to stop and accept the fare. The court held that a cab driver commits no offence under the (Hackney Carriage London) Act of 1853 by refusing to stop when hailed and can only be required to accept anyone who chooses to hire him when his cab is on a rank or when he is stationary in a street and not engaged.

In order to eliminate any confusion, the Law Commission proposed that the compellability should be accompanied by a duty to stop when the vehicle has displayed its availability and it is safe to do so.²¹⁹

In London, drivers are compelled to accept any fare up to twelve miles from the point of hire that finishes in London. Under the London Cab Order 1972,²²⁰ the distance is expressed as 20 miles from the point of hire for journeys originating in Heathrow. In

²¹⁵ The MID defines a taximeter as "a device that works together with a signal generator to make a measuring instrument. This device measures duration, calculates distance on the basis of a signal delivered by the distance signal generator. Additionally, it calculates and displays the fare to be paid for a trip on the basis of the calculated distance and/or the measured duration of the trip".

²¹⁶ See Town Police Clauses Act 1847, s 53; and in London the London Cab Order 1934, para 34. Reasonable excuse could cover situations where the prospective passenger was smoking, drunk, or carrying hot food; by contrast, refusing to take a fare because the distance is too short is unlawful. See the Law Commission report, Taxi and Private Hire Service.

²¹⁷ Concerning the notion of what plying for hire means, as the TfL explains: "The Courts have considered what "plying for hire" means and what follows is a digest: An un-hired taxi passing along a street is not legally bound to stop when hailed as it is not legally plying for hire when it is in motion. It is deemed to be in motion for these purposes even when actually stationary, providing it becomes stationary due to prevailing traffic conditions or, for example, to comply with traffic signs or signals, or the directions of a traffic warden or constable. If a taxi driver stops his vehicle in response to a signal from an intending hirer and speaks with him he is then technically 'found standing in the street' and must accept a lawful hiring or he commits the above offence. The 'for hire' sign does not legally affect this position whatever it indicates". See: <http://content.tfl.gov.uk/taxi-drivers-abstract-of-laws.pdf>.

²¹⁸ Under this provision, "Every driver of a hackney carriage who shall refuse to drive such carriage to any place within the limits of this Act, not exceeding six miles, to which he shall be required to drive any person hiring or intending to hire such carriage, or who shall refuse to drive any such carriage for any time not exceeding one hour, if so required by any person hiring or intending to hire such carriage, or who shall not drive the same at a reasonable and proper speed, not less than six miles an hour, except in cases of unavoidable delay, or when required by the hirer thereof to drive at any slower pace".

²¹⁹ The Law Commission, Taxi and Private Hire Service, see above, para 3.88, p. 37.

²²⁰ SI 1972 No 1047.

addition, the London Hackney Carriage Acts contains provisions which determine the circumstances in which a taxi driver is under a duty to accept a fare.²²¹ The defence to charge of refusal to accept fare is provided for under the London Hackney Carriage Act of 1831 [ss. 35/36]: if the driver is summoned for such a refusal he will not be liable if he proves that he was actually "hired" at the time. Furthermore, if he or she also proves that he or she so informed the would-be-hirer in civil and explicit terms, the justice before whom he or she appears may award him or her compensation for loss of time in attending to make his or her defence.

In 2015, TfL published a taxi Ranks Action Plan, which planned to expand the network of 500 taxi ranks that TfL has appointed, by 20% by 2020. It also looked at assisting suburban taxis by creating island ranks that allow suburban drivers to pick up passengers on the edge of their licensed area. There currently are seven island ranks, including Finsbury Park, Putney Station and Garrett Lane, and more are expected to be created.

In addition, there have recently been legislative amendments requiring the use of credit cards in cabs to be made compulsory as of 1 October 2016.²²² Some taxi associations (Action for Cabbies) have alleged that this raises operational barriers since the cost cannot be passed on to the customers, and have made efforts aimed at seeking judicial review of this legislation. In June 2016, TfL replied that no such action had been pending. Recent publicly available information demonstrates that the leave to challenge such legislation was denied by competent courts.²²³

Finally, there is no obligation to be affiliated to a dispatch centre.

D. Heathrow airport

Heathrow Airport Limited, in the exercise of the powers conferred on it by Sections 63 and 64 of the Airports Act 1986 and Section 37 of the Criminal Justice Act 1982, and of all other powers enabling it in that behalf, within Heathrow Airport – London. Heathrow has issued bylaws in 2014. Some of the rules indeed concern the provision of taxi and PHV services.²²⁴

Taxis rank physically at arrivals in an authorised standing area and pay for the privilege to do so on the basis of an authorisation by the airport company.

E. Fares

Taxi fares are subject to control by TfL. TfL sets fare levels and approves fees for taxi and private hire driver, private hire operator, and taxi and private hire vehicle licences directly.

²²¹ "34. Duty of taxi driver to accept a fare (Act of 1831 s35 and s36; Act of 1853 s7 and s17; Act of 1968, s3; Order of 1972 para. 3):

A taxi driver, unless required by the hirer to drive more than 12 miles, or more than 20 miles in respect of a journey which begins at Heathrow Airport, London, or for a longer time than one hour, is under a duty to accept a fare:

(a) when his taxi is on a standing or rank appointed for that purpose; or
(b) when his taxi is found standing in any street or place not being a parking place (whether on a rank or not) and is not actually hired.

Refusal by the driver to accept a fare when his taxi is so found is an offence (Penalty standard scale 3)."

²²² <https://tfl.gov.uk/info-for/media/press-releases/2016/february/card-payments-to-be-accepted-in-every-black-cab>.

²²³ <http://taxileaks.blogspot.be/2016/08/statement-from-action4cabbies-regarding.html?m=1>.

²²⁴ http://www.heathrow.com/file_source/Heathrow/Static/PDF/HAL_Byelaws_2014.pdf.

The taxi fare tariffs are set in accordance with a formula devised by TfL, following consultation with the taxi trade and others, including London TravelWatch.²²⁵

More specifically, clarifications on tariffs are found on TfL's website:

Distance	Approx journey time	Monday to Friday 05:00 - 20:00 (Tariff 1)	Monday to Friday 20:00 - 22:00 Saturday and Sunday 05:00 - 22:00 (Tariff 2)	Every night 22:00 - 05:00 Public holidays (Tariff 3)
1 mile	6 - 13 mins	£5.80 - £9	£5.80 - £9	£7 - £9.20
2 miles	10 - 20 mins	£8.80 - £14	£9.20 - £14.20	£10.60 - £15
4 miles	16 - 30 mins	£15 - £22	£17 - £23	£18 - £28
6 miles	28 - 40 mins	£23 - £30	£29 - £32	£29 - £34
Between Heathrow and Central London	30 - 60 mins	£46 - £87	£46 - £87	£46 - £87

Source: Transport for London: <https://tfl.gov.uk/modes/taxis-and-minicabs/taxi-fares>

Extra charges must be added on the meter at the start of the journey. There are no extra charges for luggage, additional passengers or carrying of assistance dogs. There is an extra charge of up to £2 if the taxi is booked by phone or online. When booking a taxi, other charges may also apply and terms and conditions may vary so please check when you book.

There is an extra charge of £2.80 for journeys that start from Heathrow Airport taxi ranks.

As to Christmas and New Year, there is an extra charge of £4 for journeys made between 20:00 on 24 December and 06:00 on 27 December and between 20:00 on 31 December and 06:00 on 2 January 2017.

There is no extra charge when paying by credit or debit card and the driver may charge the passenger up to £40 for soiling if it requires the taxi to be taken out of service for cleaning.²²⁶

²²⁵ L. Butcher, Taxi and private hire vehicle licencing, Briefing Paper, House of Commons Library, 5 August 2015.

F. Incentives and subsidies

Around £65 million of funding will be in place to help the London taxi industry to achieve the Zero Emissions target. More specifically, up to £5000 will be made available to taxi drivers who want to decommission their vehicle once it reaches 10 years of age, with the exact amount depending on the age of the vehicle. In addition, a £5000 £ plug-in grant will be made available through the Office for Low Emission Vehicles, to which a £3000 top-up grant can be added.²²⁷

London operates two schemes for those that have mobility impairments and have trouble using public transport. These schemes are called Taxicard and Capital Call. The London Taxicard Scheme is funded by the participating London boroughs and the Mayor of London. Taxicard is a method of providing subsidised door-to-door transport for people who have serious mobility impairment and difficulty in using public transport. More details are available at the following link: <https://tfl.gov.uk/modes/taxis-and-minicabs/taxicard-and-capital-call>.

The London Taxicard scheme²²⁸ offers subsidised travel in licensed taxis and private hire vehicles to London residents with serious mobility impairments or who are severely sight impaired. Members have an allocation of 144 trips a year, starting 01 April 2015 and ending 31 March 2016.

Dial-a-Ride: London Dial-a-Ride is a free door-to-door transport service for disabled people who are unable to access public transport. Dial-a-Ride provides journeys in minibuses (subject to availability, depending on resource constraints) between 06:00 and 02:00, 365 days a year.

As to suburban areas, it is worth recalling that in recent years, the Mayor and TfL received requests to consider what additional support can be given to suburban drivers, including those providing PHV services. The Mayor made a commitment to identify and address the specific concerns of suburban drivers and create a sustainable suburban licensing system that benefits the trade and public. In 2012, transport for London undertook an in-depth review of suburban licensing with workshops attended by suburban drivers from each of nine sectors, followed by an extensive public consultation in 2014.²²⁹ This culminated in the adoption of a plan "Suburban Action Plan 2015".²³⁰

III.2.2 Private hire vehicles (PHV)

²²⁶ <https://tfl.gov.uk/modes/taxis-and-minicabs/taxi-fares>.

²²⁷ <https://www.london.gov.uk/press-releases/mayoral/ultra-low-emission-zone>. Also, see <http://content.tfl.gov.uk/stp-20160225-part-1-item05-managing-directors-report.pdf>.

²²⁸ <http://www.londoncouncils.gov.uk/services/taxicard>.

²²⁹ Suburban Taxi Licensing Consultation February 2014. Available at: https://consultations.tfl.gov.uk/tph/suburbantaxis/supporting_documents/Suburban%20Taxi%20Licensing%20Consultation.pdf.

²³⁰ <http://content.tfl.gov.uk/tfl-suburban-action-plan.pdf>.

The PHV market in London is diverse; covering non-executive minicabs through to luxury and/or chauffeur-driven services for passengers. The most recent market estimates available indicate:

- 61 per cent of PHV drivers are non-executive minicab drivers; and
- 27 per cent of PHV drivers are chauffeur drivers.²³¹

Under section 1 of the 1998 Act a PHV is defined as: *...a vehicle constructed or adapted to seat fewer than nine passenger seats which is made available with a driver to the public for hire for the purpose of carrying one or more passengers, other than a licensed taxi or a public service vehicle*".

The main difference with taxis is that PHVs may not ply for hire and may only be pre-booked. The PHVs fares are not regulated. In recent case-law, concerning the fact that the bus lanes are reserved only for taxis, the CJEU recognised that only taxis can ply for hire, they are subject to the rule of "compellability", they must be recognisable and capable of conveying persons in wheelchairs, and their drivers must set the fares for their services by means of a taximeter and have a particularly thorough knowledge of London. In essence, the CJEU recognized that there are the essential characteristics of taxis that distinguish them from the PHVs.

PHV services can only be provided upon pre-booking of the journey through the operator, regardless of the means to do so. In addition, tariffs are not regulated. British Courts have clarified that a smartphone is not a taximeter pursuant to Section 11 of the Private Hire Vehicles (London) 1998 Regulations.²³²

PHV services can also only be provided subject to the necessary requirements in the regulation which concern driver, vehicle and operator licences.

Pursuant to the Private Hire Vehicle London Act 1998, it is illegal to offer private hire services except through a licenced operator, taking bookings at a licensed operating centre.

A. PHV licences

TfL grants PHV licences on the basis of the 1998 Act. More specifically, under this act there are three types of licences:

- an operator licence (section 2 to 5 of the Act);
- a driver licence (Section 12 to 14 of the Act);
- a vehicle licence (Section 6 to 11 of the Act).

Licence duration:

- private hire vehicles – one year;
- private hire drivers – three years;

²³¹ More information on the market is provided at the following link: <https://consultations.tfl.gov.uk/tph/private-hire-proposals-ii-a>

²³² See High Court judgment of 16 October 2015.

- private hire operators – five years.

An application for the grant of a licence shall be made in such a form and shall include such declarations and information, as the Secretary of State (now TfL) may require. The Secretary of State (now TfL) may require the applicant to furnish such further information as he may consider necessary for dealing with the application.

The same provisions of this Act apply to the renewal of a licence as they apply to the grant of a licence.

B. PHV driver licence

No vehicle shall be used as a PHV on a road in London unless the driver holds a private hire vehicle driver's licence. The Private Hire Vehicles (London PHV Driver's Licences) Regulations 2003 came into force on 1 April 2003 and, together with section 13 of the 1998 Act, govern the requirements for a driver's licence. The conditions to obtain a London PHV's driver licence are set under Section 13 of the 1998 Act.

TfL requires PHV drivers to:

- be at least 21 years of age;
- hold a full GB, NI or EEA driving licence that is at least three years old;
- have the right to live and work in the UK;
- be of good character (established through an 'enhanced' criminal records check);
- meet the Group 2 medical standards; and
- undertake a topographical skills assessment.

For drivers, entry to the profession is made subject to successfully passing a toponymical test. The relevance of such test, given the current GPS system, has been put into question by a private stakeholder to the consultation. More specifically, some of the stakeholders felt that the digital means to finding the destination makes the topographical exam superfluous.

However, the following applicants may be exempt from the topographical test if they are:

- Previously licensed PHV drivers who have passed a topographical skills test
- Licensed London taxi drivers - All London and Suburban
- Professional London tourists guides (e.g. Blue Badge Driver Guide)
- An individual who can provide TPH with evidence of a relevant vocational qualification in passenger transport (e.g. NVQ or equivalent)

In addition, an English language requirement was introduced with the 2016 amendments to the Private Hire Vehicles (London PHV Driver's Licences) Regulations 2003. After Regulation 3, the following regulation is inserted:²³³ The English language requirement is that the applicant must be able to communicate in English at an appropriate level, including speaking, listening, reading and writing.

²³³ <http://content.tfl.gov.uk/phd-amendment-regs-2016.pdf>.

The following fees apply:

Application fee	£250
CRB online application	£56.85
CRB paper application	£58.85
Post Office Check and Send	£7.15
Medical	Payable to the GP who can advise the candidate of the cost

C. PHV Vehicle licence

Under Section 6 of the 1998 Act, a “vehicle shall not be used as a private hire vehicle on a road in London unless a private hire vehicle licence is in force for that licence”.

Further, Section 7 of the 1998 Act provides that the owner of any vehicle constructed or adapted to seat fewer than nine passengers may apply to the Secretary of State (now TfL) for a private hire vehicle licence for London (in this Act referred to as a “London PHV licence”) for that vehicle.

Vehicles licensed as PHVs by TfL must be no older than five years and meet the Euro 4 standards for emissions at time of licensing (for new licenses) or be no older than 10 years at time of licensing (for existing licensees).

The applicant must book a vehicle inspection and provide the following documentation:

- Existing PHV vehicle licence (if applicable);
- V5c DVLA Vehicle Registration Certificate;
- Hire and reward insurance documents;
- MOT certificate issued within the last 14 days;
- Vehicle modification documents;
- Any other relevant documentation relating to the vehicle, where appropriate, such as Voluntary Individual Vehicle Approval (VIVA).

All PHVs must be right-hand drive vehicles. An exemption from this requirement can be applied if it can be proved that the right-hand drive requirement is not possible due to the services and type of vehicle being used.

As to the emissions, from 1 January 2020 all new private hire vehicles – defined as those under 18 months old – licensed for the first time will have to be zero emission capable. Older than 18 months vehicles will need to feature a Euro 6 engine when licenced for the first time between 1 January 2020 and 31 December 2022. They will also need to be zero emission capable from 2023.

Namely, as set out by the TfL, there are several milestones which will ensure that all vehicles granted a private hire licence for the first time after 1 January 2023 will be zero emission capable:

- The 10-year age limit for PHVs will remain in place;
- From 1 January 2018 the requirement that PHVs be no older than five years when licensed for the first time will be abolished.²³⁴

A London PHV vehicle licence cannot be granted in respect of more than one vehicle. A London PHV licence shall be granted subject to such conditions as may be prescribed and such other conditions as the Secretary of State (now TfL) may think fit.

A London PHV licence shall be granted in such form and shall contain such particulars as the Secretary of State (now TfL) may think fit.

All PHVs must display their vehicle licence discs. An exemption from displaying the discs may be applied if we feel it is appropriate to do so.

D. PHV operator licence

As explained by TfL, the PHV operator licence is required not only for companies carrying out the service, but also many different kinds of operators including:

- Those who only cater for social events such as prom, hen and stag nights and corporate events;
- One person operations offering a chauffeur service;
- Individuals whose principle work is as a tour guide;
- Operators who only do contract work, for example school runs for a local council.

Under Section 3(4) of the 1998 Act, the London PHV operator's licence is granted by TfL if it is satisfied that:

- (a) the applicant is a fit and proper person to hold a London PHV operator's licence; and
- (b) any further requirements that may be prescribed (which may require requirements relating to the operating centres) are met.

More specifically, under Section 15(3) of the Act, the information that the applicant for a taxi operator's licence may be required to furnish concerns:

²³⁴ <http://content.tfl.gov.uk/tph-notice-ulezrequirements-jan-2016.pdf>.

- any premises in London which he proposes to use as an operating centre;
- any conviction recorded against him;
- any business activities he has carried on before making the application;
- if the applicant is or has been a director or secretary of a company, that company;
- if the applicant is a company, information about the directors or secretary of that company;
- if the applicant proposes to act as an operator in partnership with any other person, information about that person.

The licence shall specify the address of any premises in London which the holder of the licence may use as an operating centre and be in such form and contain such particulars as the Secretary of State (now TfL) may think fit.

E. Airports

As to airports, at **Heathrow**, no separate PHV licence is needed. Minicabs which cannot enter the airport, stay within the airport area for 1 or 2 hours until a booking is placed via the app (or phone), when they can subsequently go and pick passengers up at an official parking area²³⁵. As to ranking of minicabs, since they cannot stand at the airport, they linger around the airport and pick passengers up when a booking arrives. Indeed, the Heathrow Airport has announced that the waiting area will allow private hire vehicles and licensed taxi's operating on a pre-book basis access to a waiting area on a trial basis from June 2016.²³⁶ According to publicly available info, "There has been an increase in the amount of private hire vehicles parking inappropriately in local resident roads, contributing to higher levels of litter and anti-social behaviour. Through constructive engagement with local residents, boroughs and the industry, Heathrow is helping to address this."²³⁷

Luton: by contrast, Luton has yet another regulatory framework. In Luton, Addison Lee has the exclusivity of pre-booking on the basis of a public bid awarded by the Luton Airport. Similar exclusive arrangements are provided at **Gatwick and Stanstead**.²³⁸

F. Recent reform of the PHV Regulations

In concomitance with the abovementioned changes, in recent years, as a result of the increase in the numbers of private hire drivers and vehicles licences, TfL considered reviewing its Private Hire Regulations. To this end, it launched an initial consultation in spring 2015, and a further consultation which lasted from end of September 2015 until December 2015. A third consultation was launched in 2016.²³⁹

²³⁵ Reply to the stakeholder questionnaire.

²³⁶ <http://www.thechauffeur.com/heathrow-private-hire-vehicle-waiting-area-announced/>.

²³⁷

http://www.privatehirenews.co.uk/magazines/issue74/heathrow_airport_launch_new_authorized_vehicle_area.pdf.

²³⁸ See webpage: <http://www.mynewsdesk.com/uk/ldnlutonairport/news/london-luton-confirms-addison-lee-as-its-personal-ground-transportation-provider-162760>.

²³⁹ For a report analysing the outcome of the first consultation, see: <http://content.tfl.gov.uk/phv-licensing-compliance-and-enforcement-april-2016-slides.pdf>.

In March 2016, Transport for London announced that it had approved amendments to the PHV Regulations. London has adopted the reform of private hire vehicle regulations, which is in place from 27 June 2016. Some provisions are applicable from 11st July 2016 and 1 October 2016. The changes were introduced in order to raise the standard of the sector, to improve safety and consumer convenience. Among the main changes, there is the obligation of have and hire and reward insurance in place for the entire duration of the activity, including when the vehicle is not in use as a private hire vehicle. Private hire operators will have to be able to provide a booking confirmation to passengers before the journey starts.

The 2016 amendments to the PHV Regulations encompass:

- Enhanced quality standards for PHV drivers (the need to speak an adequate level of English, namely a CEFR B1 level, which brings the current London regulations in line some other large licensing authorities, *e.g.* Manchester and Leeds).
- The need for private hire operators to ensure that customers can speak to someone during their journey. During the trip, the operator must ensure that the passenger is able to speak to someone at the operating centre if they want to make a complaint or discuss any other matter about the carrying out of the booking. The person would have to be someone other than the driver and must be situated in a licenced London operating centre, and needs to be available during operator hours of business and at the time of the journey (*e.g.* at night). Operators must explain to customer how to escalate complaints to TfL if assistance is unsatisfactory. Info may relate to safety but also customer service. Serious and urgent issues should immediately be reported to the police. This change will impact app-only operators but also operators who are sole traders (individuals having their own licenced vehicle and driving it: they will have to contract a service since, being drivers, they cannot be the individual whom the customer can speak to). It is unclear whether this will be implemented through the necessity to have a landphone line and further news are expected to be provided in upcoming guidance issued by the TfL. One stakeholder considers this requirement, if implemented through a telephone line, not to be technology-neutral.
- Accurate fares estimate for passengers in advance of the journey, unless the fee is pre-agreed. Namely, the 2016 Private Hire Vehicles (Operators' Licences) Amendment Regulations, which came into force on 27 June 2016, foresee that before the start of each journey, the operator shall agree the fare with the person making the booking or provide an accurate estimate of the fare to the person making the booking. It is unclear how this change will be accomplished by PHV operators who operate on the basis of surge pricing. More information will be gathered in this respect once guidance shall be issued by TfL.
- Improved record keeping and provision of driver and vehicle information to TfL, including particulars of the drivers and of the cars.
- More robust hire and reward insurance requirements. Namely, while prior to the amendments they could have been taken monthly, after the amendments they would need to be taken yearly. In the view of one private stakeholder to the consultation, this may raise the costs for drivers who wish to have the flexibility to operate only seasonally, *e.g.* those who only work in determined periods of the year.
- Booking confirmation ahead of trip: the confirmation will be done either by email, or by phone or sms (or mms). The operator will be expected to ask for passenger contact info and offer to provide a booking confirmation of all bookings. There are several details that need to be provided as a minimum, such as the provision of driver details (first name, his PHV licence number, and photo of the driver, where the passenger can receive it) and vehicle details (vehicle registration mark), before the start of the journey. While major app-only operators, such as Uber, were already complying with the requirement to provide a photo of the driver, a

private stakeholder highlighted how this requirement may raise operational barriers for small innovative operators.

- Changes to private hire operating model: These are not in the amended regulations, but guidance will be provided in the forthcoming guidelines (updated Policy Manual). These changes will have to be provided beforehand to TfL if they are “substantial”. TfL gives examples of substantial changes but does not set criteria to define the threshold as to what is substantial and what is not. In any event, should industry seek more guidance, as the manual will be updated every six months to keep abreast of technological developments, further guidance may be given too.
- Basic disclosure check for some staff: this will not impact app-only operators, where staff usually does not have face-to-face contact with the public. It is our understanding drivers that pick up bookings through app-only operators do not qualify as “staff”, and it is an understanding that TfL shares, too. This requirement will be additional to the enhanced disclosure and barring service check that PHV drivers must go through in order to obtain their licence.

G. Incentives and subsidies

As seen supra, a £5,000 plug-in car grant is available through the Office for Low Emission Vehicles (OLEV).²⁴⁰

In addition, PHVs are exempt from paying the London congestion charge of 11.5 £ daily for driving a vehicle in the charging zone from 7.00 to 18.00, Monday to Friday.

Currently, the proposal to review congestion charge exemption for PHVs is pending. While some assert that congestion has been caused by the huge increase in the number of PHV licenced vehicles in the last few years, not all stakeholders agree.²⁴¹

III.3 Enforcement

TfL has an Enforcement and On-street Operations Directorate which uses the complaint and passengers’ reports to determine what the compliance and on-street enforcement officers have to do.

For example, after investigating received reports, officers are deployed to places where problems have been observed. If the report is against a licence holder, a note will be made on their record of the issue and will be taken into consideration when their licence is up for review. In some cases, if the report is sufficiently detailed and conclusive, we may be able to take action purely on the basis of information submitted and issue a sanction.

As part of TfL enforcement activities, a number of regular operations take place to target particular areas of interest.²⁴² Some of the key operations and their results are:

²⁴⁰ <http://content.tfl.gov.uk/tph-notice-ulezrequirements-jan-2016.pdf>.

²⁴¹ <http://www.gmb.org.uk/newsroom/gmb-fight-against-uber>.

²⁴² See, for further information on enforcement: <http://content.tfl.gov.uk/phv-licensing-compliance-and-enforcement-april-2016-slides.pdf>.

Taxi & PHV's checked during regular operations

1 April 2015 - 31 March 2016

	Taxis checked	PHVs checked
Operation Cubo	304	1072
Heathrow enforcement	392	1754
Compliance officer activities	4097	5378
City of London police activities	2325	4444
Operation Neon (from 8 May 2015)	0	7531
Total	7118	20179

Heathrow is a hotspot location for a range of taxi and private hire related enforcement issues. During 2015/16 (1 April 2015 to 31 March 2016), there were 31 operations.

These resulted in:

- 392 taxis inspected, of which 49 were unfit and a further 5 were given advisories
- 1 taxi driver was reported for having no identifier on their vehicle
- 2 taxis drivers were reported for not displaying their identifier correctly on their vehicle
- 0 taxi drivers were reported for having no badge
- 30 taxi drivers were reported for not having their badge on display
- 2 taxi drivers were reported for having no bill
- 3 taxi drivers were reported for having an unsigned bill
- 1754 private hire vehicles inspected, of which 170 were unfit and a further 102 were given advisories
- 98 private hire drivers were reported for having no driver ID
- 747 private hire drivers were reported for not having their driver ID on display
- 17 private hire drivers were reported for other offences

Compliance Officer Activities

During 2015/16 (1 April 2015 to 31 March 2016), TfL Compliance Officers achieved the following results:

- 5152 taxi drivers checked, of which 6% were non-compliant
- 4097 taxi vehicles checked, of which 14% were non-compliant
- The main issues for taxi non-compliance were: documentation (253), other e.g. wrap around livery peeling off (100), tyres/wheels (44), bodywork (42), lights (25), steering (25), underbody (19)

- 7002 private hire drivers checked, of which 13% were non-compliant
- 5378 private hire vehicles checked, of which 13% were non-compliant
- The main issues for PHV non-compliance were: tyres/wheels (151), documentation (64), bodywork (60), lights (59), licence/discs (55), unauthorised livery (20), engine (13), steering (11)²⁴³

City of London Police activities

During 2015/16 (1 April 2015 to 31 March 2016), the City of London Police achieved the following results:

- 4444 private hire vehicles stopped and checked, of which 40% were non-compliant
- 2325 taxis stopped and checked, of which 33% were non-compliant
- 42 arrests for touting
- 19 arrests for lack of hire and reward insurance
- 5 vehicles seized
- 55 individuals reported to TfL for licensing action.²⁴⁴

III.4 New Urban Mobility

The legal basis for ride sharing is that more than one passenger is being carried with each passenger paying a separate amount. The payment of separate fares by passengers is subject to UK national legislation (Transport Act 1985). This Act makes provision for both the immediate hiring of taxis at separate fares under local schemes, and the advance booking of taxis or PHVs at separate fares. In London, there is a local statutory scheme in place for taxis, the London Taxi Sharing Scheme Order 1987. The carriage of passengers in taxis or PHVs who have booked their journeys in advance and who have consented to the sharing of the vehicle at separate fares is also lawful. However, these services are still subject to taxi or PHV legislation as appropriate, even though they fall outside of the public service vehicle (PSV) regulatory regime, and services must be provided by licensed vehicles. For example, any advance bookings of a PHV to be used by passengers paying separate fares would still need to be accepted by a licensed operator and discharged by a licensed driver in a licensed vehicle. DfT's Taxi and Private Hire Vehicle Licensing Best Practice Guidance of March 2010 describes arrangements as follows:

"The operator takes the initiative to match up passengers who book in advance and agree to share the vehicle at separate fares (lower than for a single hiring). An example could be passengers being picked up at home to go to a shopping centre, or returning from the shops to their homes."

As to car sharing, London is a city where the operators are thriving, with the major ones being:

- a) **Drivenow:** DriveNow, BMW's car sharing brand, is a partnership between BMW, which provides the cars, and Sixt, which brings the understanding of how to rent them to people. It was launched in 2011 – making its way to London in 2014 – and now has 4,000 cars serving over 650,000 people. In London, 10 per cent of

²⁴³ <https://tfl.gov.uk/info-for/taxis-and-private-hire/compliance-and-enforcement> (last access 17 August).

²⁴⁴ <https://tfl.gov.uk/info-for/taxis-and-private-hire/compliance-and-enforcement> (last access 17 August).

Drive Now's users say that they have sold their car because of the service; another 19 per cent say that they have deferred purchase of a new car.²⁴⁵

- b) **Blueindy:**²⁴⁶ BlueIndy is an electric car sharing service which started operating in London in autumn 2015;
- c) **Go-drive:** it is a pay-by-the-minute car sharing service owned by Ford Motors Company that can both be used through a website and via an app.²⁴⁷

In addition, there are car sharing clubs "Car clubs" enable members to book a vehicle on-demand. The results of a survey published on April 26, 2016 by Carplus show that for every vehicle used in a car-sharing club, 10 privately owned vehicles are taken off the road. The survey reports that there are 186,000 car club members in London currently sharing 2,800 cars.²⁴⁸ Zipcar is an example of a car-sharing club also operating in London.²⁴⁹

Car2Go stopped operating in London in 2015, after 1 year of operations.

As to environmental incentives, some are expected to be contained in the forthcoming Guidelines on ridesharing jointly prepared by DfT and TfL. In addition, there will be an official proposal on urban transport mobility.

III.5 Market analysis

III.5.1 Taxis

In London, TfL licences some 22,200 taxis.²⁵⁰ In 2014, there were around 22000 drivers having an All London badge, and around 3700 drivers having a Suburban badge.²⁵¹

For further details as to how the number of licences has evolved throughout the last years, see the following chart:

Taxis				
	Vehicles		Drivers	
	All London	Suburban	Total	
09/10	22445	21334	3580	24914

²⁴⁵See webpage: <http://www.independent.co.uk/life-style/gadgets-and-tech/how-owning-a-car-might-soon-become-as-old-fashioned-as-owning-a-horse-a7195836.html>.

²⁴⁶<https://www.blue-indy.com>.

²⁴⁷<https://www.go-drive.com/>.

²⁴⁸See webpage: <http://www.independent.co.uk/life-style/gadgets-and-tech/how-owning-a-car-might-soon-become-as-old-fashioned-as-owning-a-horse-a7195836.html>.

²⁴⁹<http://www.zipcar.co.uk/car-hire-london>.

²⁵⁰ HC Deb 15 July 2015, c1055.

²⁵¹ L.Butcher, Taxi and private hire vehicle licencing, Briefing Paper, House of Commons Library, 5 August 2015.

10/11	22558	21499	3571	25070
11/12	23099	21690	3646	25336
12/13	22168	21733	3727	25460
13/14	22810	21876	3662	25538
14/15	22500	21724	3508	25232
15/16	21759	21500	3370	24870

Source: Transport for London, Licencing information.

Information about the number and type of licence issued is updated regularly on TfL's website. The following figures cover the week ending Sunday 7 August 2016:

- Taxi driver licences - 24,741, a decrease of 12 on the previous week, 22 licences are new. Of those taxi drivers, 21,394 hold All London licences, and 3,347 hold Suburban licences.
- Taxi vehicle licences - 21,489: a decrease of 5 on previous week, 5 are new.²⁵²

More specifically, some information on the number of licenced taxi vehicles and drivers.²⁵³

	Taxis			
	Vehicles	Drivers		
		All London	Suburban	Total
09/10	22445	21334	3580	24914
10/11	22558	21499	3571	25070
11/12	23099	21690	3646	25336
12/13	22168	21733	3727	25460
13/14	22810	21876	3662	25538
14/15	22500	21724	3508	25232
15/16	21759	21500	3370	24870

In the view of the TfL, the London industry is made up of several big operators and smaller operators, who vary in size although, are likely to be smaller in coverage, many of them based in suburban areas. Bigger operators are active in urban areas.²⁵⁴

²⁵² <https://tfl.gov.uk/info-for/taxis-and-private-hire/licensing/licensing-information>.

²⁵³ Id.

²⁵⁴ Interview with Transport for London, 21 April 2016.

- *Taxi operators*

In general, from the replies to the questionnaire, the taxi operators are self-employed drivers which may be affiliated to a radio taxi circuit or use an application to provide the service in alternative to the street market.

- *Radio taxi circuits*

Third parties inviting, accepting or making provision specifically for taxi bookings are referred to in the trade as "radio circuits".⁸⁸ Radio circuits do not require a licence under current law. However, there are also large fleet operators, such as **Comcab**: established in 1974, Comcab is a private owned company which has the London's largest fleet of fully licensed taxis, with a 2,500 licensed taxis that may be reserved via the company booking operator, the apps and the website²⁵⁵. Comcab has entered in a partnership with Taxicard, which offers subsidised travel in licensed taxis and private hire vehicles to London residents with serious mobility impairments or who are severely sight impaired. It enables members who have difficulty in using buses, trains and tubes to get out and about. The scheme is paid by the local council and Transport for London.

Radio Taxi London is the largest player in the city. In 2016, the company was acquired by the Israeli-based taxi application **Gett**,²⁵⁶ in a bid to create a company with more than 11,500 affiliated taxis in London²⁵⁷. Dial-a-cab is also one of the traditional radio circuits offering taxi booking services and business accounts alongside a smartphone app.²⁵⁸

- *Taxi web applications*

Various applications allow customers to book a taxi. Various applications belong to the taxi operators or to the radio taxi circuits, such as Radio taxi London, while many others are international applications, such as Hailo,²⁵⁹ which allows people to book a taxi in every city where the app operates, without having to download a local application. Recently, Daimler announced a partnership with Hailo.²⁶⁰

Uber Taxi is also available in London and puts in touch black cab drivers and customers via the platform, but it is less relevant than the Uber's activities putting in touch PHV drivers and customers.

III.5.2 Private hire vehicles (PHV)

²⁵⁵ <http://www.comcablondon.com/about-us>.

²⁵⁶ <http://gett.com/uk/>.

²⁵⁷ <http://www.radiotaxis.co.uk/company/>.

²⁵⁸ <https://www.dialacab.co.uk/>. See TfL, Private Hire Regulations Review, Consultation Report, September 2015: https://consultations.tfl.gov.uk/tph/private-hire-regulations-review/user_uploads/ph-regulations-summer-2015-consultation-report.pdf, page 15.

²⁵⁹ <https://www.hailoapp.com/>.

²⁶⁰ <http://www.ft.com/fastft/2016/07/25/daimler-to-take-stake-in-uk-taxi-app-hailo/>.

According to the information contained in the Integrated Impact Assessment²⁶¹ PHV's operators can be divided into groups in terms of how they offer their services. These three broad categories are:

²⁶¹ Private Hire Vehicles Regulation Proposals Integrated Impact Assessment, January 2016, p. 70.

- *Digital only*: operators which provide passengers with an app/online booking option only. The largest digital only operator is **Uber**,²⁶² which is operative in London through various PHV services (e.g. UberX, XL, Exec, Lux), is an app only operator, and also has a small part of other non-PHV services such as Uber Taxi and UberPOOL. In London, Uber is licenced since 2012 as a PHV operator. For Uber, the majority of the activity is provided by PHV services. According to publicly available information, there currently are 1.5 million users of Uber's services in London.²⁶³ End of 2015, there were over 20000 drivers in London using the Uber app²⁶⁴. 100.000 PHV authorised drivers operate on platforms (including Uber)²⁶⁵ and of these the majority also provides their services for traditional PHV operators. Indeed Uber does not have an exclusivity clause that locks-in drivers to its platform.
- *Digital and phone/office-based booking*; operators which enable vide passengers to book a PHV via their telephone; online/ via an app; and/or in a booking office. Engagement with key operator representatives highlighted that the majority of operators which offer both local and London-wide services now deliver their services via an app in addition to traditional phone booking. Operators in this group will vary in size. They could offer an executive and/or non-executive service. As a result, this operator group is assumed to include the majority of operators in the PHV market. The main player is **Addison Lee**.²⁶⁶ Addison Lee is Europe's largest private hire company, and dispatches 4,500 drivers to more than 10 million passenger journeys per year, operating in London for more than 40 years. In 2009, Addison Lee developed an app it sells to around 20-25 PHV operators around the world, where drivers are under no obligation to accept work for Addison Lee and Addison Lee is not obliged to provide work to the drivers, pricing is determined by a method decided by Addison Lee, and drivers are required to provide their own vehicle, except for a small population of employee drivers, distinct from PHV drivers.
- *Phone/office-based booking only: operators without an online/app presence*. Engagement with representatives of the trade highlights that traditional minicab firms operating via telephone /office-based bookings only from a local base with a pool of drivers are present in the market. Operators in this group could vary in size, although are likely to be smaller in coverage, possibly many of them based in suburban areas, and could offer an executive and/or non-executive service. Limited data on such operators with no digital services means that the proportion of the market that this group makes up cannot be estimated. Among them there are:
 - a) **Carey Chauffeur Services**: it is a franchise network and a leading chauffeur and all-round transportation operator. In London, they operate through a dedicated operations centre in Brentford, co-ordinating booking needs irrespective of where in the world the booking is made;²⁶⁷
 - b) **Tristar**: it is a door-to-door chauffeuring service with extensive UK operations and offices in three continents, Europe, Asia and the United Kingdom.²⁶⁸

Other digital intermediaries are:

²⁶² <https://www.uber.com/cities/london/>.

²⁶³ See webpage: <http://www.standard.co.uk/stayingin/tech-gaming/ubereats-uber-launch-deliverooorivalling-food-delivery-app-in-london-and-we-ve-already-tried-it-a3273296.html>.

²⁶⁴ TfL, Private Hire Vehicles Regulation Proposals, Integrated Impact Assessment, 2016, page 70.

²⁶⁵ See webpage: <http://www.standard.co.uk/news/transport/transport-for-london-approves-clampdown-on-uber-and-minicab-drivers-a3206281.html>.

²⁶⁶ <https://www.addisonlee.com/>

²⁶⁷ www.careyuk.com.

²⁶⁸ <https://tristardirect.tristarworldwide.com/>.

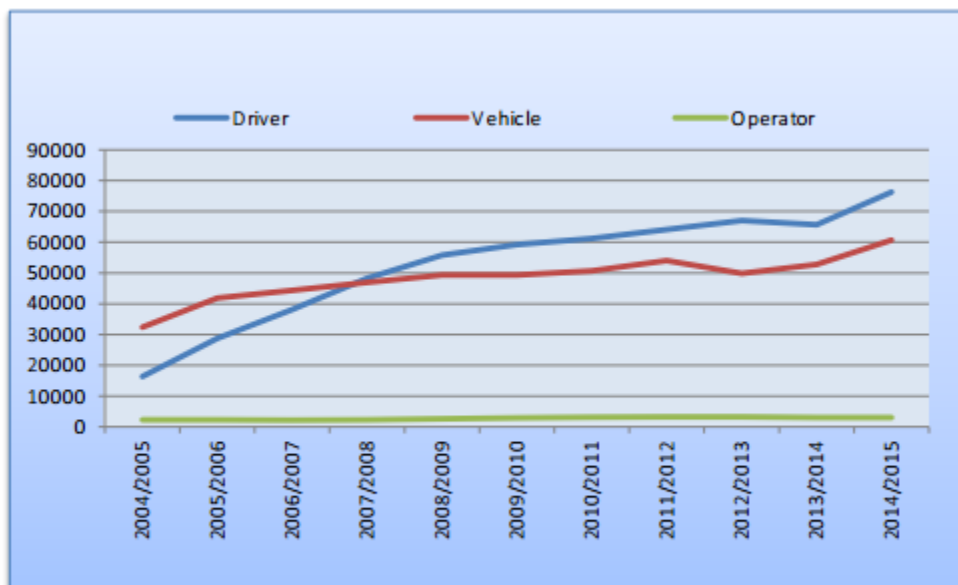
- **Blacklane:**²⁶⁹ this a start-up based in Berlin, which puts together professional limousine chauffeured services and the clientele.
- **Drivr:** this Denmark-based dispatch automated system which puts together operators (offering taxi and PHV services) and customers is also present in the United Kingdom. It provides an on demand and pre-booked luxury car service and bookings can be placed via the app or online,²⁷⁰ and transfers can also be made to and from London airports.

In its document on "*Private Hire Regulations Review Consultation: 2015*", as of March 2015, TfL had licenced and regulated:

- 3,008 private hire operators;
- 61,608 private hire vehicles; and
- 77,347 drivers;
- The most recent market estimates – as of end 2015 - available indicate that:
 - 61% of PHV drivers are non-executive minicab drivers;
 - 27% of PHV drivers are chauffeur drivers.²⁷¹

Indeed, as TfL has reckoned, over the recent years, the PHV sector has been characterized by the emergence of intermediaries, as will be seen infra, and an explosive growth in the number of licenced PHV drivers, vehicles and operators. Publicly available information from TfL shows that the number of private hire drivers has grown from circa 59,000 in April 2010 to more than 95,000 as of 20 January 2016.²⁷² On 20 April 2016, there were 101,432 valid PHV drivers licenced to operate in London.²⁷³

TfL has seen an unprecedented rise in the number of PHV drivers licensed in London from 65,000 in 2013 to over 90,000 at the beginning of 2016 as shown in the chart below, which provides an overview of the active private hire licensees since April 2004:



²⁶⁹ <https://www.blacklane.com/en/limousine-service-london>.

²⁷⁰ <https://drivr.com/>.

²⁷¹ TfL, Private Hire Vehicles Regulation Proposals, Integrated Impact Assessment, 2016, page 69.

²⁷² TfL, Transport for London sets out plans to modernize and enhance London's private hire industry, 20 January 2016: <https://tfl.gov.uk/info-for/media/press-releases/2016/january/tfl-sets-out-plans-to-modernise-and-enhance-london-s-private-hire-industry>.

²⁷³ See TfL Licencing Information.

For the evolution of the PHV licences between 2009 and 2015 see the table below:

PHV			
	Operators	Drivers	Vehicles
9/10	2882	59191	49355
10/11	3111	61200	50663
11/12	3164	64063	53960
12/13	3159	66975	49854
13/14	3038	65656	52811
14/15	3006	78690	62724
15/16	2814	101434	78139

Source: Transport for London

Information about the numbers and types of PHV vehicle, taxi and operator licences issued is updated regularly on TfL's website. The following figures cover the week ending Sunday 7 August 2016:

- Private hire driver licences - 108,990: an increase of 375 on previous week, 444 licences are new.
- Private hire vehicle licences - 81,530: an increase of 258 on previous week, 603 licences are new.
- Private hire operator licences - 2,739: a decrease of 6 on the previous week.

As to operators, the market is made up of several big operators (e.g. for PHVs, Addison Lee and Uber), and smaller operators, who vary in size although are likely to be smaller in coverage, many of them based in suburban areas. Currently, TfL issues two kinds of licences: "small", for those operators with two or fewer vehicles, covering 33% of operators and "standard", for those operators with more than two vehicles, which makes up 67% of operators.

According to the public data, 51% of operators are self-employed, of which many are made up of small, locally focused operators operating under a small licence. 42% of operators operate as a company with 6% in a partnership, which can include medium-scale operators operating from a minicab office and serving a local area or borough, to established London-wide operators with hundreds of cars, offering services both via phone booking or online (e.g. Addison Lee).²⁷⁴

III.5.3 Ridesharing

Some active ridesharing operators are:

²⁷⁴ TfL, Private Hire Vehicles Regulation Proposals, Integrated Impact Assessment, 2016, page 69.

- (i) **Uber Pool:** Uber Pool – which is in a nutshell, a carpooling service - has registered a huge increase, despite representing minority of the Uber operations in London.²⁷⁵
- (ii) **Splyt** which offers ridesharing services (pooling of minivans/taxis with other passengers) via its app.²⁷⁶ In 2015, Transport for London (TfL) has taken enforcement activity against the app-based minicab company Splyt which was operating illegally without a private hire licence.²⁷⁷
- (iii) **Faxi** is local platform that enables users to interact with other travellers (both business but also schools, etc.) planning to travel along a similar route, before each traveller contributes a fee for the shared travel via the app, and which helps reduce congestions).²⁷⁸

III.6 Users' satisfaction

Customer satisfaction is reviewed annually through a survey conducted on TfL's behalf. The last available survey as survey conducted in October 2014²⁷⁹ showed an overall customer satisfaction rating of 83 out of 100, which is consistent with previous years. Values above 80 indicate good users' satisfaction.

In particular, in the third quarter of 2014/2015 overall satisfaction with taxis and minicabs was similar to 2013, in line with stable satisfaction for value for money, the most important driver of customer satisfaction. The time taken to hail a taxi has improved (from 81 to 84 out of 100) and was more in line with 2012 (85). However, there were no changes in any other aspects of the taxi or minicab experience (driver, safety, length of journey and ease of journey). Although the average fare reported by customers both for taxi and minicab journeys remained similar to 2013, the perception of minicab fares between 2013 and 2014 improved (i.e. fewer users said that minicab fares are much too expensive).

In line with the improving perception of minicab fares, minicab users reported that minicab services had improved generally, they were using minicabs more frequently and they were more likely to book them through smartphone/tablet apps. There is widespread agreement among taxi and minicab users that taxi customers should be able to pay by credit/debit card. The majority of taxi passengers (85%) claim they would use this service if it were available.

The 2014/2015 satisfaction survey carried out by TfL shows the following trends insofar as taxi services are concerned:²⁸⁰

²⁷⁵ 1 million Londoners have already opted to share their journey with UberPool since UberPool first launched in December 2015: <http://www.independent.co.uk/news/business/news/uberpool-gets-more-than-1-million-customers-a7068841.html>.

²⁷⁶ <https://splytapp.com/uk/>.

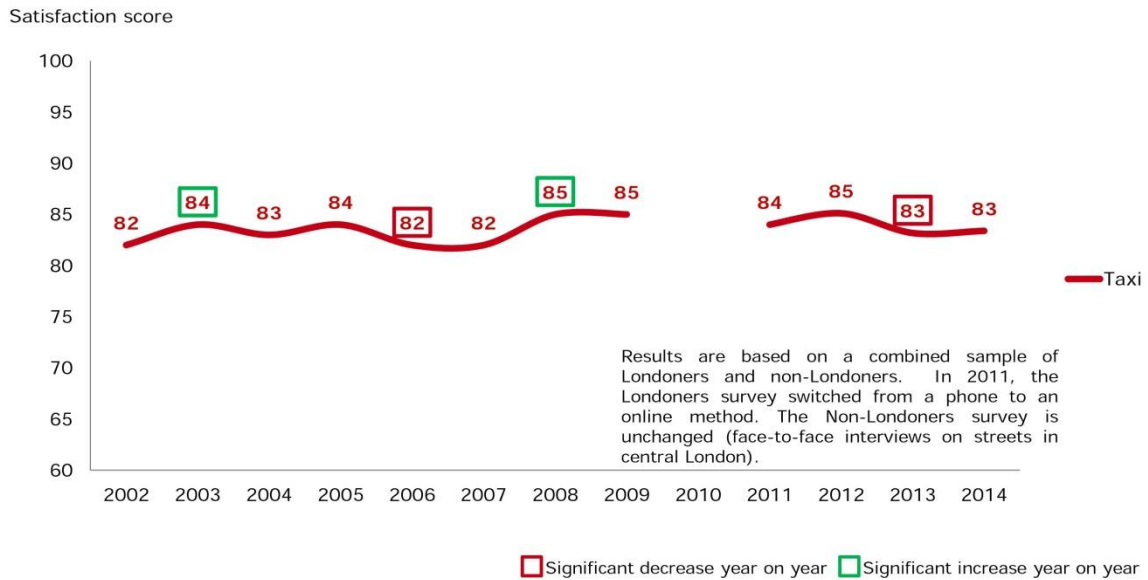
²⁷⁷ See webpage: <https://tfl.gov.uk/info-for/media/press-releases/2015/december/splyt-technologies-convicted-for-operating-without-a-private-hire-licence>.

²⁷⁸ <https://faxi.co.uk>.

²⁷⁹ 2014 TNS Report "Taxi and minicab customer satisfaction survey Quarter 3 2014/2015".

²⁸⁰ TNS, Taxi and Minicab Customer Satisfaction Survey, Quarter 3, 2014/2015.

Overall satisfaction with taxis remains at 83 in 2014.

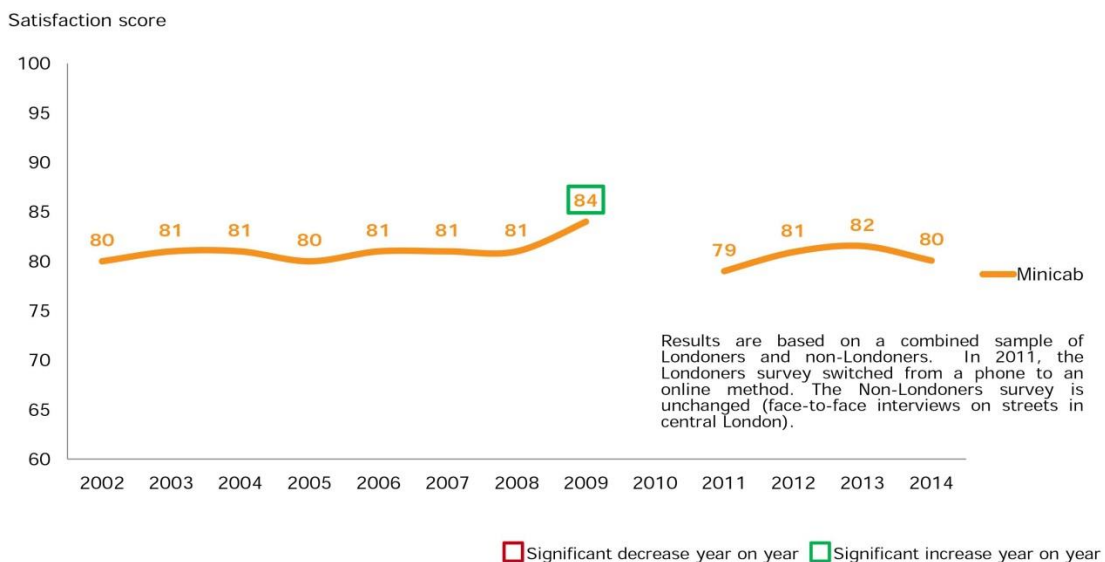


Trends in satisfaction: Overall satisfaction
Taxi

©TNS 2014



Overall satisfaction with minicabs stands at 80 in 2014, two points below the previous year but the change was not significant.

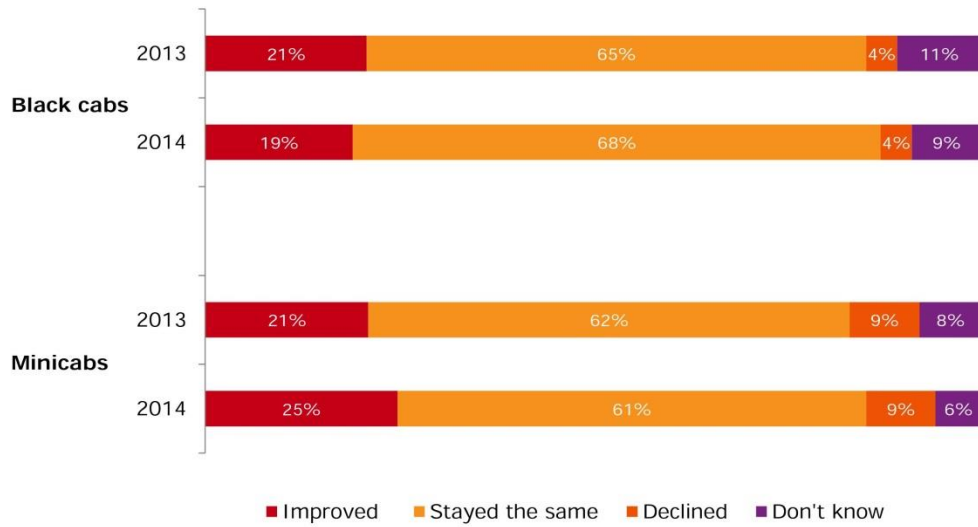


Trends in satisfaction: Overall satisfaction
Minicab

©TNS 2014



Most taxi and minicab users perceived no change in service, but a quarter of minicab users thought they had improved this year (compared to 21% last year).

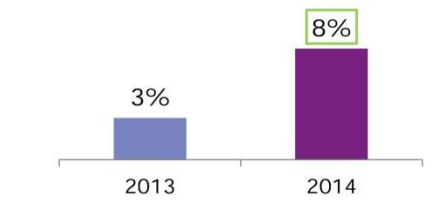


Level of service change (in the last 12 months)

©TNS 2014



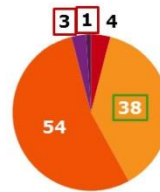
Demographics – Minicab users booked via mobile app (2014)



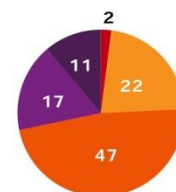
Last journey - Minicab via mobile app

This year has seen an increase in the use of mobile apps to book minicab services.

□ / □ Significant increase/decrease year-on-year



Mobile app



Telephone/ Office

■ 16-19 ■ 20-29 ■ 30-54 ■ 55-64 ■ 65+

Younger passengers are more likely to book a minicab via mobile phone app than by telephone/office.

□ / □ Significant increase/decrease booked via mobile app vs telephone/office



Just under 20% of passengers who booked a minicab via an app were using black cabs less often over the last year, switching to using minicab services more often instead.



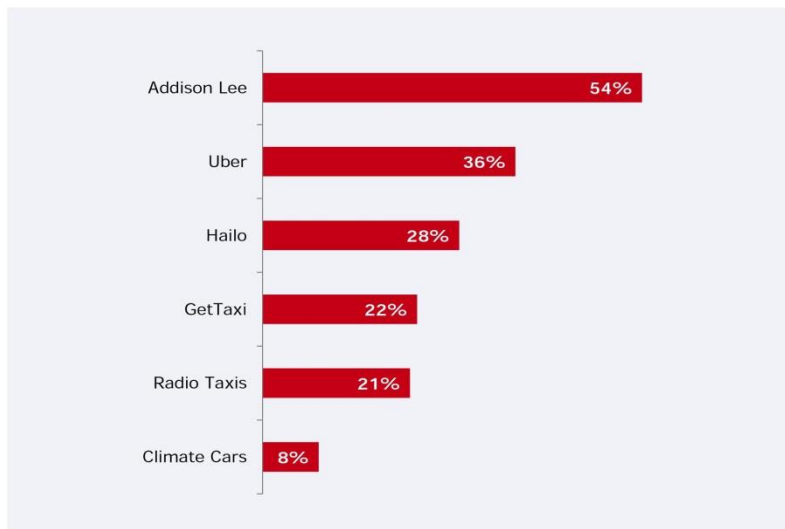
Demographics - Minicab via mobile phone app (2014)

Caution: Small base size (76)

© TNS 2014



Among Londoners, Addison Lee was the best known app.



Awareness of Mobile apps

Londoners only

© TNS 2014



III.7 Market conditions and development

In London, TfL currently licenses some 22,200 taxis.²⁸¹ At the end of 2013/14, there were 25,538 drivers in London licensed to ply for hire – an increase of 0.3 per cent on 2012/13.²⁸²

Black cabs are one of the oldest and most instantly recognisable icons of London transport and, together with private hire vehicles, form a vital part of the public transport network for both Londoners and visitors.²⁸³ According to TfL, *“Together, taxis and private hire form the two-tier system which has co-existed in London for the past five decades. This has benefited the travelling public by offering greater choice and has ensured customer safety. The two tiers of the system are distinct due to the types of services each trade provides, the geographical markets they cover and the targeted customer journeys they cater for.”*²⁸⁴

The 2014 Transport Committee study found out that one in four passengers told us that they chose to use a taxi or a minicab at times when other public transport is closed, or when they had been consuming alcohol.²⁸⁵

London is a global hub²⁸⁶ where taxi and PHV services are used relatively little when compared to other modes of transport.²⁸⁷ Demand for services increased over the weekend after Londoners left pubs: Taxi trips are more than three times higher on Friday and Saturday nights, becoming the third most used mode ahead of public transport alternatives. This reflects their popularity as a means of travel home from pubs and clubs.²⁸⁸

An evolution of the demand for taxi and other services than cars or the public transport in London until beginning 2015 can be found in the following chart:

Table Summary of key indicators of travel demand for taxi and PHV travel modes in London

Modes and indicators		Units	2011 or 2011/2012	2012 or 2012/2013	2013 or 2013/2014 Difference (%)
Licensed taxis	Vehicles (thousand)	23.1	22.2	22.8	2.9
Licensed taxi drivers	Number (thousand)	25.3	25.5	25.5	0.3
Licensed private hire	Vehicles (thousand)	54.0	49.9	52.8	5.9
Licensed private hire	Drivers (thousand)	64.1	67.0	65.7	-2.0

²⁸¹ HC Deb 15 July 2015, c1055.

²⁸² <http://content.tfl.gov.uk/travel-in-london-report-7.pdf>, page 116.

²⁸³ Transport Committee, Future Proof – Taxi and Private Hire Services in London, December 2014.

²⁸⁴ Transport for London Provisional Taxi and Private Hire Strategy 2015: <http://content.tfl.gov.uk/taxi-and-private-hire-strategy2.pdf>.

²⁸⁵ Transport Committee, Future Proof – Taxi and Private Hire Services in London, December 2014.

²⁸⁶ PWC, Cities of Opportunity, 2016.

²⁸⁷ TfL, Travel In London, Report 7, available at: <http://content.tfl.gov.uk/travel-in-london-report-7.pdf>,

²⁸⁸ TfL, Travel In London, Report 7, available at: <http://content.tfl.gov.uk/travel-in-london-report-7.pdf>, page 87.

Concerning suburban areas, as TfL has observed, as London's population continues to grow over the next few decades, demand for taxi services in the suburbs is likely to increase.²⁸⁹ On the supply side, new technological platforms have emerged over the last years. A July 2016 report of the Commons Business, Innovation and Technology describes the disruptive impact of new technologies on the London taxis business model and existing private hire operators.²⁹⁰ The taxi industry is also quickly adapting to these changes by promoting the use of apps like Gett, Hailo (which is merging with Daimler's Mytaxi and will be rebranded Mytaxi by mid-2017) and Cabapp to attract the number of drivers on these apps.²⁹¹

The recent PHV reform requirements such as the English language requirement have caused controversy amongst PHV market players: Uber has filed action in Court against TfL,²⁹² whereas Addison Lee has set a letter to Mayor Khan defending the changes to the PHV regulations.²⁹³ Uber alleges that the exam demands a higher level of English than the British citizenship test, which only asks for speaking and listening skills. In addition, according to Uber, the requirement exceeds the level demanded of government employees in "customer-facing roles", such as a teaching assistant or someone answering the phone in a local authority office.²⁹⁴ TfL considers this test to be part of rules ensuring public safety. At the court hearing held on 1 September Uber was refused permission for a judicial review on the principle of an English language requirement, on the requirement for reading, writing and speaking proficiently and on the use of Level B1. However, it was granted permission on the language requirement because there are currently no exemptions but it was recognised that this could be remedied by TfL.

The status of Uber drivers is subject to a pending court case before a London employment tribunal which is expected to clarify whether Uber partner drivers have an employee or a self-employed status. The drivers have to pay the cost of the vehicles and lament that in the last year the commission applied by Uber increased, whereas fares decreased. Competition to keep fares low is an indicator of competition between operators, especially given the strong established position of PHV operators such as Addison Lee. In addition, PHVs and taxis compete on fares, too: for example, Addison Lee has advertised in its website that the fares it applies when compared to taxis are 30% less expensive than those of black cabs.

Due to the success of the taxi apps, such as Hailo, Gett and Cab: app, TfL is currently revising its app guidelines.²⁹⁵

III.8 Conclusions

In London, the various market players are strongly competing, as shown by the fact that, for PHVs, the number of licences and drivers has surged in recent years and fares have gone down.

²⁸⁹ Transport for London Provisional Taxi and Private Hire Strategy 2015.

²⁹⁰ BIS Committee, The Digital Economy, Second Report of Session 2016-2017, HC 87, 18 July 2016, paras 40-41.

²⁹¹ L. Butcher, Taxi and Private Hire Vehicle Licencing in English and Wales, Briefing Paper to Parliament, 10 August 2016, page 27.

²⁹² <http://www.reuters.com/article/us-uber-britain-london-idUSKCN10S0TA>.

²⁹³ See webpage: <http://www.standard.co.uk/news/transport/minicab-firms-addison-lee-and-uber-at-war-over-mayors-private-hire-rules-a3322486.html>.

²⁹⁴ <https://www.theguardian.com/technology/2016/aug/17/uber-takes-tfl-to-high-court-over-english-written-test>.

²⁹⁵ <https://tfl.gov.uk/modes/taxis-and-minicabs/taxi-and-minicab-apps>.

The new industry developments have led TfL to adopt the regulatory framework for PHVs, culminating in the June 2016 changes to the PHV Regulations. However, it is too early to see their impact on the current business models and therefore assess them. Nonetheless, London is an example of a market and regulatory framework keeping abreast with new developments.

Since taxis are suffering from the strong competition of the PHV operators, there is a proposal to bolster the black cab industry, such as providing access to more bus lanes, incentives to switch from diesel to more eco-friendly models and stronger enforcement of private hire car regulations.

IV. PARIS CASE STUDY

IV.1 Introduction

The Paris point-to-point transport market is divided between taxis and hire cars with driver (*voiture de transport avec chauffeur* -VTC) services. Taxis hold an exclusive right to accept street hail and to pick up passengers at designated taxi ranks and can also service dispatch requests for pre-arranged pickups. VTCs may only accept pre-arranged dispatch assignments.

The VTC sector has experienced significant change and an enormous surge in the number of the operators in the last five years. Until 2009, when the Loi Novelli²⁹⁶ on tourism, among others, liberalized the market for VTCs, only taxis were allowed to pick up passengers both on the street and on pre-arranged assignments. The purpose of the legislation was to provide an alternative to the undersupply of taxi service making the hire car transportation widely available, as well as to implement some of the recommendations of the Attali Report,²⁹⁷ which was very critical of the taxi market in France and especially in Paris. The results of the Loi Novelli was a rapid growth of the number of VTCs in Paris, which provided a service in competition with the taxi sector, especially for rides to and from the airports. New players entered into the market, including US providers such as Uber and the large French player LeCab, providing tiered option lines which allow passengers to choose services based on their preference and costs. Ridesharing operators such as UberPop and Djump also started to provide P2P services but, after the protests among taxi drivers and the implementation of the 2014 Bill, which declared the service illegal, they suspended the service. Due to the implementation of the new 2014 Bill, the market is still changing.

IV.2 Regulatory and Administrative Framework

IV.2.1 Taxis

The local Parisian regulatory framework covers the conditions for the issuance of taxi licences including the number issued, taxi fares, as well as the conditions of technical fitness of the vehicles used as taxis.

The Arrêté interprefectoral 2001²⁹⁸ regulates the issuing of licences in the Parisian Region.

The Paris "area" covers a large territory of over 80 municipalities, as indicated by the Decree Ministerial of 10 November 1972²⁹⁹, as well as the airports of Orly, Le Bourget,

²⁹⁶ LOI n° 2009-888 du 22 juillet 2009 de développement et de modernisation des services touristiques, JORF n°0169 du 24 juillet 2009.

²⁹⁷ Rapport de la Commission pour la libération de la croissance française, 2008. See webpage : <http://www.ladocumentationfrancaise.fr/var/storage/rapports-publics/084000041.pdf>.

²⁹⁸ Arrêté interprefectoral n° 01-16385 du 31 juillet 2001 relatif aux exploitants et aux conducteurs de taxis dans la zone parisienne (B.M.O. 7 août 2001).

²⁹⁹ Arrêté du 10 novembre 1972 sur l'organisation du taxi dans la région parisienne (J.O.R.F. 7 décembre 1972) modifié par arrêté du 19 février 1974 (J.O.R.F. 24 février 1974) et par arrêté du 13 août 1982 (J.O.R.F. 27 août 1982).

Article 1er. - Le préfet de police est chargé d'exercer, après consultation des préfets des Hauts-de-Seine, de la Seine-Saint-Denis et du Val-de-Marne (arrêté du 19 février 1974) "de Seine-et-Marne et du Val-d'Oise", les attributions énumérées à l'article 1er de la loi du 13 mars 1937, à l'exception de celles relatives au tarif de location des voitures, sur le territoire des communes ci-après désignées : Ville de Paris. Communes d'Antony, Asnières-sur-Seine, Bagneux, Bois-Colombes, Boulogne-Billancourt, Bourg-la-Reine, Châtenay-Malabry,

Roissy Charles de Gaulle and the Villepinte exhibition centre. The Parisian taxi licence allows for the pick-up of passengers in the whole metropolitan area including the airports.

According to Decision 2010-00032,³⁰⁰ there are three categories of licences:

- Cat. A delivered to the holder of a parking permit who is driving the vehicle;
- Cat. B for the holder of a parking permit who is not driving the vehicle or who is holder of number of parking permits between 2 and 200 and who is personally using the taxi vehicles or with drivers who are employees or lessees; and
- Cat. C is for those who hold more than 200 parking permits. The lessee cannot rent the licence, according to Article 9, but renting the vehicle with the authorisation is allowed if the lessor is the owner of the vehicle or has a lease contract of at least 12 months.

As clarified by the replies of the public authority to the consultation, Paris is the only city in France where a taxi may be used with a double licence. In Paris, there are 1,800 *doublages*, two drivers using the same vehicle.

The licences are maintained only upon payment of a parking tax to the Municipality of Paris. The amount of the tax was set by a 2001 decision to be EUR 0,23 per day for licences which allow only one exit per day, while EUR 0,46 per day for licences which are allowed multiple exits in a day. The self-employed have the right to a rebate over the level of the tax calculated in a maximum of 52 times the day value per year. The tax must be paid on the first of February, May, August and November of each year.³⁰¹

When the number of used licences is below the maximum number, the licence must be assigned to the first applicant on the waiting list who is a lessee or employee of a taxi company but without his own parking permit.

Article 2 of Arrêté interprefectoral 2001 provides that licenses may only be issued to a legal or physical person who is registered in the répertoire des métiers or in the register of commercial activities or companies.

Châtillon, Clamart, Clichy, Colombes, Courbevoie, Fontenay-aux-Roses, La Garenne-Colombes, Gennevilliers, Issy-les-Moulineaux, Levallois-Perret, Malakoff, Montrouge, Nanterre, Neuilly-sur-Seine, Le Plessis-Robinson, Puteaux, Sceaux, Suresnes, Vanves et Villeneuve-la-Garenne, dans le département des Hauts-de-Seine ; Communes d'Aubervilliers, Bagnolet, Bobigny, Le Bourget, La Courneuve, Drancy, Dugny, Épinay-sur-Seine, Gagny, L'Île-Saint-Denis, Les Lilas, Montreuil, Noisy-le-Sec, Pantin, Les Pavillons-sous-Bois, Pierrefitte-sur-Seine, Le Pré Saint-Gervais, Romainville, Rosny-sous-Bois, Saint-Denis, Saint-Ouen, Stains, Villemonble et Villetaneuse, (arrêté du 19 février 1974) "Tremblay-lès-Gonesse pour la partie située sur l'emprise de l'aéroport de Paris", (arrêté du 13 août 1982) "Villepinte, pour la partie constituant le parc des expositions de Paris Nord Villepinte", dans le département de la Seine-Saint-Denis ; Communes d'Alfortville, Arcueil, Bonneuil-sur-Marne, Bry-sur-marne, Cachan, Champigny-sur-Marne, Charenton-le-Pont, Chevilly-Larue, Choisy-le-Roi, Créteil, Fontenay-sous-Bois, Fresnes, Gentilly, L'Haÿ-les-Roses, Ivry-sur-Seine, Joinville-le-Pont, Le Kremlin-Bicêtre, Maisons-Alfort, Nogent-sur-Marne, Orly, Le Perreux-sur-Marne, Rungis, Saint-Mandé, Saint-Maur-des-Fossés, Saint-Maurice, Thiais, Villejuif, Vincennes et Vitry-sur-Seine, dans le département du Val de Marne. (Arrêté du 19 février 1974) "Communes de Mitry-Mory, Le Mesnil-Amelot et Mauregard, pour leur partie située sur l'emprise de l'aéroport de Paris, dans le département de Seine-et-Marne ; Communes de Roissy-en-France, pour la partie située sur l'emprise de l'aéroport de Paris, pour le département du Val-d'Oise".

³⁰⁰ Arrêté n° 2010-00032 du 15 janvier 2010 portant statut des taxis parisiens (RAA et BMO n° 6 du 22/01/2010).

³⁰¹ Arrêté n° 01-17204 du 27 décembre 2001 relatif à la taxe de stationnement des taxis parisiens.

Article 3 requires the applicant to provide a great deal of information including, for legal persons, the articles of association, information about their legal representative, and an extract of the publication in a legal gazette. Where appropriate, the address of its operations centre, the type, number and the registration number of the vehicles, and a copy of employment contracts and of the lease contract offered to the taxi driver. Taxi companies must demonstrate that they have unlimited coverage for third party liability in accidents caused by one of its drivers. The information must be provided for each renewal.

Title 2 covers the qualifications and obligations of the drivers of Parisian taxis. A professional card is required to drive the taxi, which is issued by the Prefect after passing a medical fitness test. The card is withdrawn when the driver has not passed the medical fitness test or when he fails to perform the obligation of attending permanent continuing education courses within the period required by a formal notice.

Conditions of service

With regard to the conditions of the service, the licence issuance requires the holder to put a taxi in service within two months, otherwise the licence is annulled (Article 4 of Decision 2010). More specifically, this requires that the holder of the licence have a vehicle (owned or leased) which is compliant with the technical and fitness requirements (as described below), and for it to be put in circulation within two months or else the licence will be lost.

The licences released after 2010 also include an obligation of minimum service hours, for five years from the date of its issuance. The taxi must perform the service between 5 am and 7 am and between 3 pm and 5 pm.

According to Article 11 of the Decision 2010-00032 as modified in 2013, the licence allows only one "exit" per day³⁰² except for a limited number of categories B and C licences for which 25% of those licences may be authorised to a double exit per day.

With regard to the duration, the driver cannot start the activity before at least six hours have passed between two work-periods. The total duration of the activity over a day must not exceed 11 hours. There may be pauses of a minimum half of an hour for a total duration of no more than 5 hours. The driver must drive the vehicle which has been assigned to him, must be properly dressed, the vehicle's equipment must properly function and correctly displayed, take place in the queue at the taxi place and board the waiting people according to the queue, bring passenger to destination through the fastest route, and stop the vehicle at the passenger's request.

The taxi driver has the right to refuse to bring people to destinations outside Paris departments, Haute Seine, la Seine Saint Denis, Val-de Marne and the airports.

³⁰² Article 11. (modifié par l'arrêté n° 2011-00577 du 20 juillet 2011 et l'arrêté n° 2013-01007 du 17 septembre 2013) - Les autorisations de stationnement ne permettent qu'une seule sortie journalière des taxis. Par dérogation à cette disposition, 25 % du nombre total des autorisations de stationnement des catégories B et C peuvent, après avis de la sous-commission de la commission des taxis et des voitures de petite remise, être exploités avec une double sortie journalière des véhicules concernés. La possibilité d'exploiter en double sortie journalière est autorisée pour les titulaires d'autorisations de stationnement quelle que soit la catégorie à laquelle celles-ci appartiennent.

However, the driver must accept all destinations when boarding passengers at Roissy Charles de Gaulle. Here, the driver has the right to ask for the price indicated on the taximeter plus one waiting hour as arrear when the taxi was retained but not subsequently occupied because the journey was outside the Ile de France (and the taxi must return empty to the base).

The driver may refuse passengers who are manifestly drunk, with dirty clothes, with luggage exceeding the normal size, or with animals except guide dogs. The driver may accept different people going in the same direction and sharing the journey, even if they do not know each other but only if they all agree.

The taximeter must be on when the journey starts. For a pre-booked trip, the driver must switch the taximeter on when they are going to pick up the passenger. The driver must place the taximeter on the payment position when the journey is finished and the price must always be visible. An invoice is mandatory for any price from EUR 25 and above and must be issued in any case if required by the passenger.

Fitness of the vehicle and taximeter

The Chapter 2 of the Arrêté interprefectoral covers the taximeter and other devices. Title 3 covers the technical specifications of the vehicles dimensions, model, examinations and other technical controls in order to get the approval from the Prefecture.

In particular, in order to get approval according to Article 28, vehicles used as taxis in Paris must have:

1. An overall length of at least 4.20 meters;
2. An overall width of at least 1.65 meters;
3. When empty, a height of at least 1.35 meters ;
4. A wheelbase of at least 2.5 meters;
5. A distance from the ground lower than 0.55 meters;
6. At least four side doors; and
7. A minimum volume of the luggage compartment of 400 cubic dm, unless the vehicle has more than five seats and additional seats can be removed or folded to achieve that volume.

In addition to the requirements above, vehicles must also pass the technical inspections of the monitoring station for taxis in the Paris prefecture before being put into circulation. Further, it must be in excellent condition of presentation, safety and hygiene. When the status of the vehicle is considered not suitable, it cannot be put in circulation.

The vehicle, which has passed the technical inspection, will have a mark "CT" with the date of validity of the inspections. If the vehicle fails the inspection, it will be removed from circulation.

With regard to the technical specification of taximeters, they must comply with the national rules on measurement instruments³⁰³ and the verifications of the installation.

³⁰³ Décret n° 2006-447 du 12 avril 2006 relatif à la mise sur le marché et à la mise en service de certains instruments de mesure ; Décret n° 2001-387 du 3 mai 2001 relatif au contrôle des instruments de mesure ; Décret n° 2006-447 du 12 avril 2006 relatif à la mise sur le marché et à la mise en service de certains

The main characteristic of the taximeter is to register a signal per km³⁰⁴ in order to calculate the fare. As clarified by Article 7 of the 2001 Decision,³⁰⁵ the taximeter must be able to calculate the fare of the journey only on the basis of the distance when the vehicle is travelling at a higher speed than the drive gear shift or during the time when it is travelling at lower speed.³⁰⁶

The taximeter's installation and removal must be easy and it must clearly indicate the price. Taxis may only use models approved at the European level (CEE) and at the national level. Both approvals are required.³⁰⁷

Taxi fares

- Street hailing and ranking

The minimum fare for a journey, including increases and supplements, is set at EUR 7. Rates are calculated differently in Paris (where tariffs are increased during peak hours, at night, on Sundays and public holidays) than in the suburbs and the provinces.

For 2016, Parisian taxis may increase their tariffs within the limit of 0.5% compared to 2015 rates.

For 2016, rates are capped at: EUR 3.83 for client's acceptance; EUR 1.05 (or EUR 1.06 for Parisian taxis) of mileage allowance (kilometre price); EUR 35.26 (or EUR 35.43 for Parisian taxis) for the maximum hourly price for the waiting period (in case of booking by the customer) or slow journeys. For taxis in Paris, the beginning of the waiting period is calculated as follows: in the absence of booking, at the moment of the client's acceptance; for immediate bookings, when the customer is informed that the taxi has arrived at the place indicated by the client; for advance bookings, at the time of appointment, and when there is a delay of the taxi, at the time the taxi has arrived at the place of appointment.

instruments de mesure ; Arrêté du 21 août 1980 relatif à la construction, à l'approbation de modèles, à l'installation et à la vérification primitive des taximètres (*Version consolidée août 2001*).

³⁰⁴ 1° Constante k du taximètre. La constante k d'un taximètre est une grandeur caractéristique indiquant la nature et le nombre des signaux que l'instrument doit recevoir pour fournir une indication correspondant à une distance parcourue de 1 kilomètre. Cette constante k est exprimée : a) En "tours par kilomètre" (tr/km), ou b) En "impulsions par kilomètres" (imp/km), si l'information relative à la distance parcourue par le véhicule est introduite dans le taximètre sous la forme d'un nombre de tours de son axe de commande (axe moteur à l'entrée de l'instrument) ou sous la forme de signaux électriques. Selon la construction de l'instrument, la constante k peut être invariable ou réglable graduellement. 2° Coefficient caractéristique w du véhicule. Le coefficient caractéristique w d'un véhicule est une grandeur indiquant l'espèce et le nombre des signaux destinés à l'entraînement du taximètre pour une distance parcourue de 1 kilomètre ; cette grandeur est émise par la pièce correspondante prévue sur le véhicule pour son raccordement au taximètre. Ce coefficient w est exprimé : a) En "tours par kilomètre" (tr/km), ou b) En "impulsions par kilomètres" (imp/km), suivant que l'information relative à la distance parcourue par le véhicule apparaît sous la forme d'un nombre de tours de la pièce commandant le taximètre ou sous la forme de signaux électriques. Ce coefficient varie en fonction de plusieurs facteurs, notamment l'usure et la pression des pneumatiques, la charge du véhicule, les conditions de son déplacement ; il doit être déterminé dans les conditions normales d'essai du véhicule définies à l'article 4 du présent arrêté.

³⁰⁵ Arrêté du 21 août 1980, id.

³⁰⁶ Article 7. - 7.1. Dispositif de mesurage - Dispositif calculeur : 7.1.1. Le taximètre doit être réalisé de telle sorte qu'après sa mise en marche, il calcule et indique le prix de la Page 123 sur 170 course en se basant uniquement : a) Sur la distance parcourue (entraînement sur la base de la distance parcourue) lorsque le véhicule roule à une vitesse supérieure à la vitesse de changement d'entraînement ; b) Sur le temps (entraînement sur la base du temps) lorsque le véhicule roule à une vitesse inférieure à la vitesse de changement d'entraînement ou qu'il est à l'arrêt.

³⁰⁷ Article 10 Arrêté du 21 août 1980 - Les taximètres font l'objet soit d'une approbation nationale de modèle soit d'une approbation C.E.E. de modèle. Dans chacun des cas, il est procédé au dépôt d'un modèle de taximètre.

Surcharges in the kilometre price can be applied in the following cases: night shift (within the limit of 50%); shift that requires an empty return or when serving peripheral areas or areas located outside the geographical scope of the parking permit (up to 100%); shifts performed on snowy or icy roads (up to 50%) provided that special equipment or "winter tires" are used; shifts at peak hours.

The surcharge for the acceptance of a passenger in a port, airport, or train station has been removed. From 1 March 2016, the surcharge for booking a taxi will be fixed, regardless of the distance travelled by the taxi before the passenger's acceptance. For immediate bookings, the tariff will be EUR 4, and for advanced bookings, the tariff will be EUR 7.

The invoice is mandatory only when the price for the journey exceeds EUR 25 VAT included. Below this price, the invoice is issued only upon the passenger's request.

- *Pre-booked fares*

Many companies offer discounts on pre-booked fares at certain hours of the day or during the weekend. Taxi G7 offers discounts to regular users who buy a subscription, a 20% reduction on taxi fares for people between 15 and 25 years old, and between 10pm and 5am on Thursdays, Fridays and Saturdays. The company has launched a website, WeCab, to allow people to connect to share a regular taxi to and from Paris airports and train stations. The customer purchases at a fixed and guaranteed price, up to 3 seats in a taxi that they will share with other passengers. WeCab finds other passengers. If there are no other passengers, the passenger travels alone without any additional fees.

From its launch in 2012, the company had 250,000 orders of shared taxis.

- *Airports*

For the Paris Charles de Gaulle airport, access to the taxi activity is regulated by the Decision 2010-000367.³⁰⁸ As a general rule, Parisian taxis that have authorisation from the Prefect are allowed to serve the airports of the city without any additional authorisation. However, in order to ensure minimum available service in the city, taxis have a limited number of airport exits per day. The taxis that intend to serve Charles de Gaulle must obtain a badge at the airport. At any entrance, they must rank according to the queue.

Only certain taxis under B and C licences are allowed to have more than two exits per day (instead, they may make four exits per day).

The Prefect of the airport police is in charge of the enforcement.

³⁰⁸ Arrêté n° 2010-000367 du 28 mai 2010 réglementant les conditions d'accès des taxis parisiens à la base arrière de distribution de l'aéroport de Paris- Charles de Gaulle (RAA n° 9 du 31 mai 2010).

For the journey between Paris and the airports, a fixed flat fare was introduced in both directions from 1 March 2016. Between Paris right bank and Charles de Gaulle, the tariff is fixed at EUR 50; between Paris left bank and Charles de Gaulle, the fixed maximum fare is EUR 55. Between Paris Orly and Paris right bank, the fixed tariff is EUR 30; between Paris Orly and the Paris left bank, the fixed fare is set at EUR 30.

Since April 2015, taxis have access to lanes reserved for buses on the highways to and from the airports.

IV.2.2 Hire cars with driver (voiture de transport avec chauffeur – VTCs)

The legislation applicable to VTCs in Paris is the same as described at the national level in the France Country Report. In Paris, the Prefect is competent to deliver (i.e. issue) the professional VTC driver card (according to Article R.3122-12 of the Transport Code). The Ile de France region includes almost 70% of all VTC operators and 60% of all VTC drivers. In June 2015 in the Ile de France, 14,948 professional VTC driver cards had been delivered. Of these cards, 3600 were issued in Paris.

The peculiarity of VTC services are primarily focused in the Ile de France area. Outside the Ile de France area, taxi drivers represent 90% of transport drivers in French departments not including a metropolitan area, and 75% of drivers in departments that include a metropolitan area. Thus, transport services in Ile-de France are more diversified and taxi drivers are used 66% of the time for non-scheduled public transport of passengers.

The VTC players are divided into intermediaries (matchmakers) as defined by Article L 3122-1 of the Code of transport, which connect independent drivers affiliated to the company with clients, taking a commission for each ride or a monthly fee where the VTC operators provide the passenger transport service with its own vehicles and employs salaried drivers. The main players of both segments are described in paragraph III.2.

- VTC Fares

As a general principle, VTC operators cannot provide fares calculated by a taximeter. After the decisions of the Constitutional Court in May 2015,³⁰⁹ which lifted the ban on VTCs, large intermediaries proposed fares based on time and distance via GPS. For rides to and from the airports, the fares were fixed.

Uber has both fares based on the time and per kilometre, both for UberX and Uber Berline. For UberX, the fares are calculated:

Fares	Uber X	UberBerline
Pick-up	EUR 1	EUR 5
Per minute	EUR 0,25	EUR 0,55
Per Km	EUR 1	EUR 1,50

³⁰⁹ Décision n° 2015-468/469/472 QPC Société UBER France SAS et autre, 22 mai 2015.

Minimum fare	EUR 5	EUR 15
Cancellation of reservation	EUR 5	EUR 10

Chaffeur Privé

For immediate booking in Zone 3, corresponding to the most external area of the Ile-de France, the fares are the following:

Zone 1	ECO	Berline	Van
Minimum fare	EUR 8	EUR 15	EUR 15
Cancellation			
> 5 min	EUR free	EUR free	EUR free
< 5 min	EUR 10	EUR 10	EUR 10
Waiting time			
> 5 min	EUR free	EUR free	EUR free
< 5 min	EUR 0,45 min	EUR 0,65 min	EUR 0,65 min
Fixed price	Depends from time of the day and distance		
Free price	Pick up EUR 1,1	Pick up EUR 5	Pick up EUR 5
	Per minute EUR 0,28	Per minute EUR 0,43	Per minute EUR 0,43
	Per km EUR 1,10	Per km EUR 1,35	Per km EUR 1,35

Zone 1	ECO	Berline	Van
Minimum fare	EUR 15	EUR 20	EUR 20
Cancellation			
> 30 min	EUR free	EUR free	EUR free
< 30 min	EUR 15	EUR 20	EUR 25 (<60 min)
Waiting time			
> 5 min	EUR free	EUR free	EUR free
< 5 min	EUR 0,45 min	EUR 0,65 min	EUR 0,65 min
Fixed price	Depends from time of the day and distance		
Free price	Pick up EUR 1,1	Pick up EUR 5	Pick up EUR 5
	Per minute EUR 0,28	Per minute EUR 0,43	Per minute EUR 0,43
	Per km EUR 1,10	Per km EUR 1,35	Per km EUR 1,35

For Zone 3, the Paris area, the fares are the following for immediate booking:

Zone 3	ECO	Berline	Van
Minimum fare	EUR 100	EUR 120	EUR 120
Cancellation			
> 5 min	EUR free	EUR free	EUR free
< 5 min	EUR 10	EUR 10	EUR 10
Waiting time			
> 5 min	EUR free	EUR free	EUR free
< 5 min	EUR 25	EUR 30	EUR 30
Fixed price	Depends from time of the day and distance		
Free price	Pick up EUR 1,1	Pick up EUR 5	Pick up EUR 5
	Per minute EUR 0,28	Per minute EUR 0,43	Per minute EUR 0,43
	Per km EUR 1,10	Per km EUR 1,35	Per km EUR 1,35

Advance booking

Zone 3	ECO	Berline	Van
Minimum fare	EUR 100	EUR 120	EUR 150
Cancellation			
> 90 min	EUR free	EUR free	EUR free
< 90 min	EUR 100	EUR 120	EUR 140
Waiting time			
> 5 min	EUR free	EUR free	EUR free
< 5 min	EUR 0,45	EUR 0,65	EUR 0,65
Fixed price	Depends from time of the day and distance		
Free price	Pick up EUR 1,1	Pick up EUR 5	Pick up EUR 5
	Per minute EUR 0,28	Per minute EUR 0,43	Per minute EUR 0,43
	Per km EUR 1,10	Per km EUR 1,35	Per km EUR 1,35

LeCab only adopted fares based on distance to be covered and not time-based. The fare is agreed at the moment of the booking, with 5 minutes of waiting time, and a minimum fare of EUR 8.

Airports

Le Cab offers fixed fares, EUR 37 to and from Paris to Orly and EUR 48 for the journey Paris/Charles de Gaulle, and vice versa independently from the bank. They offer 20 minutes of waiting time, controlled landing, and no surcharge for luggage.

Uber provides the following fares:

Paris City Area	Uber X	Uber Berline	Uber Van
Paris Rive Gauche & Boulogne → Aéroport Paris-Orly	EUR 35	EUR 50	EUR 50
Paris Rive Droite & Neuilly / Levallois ↘ la Défense Aéroport Paris-Le-Bourget	EUR 40	EUR 55	EUR 55
Aéroport Paris-Orly Paris Rive Droite & Neuilly / Levallois / la Défense	EUR 40	EUR 60	EUR 60
Paris Rive Droite & Neuilly / Levallois ↘ la Défense Aéroport Paris-CDG (Roissy)	EUR 45	EUR 70	EUR 70
Paris Rive Gauche & Boulogne → Aéroport Paris-Le-Bourget	EUR 45	EUR 60	EUR 60
Paris Rive Gauche & Boulogne → Aéroport Paris-CDG (Roissy)	EUR 50	EUR 80	EUR 80

Chaffeur Privé:

	ECO	Berline	Van
Paris Sud ↔ Orly	EUR 35	EUR 50	EUR 50
Paris Nord ↔ Orly	EUR 40	EUR 60	EUR 60

Paris Sud ↔ CDG	EUR 45	EUR 70	EUR 70
Paris Nord ↔ CDG	EUR 50	EUR 80	EUR 80

IV.3 Enforcement

The Police Prefecture is the public authority in charge of enforcement and is the authority competent for the taxi licence. In Paris, the Boers, a special police department for taxi infringements, investigates crimes and infringements. In Charles de Gaulle airport, the airport Prefect is the enforcement authority. According to the 2015 Report, the low number of infringements, especially concerning VTCs, is not due to higher compliance, but to the difficulties of detecting infringements. The Paris public prosecutor, in October 2014, has charged the *brigade d'enquête sur le frauds aux technologies d'information (BEFTI)*, which is part of the regional judiciary police, to open a preliminary investigation on the violation of the new Article L. 3124-13 of the Transport Code concerning the illegal organisation by a legal entity of a system of connecting clients with people who perform the transport of passenger of less than 10 people upon payment. This investigation, based on six counts, brought the shutdown of Uberpop and Djump. Against Heetch, the procedures were still ongoing at the end of 2015 and the beginning of 2016.³¹⁰

Table of the infringements ascertained and committed by taxis and transport of passenger in the Paris Prefecture

	First 9 months of 2014	First 9 months 2015	Evolution
Taxis	1351	1153	-14,7%
Municipal taxis	46	14	-69,6%
LOTI (occasional transport)	763	1355	+77,6%
Two wheel transport vehicles	151	144	-4,66%
Drivers and intermediaries	64	134	+109,4%
Illegal work and illegal taxi activity	451 (227)	840 543	+86% 139,2%
Other crimes and contraventions	1258	1271	-3,3%
Total	4586	5776	+25,9%

Source: Préfecture Police – Direction de l'ordre public et de circulation

³¹⁰ Rapport sur l'application de la loi n 2014-1104 du 1er Octobre 2014 relative aux taxis et aux voiture de transport avec chauffeur, Novembre 2015, p. 15-20.

According to the 2015 Report, the new infringements concerning VTCs and introduced by the 2014 Bill represent 45,3% of the infringements and crimes between 1 January 2015 and 30 September 2015 (416 on 919 ascertained infringements). This is the result of changes to the legislation.

The detailed list of types of infringements is reported below:

Type of infringement	Total number	VTC	LOTI	Two-wheels vehicles	Taxis (out of their parking permit area)
Hailing/parking on public road	413	179	171	61	2
Non registration	123	123	NA	NA	NA
Pick up without prior reservation	54	25	16	9	4
Changing the client route to pick up another client	31	15	9	6	1
Circulation on the public street in order to pick up clients	33	11	18	4	0
Bargaining on the street	26	6	13	6	1
Waiting in the airport/station with reservation but more than 1 hour	21	4	8	9	NA
Absence of POS	115	NA	NA	NA	115
Other	101	53	20	9	19

IV.4 New Urban Mobility

Autolib', a company belonging to the Bolloré Group, provides electric vehicles in Paris and Ile de France. It currently has 2500 vehicles (with plans to expand to 3000) in 880 stations. It provides point-to-point free-floating car sharing, which enables one-way journeys with the possibility of returning the vehicle in another point of the city. The fares are charged over time, for each minute after the first 20 minutes.

In 2011, to support the installation of the car sharing service Autolib, the municipality of Paris and the Region Ile-de France allocated an investment of approximately EUR 20-30 million in the company in charge of developing the motor for the vehicle and the cars. During pollution peaks, the Mayor proposed reduced tariffs for public transport, the use of car sharing and also for bike sharing to reduce private car use. The 2015 Municipal plan also proposed a reduced price for Autolib's annual subscription for drivers between 18 and 25 years old who just got their driver's licence, to reduce the interest in buying new cars.

PARIS AGIT CONTRE LA POLLUTION

PARIS ACCOMPAGNE
LES PARISIENS QUI RENONCENT
À LEUR VOITURE INDIVIDUELLE

PLAN POLLUTION
1^{er} JUILLET
C'EST PARTI

ET... OU...

-50% sur l'abonnement Autolib'
+ 50 € de trajets prépayés

un an de Navigo
+ un an de Vélib'

une aide jusqu'à 400 euros
pour l'achat d'un vélo,
électrique ou non

Une aide pour les Parisiens aux véhicules immatriculés :

- avant 2001 pour les diesels
- avant 1997 pour les essences

Source Maire de Paris

<http://www.paris.fr/actualites/lutte-contre-la-pollution-de-l-air-les-mesures-d-accompagnement-sont-lancees-2601>

IV.5 Market analysis

IV.5.1 Taxis

The Prefect decision 2013-01006 of 17 September 2013³¹¹ increased the number of taxis in the Paris area up to 17,636. On July 2015, the number of taxi licences was 19,328. Of

³¹¹ Arrêté n° 2013-01006 du 17 septembre 2013 portant augmentation du nombre de taxis parisiens (BMO – BDO n° 76 du 24/09/2013). Article premier – Le nombre maximum de taxis parisiens autorisés à circuler et à stationner à Paris et dans les communes ayant adhéré au statut des taxis parisiens est porté de 17 357 à 17 636.

these, 31 were new un-transferable licences under the 2014 Bill. At the same date, 23,884 professional cards for taxi drivers were issued.

The 2015 Report³¹² noted that between 1992 and 2004, in the Ile-de France, the number of licences has remained almost unchanged of around 17,000 units. Post-2004, the number increased up to 19,328. The official population of the Ile de France is 12,116,367 inhabitants,³¹³ which means around 1 taxi for every 627 inhabitants. The proportion does not include tourists, including business tourism, or people temporarily in the city.

According to the INSEE, the last official data available was for 2013 year.³¹⁴ With regard to the taxi sector, the Ile de France region covers:

- 49% of the whole French legal units under nomenclature 4932Z (passenger transport by taxi);
- 38% of the French turnover of the sector;
- 45% of the French accounting net results.
- The number of employee of the sector was 7,050.

The INSEE data, however, aggregated both taxis and VTCs under the same definition of a "legal unit". The total yearly average turnover for each legal unit (taxis and VTCs) in the Ile-de France in 2013 was EUR 62,000 while the average accounting net result was EUR 14, 674.

According to INSEE³¹⁵, the Ile de France is the first economic region of France and has a leading position in Europe for meetings and business events³¹⁶. In terms of tourism, including business tourism, Ile de France has a turnover of EUR 39 billion. The beneficial effects have been mainly felt in the air transport, travel agencies, hotels and restaurant industries. The Ile de France airports, Charles de Gaulle and Roissy, are absorbing 57% of the total French air traffic. The economic situation of the Ile de France clearly explains the fact that almost half of the taxis and VTCs in France are concentrated in this area and it is the city that has experienced a development of alternative transport modes both competing with taxis and VTCs, such as peer to peer ridesharing and also short-distance ridesharing.

- Taxi operators

The taxi drivers in Paris are mainly self-employed (individual enterprises) and they hold the professional card, the licence and the vehicle. They also must be registered in the répertoire des métiers or in the register of commercial activities or companies (depending from the thresholds of the revenues). The driver, who holds a professional card and is registered in the répertoire or register, may also lease a vehicle with a licence under a contract of *location-gerance*³¹⁷. It is not possible to rent the licence without the vehicle. In Paris, around 60% of the drivers are "artisans"; around 30% are

³¹² Rapport sur l'application de la loi n 2014-1104 du 1er Octobre 2014 relative aux taxis et aux voiture de transport avec chauffeur, Novembre 2015, p. 15-20.

³¹³ Décret no 2015-1851 du 29 décembre 2015 authentifiant les chiffres des populations de métropole, de la Guadeloupe, de la Guyane, de la Martinique, de La Réunion, de Saint-Barthélemy, de Saint-Martin et de Saint-Pierre-et-Miquelon.

³¹⁴ Rapport sur l'application de la loi n 2014-1104 du 1er Octobre 2014, p. 37.

³¹⁵ Aurélian Catana, CRT Paris Ile-de-France, Jean-Marie Nays, CCI Paris Ile-de-France, Céline Calvier, Cyrille Godonou, Lynda Pichard, Philippe Pottier, Insee Ile-de-France *L'Ile-de-France, première région touristique française*, http://www.insee.fr/fr/themes/document.asp?req_id=20&ref_id=23139.

³¹⁶ See webpage : http://www.entreprises.gouv.fr/files/files/directions_services/etudes-et-statistiques/etudes/tourisme-tourisme-affaires-grand-paris.pdf.

³¹⁷ For further details, Annex III, p.310.

"locataires/locataires-gérants"; around 7% are members of cooperatives and the rest are "salaries" (<5%).

For example, G7 TAXI SERVICE, belonging to the Group G7, holds 763 taxi licences and rents taxi vehicles with full equipment to taxi drivers (vehicle + licence + taxi equipment + insurance), including garage service (maintenance). It is the largest taxi licence renting company in Paris and in France.

In order to simplify the administrative burden for self-employed Parisian taxis operators, in March 2016, the government created an on-line counter, on the website of the *Direction régionale des entreprises, de la concurrence, de la consommation, du travail et de l'emploi* (DIRECCTE) of the Ile-de-France, to help taxi drivers face social security and taxes issues and introduced the possibility to obtain a plan for repayment.

- Dispatch centres

Taxi operators, both self-employed taxi drivers and taxi companies which employ drivers may be affiliated with an intermediary such as a web application in order to be supplied passengers. The Paris market for taxis still seems to be dominated by large dispatch centres, which also own web applications, and with some independent web applications for taxis (called "pure players"). In the largest cities such as Paris, the taxis realise around 50% of their turnover via a dispatch centre. In Paris, around 12,000 taxis are affiliated to traditional (phone booking) dispatch centres. The first three operators in the Parisian area were Taxis G7, Taxis Bleus and Alpha Taxis (Gescop). The first two have a network of partners in the largest cities of France. Each agglomeration has 1-3 matchmaking companies (radio stations) dedicated to taxis.³¹⁸

- **Alpha Taxi** is a cooperative company where the affiliated taxi operators are shareholders of the company. The dispatch centre has 1200 affiliates. They provide dispatching through an application, website and by phone.
- **Taxis Bleus** is a branch of the Group G7 with more than 3,000 affiliates in Paris. The company has a multichannel digital platform (dispatch via web app, phone booking, and an option available for hotels and business centres). The affiliation fee is EUR 360 per month. The company offers additional service, in particular training, quality control, and centralized payments. It also has a taxi company with 760 licenses. The company accepts affiliation only when the driver has obtained a professional card, a licence and it has an approved vehicle. The company provides various services, including personal drivers for clients, high-end segment, low-emission vehicles, and journeys in charge of the social security (CPAM). Certain drivers may also decide to provide services in some areas of the city and not cover the whole Parisian area.
- **Taxi G7**, owned by Group G7, is the largest dispatch centre with 8,000 affiliated in Paris. Since 1990, the company has invested in technology and GPS installation in order to localize the taxis and provide better service. Its taxi application, launched in 2004, was one of the most downloaded (600, 000 downloads through various platforms). The "European Business Award" was awarded to TAXIS G7 in 2011, in the "customer focus" category, chosen amongst 15, 000 participating companies from 30 countries. In 2014 and 2015, TAXIS G7 won the Travellers' Choice® awarded by the TripAdvisor Traveller community in the category Taxi App. In 2014, the company launched **eCab**, a technological platform connecting

³¹⁸ Source, Les Taxi Bleus.

European taxi services in a growing number of European cities. The app, valid in all cities served by eCab, intends to simplify travel for tourists and business travellers, allowing them to order a taxi with the same app in their own city and when travelling. The application is currently available in three languages (French, English, and Dutch). Other languages are foreseen in the upcoming months (German, Italian, Spanish...) and more expansion to incorporate Chinese, Japanese, etc. eCab application allows the customer to choose a vehicle that meets special needs (7 passengers, baby seat, etc.). eCab application offers 3 levels of service, "eCab", "eCab+" and "eCab VIP", allowing for different services depending on consumer's requirements: payment possibilities, priority reservation, selected drivers, high-end sedans & VIP chauffeur service, etc.

G7 Booking is a platform target to business clients that want to book a ride at a fixed price. G7 Booking targets business partners (travel industry, hotels, leisure industry, events...) interested in integrating taxi transfers in their global door-to-door offers.

To meet the requirements of those business partners, G7 Booking is available through affiliation (banner on the partner's website) or through API (direct integration on the partner's website through a standard electronic interface).

- *Taxi web applications*

Taxis may be booked also via web application. As indicated above, the largest player, Taxi G7, has developed the eCab platform to order a taxi. There are other web applications for taxis, such as Taxiloc, Montaxi, and international applications such as MyTaxi. It is important to recall that also in Paris, the pilot project linked to the single registry for taxis, the national platform LeTaxi, is under testing. This platform aggregates all the web applications, both those belonging to dispatch centres and those belonging to software companies not active in the transport services (called pure players). The purpose of the platform is to be a "federation" of web applications without being a web application in itself.

The passenger uses the application that it prefers and the taxi driver who is "visible" in the registry, and who is the closest to the passenger, will be put in the position to pick up the passenger. The results of the testing are not available yet.

IV.5.2 Hire cars with driver (Voiture de transport avec chauffeur – VTCs)

- *VTC Operators*

As for the VTC sector, operators are divided into two categories: self-employed VTC drivers who drive their own car (owned or leased), and VTC operators that own the vehicles and employ the drivers. The second model is not very developed, only the company **LeCab** owns the fleet and rents the vehicles to the drivers. LeCab, founded in 2012, is the largest VTC operator in France with around 1,000 vehicles in the Parisian Region. It is estimated that its drivers earn around EUR 6,000 per months³¹⁹. The company also partnered with Peugeot which provides LeCab luxury "made in France" vehicles for its fleet. The company also provides various services, including a web platform to book taxis and/or VTCs, private jet bookings (in partnership with PrivateFly) and priority accounts for business clients (with payments every 30 days upon invoice)³²⁰. During their journey, the customers are provided with various comforts including Ipad, free Wi-Fi, magazines, and soft drinks. The price is fixed and calculated according to the

³¹⁹ Information from the press.

³²⁰ <https://en.lecab.fr/press-chauffeur-service.html>.

distance to be covered and is not time-based. The company has recently opened a maintenance centre in the former Peugeot factory to provide the maintenance service for the fleet.

Another VTC operator, **Chabé Limousine**, is present in all French territories including Paris. It has placed itself in the high-end segment, providing business and luxury transport services that includes more personalization, transport to luxury hotels, destinations and events³²¹. It also has an accredited academy for VTC drivers' training and relations with business clients.

- *VTC intermediaries*

The companies active in this segment including **Uber, Allocab, Chauffeur Privé**,³²² offer various kinds of services, from occasional pre-booked rides for airport or the city, to business services for companies and hotels through business and priority accounts. Companies pay a monthly fee for priority when the car is reserved for a client, and they pay monthly fees upon invoice. This service is a legacy of the activity of *voiture de grand remise* from where the VTC service was originated.

Uber launched in Paris in 2011 offering several options and providing riders with choices to meet their service tier and cost preferences. UberBERLINE was the original Uber option and provides luxury ride with professionally licensed VTC drivers. In 2013, the low cost VTC option UberX was launched. Moreover, Uber offers UberVAN, a platform for groups and families allowing up to seven people to share a single vehicle. The service UberPop with non-professional drivers was suspended in July 2015 following protests and subsequently shut down at the end of 2015 due to the Constitutional court ruling.

IV.5.3 Ridesharing

There is no available data on the market position of the ridesharing operators. Due to the lack of a specific definition in the legislation, they are included in the market of non-scheduled public transport of passengers.

The main players in Paris are:

- **Heetch** is a mobile application, available in Paris, Lyon, Lille intended to help individuals to share rides at night. Available only at night, from 8pm to 6am, Heetch helps absorb high demand during peak periods when the supply of traditional mobility services is not enough (taxi, public transportation network, etc.). It is mainly used by party-goers (75% of the rides are made on Thursday, Friday or Saturday nights). Heetch doesn't fix a ride price. Heetch proposes a donation suggestion calculated on previous donations made by Heetch passengers on similar rides (time/distance). The passenger is free to respect, or not, this suggestion (he can choose to give more, less or nothing). On average, the donation is around EUR 12. Over the donation, the company keeps the 15% to cover the EUR 2 million insurance provided by the company as additional insurance to the third party liability insurance of the owner of the vehicle. Heetch drivers do not earn money through the platform; they just earn enough to cover their annual car costs (insurance, gas, maintenance, etc.). To prevent any excess, Heetch does not allow its drivers to get new rides when they have already made

³²¹ <http://www.chabe.fr/en/agence/chabe-paris>.

³²² Please see the description in Annex III, page 329.

EUR 6000 a year, (since this is the average annual car cost according to l'Automobile Club de France). The average drivers are receiving EUR 1850 as costs sharing per year. Data published on the website declared more than 150,000 active users and 50,000 journeys per week in Paris mainly concentrated in the suburbs (*banlieu*).

- **Citygoo** is an application for ridesharing in the Ile-de France used especially to move between suburbs, connecting private drivers with passengers. The passenger posts a request for a journey and he receives real-time replies from available drivers. The price is fixed in advance and the passenger may make an offer below the proposed initial price and not above. The application uses geolocalisation, which follow the arrival of the driver, and payments, are made online. The payment is credited at the acceptance of the ride and the ride is performed if the payment has been accepted by the credit card or by the bank. Citygoo keeps the 8,75% of the price paid plus TVA.
- **WeCab** can be included in ridesharing players since it is a platform that matches passenger arriving or going to the same airport/station at the same time to share a regular taxi in order to reduce the costs. The seats are sold at fixed price, based on benchmarks + our current purchasing price (meter price). The company buys taxi trips at the meter price and to sell package including taxi trips to the customers. Profits and margins arise only if the company is able to match at least three passengers.³²³

Recently, a short distance ridesharing operator named Sharette, which provided pooled journeys between the suburbs and the centre of Paris in cooperation with RATP, closed due to costs and difficulties in reaching a critical mass of users.³²⁴ Their platform was born to offer its service mainly to students in university campuses and commuters from the agglomeration outside Paris or enterprises. The costs for the ride was fixed and not based on distance: the price was fixed at EUR 2,36 for any journey independently from the travelled distance. EUR 2 were paid to the driver and EUR 0,36 were kept by the platform to remunerate its service. The prices were based on the calculation of the French Financial Directorate, which estimates that the cost of a journey by car for each 20 km is 2 EUR.

The Sharette experience seems to confirm, as noted by two respondents to the stakeholder consultations, that short distance "genuine" ridesharing is difficult to develop, since the financial incentives are too small compared to the inconvenience that may arise from sharing the journey such as waiting for passengers. Conversely, experiences such as Heetch, focused on a specific segment of passengers and working in areas and hours which traditionally lack public transport and taxis (so-called *zones urbaines sensibles*³²⁵) seems to be more successful. In fact, the company experienced rapid growth after their launch in the range of 20-30% of monthly growth and it had planned to extend its activity in other countries, such as Poland and Turkey. Similarly, WeCab foresees growth in the next year of around 25%.

³²³ WeCab reply to the stakeholder consultation.

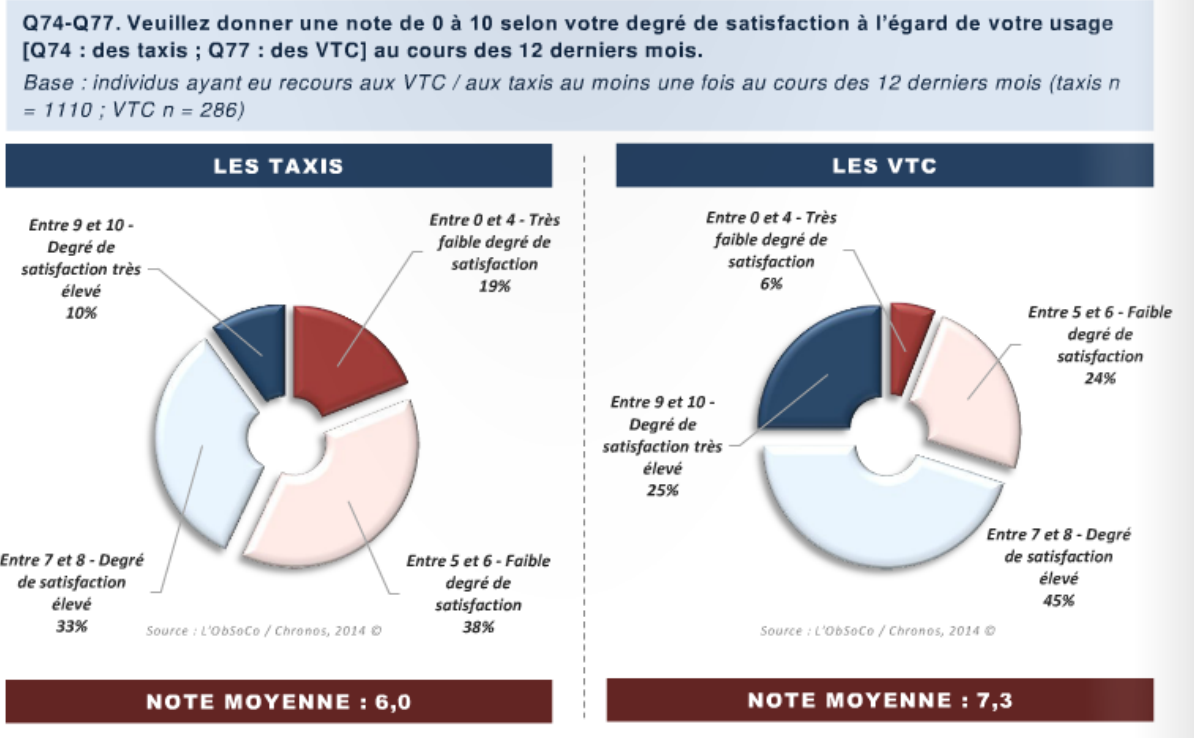
³²⁴ <http://www.connexiontt.com/covoiturage-sharette-ferme-ses-portes/>.

³²⁵ Décret n°96-1156 du 26 décembre 1996 fixant la liste des zones urbaines sensibles, Version consolidée au 04 mai 2016 <https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000747046><https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000747046>.

IV.6 Users' satisfaction

A 2014 Survey carried out by the Regional Tourism Office of Ile-de France concluded that the level of satisfaction of the tourists on taxi service was good, in terms of the quality of the service and the attention to the client. In particular, the qualitative requirements, including the ability of the driver to speak clear and proper English, the cleanliness of the vehicles, and the courtesy of the driver increased compared to 2013. However, the lack of electronic payment devices, accessibility and the proactivity (helping the passenger with luggage) were still unsatisfactory.³²⁶The Rapport to the 2014 Bill indicated that the users' low satisfaction was mainly linked to the need to pay for the approaching ride in the case of pre-booking, the absence of flat fares for the airports and the inability to pay with credit cards.³²⁷ Among the reasons for complaints, fares were not one of them. According to the data from European Urban Audit and from UBS, Paris is not among the most expensive EU cities with average fares in Paris of around EUR 11,20.

A December 2014 Survey of real users in Paris, i.e. people having used VTC and taxis in the preceding 12 months by Obsoco (Observatoire société et consommation) together with Chronos, provided that users are more satisfied with VTCs than taxis. However, the Study clarified that the VTC users only represent 7% of the population while the taxi users represent 28% of the population. However, VTC users are recurring users, while taxi users only use it occasionally. According to Obsoco, the reason may be because the users were satisfied about the quality of the service, or because the taxis' "big users" have moved towards VTC.



³²⁶ Source :GMV Conseil pour le CRT Paris Ile de France : dispositif de visites mystère mené en 2014 – 96 visites mystère effectuées.

³²⁷ Mission de concertation Taxis - VTC conduite par Thomas Thévenoud, UN TAXI POUR L'AVENIR DES EMPLOIS POUR LA France, Avril 2014, p. 5. Available at : <http://www.ladocumentationfrancaise.fr/var/storage/rapports-publics/144000239.pdf>

Q76. Quelles sont les deux principales raisons qui vous ont motivé à utiliser les VTC ?

Base : individus ayant eu recours aux VTC au moins une fois au cours des 12 derniers mois (n = 286)



Source : L'ObsCo / Chronos, 2014 ©

Source Obsosco –Chronos, December 2014:

https://issuu.com/chronos_issuu/docs/observatoiremobilitesemergentes_do_6f0cd46874f166

In the context of users' satisfaction, an important aspect is the transport of people with reduced mobility. The French Guide Dog Schools Federation, in responding to the consultation, noted that, while the legislation obliges the taxi driver to accept guide dogs, in many cases the people in need had to explain to the taxi driver the reasons he/she had a dog and in some cases they were refused. On the contrary, while using VTCs, it seems that there were fewer refusals. In September 2015, a convention was signed between the association and the National Taxi Union where two hours were dedicated to visually impaired people and guide dogs in the vocational training.

III.7 Market conditions and development

The Parisian point-to-point transport has experienced rapid development in recent years.

Taxis are still subject to a limited number and no particular improvement resulted from the 2014 Bill. Since the 2014 Bill passed, only 31 new free licences were issued in Paris, while the pending applications were 46,871 as of 1 July 2015.³²⁸

The secondary market of licences still presents a barrier to entry due to the price of the licence: the average trading price in Paris is around EUR 240,000, the second highest in France after Nice, creating a scarcity value, as defined by the Attali Report.³²⁹ The need to invest this large amount of money represents a fixed cost, which requires a lot of time to be amortized. Drivers that cannot afford to buy a licence rent it from companies which own the licence, paying between EUR 2,500- 4,000 a month for renting the car with the licence. These inflated prices may contribute to reduce the number of drivers and taxis. The Rapport to the 2014 Bill recognized that certain legislative elements prevent the

³²⁸ <http://www.prefecturedepolice.interieur.gouv.fr/Demarches/Professionnel/Transports/Taxis-parisiens>.

³²⁹ Rapport de la Commission pour la libération de la croissance française, id.

development of better quality service and more jobs, especially the empty trips and the blind-luck search for street hails.³³⁰

The VTC service, on the contrary, has seen a surge of 110% of the number of the players until 2014. Large companies providing a reliable alternative to taxi service have entered the market, creating strong competition especially in the pre-booked segment and in the airport journeys. Drivers seemed attracted to the VTC sector since they are able to exercise a profession similar to taxis with lower entry requirements and without having to buy a taxi licence. For self-employed VTC drivers, the main upfront investment is related to the price of the vehicle and to the guarantee to be provided (EUR 1,500). This investment, however, is significantly lower than the price of a taxi licence and considering the earnings are similar, it may explain the surge and the development of VTC service in Paris. For a Parisian VTC driver, earnings are between EUR 2,500 and EUR 6,000 a month. While the VTC may only operate in the pre-booked segment, the large use of technological development has allowed operators and VTC intermediary to organize the rides in a way that may reduce empty vehicle times.

The extremely competitive Paris environment for the pre-booked segment is clear when looking at fares and discounts. Uber's entrance on the market has brought other companies, including taxi dispatch centres, to reduce prices without any concertation with taxi drivers, which gave rise to protests among taxi and VTC drivers. In October 2015, on the contrary, Uber announced the reduction of 20% fares for its VTC service UberX during week-end and nights, in order to compete with the G7 Night tariffs for people younger than 25 years, in order to attract young customers. The segment of young weekend (point-to-point) transport users is also experiencing the aggressive competition of Heetch, the only French P2P urban ridesharing services, mainly dedicated to suburban riders. The ZUS zones are an interesting catchment area also for VTCs: the fares offered by Chaffeur Privé for suburban areas are definitely lower than those for the Paris area or the same in case of first-tier service.

VTC maximum fares for the first tier service (UberX, le Chaffeur Privé ECO) calculated per time and meters, plus the pick-up fee, are similar to the maximum fares for taxis. Also VTCs include a minimum price for the journey which is EUR 2 lower than taxis (EUR 5 for VTCs compared to EUR 7 for taxis). However, VTCs include a fee for reservation cancellations (but in some cases cancellation is free if made 30 minutes in advance) which may be dissuasive for passengers.

For airports, taxis' flat fixed fares imposed in March 2016 and the flat VTC fares, for the first tier service (UberX, ECO of Chaffeur Privé) are aligned and in some cases, slightly lower than the taxi fares, which put the VTCs and the taxis in direct competition on this segment. With aligned supply prices, the preferences of the passengers are defined by other criteria, such as the quality of the service.

A survey carried out by Les Taxis Bleu in August 2015 confirmed that a massive substitution is under way. Half of the VTC users are high-income persons living in the Ile-de France. For them, taxis would be the alternative in the case of non-availability of the VTC service. On the contrary, according to the survey, taxi users seem more variegated and belonging to different social classes. The majority are also occasional users. The results of the Obsoco survey went in the same direction, confirming that the VTC service was eroding market share from the taxis. As already explained above, the reason may be

³³⁰ Mission de concertation Taxis - VTC conduite par Thomas Thévenoud, id.

because the users were satisfied about the quality of the service, or because the taxis' "big users" have moved towards VTC.

Interestingly, Wecab, the application to share a taxi with other people to and from Paris airports and train stations, in replying to the consultation, affirmed that the 89% of the users of the service are not taxi users. They mainly are young people or people that cannot afford the full-price of a taxi. Therefore, this service is more in competition with regular urban public transport.

Despite remaining barriers to entry and the new qualitative regulation applicable to VTCs, recent INSEE data from the end of 2015, concerning the employment in the Ile de France, have shown an increase of the employment and the creation of micro-enterprises, including in the transport sector, as effect, among others, of the 2014 Bill:

*« Les dispositions réglementaires adoptées fin 2014 (loi n° 2014-1104 du 1er octobre 2014 relative aux taxis et aux voitures de transport avec chauffeur) et mi-2015 (disposition instituant la libéralisation du transport par autocar inscrite dans la loi n° 2015-990 du 6 août 2015 pour la croissance, l'activité et l'égalité des chances économiques, aussi appelée Loi Macron) ont probablement encore un impact très positif pour les créations d'entreprises dans le secteur des transports ».*³³¹

IV.8 Conclusions

The Parisian point-to-point transportation market is still adapting to the changes introduced by the new legislation. For taxis, the 2014 Bill does not seem to have brought the expected impact, since only 31 new free licences were released in Paris and the market still seems undersupplied. The most important novelty for users is the fixed flat fares to and from Paris airports. The national platform testing for taxis is still ongoing and results on the users' satisfaction are not available yet.

For the VTC sector, new requirements imposed by the 2014 Bill seem to have had a major impact. In particular, the new qualitative requirements – including the need to pass a test in place of the former vocational training, the increased police enforcement to detect infringements (especially those concerning drivers without the VTC professional card), and discussions about the use of geolocalisation – will probably slow down the growth of the sector. Market players, both in the taxi and VTC sectors, have invested significant amounts in new technologies and services with the aim to both improve the quality of service and to realise economies of scale. With regard to ridesharing, it seems that the only players that were able to survive in urban areas are those with a specific focus on a particular segment of clients, in particular, those that are neither taxi nor VTC users, and those focussing on certain undersupplied suburban areas.

³³¹ http://www.insee.fr/fr/themes/document.asp?reg_id=20 Denis Rabadeux, Insee Ile-de-France ; Athémane Dahmouh, Direccte Rédaction achevée le 14 avril 2016.

V. ROME CASE STUDY

V.1 Introduction

In Rome and in Italy, taxis and hire cars with driver ("*noleggjo auto con conducente*", hereinafter "NCCs") are both non-scheduled public passenger transport services (hereinafter, "non-scheduled PSTs"), according to the Italian legislation.³³²

The definition of services is provided under Framework Law 21/1992,³³³ which lays out the obligation to provide taxi services.³³⁴ Together with Decree Law n.422 of 19 November 1997, the Framework Law also delineates the ambit of regional and municipal competencies.³³⁵ More specifically, Article 5 of the Framework Law 21/92 establishes that the Municipalities can set the requirements for non-scheduled PSTs, the modalities to carry out the service, the criteria to determine the tariffs for taxi service, the requisites and the conditions for the delivery of the licence for taxi service, and the authorisation for the exercise of the NCC service.³³⁶

At the local level, the Lazio Regional law n. 58 of 1993 - as subsequently amended - laid down the criteria based on which Municipalities draft regulations on non-scheduled PSTs, as well as administrative sanctions.³³⁷

Based on national and regional legislation, the Rome Municipality adopted the first Municipal Regulation on non-scheduled PSTs n. 214 of 12/13 November 1998, "*Testo Unico del Regolamento Capitolino per la disciplina di servizi pubblici non di linea*" ("*Regolamento Capitolino*").³³⁸ The last version of the regulation was adopted in 2011.

Article 2 of the *Regolamento Capitolino* defines "*taxis and NCCs as services for the transport of individuals or groups of persons up to 8 persons. Such services have a complementary and integrative function to the scheduled PSTs*". Article 3 of the *Regolamento Capitolino* provides that these services have a subsidiary and integrative role with respect to scheduled services.

Obligations that the taxi and NCC operators shall abide by are set under Law No. 58/1993 and under Articles from 34 to 39 of the *Regolamento Capitolino*, which deal with the enforcement aspects at the local level. In addition, as will be seen *infra*, "service charters" are required.

³³² Italian OJ No. 18 of 23 January 1992. Law No. 21/1992 was amended by Decree-Law No. 207 of 30 December 2008 (Italian OJ No. 304 of 31 December 2008), converted into law, after amendment by Law No. 14 of 27 February 2009 (ordinary supplement to the Italian OJ No. 49 of 28 February 2009).

³³³ Article 1 of Framework Law 21/1992.

³³⁴ Article 2 of Framework Law 21/1992.

³³⁵ More specifically, Article 2(1) of the Framework Law No 21/1992 points out that "the taxi service aims to satisfy requirements of individual or small groups transport service; it is addressed to an undifferentiated consumers; parking of taxis is located in a public place; fares are fixed by competent administrative authorities that also decide public service conditions; the collection of the user or the beginning of the service takes place within the municipal or district area" (emphasis added). The author provides the courtesy translation. Article 2(2) further provides that: "within municipal or district areas [...], the supply of the taxi service is mandatory. Regions impose specific administrative penalties to fine the infringement of such obligation" (emphasis added).

³³⁶ Reply of the *Agenzia per la Mobilità* to the stakeholder consultation.

³³⁷ Reply of the *Agenzia per la Mobilità* to the stakeholder consultation.

³³⁸ <http://www.agenzia.roma.it/documenti/normative/167.pdf>.

V.2 Regulatory and Administrative Framework

V.2.1 Taxis

The *Regolamento Capitolino* lays down the procedures for issuing the licences for taxi services. The Municipality of Rome is the authority entitled to issue licences to operate taxi services (and the authorisation for operating HVDS).³³⁹

Article 2 of the DCP 213/2003 states that the Municipality of Rome takes into consideration the following elements in order to establish the number of licences (and authorisations) to be awarded:

- the resident population;
- the flows of users from / to mobility poles;
- the presence / the absence of Scheduled PTSs;
- the presence / the absence work-poles and hospitals;
- tourism flows;
- the demand for local mobility.

The Municipality of Rome requires the possession of the following conditions:

- to be enrolled in the Regional Register;
- to own or lease the vehicle;
- to comply with the medical fitness requirements;
- to not having transferred any licence in the previous five years;
- to not having obtained a licence in another Municipality.³⁴⁰

The candidate must have passed the exam organised according to Regional Law 58/1993, as subsequently modified. The exam is aimed at verifying the candidate's knowledge of various topics, including the applicable regulation, the contacts, principles of first aid, and other aspects of PST services, is organised in written form, and contains multiple choice questions (100 for each topic) which are updated every three years.³⁴¹

As required under Article 10 of the *Regolamento Capitolino*, new taxi licences must be awarded by the Municipality of Rome after the launch of a public tender procedure. This launch must occur within 150 days from the date when the Municipality deliberation (that provides for a determination of the fleet or for an increase in the number of vehicles) becomes operative.³⁴² The public tender procedure must contain the number of licences which need to be granted; the requirements for the admission at the public tender procedures; the qualitative requirements for issuing the licence; the deadline by which the application must be submitted, the modalities through which it must be submitted and the documents required, the titles that will be evaluated for the formation of the list - in addition to those already under Article 8 paragraph 4 of Law No.

³³⁹ Reply of the *Agenzia per la Mobilità* to the stakeholder consultation.

³⁴⁰ Article 9 of the *Regolamento Capitolino*.

³⁴¹ For an example of the questions, see:

http://www.provincia.roma.it/sites/default/files/1222_20060803AvvPubbElenco_Quiz_esami_Regione_Lazio.pdf.

³⁴² No increase has occurred since the Veltroni legislature (*i.e.* 2000), contrary to the reply of one private stakeholder to the consultation.

21/1992³⁴³ - and their relative score; the closing date of the competition procedure; the reference to the provisions of these Regulations relating to the validity and use of ranking; and any examination subjects.³⁴⁴

The application must be submitted to the authorities in a simple letter; it must contain date and place of birth, citizenship and residence of the applicant.³⁴⁵

The competent office must verify that the application is in conformity with the abovementioned requirements and draw up the list of applicants who are allowed to submit a bid in the public procedure,³⁴⁶ as well as those which are excluded. More specifically, with a deliberation of the Municipality Council, a Commission is composed of three members. Such Commission drafts the list of admitted candidates and submits it to the Municipality Council for its approval.³⁴⁷ This list has three-year duration from its approval date, and when places become available, they have to be assigned to the people in the list according to the provided order.³⁴⁸ Article 9(2) of the *Regolamento Capitolino* provides that the licence grants to the holder the ability to provide the service across all national territories and in the event there is such an agreement, other Member States where national regulations so allow.³⁴⁹

The licences can be issued only to physical individuals (which are owners or have the licence in leasing). Once a licence is assigned, the individual who is the licence holder is prohibited from cumulating more than one taxi licence.³⁵⁰ The Italian courts have held that such prohibition applies to individuals that operate the taxi service both individually or in affiliated form as provided for under Article 7 of Law No 21/1992.³⁵¹

Under Article 7(2) of the *Regolamento Capitolino*, taxi licences may not be cumulated with NCC authorisations, except if the vehicle through which the service is provided is a boat.³⁵²

Taxi licenses do not have an expiration date. However, every five years, the competent Municipality office must validate them, subject to verifying that the requirements in the *Regolamento Capitolino* and the relevant legislation are met. In addition, for such validation to take place, all pecuniary sanctions imposed by the competent Municipality office must have been paid.

Airports

Fiumicino and Ciampino airports are not a separate market, no additional licence or authorisation is required. The airports are also served by taxis licensed by other

³⁴³ Namely, having exercised the taxi service as a substitute to the holder of the license for a total period of time of at least six months, or as an employee of an NCC operator for the same period constitutes a preferential title to obtain the licence for the exercise of taxi services or the authorisation to provide an NCC.

³⁴⁴ Article 12 of the "*Regolamento Capitolino*".

³⁴⁵ Article 13(1) of the "*Regolamento Capitolino*".

³⁴⁶ Article 13 (4) of the "*Regolamento Capitolino*".

³⁴⁷ Reply of the Agenzia per la Mobilità to the stakeholder consultation.

³⁴⁸ Reply of the Agenzia per la Mobilità to the stakeholder consultation.

³⁴⁹ Article 14 of the "*Regolamento Capitolino*".

³⁵⁰ Article 8(2) of Framework Law No 21/1992.

³⁵¹ See, for further details, Annex III, national country report.

³⁵² See, for the Municipality level, Article 7(2) of the "*Regolamento Capitolino*".

municipalities, such as Fiumicino and Ciampino. Article 5-bis, comma 2, of Regional Law 58/1993 (added to such law by a provision adopted at the end of 2015) confers to the Municipalities bordering the ports and airports the competence to regulate the provision of taxi and NCC services by common agreement, and fixes a deadline of 31 May 2016 to find an agreement to do so.^[2] For the Rome airports, the operative competences are held by Aeroporti di Roma and ENAC, the Italian National Airport Regulator, tasked by law with regulating how these services operate.³⁵³

Fiumicino: For the arrivals, while taxis licenced by Rome and Fiumicino can use the primary viability areas (called "*Zone a Traffico Limitato*", ZtL) when dropping by a passenger, the other taxis must register in the website of Rome Airports within 14 days from the entry into these areas. Concerning departures, a distinction is made between taxis licenced by Rome and Fiumicino and other Municipalities. Only the former can avail of the ZtL, while the others must pick passengers up in certain areas reserved to private parking.

Conditions of service

Under Article 17 of the *Regolamento Capitolino*, the licence holder is obliged to start the service within 40 days from the date when the decision that the licence has been granted is communicated.³⁵⁴ Such period may be extended in the case of force majeure.

The holder of the licence may ask to temporarily be replaced by a taxi driver who meets the requirements due to the licence holder's sickness, holiday, temporary suspension of driver's licence, or when the taxi driver has accepted a permanent position with a trade union.³⁵⁵

Article 20(2) lays down the procedural requirements. More specifically, it provides that when there is a temporary replacement driver, the licence holder must present to the competent office the following:

- the reason of the temporary replacement;
- the duration of the temporary replacement;
- the name of the substitute;
- the number of enrolment in the register;
- the documentation required under Article 10 of the *Regolamento Capitolino*;³⁵⁶ and
- the documentation concerning what type of employment is in place with the substitute driver.³⁵⁷

There is no obligation to be affiliated with a dispatch centre. However, the taxis waiting on the street for passengers must be parked in the designated parking area, where there are also call booths. The taxi drivers must rank by the order of arrival (i.e. first taxi in line), and the users must use the first taxi in ranking (first in, first out). However,

³⁵³ Interview with *Aeroporti di Roma*, 1 September 2016.

³⁵⁴ Article 17 of "*Regolamento Capitolino*".

³⁵⁵ Article 10 of Law No. 21/1992

³⁵⁶ The certification proving the medical fitness of the driver issued by a doctor; and the certification issued by the RSPP proving the participation to the annual courses.

³⁵⁷ This can be either an employee contract for a determined period of time, or a management contract registered with the *Agenzia per le entrate*, but which cannot last longer than 6 months.

customers may choose the taxi considering the additional services offered by the taxi driver (i.e. fax, telephone, etc.) and independently of such order.³⁵⁸

If the taxi has been pre-booked from a radio taxi or from an app, it may leave the taxi rank to perform such a service.³⁵⁹

Taxis can be hailed regardless of whether they are in a taxi stand.³⁶⁰ Customers hailing taxis may be refused when the stationing area is less 100 meters away and there are cabs available in the rank.³⁶¹

The taxi must perform a minimum daily service of six hours but it is possible to work more. However, the authorities may impose additional service obligations for major events.³⁶² The Capitoline Administration must provide, in the case of major events, different routes ensuring the access for taxi drivers and for carriers to the places where such events are held³⁶³ that is compatible with public interest.

Article 6 of the *Regolamento Capitolino* recalls the possibility for taxi licence holders to exercise their activity on the basis of the legal forms indicated under Article 7 of the Framework Law, including cooperative companies.

It is possible for the associated forms of collaboration to be granted the licence by the licence holder (which manages the activity from an economic standpoint) but the individuals still remain licence holders. Other than that, taxi licences cannot be held by legal persons.³⁶⁴

Transferability of the licence

The *Regolamento Capitolino* integrates the national legislation on transferability, specifying the procedure applicable in Rome for the transfer of the licence for consideration. Under Article 19 of the *Regolamento Capitolino*, it is possible to transfer the licence as part of the sale/transfer of a company branch, provided that the transferee is in possession of the requisites required by the law.

In the case of a transfer for consideration, the Municipality must approve the transfer. In the case of a transfer to heirs as part of an estate the transfer can be done if the heir possesses the requisites to exercise the service within two years from the death of the transferor.³⁶⁵

Fitness of the vehicle and taximeter

³⁵⁸ Article 28(2) of the "*Regolamento Capitolino*".

³⁵⁹ Article 28(1) of the "*Regolamento Capitolino*".

³⁶⁰ Article 28(4) of the "*Regolamento Capitolino*".

³⁶¹ Article 28(5) of the "*Regolamento Capitolino*".

³⁶² See Article 32(4) of the "*Regolamento Capitolino*".

³⁶³ See Article 32(5) *id.*

³⁶⁴ Article 6(3) of the "*Regolamento Capitolino*".

³⁶⁵ Article 19(3) of the "*Regolamento Capitolino*".

Law No 21/1992 has uniformed and harmonized taxicabs' characteristics, especially those that refer to taxi signs and badges that increase the taxicab's visibility such as colour, lighting or parking position. Article 12(3) of Law No 21/1992 provides that "vehicles used as a taxicab shall have on their roof an illuminated sign bearing the word «taxi»". Furthermore, as required under Article 12(4) of Law No 21/1992, "each taxicab shall have a serial number and a registration plate with the words in black «public service»." As regards the colour of taxicabs, Article 1 of the Decree of 19.11.1992,³⁶⁶ concerning "the identification of the uniform colour for all taxicabs", imposes that "the external colour of all taxicabs [...] shall be white, with a minimum luminance factor of 0,34."

Article 21 of the "Regolamento Capitolino" provides that, the vehicle must have the following requirements:

- it must be equipped with a luggage compartment able to carry things or pets for the user even with the installation of racks outside the car;
- it must contain no less than 4 and not more than 8 seats for the passengers;
- it must comply with local regulations regarding pollution.

In addition to the general prescription set out under Article 21, with regard to the colour of the vehicle, Article 22(c) of the "Regolamento Capitolino" makes reference to the need for the vehicle to comply with the criteria set at the national level by the abovementioned Decree of the Ministry of Transport, for vehicles registered after 31 December 1992. With regard to wheelchair accessible taxis, Article 30 of the "Regolamento Capitolino" states that, it must be clearly marked with a taxi sign that shows the sign of accessibility.³⁶⁷ The Municipality Council may establish a minimum percentage of wheelchair accessible vehicles and a financial contribution to equip this type of vehicle. It is possible for wheelchair accessible taxis to be exempted from their minimum service obligations.³⁶⁸

As required under Article 22 of the "Regolamento Capitolino", the vehicle must be marked with a taxi sign showing the word "Taxi", which must emit a light while on duty. The vehicle must display on the front doors the licence number, the emblem, the name of the Municipality and, if available, the connection with a radio taxi;³⁶⁹ it must display inside the left door, a plate with the municipal licence number.

Article 22(g) specifies that at the rear of the vehicle, a white plate bearing the coat of arms of Roma Capitale, the licence number and a registration plate with the words in black «public service».

Article 21 of the "Regolamento Capitolino" states that all vehicles operating taxi services must be provided with all the devices required by the legislation regulating road traffic. Taximeters must comply with the national rules and with Article 24 of the "Regolamento Capitolino". According to Article 24(3), the taximeter must be placed inside the vehicle in a visible location for both the user and the taxi driver. It must undergo technical verification by a technician (conformity in terms of data, location and calibration) and,

³⁶⁶ The Decree was published on 19 November 1992 by the Italian Minister of Transport.

³⁶⁷ Established by Article 12 of the Presidential Decree Jul 24th 1996, n. 503.

³⁶⁸ See Article 30 (5) and (6) of the "Regolamento Capitolino".

³⁶⁹ Article 22 of the "Regolamento Capitolino".

once such verification is completed, the taximeter is placed under official seal and a declaration of conformity is granted.³⁷⁰

The taximeter must be turned on once the ride starts, and must be turned off as soon as the vehicle has reached the user's desired destination or when the user cancels the ride (except for in the case of a predetermined fare, when the taximeter must not be activated).³⁷¹ In addition, it must indicate any supplement.³⁷² The Capitoline administration may carry out technical inspections; in particular, to ensure that the taximeter is functioning well.³⁷³

The tariffs must be made clearly visible in the rear of the front seat, alongside the transport conditions and the rules of drivers' conduct set by the Capitoline administration, which must also be displayed, on top of Italian, also in the two major foreign languages. The number of the licences must be shown in the exterior of the car in a white plate with the black writing "public service", and for cooperatives of work and production, also the name of the cooperative must be foreseen. Specific rules for taxi tariff display in several languages are provided for under Article 22(h) when the taxi is in proximity to hotels, or inside ports, train stations and airports, also being a warning that services other than the authorised ones should not be relied on. Discounts (if applicable) must be advertised by a sticker on the outside part of the vehicle (see Article 22(f)).

Finally, the Capitoline administration or other technicians may carry out technical inspections on the spot, in particular with respect to the need to ensure that the vehicle is in use and well-functioning.³⁷⁴

Fares

Article 31 of the "*Regolamento Capitolino*" provides that, to ensure the respect of the transparency principle, the fare system for the taxi service is calculated on the basis of a unique progressive fare valid throughout the Municipality territory, which is calculated on a multiple basis for the Municipality territory and to and from the Ciampino and Fiumicino airports.

Fares are governed by the following pieces of legislation:

- DGCa 248/2013, which foresees pre-determined fares to and from *Ostia Lido Centro*;
- DGCa 161/2012, which foresees pre-determined fares to and from the airports;
- DGCa 151/2012, "New fares for taxi services".

More specifically, the fare system currently approved by the Municipality is set out under DGC n.151/2012, which abides by the abovementioned Article 31 criteria:

³⁷⁰ Article 24(4) of the "*Regolamento Capitolino*".

³⁷¹ See Article 24(5) of the "*Regolamento Capitolino*".

³⁷² *Id.*

³⁷³ See Article 26 of the "*Regolamento Capitolino*".

³⁷⁴ See Article 26 of the "*Regolamento Capitolino*".

- there is a unique progressive tariff: this is valid across the whole of the territory of the Municipality and this is shown in the taximeter on the basis of km and time to carry out the ride;
- the maximum tariffs are multiple and pre-determined for the rides to and from Fiumicino and Ciampino airport;
- the tariffs and the eventual supplements are calculated taking into account the unification of the tariffs and supplements applied on the basis of specific parameters;
- they can under no circumstance be increased on a yearly basis of a level which is higher than the level of inflation.

In Rome, the progressive tariffs (three ranges) increase depending on the amount shown in the taximeter; however, the initial fixed tariff is not increased.

Table Progressive tariffs:³⁷⁵

City	Range of tariff	Km tariff (€/km)	Hourly tariff (€/h)
Roma	Up to 11,00 EUR	1,10	27,00
	11,00 – 24,00 EUR	1,30	27,00
	Above 24,00 EUR	1,60	27,00

Some discounts are provided, as will be seen infra. In addition, where applicable, the following supplements will be added to the taximeter amount: excess baggage, fixed fee of radio taxi call, any passengers from the fifth onwards.³⁷⁶

Below are the Rome taxi forfait tariffs to and from the airports and from Ostia to Fiumicino as of 2015:

Place of departure and destination	Tariff EUR
Aeroporto di Fiumicino	
Mura Aureliane	48,00
Castello della Magliana - Parco dei Medici	30,00
Nuova Fiera di Roma	25,00
Ciampino Aeroporto	50,00
Stazione Tiburtina	55,00
Stazione Ostiense	45,00
Civitavecchia Porto	120,00
Stazione Lido di Ostia Centro	23,00
Aeroporto di Ciampino	

³⁷⁵ Source: elaborated by the ASPL Rome Capital on Internet sites and those of the taxi offices for the Italian Communes (updated on September 2015).

³⁷⁶ http://www.agenzia.roma.it/home.cfm?nomepagina=sette&id_sette=11&tiposett=servizio.

Mura Aureliane	30,00
Stazione Tiburtina	35,00
Stazione Ostiense	30,00
Fiumicino Aeroporto	50,00
Municipio X – Ostia Lido Centro	
Comune di Fiumicino – Isola Sacra	20,00
Comune di Fiumicino – Paese	25,00
Comune di Fiumicino – Aeroporto	23,00

Source: elaboration by the ASPL Rome Capital on Internet sites and those of the taxi offices for the Italian Communes (updated September 2015).

A discount of 10% on the taximeter amount is applied in the case of direct services to the Roman public Hospitals, for single women who use the service during the night (between 22:00pm and 7:00am) and for young people coming out from the nightclubs on weekends, after appropriate agreement with the local utility operators.

In addition, it is possible to use a Municipality operated app free of charge.³⁷⁷

Finally, it is possible for the Municipality council to provide incentives for the vehicles used to transport the disabled.³⁷⁸

V.2.2 Hire cars with driver (NCC)

The legislation described at the national level in the Italian Country Report is also applicable to NCCs in Rome. Namely, NCCs are non-scheduled PTSs regulated under the Framework Law No. 21/1992 and Article 85 of the Highway Code ("Codice della Strada").

Regional Law 58/1993 and the Regolamento Capitolino are the main pieces of legislation regulating these services. Similar to taxi services, the provision of NCC services is subject to an authorisation that is issued by the Municipality.³⁷⁹ The same procedure of public bid, applicable to taxi licences also applies, at the Municipality level, for the issuance of NCC authorisations.

In order to obtain an authorisation, the applicant must have an available garage ("rimessa") for parking the vehicle, to be located within the Municipality territory.³⁸⁰

The municipal procedure for the transferability of taxi licences is also applicable to NCC authorisations and the average price for transfer is set at EUR 100,000. However, NCC drivers may not be substituted temporarily by another driver.

³⁷⁷ Reply of the *Agenzia per la Mobilità* to the stakeholder consultation.

³⁷⁸ See Article 30(5) of the "Regolamento Capitolino".

³⁷⁹ See Annex III, p. 534.

³⁸⁰ Article 9(2) of the "Regolamento Capitolino".

Conditions of fitness

Article 23 of the "*Regolamento Capitolino*" lays down the technical requirements for vehicles that provide NCC services.

In addition to the prescriptions set out under Article 21, which apply also to NCCs,³⁸¹ the vehicle intended for NCC service must have a badge with the word "hire" within the front windscreen and applied on the screen. Such vehicle shall have a static registration plate with the word "NCC", the emblem of the Municipality that issued the authorisation and the authorisation number.

Conditions of services

The rental service with driver (NCC) can only be requested by telephone or via internet (websites and applications) to charterers who advertise on the market. NCCs are not allowed to pick passengers up upon being hailed. NCC service providers must be at the garage when the reservation occurs, must return to the garage after the ride is complete, must not circulate empty in the street except during the provision of the service, and, within a week, must inform the Municipality of a change in the address of the garage.

The ride must start from the municipality where the garage is located; however, the NCC may drop off passengers in Rome, even in the pedestrian areas or in limited traffic areas if allowed. Hybrid vehicles are still permitted everywhere that allows electric vehicles. Access is always granted in limited areas to NCCs carrying disabled people. Access to the Rome Municipality is granted only to those having the requisites asked for under the national framework law, which can be automatically certified.

Article 29 of the *Regolamento Capitolino* provides when the vehicles are not in service they must remain in the garage.

At the end of 2014, the Municipality issued a requirement for NCC authorisation holders to provide significant amounts of information for holders of authorisations issued by Municipalities other than the Rome Municipality.³⁸² For each ride, holders were asked to submit the details of the authorisation, ride, driver employed, client, etc. De facto, this rendered the operation of NCC authorised vehicles to be more onerous in Municipalities (other than the Rome) compared to those whose authorisation granted by the Rome Municipality.

Consequently, on April 2015, the Italian Competition Authority issued an important Opinion³⁸³ which took a stand against the new information requirement based on discrimination. The opinion stated that the requirements constituted anticompetitive measures that extended the restrictive criteria contained in national regulation (see

³⁸¹ See supra.

³⁸² See Deliberation 379 of 30 December 2014 "Modalities and procedures for the access to the Rome Municipality of NCC vehicles authorised by other Municipalities", as modified by Deliberation 79 of 16 March 2015.

³⁸³ Segnalazione AS1187 of the Italian Competition Authority, 22 April 2015.

Article 5 bis of the Framework Law) in a fashion that hampers the provision of services by NCC authorisation holders of Municipalities other than Rome.³⁸⁴

In addition, on October 2015, the Lazio Administrative Court annulled the abovementioned Rome Municipality deliberations, upon appeal by the Italian NCC main association, Anitrav.³⁸⁵ One stakeholder to the consultation has reported that the previous normative is in force after such an annulment. However, in areas of limited traffic and preferential lanes, the plate number and the authorisation number must be communicated to the *Agenzia per la Mobilità*, both for shorter daily rides, and for longer trips.³⁸⁶

NCCs can access the airport areas through a system where they wait to be called in a dedicated area in order not to impede viability in front of the arrivals ("polmone"). For the arrivals, taxis/NCCs wait to be called by a radio taxi (in the case of NCCs, it is the service provider concessionaire which has a desk at the airport that carries such call out) and can subsequently enter the areas adjacent the arrivals, depending on whether they are licensed or authorized by Rome and Fiumicino, or other Municipalities. NCCs authorised to have a standing area inside the airport through a concession can be confusing for customers. Therefore, according to this stakeholder, the current regulatory framework allows for confusion between the two services, which were meant to be separate, and is unfair competition.³⁸⁷

Fares

Maximum fares for NCCs are regulated by the national legislation. According to Article 31 of the "Regolamento Capitolino", fares in the Municipality of Rome are based on the criteria established by the Ministry of Transport. Article 31 provides that, fares are set directly between users and the carrier; however, those fares must comply with the standards established by the Ministry of transport³⁸⁸. The criteria are laid down in Ministerial Decree of 20 April 1993 and concern the following components: the costs of the ride, the costs of the driver, the costs of the vehicle and the costs of the enterprise, in relation to each of which several cost voices are further specified. A coefficient is applied for each of them: for minimum fares, the coefficient is 15%, for maximum fares 45%.³⁸⁹

Uber has the following fares based on the time and per kilometre for Uber Black, Uber Lux, Uber Tour and Uber Van and Uber Berline:

Fares	Uber Black	Uber Lux	Uber Tour	Uber Van
Base fee	EUR 15.00	EUR 6	EUR 100	EUR 6
Per minute	EUR 0,35	EUR 0,55	-	EUR 0,55
Per Km	EUR 1,20	EUR 1,50	-	EUR 1,50

³⁸⁴ Id. page 4.

³⁸⁵ Judgement No.11636/2015 Reg. Prov. Coll. N. 02081/2015 Reg. Ric., available (in Italian) at: www.giustizia-amministrativa.it/cdsintra/cdsintra/AmministrazionePortale/DocumentViewer/index.html?ddocname=MC4WUFX2WHWZQH3HIK5D3DUFTE&q=.

³⁸⁶ <http://www.agenziamobilita.roma.it/it/ncc-noleggio-con-conducente-fuori-roma.html>.

³⁸⁷ Interview with RadioTaxio 3570 and Uri-Taxi, May 2016.

³⁸⁸ Ministry of Transport, Ministero dei trasporti, D.M. 20-4-1993, Criteri per la determinazione di una tariffa minima e massima per il servizio di noleggio con autovettura, published in O.J. 29 maggio 1993, n. 124.

³⁸⁹ D.M., 20 April 1993, supra, article 11.

Minimum fare	EUR 10	EUR 14	EUR 100	EUR 14
Cancellation of reservation	EUR 10	EUR 14	EUR 14	EUR 14

Additionally, Uber has the following flat fares:

- Fiumicino airport to Rome: Uber Black EUR 60, Uber Lux EUR 75, Uber Van EUR 75;
- Area shown in the website as service area to Civitavecchia: Uber Black EUR 135.

NCC Roma Taxi,³⁹⁰ another major NCC operator in Rome, has the following fares:

Roma	1-4 persons	5-6 persons	7-8 persons
Fiumicino airport to Rome (Torrino, Spinaceto, Mosticciano)	EUR 35	EUR 45	EUR 60
Fiumicino airport to Rome (Center, EUR, Prati)	EUR 40	EUR 55	EUR 60
Fiumicino airport to Rome (Parioli, Corso Trieste, Flaminio)	EUR 45	EUR 60	EUR 75
Fiumicino airport to Rome (Nomentano, Tiburtino, Casilino)	EUR 50	EUR 65	EUR 80
Fiumicino airport to Rome (Castelli Romani)	EUR 60	EUR 80	EUR 85
Fiumicino airport to Ciampino	EUR 45	EUR 55	EUR 75
Fiumicino airport to Civitavecchia	EUR 100	EUR 140	EUR 140
Civitavecchia to Rome center or Ciampino airport	EUR 110	EUR 140	EUR 140
Personalised ride	Pre-arranged fare	Pre-arranged fare	Pre-arranged fare

V.3 Enforcement

Art. 34 of the "*Regolamento Capitolino*" provides that:

1. Without prejudice to the sanctions provided for by Legislative Decree. N. 285/1992 (Highway Code) and L.R. Lazio No. 58/1993, the holders of licences and their substitutes

³⁹⁰ <http://www.nccromataxi.it/tariffe-ncc-roma.aspx>.

and domestic workers are subject to the sanctions that are identified in Code of Conduct currently in force.

2. The code of conduct must nevertheless provide for a specific penalty *vis-à-vis* taxi drivers that violate the obligation provided for in that code on clothes, by expressly providing that the following dress code should be observed: closed shoes, buttoned shirt, t-shirt or polo shirts and long pants to the ankle.

Moreover, whenever the driver applied fares higher than those in force, the competent offices may suspend the service for a period between 15 and 30 days. If the relevant offices receive three reports drawn up by the police relating to rates higher than the applicable ones, and this occurs within two years, then the licence may be suspended.³⁹¹

In addition, Article 35 of the "*Regolamento Capitolino*" states that, without prejudice to the power of the public administration to suspend a licence whenever the protection of the public interest so warrants as a precautionary measure, the Municipality Council is delegated the power to identify the offenses in relation to which the licence can be suspended.

The Municipality may revoke the taxi licence in the following cases:³⁹²

- a) if the obligation to provide the service is not abided by for the fourth time;
- b) if this refusal relates to a disabled person, when this is not abided by twice;
- c) for failure to register to the craft register or else to associate with cooperatives of production and work or services or if the service is provided as a private entrepreneur;
- d) for failure to meet the deadlines provided for the transfer of the licence under Article 19 of the *Regolamento Capitolino*;
- e) if the licence holder fails to comply with any such suspension of service under Article 4 of the Regional Law Lazio n. 58/1993.

Under the same provision, the revocation is communicated to competent offices.

Other sanctions are provided for under the *Codice Operatori Protocollo RC No. 22650/13*, as modified with the Municipality Deliberation DGC 3/2014 ("Operators' Code of Conduct").³⁹³

In this respect, it is possible to sanction with a pecuniary sanction the absence of observation of at least three of the obligations laid therein³⁹⁴ in the *Regolamento Capitolino* (except for the abovementioned Article 34). The licence can be suspended if there are more than three violations of the same infraction.³⁹⁵

For the NCC, in the case of a violation of the municipal regulation, administrative sanctions can be levied in accordance with Article 5 of the Operators' Code. In addition, the abovementioned sanctions of suspension but also revocation can be applied in the case of repeated offences above a certain threshold.

³⁹¹ Article 34(3) of the "*Regolamento Capitolino*".

³⁹² Article 36 of the "*Regolamento Capitolino*".

³⁹³ https://www.comune.roma.it/PCR/resources/cms/documents/DGC_3_2014.pdf.

³⁹⁴ Article 2 and 3 of the Operators' Code of Conduct.

³⁹⁵ Article 5 of the Behavioural Operators' Code of Conduct.

V.4 New Urban Mobility

Amongst the new technology services, car sharing services are on the rise as well. The 2015 *Agenzia per la Mobilità* Report provides that “by comparing how widespread the traditional car sharing service is in the major Italian cities, it can be noted that in Rome the number of average rides per user (those who are subscribed to the service) is higher than the other cities under consideration, suggesting a more intensive use of the service in comparison to Milan and Turin which have, instead, a higher number of individuals subscribed to the service.”³⁹⁶

In Rome, the major car-sharing operators are Car2Go and Enjoy and there are 1200 vehicles (Smart and Fiat 500).³⁹⁷ It is possible to park in another spot than the one where the vehicle was taken thanks to the geo-localization (in Italian, “car sharing a flusso libero”).³⁹⁸

The *Agenzia per la Mobilità* has also launched an application to regroup all the mobility options available in Rome:

<http://www.agenziamobilita.roma.it/it/azienda/piattaforma-editoriale/scarica-app.html>.

V.5 Market analysis

In Rome, taxi licences were 7,705 at the end of 2014. Confirmation has been given that this number has not changed since then.

NCC authorisations are currently 1024.

The below table shows in detail the number of NCC authorisations and taxi licences transferred by the *Agenzia per la Mobilità*.

Number of authorisations and licences transferred

Years	Number of authorisation	Number of licences
2010	29	171
2011	43	299
2012	41	204
2013	53	271
2014	53	171
2015	39	194

³⁹⁶ 2015 Report of ASPL Roma Capitale, page 227, available at: <http://agenzia.roma.it/documenti/relazioni/253.pdf>.

³⁹⁷ Reply of Italian Transport Regulator to the stakeholder consultation, 29 January 2016 and 2015 Annual Report on the state of the local public services and the carried out activities, Chapter VIII, Transport and Mobility, available at: <http://www.agenzia.roma.it/home.cfm?nomepagina=relazione> (hereinafter, 2015 Report of ASPL Roma Capitale), page 221.

³⁹⁸ *Id.*

Source: Questionnaire Rome Municipality

V.5.1 Taxis

While there is no obligation to be affiliated with a dispatch centre, in Rome the statistics are as follows:

- 5800 licensed drivers out of 7800 are affiliated to a radio taxi;
- 2000 licensed drivers are not.³⁹⁹

In Rome, the most important cooperative is **Radiotaxi 3570**, which counts 3700 subscribed.⁴⁰⁰ Radiotaxi 3570 also offers e-taxi services.⁴⁰¹ Other major taxi dispatch centres are **Samarcanda**, 065551 and 066645.⁴⁰²

Like in the case of Radiotaxi 3570, which operates across Italy, radio taxis also use new intermediary business models, such as it Taxi, developed by URI Taxi, Unione dei Radiotaxi d'Italia.⁴⁰³ In addition, in April 2016, it was announced that Mytaxi, an app operator already present in Milan, which puts taxi drivers in touch with the clientele, has also started operating in Rome.⁴⁰⁴

V.5.2 Hire cars with driver (NCC)

As mentioned above, the number of NCC authorisations in Rome Capital amounts to 1024, with the last public bid having been made in 1993.⁴⁰⁵

There are around 4005 authorised vehicles circulating in Rome (as recalled the authorisation is vehicle specific) and around 5000 if we also count those vehicles which have an authorisation issued by another commune in the Lazio Region, which come to Rome to meet the high demand.⁴⁰⁶

The number of NCC authorisations has remained steady even if demand has increased since the last time the bid was done. There are two main categories of players: monovehicle self-employed individuals whose vehicle has the Rome issued authorisation, and cooperatives or consortia ("consorzi") which gather several authorised vehicles and their drivers.

Around 40% of the NCC services in Rome are provided by monovehicled enterprises and around 60% by cooperatives or consortia. The major consortia are Consorzio Noleggiatori Italiani, with a fleet of 250 authorised vehicles, Consorzio CPP, with a fleet

³⁹⁹ Reply to the stakeholder consultation provided by RadioTaxi 3570, Soc. Coop.

⁴⁰⁰ <http://www.3570.it/azienda/default.asp>.

⁴⁰¹ <http://www.3570.it/servizi/etaxi/default.asp>. See the Taxi Click service. Also see the Sms-taxi service.

⁴⁰² Reply to the stakeholder consultation.

⁴⁰³ <http://www.ittaxi.it/>.

⁴⁰⁴ <https://it.mytaxi.com/index.html>.

⁴⁰⁵ Reply to the stakeholder consultation by Anitrav, and follow up interview.

⁴⁰⁶ Id.

of 100 vehicles, Concorzia with a fleet of 80 to 100 vehicles and Consorzio Europa 2001. When it comes to cooperatives, instead, the main are Cooperativa Airport, with 100 autovehicles, and Cooperativa Futura, with around 80 vehicles.

The majority of cooperatives have around 3 to 15 authorised vehicles.⁴⁰⁷ It is not mandatory to be affiliated to a dispatch centre, but the majority of the NCC vehicles in Rome do so. There are no exclusivity clauses and the NCC drivers can also utilize platforms such as Uber.⁴⁰⁸ Consorzio CNI is an Uber Black partner and its drivers use Uber Black to render their services.

To dispatch, the cooperatives also use Internet (e.g. Whatsapp) on top of traditional phone services.⁴⁰⁹

In Rome, Uber offers the following services: Black, Lux, Van and Tour.

Another major operator is NNC Roma Taxi.⁴¹⁰

V.5.3 Ridesharing

The following services are available:

- Scooterino: A scooter ridesharing app, Scooterino, can be downloaded on the phone.⁴¹¹ This is similar to UberPOP albeit Scooterino managers say the drivers use the app only to share expenses but not to make profit.⁴¹²
- Zego:⁴¹³ an app of urban peer-to-peer carpooling.
- Jump on:⁴¹⁴ similar to Zego, offers peer-to-peer carpooling.

V.6 Users' satisfaction

⁴⁰⁷ Id.

⁴⁰⁸ Id.

⁴⁰⁹ Id.

⁴¹⁰ <http://www.nccromataxi.it/servizi-ncc-roma.aspx>.

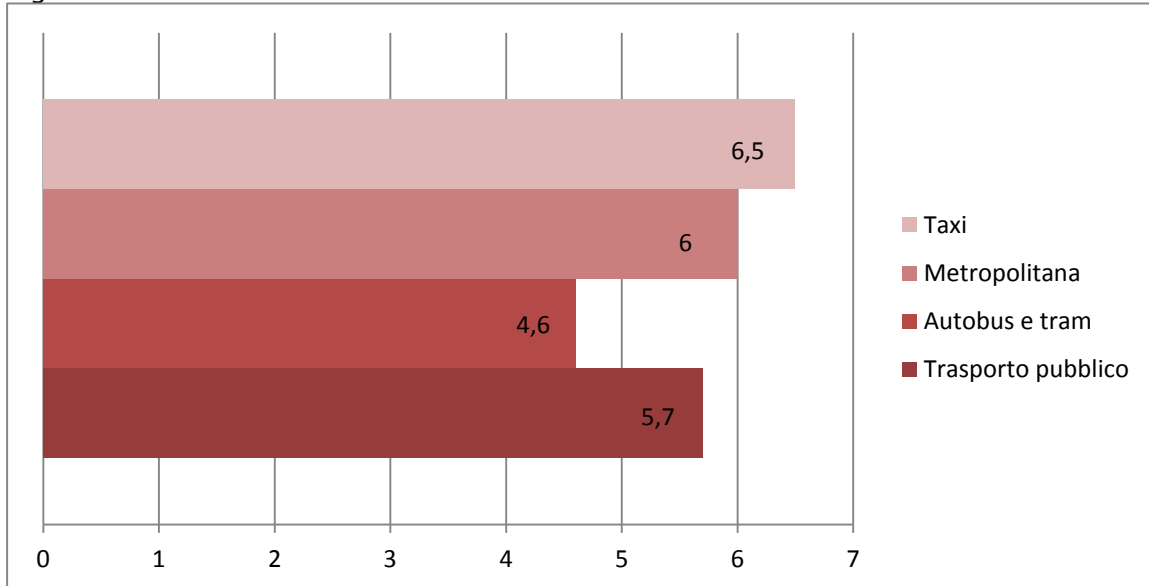
⁴¹¹ <http://scooterino.it/en/>. See: <https://itunes.apple.com/it/app/scooterino-scooter-ridesharing/id971206733?l=en&mt=8>.

⁴¹² <https://www.theguardian.com/world/2015/sep/27/rome-scooter-drivers-share-rides-app-scooterino>.

⁴¹³ www.zegoapp.com.

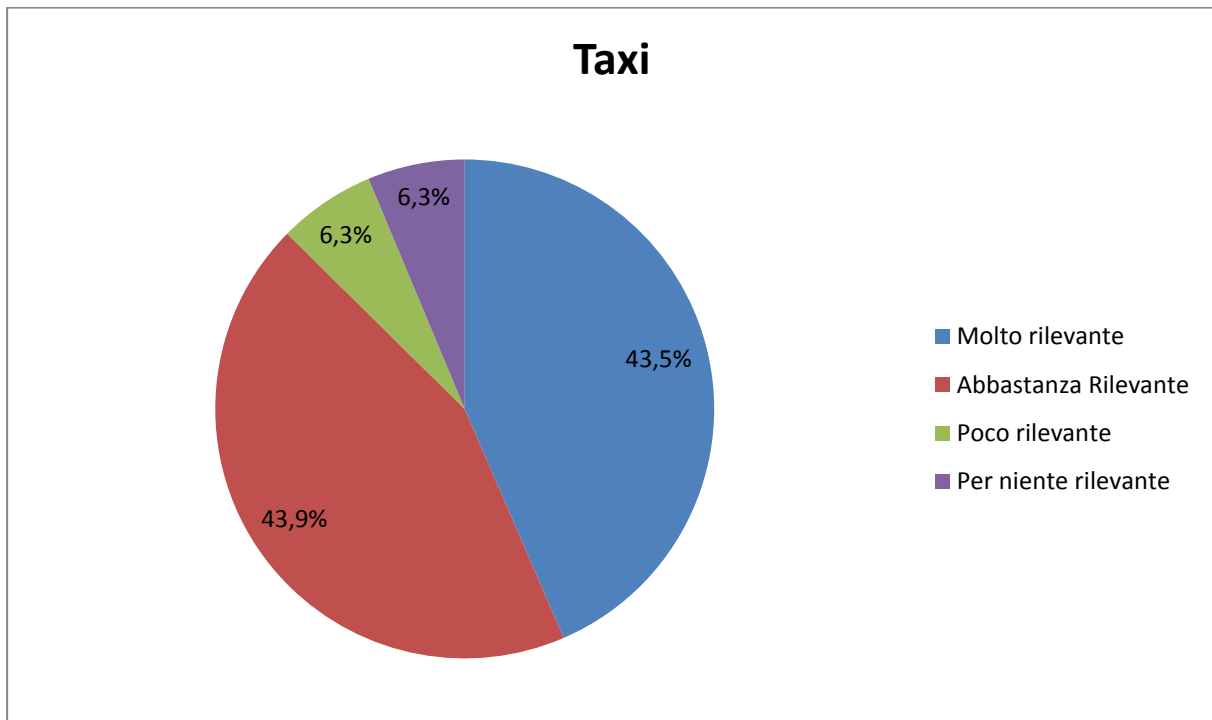
⁴¹⁴ www.jump-on.it.

Figure: User satisfaction with taxi services in Rome in 2015.



Source: *Indagine sulla qualità della vita e dei servizi pubblici locali nella città di Roma. "VIII edizione - anno 2015".*

The relevance attributed to taxi services by survey participants in Rome is depicted in the graph below.



Source: *Indagine sulla qualità della vita e dei servizi pubblici locali nella città di Roma. "VIII edizione - anno 2015".*

The Municipality of Rome has introduced a quality charter for taxis and NCCs.

In the Services Charter⁴¹⁵ adopted by the *Giunta del Comune di Roma* – i.e. the governing board (the “G.B.”) of the Municipality of Rome provides relevant principles applicable to non-scheduled PTSs including:

- Equality: access to transport must be granted to any person. Any passenger has the right not to be discriminated directly or indirectly based on his/her nationality, sex, racial or ethnic origin, religion or belief, politics, language. Particular attention shall be paid to disabled persons and persons with reduced mobility;
- Continuity: taxi drivers are required to operate the service continuously without interruptions. In case of particular needs of mobility, taxi drivers are required to operate emergency services;
- Participation: citizens can participate in manifestations and access to information concerning non-scheduled PTSs;
- Quality and Efficiency: quality and efficiency of the service must be controlled and increased.

The Code of Conduct adopted by the Governing Board of the Municipality of Rome with the decision No 1406 of 9 July 1999 (as amended by decision No 3 of 10 January 2014)⁴¹⁶ can be an implicit source of passenger rights.

In detail, Article 1 (Principles) of the Code of Conducts provides that “the taxi driver shall operate efficiently in the interest of the passenger and he is responsible for his conduct. The driver’s behaviour is inspired to the care of the public service he is operating”.

Under Articles 2 (*Obligations of drivers*) and 3 (*Specific obligations of taxi drivers*) of the Code of Conduct, the following rights of passengers are provided:

- to enjoy a clean and efficient vehicle;
- to be assisted in loading luggage;
- of courtesy;
- to be exempted from paying extra charges when wheelchairs for disabled persons or guide dogs must be loaded;
- not to be subjected to passive smoking;
- to be transported towards the precise destination chosen by the passenger.

One stakeholder to the consultation has informed that a new project has been started, called “3570 Gold”, which consists of major qualitative standards which can be sought by the clients at no higher cost than the tariffs set by the Municipality for the provision of taxi services.⁴¹⁷

The results of the consumers’ panel carried out by Wavestone for the purpose of the present Study highlight that, in Rome, 47% (31) of the respondents used a taxi in the past 3 months, 9% (6) used a private car with driver service and 44% (29) used both of them.

⁴¹⁵ See: <https://www.comune.roma.it/PCR/resources/cms/documents/DGCn1405a99.pdf>.

⁴¹⁶ See: https://www.comune.roma.it/PCR/resources/cms/documents/DGC_3_2014.pdf.

⁴¹⁷ Reply to the stakeholder consultation provided by RadioTaxi 3570, Soc. Coop.

The respondents from Rome cited the following reasons for using a taxi: (i) the booking user-friendliness (60%, 25), price of the journey (33%, 14), (ii) the Booking time (24%, 10) and (iii) the Waiting time between the completion of the booking and the vehicle arrival (24%, 10). On the other hand, the main reasons cited for using a private car with driver over a taxi service in Rome are related to (i) the cleanliness of the vehicle (69%, 11), (ii) the price of the journey (63%, 10), (iii) the booking user-friendliness (56%, 9) and (iv) the comfort of the vehicle (56%, 9).

We also observed that the average satisfaction of users for private car with driver service (7.54/10) is greater than for taxi service (6.60/10).

V.7 Market conditions and development

Rome is a city of 2,863,322 inhabitants covering an area of 1,285 km². In Rome, there are 856 vehicles for 1000 inhabitants. The GDP per capita in Rome is 37,600 Euros.⁴¹⁸

In 2015, there were 7705 taxi licences in Rome.⁴¹⁹ By means of comparison, in 2006, the number of active taxi licences in Rome was 6123.⁴²⁰ According to publicly available information, the last new taxi licences were issued back in 2007, during the period when the Veltroni administration operated.⁴²¹

Attempts at reforming the sector were carried out at the local level - the last of which was carried out in 2007, did not lead to any tangible results. Indeed, already in 2004 the Italian Competition Authority pointed out the closeness of the taxi market in the major Italian metropolitan areas, including Rome, and advised increasing the number of licences granted in exchange for compensation to the current licence owners, by means of auctions, or compensation mechanisms for existing licences.⁴²²

There currently are approximately 1024 NCC authorisations granted in Rome since 1993, when the first public competition was launched. Since then, no new NCC authorisations were issued. Since the market is undersupplied,⁴²³ NCCs from other municipalities are allowed in Rome but are subject to very restrictive obligations which render it difficult to operate. As noted, the Italian Competition Authority issued an Opinion⁴²⁴ against the new information obligations.⁴²⁵ In addition, on October 2015, the Lazio Administrative Court annulled the abovementioned Rome Municipality requirements upon appeal by the Italian NCC main association, Anitrav.⁴²⁶

⁴¹⁸ Reply of Radio Taxi 3570' legal counsel to stakeholder consultation, 16 February 2016.

⁴¹⁹ Reply of the Italian Transport Authority to the stakeholder consultation, 29 January 2016.

⁴²⁰ Agenzia per il controllo e la qualità dei servizi pubblici locali del Comune di Roma, Analisi dell'organizzazione del servizio taxi a Roma e confronti con le altre capitali e grandi città europee ed extraeuropee, December 2006, page 16.

⁴²¹ <http://www.ilsole24ore.com/art/SoleOnLine4/Economia%20e%20Lavoro/2007/11/veltroni-tassisti.shtml?uuid=f5091228-9e4f-11dc-a475-00000e251029&DocRulesView=Libero>. This is to be officially confirmed.

⁴²² Italian Competition Authority Opinion AS277/2004.

⁴²³ This number, as noted in an Italian Competition Authority Opinion, is inadequate: see Opinion AS1233 of 5 November 2015.

⁴²⁴ Segnalazione AS1187 of the Italian Competition Authority, 22 April 2015.

⁴²⁵ Id. page 4.

⁴²⁶ Judgment No.11636/2015 Reg. Prov. Coll. N. 02081/2015 Reg. Ric., available (in Italian) at: www.giustizia-amministrativa.it/cdsintra/cdsintra/AmministrazionePortale/DocumentViewer/index.html?ddocname=MC4WUFX2WHWZQH3HIK5D3DUFTE&q=.

Rome has also seen an increase in taxi tariffs, higher than elsewhere in Italy (in particular tariffs have increased by 37 percent, while inflation grew of 15 percent).⁴²⁷ On the other hand, customer surveys carried out by the *Agenzia per la Mobilità*, show that in 2015 the major number of interviewed users in Rome that often or occasionally use taxi services are very (or in average) satisfied, relative to other public services.⁴²⁸ However, it must to be said that websites and press specialised for tourists, such as Tripadvisor, continues to report fares scams especially on the rides to and from the airports, including manipulation of the taximeter.⁴²⁹ In February 2016, nine taxi drivers were investigated by the police accused of developing a fraudulent system that allowed them to acquire priority over other drivers in obtaining passengers from Fiumicino airport.⁴³⁰

The *Agenzia per la Mobilità* 2015 Report goes on recalling that, while the NCC clientele was traditionally made by the portion of the users that had pre-booked it in advance for areas such as train stations, airports, hotels, this situation has evolved: currently, with the emergence of the new technologies it is possible to book the service on the spot. This clientele basis of NCC services is in addition to the traditional clientele.⁴³¹

In Opinion AS1233 of 5 November 2015, the Italian Competition Authority noted that during 2015 there were several changes to the regulations for NCC drivers' access to Rome Fiumicino airport. The regulations were aimed at restricting access for NCC drivers except those with Municipality of Rome authorisation (only 993 authorised NCC drivers). The regulations were challenged in court by Anitrav, as seen supra. The Italian Competition Authority issued a negative opinion⁴³² to the latest draft of the regulation, asking the Municipalities of Rome to remove the anticompetitive barriers of access to NCC operators who have authorisations from Municipalities other than Rome and Fiumicino.

V.8 Conclusions

Rome is struggling to develop alternatives to taxi services. The taxi market is undersupplied and hire cars with drivers are subject to various administrative constraints, which have also resulted in conflicting case law on the restrictions applicable to NCCs. Fares, have experience a larger increase compared to other Italian cities. Various authorities have stressed the need of removing the barriers to the market access and to adopt a new framework to support the modernisation and the competitiveness of the hire transport sector. Innovative service providers and ridesharing is trying to emerge despite the regulatory constraint.

⁴²⁷ See Italian Transport Regulator, "Atto di segnalazione al governo e parlamento sull'autotrasporto di persone non di linea: taxi, noleggio con conducente e servizi tecnologici per la mobilità", 21 May 2015, available at: http://www.autorita-trasporti.it/wp-content/uploads/2015/06/Atto-di-segnalazione_signed.pdf, page 2.

⁴²⁸ See July 2015 ASPL "Investigation on the quality of life and local public services in the Rome City", available at: <http://agenzia.roma.it/documenti/monitoraggi/510.pdf>.

⁴²⁹ <http://www.italianinsider.it/?q=node/3623>.
<http://www.rometransfer.it/rome-taxi-rates-from-airport/>.

⁴³⁰ See webpage: http://www.ansa.it/english/news/2016/02/05/nine-rome-airport-cab-drivers-probed-for-fraud_07b09e99-c27b-4b89-89be-dc95097ffbd2.html.

⁴³¹ 2015 Report of ASPL Roma Capitale, page 227, available at: <http://agenzia.roma.it/documenti/relazioni/253.pdf>.

⁴³² Opinion AS1233 of 5 November 2015.

VI. STOCKHOLM

VI.1 Introduction

In Sweden, regulation on commercial transport (which also includes taxi services) is established at the national, rather than the local level. Therefore, the provisions of the Taxi Services Act⁴³³ and the Taxi Services Ordinance,⁴³⁴ as well as a number of regulations of the Swedish Transport Agency (*Transportstyrelsen*), which is competent for the issuing of licences in Stockholm, also apply to taxi services in Stockholm.

As seen in the national country report, there is no special legislation for private hire car with driver services. Private hire vehicles services need to comply with the same rules as taxis unless exemptions from taxi legislation apply.⁴³⁵ The distinction between taxi and private hire vehicles was abolished when liberalisation occurred in the 1990s.

The liberalisation brought about a decrease in waiting times but also some lack of price transparency and as a result, a "light price information" regulation was introduced.⁴³⁶

VI.2 Regulatory and Administrative Framework

There is no specific regulation applicable to Stockholm that is different from the national regulation. As with the rest of the country, there are two types of taxi licences: (i) a licence for taxi services applicable to operators; and (ii) a licence for taxi drivers applicable to drivers. The Swedish Transport Authority grants both of them.

An individual who wants to drive a taxi must either be employed by a taxi company that holds a taxi services licence or independently apply for the permit. The licences for taxi services have an unlimited duration.⁴³⁷ Checks are carried out to see whether the necessary conditions are still valid.⁴³⁸

A licence for a taxi driver, which is valid if coupled with a valid driver's licence, is required to be renewed every 10 years.

As indicated in the Country Report, both licences are not allowed to be traded. However, secondary markets exist to trade licences,⁴³⁹ including in Stockholm.

⁴³³ Taxi Services Act (*Taxitrafiklag (2012:211)*), Promulgation: 1 June 2012, last amended: 4 December 2015. Available at: <http://www.taxiforbundet.se/om-oss/verksamhet/styrdokument/god-taxitradition.aspx>.

⁴³⁴ Taxi Services Ordinance (*Taxitrafikförordning (2012:238)*), Promulgation: 1 June 2012, last amended: 19 December 2014. Available at: <http://www.taxiforbundet.se/om-oss/verksamhet/styrdokument/god-taxitradition.aspx>.

⁴³⁵ See *infra*.

⁴³⁶ See Swedish market for taxi services, From Deregulation in 1990, and forward. Nordic competition meeting, Reykjavik, 27-28 August 2015, Stig-Arne Ankner, Swedish Competition Authority.

⁴³⁷ Reply to the stakeholder consultation provided by the Ministry of Enterprise and Innovation and The Swedish Transport Agency (Transportstyrelsen).

⁴³⁸ Interview with the Swedish Transport Agency, 20 May 2016.

⁴³⁹ Reply to the stakeholder consultation provided by the Ministry of Enterprise and Innovation and The Swedish Transport Agency (Transportstyrelsen).

One stakeholder noted that in the event a taxi licence holder affiliated with dispatch centre Taxi Stockholm (one of the most profitable dispatch centres to be affiliated with) is going to retire, he/she can sell his "connection" to the centre on an "unofficial stock exchange". This is however, possible only if Taxi Stockholm accepts the buyer. Even though prices of the transfer vary, the average price nearly amounts to 50,000 Euros.⁴⁴⁰

There is no limitation on how many vehicles one licence holder can have as long as they fulfil the economical requirements. Every vehicle has to be reported to the Swedish Transport Agency.⁴⁴¹

- *Fitness of the vehicle and taximeter*

All vehicles used for taxi services are required to have a taximeter (unless an exemption applies). The taximeter needs to meet a number of requirements set out by the law.⁴⁴² They include fixing and sealing the taximeter in accordance with the provisions of the TSFS 2013:41⁴⁴³ and the relevant regulations of the Swedish Board of Accreditation and Conformity Assessment⁴⁴⁴ (STAFS 2006:11, STAFS 2006:19, and STAFS 2012:5).

It might be possible for a taxi company to get a taximeter exemption under certain specific conditions (e.g. state visits, transport of school children or sick people)⁴⁴⁵ To authorise an exemption, the authorities (Transportstyrelsen/The Swedish Transport Agency) must determine that the exemption conditions are satisfied. An exemption is valid for one year and only for the vehicle mentioned in the application. No payment by cash/card is allowed to take place in the vehicle.

Today more than 90 percent of the taxi vehicles around Stockholm are equipped with taximeters, which is in line with the national average. According to the consultation, such exemptions are hard to get.

Today, taximeters are not only used to calculate the fares, but are used to store data as well. The taximeter reads, for instance, the working hours of each driver, how many runs each driver has carried out, the total distance driven per shift and how much of this distance was travelled with a paying passenger and the total amount of money earned by the taxi driver (cash and charged). If the Swedish Tax agency is carrying out an audit, they base their calculations on data from the taximeter and compare with the taxi company's tax declaration form.

From early 2017 on, a new law provides that all relevant taximeter data should be transferred wirelessly to authorised audit centres to which the Swedish Tax Agency will have full access.⁴⁴⁶ This modification is still ongoing and will be assessed in the course of the inquiry.⁴⁴⁷

⁴⁴⁰ Reply to the stakeholder consultation provided by one stakeholder.

⁴⁴¹ Reply to the stakeholder consultation provided by the Ministry of Enterprise and Innovation and The Swedish Transport Agency (Transportstyrelsen).

⁴⁴² Chapter 5, Section 1 of the Taxi Services Ordinance.

⁴⁴³ Ibid.

⁴⁴⁴ Chapter 1, Section 2 of the TSFS 2013:41.

⁴⁴⁵ See SFS 2014:1020.

⁴⁴⁶ Reply to the stakeholder consultation provided by one stakeholder.

⁴⁴⁷ Interview with the Swedish Competition Authority, 17 May 2016.

- *Conditions of service*

Taxi services may only be carried out if the driver works for a taxi company which holds a taxi services permit, or has his or her own company which holds such a permit.

- *Airports*

The owner of the property where Arlanda Airport is located, Swedavia AB (a company owned by the State of Sweden), has procured Europark/Apcoa to run a taxi rotation system. The system should work in a competitively neutral way that caters to taxi companies and their customers' needs and meet Swedavia AB's quality requirements.

The system consists of a parking space (a remote parking spot) where taxis go after having dropped off passengers and where they wait for the next customer. With the help of a computerised system, taxis are called up to the terminals according to demand. The vehicles are charged via a toll system (all taxis have to pay the fee). 2000-3000 taxis rotate on a daily basis. The system requires every taxi to be equipped with a transponder in order to keep track of the drop-offs/pick-ups for each vehicle. The computer system gives a specific taxi vehicle a queue number when the car is going into the system (when passing a gate to drop off a passenger). There is a scoring system where different vehicles get different points depending on the "environmental friendliness" of the vehicle (how much CO2 they put out), this influences the waiting time. The active queue number is presented on a large digital screen from which the driver can see when it is time to drive up to the waiting area outside the terminals.

Apcoa signs contracts with taxi dispatch centres and taxi companies who meet the required quality parameters. For example, all taxi vehicles have to be registered in the system, be equipped with a transponder, the drivers should be informed about applicable rules/airport regulation, there are maximum prices to different stated locations, the drivers are not allowed to exercise influence on the customer's choice of taxi, accept major credit/charge cards, pay taxes according to the law, and obey instructions from local taxi guides.

If drivers break the rules, they can be banned from entering the taxi rotation system, which is the same as being banned from picking up passengers from the airport area.⁴⁴⁸

Concerning Arlanda, a court judgement in 2011 found that there was an abuse of dominant position by Swedavia to charge taxi companies 25 SEK (EUR 2,5) extra for being able to meet customers that have pre-ordered a taxi in the arrival hall with a sign with their name.⁴⁴⁹

- *Fares*

The Swedish taxi industry is deregulated and the taxi service providers are free to set their own tariffs. Therefore, in Stockholm, as in the rest of the country, the taxi

⁴⁴⁸ Reply of the Svenska Taxiförbundet of 8 September 2016.

⁴⁴⁹ Follow up information sent by Swedish Competition Authority, 20 May 2016.

operators fix their own fares. As clarified in the Country Report, each taxi vehicle has to have stickers on both the inside and the outside with the applicable price tariff. The tariff is structured in such a way that the price of the transport can be easily assessed before the trip, taking into consideration the distance and duration of the trip. The tariff may not be structured in such a way that the basis for how the price is calculated changes during the trip.

The holder of the taxi permit is required to inform the passenger before the trip if the expected price may exceed 500 SEK (54 EUR). In such a case, the holder of the permit gives the passenger information on the maximum amount for the trip. This is done at the time of the booking.⁴⁵⁰

For each tariff there is a unit price indicated, which also includes VAT. The unit price is the price for a distance of 10 km and time lasting 15 minutes, including any basic charge. Tariffs are also indicated in Swedish crowns per hour (time tariff). For distance, the tariff is indicated in Swedish crowns per kilometre (kilometre tariff). A tariff is also indicated for fixed prices.⁴⁵¹

An example of the fares provided by Uber, which is active with three lines with professional drivers:

Fares	UberX	UberBlack	UberLux
Base fare	40 SEK	50 SEK	100 SEK
Per minute	5,65 SEK	9 SEK	12 SEK
Per Km	7,45 SEK	13,8 SEK	16,5 SEK
Minimum fare	90 SEK	100 SEK	175 SEK
Cancellation of reservation	75 SEK	75 SEK	100 SEK

- *Airports, Ports and train stations*

As seen in the national country report, according to the Swedish Taxi Association, while most of the rides to/from air and seaports are at fixed prices, there is no regulation that this is mandatory.⁴⁵²

In Arlanda, all taxi companies must state comparative prices for all types of journeys with a sticker on their windscreen. This is due to the exorbitant fares lamented by passengers, especially by the free riders (i.e. taxis not affiliated to a dispatch centre).

The comparative price is always calculated on a so-called typical journey with a distance of 10 kilometres that takes 15 minutes. The comparative price is stated in large black digits on a yellow background. The highest comparative price applied by the taxi car shall also be stated with extra-large digits.

⁴⁵⁰ Chapter 1, Section 17 of the Taxi Services Act and TSFS 2013:41.

⁴⁵¹ Chapter 1, Section 17 of the Taxi Services Act.

⁴⁵² Reply to the stakeholder consultation provided by one stakeholder.

The following chart on price information is provided in a visible area in the vehicle:⁴⁵³

Taxiföretagets namn, adress, telefonnummer		
PRISINFORMATION		
När	Jämförpris 10 km som tar 15 min	Det högsta jämförpriset som tillämpas av detta taxifordon ... kr
Vardagar klockan...	... kr	
Vardagar klockan...	... kr	
Vardagar klockan...	... kr	
Begär alltid taxameterkvitto!		
Grunderna för hur priset bestäms framgår av prisinformationen på insidan av taxifordonet!		
Storbilstaxa tillämpas vid körning med fler än fyra passagerare. Terminalavgifter tillämpas. Fasta priser tillämpas. Skriftlig information finns hos föraren.		

The main taxi companies at Arlanda propose fixed fares from the airport to the city between 520 and 570 SEK.

Taxi Stockholm provides the following fixed fares from/to the city and the Arlanda Airport:⁴⁵⁴

Arlanda-City	520 kr	City -Arlanda	520 kr
Arlanda-Kista	405 kr	Kista-Arlanda	405 kr
Arlanda-Farsta	665 kr	Farsta-Arlanda	665 kr
Arlanda-Aspudden	595 kr	Aspudden-Arlanda	595 kr
Arlanda-Stuvsta	675 kr	Stuvsta-Arlanda	675 kr
Arlanda-Bromma/Alvik	545 kr	Bromma/Alvik-Arlanda	545 kr
Arlanda-Vällingby	515 kr	Vällingby-Arlanda	515 kr
Arlanda-Nacka Forum	635 kr	Nacka Forum-Arlanda	635 kr
Arlanda-Lidingö Centrum	600 kr	Lidingö Centrum-Arlanda	600 kr

For pre-ordered taxis, there is a waiting period included in the fixed price, 20 minutes on domestic flights and 30 minutes on international flights. The waiting period starts when the flight has landed, after this time, a waiting fee will be charged (SEK 7.41/minute).

Uber fares from the city centre (Gamla Stan) to Arlanda are around:

⁴⁵³ Interview with the Swedish Transport Authority, 20 May 2016.

⁴⁵⁴ <https://www.taxistockholm.se/en/Taxi-Stockholm-Services/Arlanda/>.

- 520 SEK with UberX;
- 625 SEK with UberBlack;
- 750 SEK with UberLux.⁴⁵⁵

In September 2014, students at the Stockholm School of Economics compared the prices of an average 15 min, 10 km trip in Stockholm (and Goteborg) between Uber's offerings and traditional taxi services and found that UberX services were cheaper.⁴⁵⁶ For Stockholm, the results were the following.

Taxi company	Start price	Time price	Km price	Total fee (10km, 15min)
Taxi 020	39 SEK	7,6 SEK/min	9,6 SEK/km	249SEK
Taxi Stockholm	45SEK	7,4 SEK/min	9,2 SEK/km	248 SEK
Taxi Kuir	42SEK	7,2 SEK/min	9,10 SEK/km	242 SEK
UberX	40 SEK	5,65 SEK/min	7,45 SEK/km	199 SEK

The students also compared the cost of Uber's cheapest service, UberPop, which was shut down in May 2016, to the cost of public transportation in Stockholm (SEK 36 per trip). They found that for one passenger, public transportation was less expensive than UberPop, but if the ride included four passengers, then UberPop's prices were competitive with public transportation.

VI.3 Enforcement

Data on the enforcement are consolidated at the national level and reported in the Country Report. The competence for the enforcement for the violation of the regulation belongs to the police.

On 18 June 2013, the Swedish Competition Authority brought legal proceedings in the Stockholm District Court against the state-owned airport operator Swedavia AB (Swedavia). The Swedish Competition Authority requested the court to order Swedavia to pay administrative fines amounting to SEK 340,000 for having abused its dominant position by imposing unfair fees at Arlanda airport. The action followed a successful private claim for an injunction by the complainant, Uppsala Taxi 100 100 AB (Uppsala Taxi). When the Swedish Competition Authority decided not to investigate the case, Uppsala Taxi requested the Market Court to issue an injunction against Swedavia and the parking company EuroPark Svenska AB (EuroPark). The Market Court found one of the fees applied at Arlanda to be abusive and ordered Swedavia and EuroPark to end the infringement.⁴⁵⁷

⁴⁵⁵ <https://www.uber.com/fare-estimate/>.

⁴⁵⁶ http://entreprenorskapsforum.se/wp-content/uploads/2015/06/Sharing-Economy_webb.pdf, p. 32.

⁴⁵⁷ MD 2011:28, Uppsala Taxi 100 000 AB v Swedavia AB and EuroPark Svenska AB, 23 November 2011; Swedish Competition Authority press release 9 June 2016 <http://www.konkurrensverket.se/nyheter/dom-om-skyltavgift-for-taxi-pa-arlanda/>.

The Swedish Competition Authority raised its own court action, before the Stockholm District Court, against Swedavia. The Swedish Competition Authority sought a finding of abuse of dominance and imposition of fines. The Stockholm District Court, in June 2016, released its judgment in the case, finding that Swedavia had indeed abused a dominant position by taking out the special charge (which was passed on to end consumers). However, the Court also found that the special charge was objectively justified on the basis of, among other things, serious taxi capacity issues at the airport. It thus found that anti-competitive effects were cancelled out by efficiency gains resulting from the special charge. The Court therefore decided not to impose fines on Swedavia.

VI.4 New Urban Mobility

Car sharing has witnessed quite large developments in recent years. Car sharing in Stockholm was developed as part of the EU MOSES project under the 5th RTD Framework Program.⁴⁵⁸

Various companies provide car sharing in Stockholm whereas in 2010, only two major commercial car share contractors, City Car Club and SunFleet Carsharing were providing the service. Over the past year, we have seen Bilpoolen.se and Ekobilpool appear as small competitors in Stockholm.

In Stockholm, there are local incentives to promote bike sharing. For environmental purposes, the Municipality promotes bike sharing at a very low cost.⁴⁵⁹

There are quite a lot of carpools in Stockholm (there are no reliable statistics but probably over 25).⁴⁶⁰

Car pool vehicles have no free or reduced parking spaces/fares in Stockholm, but these types of parking spaces exist in many other cities.

Furthermore, Flexidrive, now owned by Snappcar (NL), is a car sharing service that exists where the members rent out their own cars.

Another car sharing service, operating in Stockholm since October 2015, is Drive Now, a joint venture of BMW and Sixt that provides car-sharing services in several cities in Europe (as well as North America).⁴⁶¹

Bike sharing is also available. Bikes can be rented by a city-sponsored bike sharing system, Citybike. There are over 140 bike stations around the city. As to prices, it is possible to pay per season, April to October (EUR 25 or for 3 days (EUR 15). Ordinary card for public transport can be loaded and used for city-bike fares.

⁴⁵⁸ <http://www.managenergy.net/resources/788#.V8m5BvmLSUk>.

⁴⁵⁹ Interview with Swedish Competition Authority, 18 May 2016.

⁴⁶⁰ Id.

⁴⁶¹ <https://de.drive-now.com/>. Also see: <http://cleantechnica.com/2015/10/24/drivenow-launches-car-sharing-service-stockholm/>.

VI.5 Market analysis

VI.5.1 Taxis

In Stockholm county, there are 2995 licences: of these, 2173 are held by private firms/businesses, 736 by limited companies, and 86 by different kinds of limited partnership/trading companies, which either work alone or are associated and cooperate through dispatch centres.⁴⁶²

Similar to the rest of the country, the main market players which operate as dispatch centres in the Stockholm taxi market are:

- **TaxiKurir;**
- **Taxi Stockholm AB** – is the largest dispatch centre that operates in Stockholm, which is connected to many licence holders with a total of about 1600 vehicles⁴⁶³ and a turnover of approximately 200 000 000 Euros.⁴⁶⁴ It provides various services, including hire car with driver and premium services with luxury vehicles and dark-suited chauffeur. It provides taxi services at taximeter fares or at fixed fares. For any fixed fare, it is necessary to submit a request, asking the driver directly or through an inquiry in case of pre-booked fares. Taxi Stockholm accepts most major credit cards and also the main foreign currency in case of cash payment (Euro, British pounds and U.S. dollars). Customers with a registered account, either as a company or as a private individual, pay by invoice.
Taxi Stockholm has its own booking web applications and has launched an additional service exploiting its market share, Taxi trails, which is a "new type of tourist guide based on GPS-data from the 8 million trips we make around Stockholm every year". The yellow areas on the app show where people travelling with the company are often going.⁴⁶⁵
- **SverigeTaxi** – has about 40 dispatch centres in about 100 cities. Taxi 020, which operates in Stockholm, Gothenburg and Borås with about 1200 vehicles, has recently joined Sverige Taxi.⁴⁶⁶ As seen in the country report, FVG Group (from February 2016, Cabonline Group), a leading technology and service provider for the taxi industry in Europe is the parent company of TaxiKurir and Taxi 020. Its turnover is approximately EUR 500, 000 00.
- **Svea Taxi Allians** is a partnership between various leading local taxi companies, which makes it possible to travel in the "same" taxi in several cities. When travelling with a taxi that is a member of Svea Taxi Allians, the passenger can pay with a credit card or voucher issued by one the members in all of Sweden. For example, a card issued by Taxi Stockholm can be used as payment when travelling with Taxi Göteborg. The taxi may always be reserved though the client's taxi company regardless of the place where the client is located. A Taxi Stockholm client may use Taxi Stockholm dispatch centre or app to book a Svea Taxi Allians taxi in another city without having to call a local dispatch centre.

As to dispatch companies/services, apart from Taxi Stockholm (incl. Värmdö Taxi and Ekerö Bilarna) with approximately 25 % market share and Cabonline Group (that owns

⁴⁶² Interview and follow up with the Swedish Competition Authority.

⁴⁶³ www.taxistockholm.se.

⁴⁶⁴ Reply to the stakeholder consultation provided by one stakeholder.

⁴⁶⁵ <http://www.taxitrails.se/en>.

⁴⁶⁶ <http://www.sverigetaxi.se/index.php?lang=2>.

Taxi 020 and Taxi Kurir⁴⁶⁷ incl. Sverige Taxi, Flygtaxi, Radio Cab/Top Cab) with 35-40 % market share, there are some mid-size/smaller companies with around 1 % market share each, e.g. Two Dices/Taxi Card, Norrtälje Taxi and Södertälje Taxi.⁴⁶⁸

Finally, there are so called "free riders", namely one-car driver companies: they are not affiliated to any dispatch centre. There are around 1000 vehicles of that kind in Stockholm.⁴⁶⁹

The so-called "free riders" and other small taxi companies together have around 20% of the market.⁴⁷⁰

VI.5.2 Limousines

As explained in the Country Report, the hire car with driver sector was removed because it was not using a taximeter and there were issues related to the tax evasion. However, some companies operate a niche high-end hire car service for high prices. A big player is Freys, the oldest and largest limousine and chauffeur service company in Stockholm, Sweden and Scandinavia.⁴⁷¹ The second largest player in Stockholm is Stockholm Limousine Service AB.⁴⁷²

VI.5.3 Intermediaries

New and innovative mobility services have also developed in Sweden.

Among the intermediaries, **Uber** is the main player,⁴⁷³ with the services Uber X, Uber Black and UberLux.⁴⁷⁴ According to the Swedish Competition Authority, Uber services are in direct competition with dispatch centres and operate in the same market. Uber's market share, according to an estimation of the Swedish Competition Authority, is around 10% of the dispatch centre market (with the caveat that this estimate is just an approximation).⁴⁷⁵

Another operating intermediary is **Heetch**, which started operating in Stockholm in May 2016;⁴⁷⁶ while with UberPOP suspended, its operations are awaiting the results of the abovementioned ongoing inquiry.⁴⁷⁷

⁴⁶⁷ Taxi Kurir also have substantial businesses in Norway and Denmark.

⁴⁶⁸ Follow up information sent by Swedish Competition Authority, 20 May 2016. Market shares are not by value or rides, but number of vehicles.

⁴⁶⁹ Interview with the Swedish Competition Authority, 18 May 2016.

⁴⁷⁰ This is approximation and these are only as good estimates as possible, as there are no official statistics available for Stockholm. Interview with the Swedish Competition Authority.

⁴⁷¹ www.freys.se.

⁴⁷² www.limousineservice.se/.

⁴⁷³ Reply to the stakeholder consultation provided by the Ministry of Enterprise and Innovation and The Swedish Transport Agency (Transportstyrelsen).

⁴⁷⁴ <https://www.uber.com/it/cities/stockholm/>.

⁴⁷⁵ Interview with Swedish Competition Authority, 18 May 2016.

⁴⁷⁶ See webpage: <http://www.latribune.fr/technos-medias/innovation-et-start-up/suede-uberpop-ferme-au-moment-ou-heetch-arrive-570602.html>.

⁴⁷⁷ Id.

Taxijakt.se is an app through which a taxi company (or a taxi driver) can sign a contract and get rides through an app provided in the smartphone.⁴⁷⁸

In addition, there are taxi apps which are operated on a standalone platform or by the taxi companies. Several taxi companies use different kinds of mobile applications that make it possible for customers to book their trips.

There are quite a lot of carpools in Stockholm (there are no reliable statistics but probably over 25).⁴⁷⁹

There are various car-sharing operators in Stockholm, some of them are present in many cities nationwide⁴⁸⁰, like SunFleet Carsharing, Bilpoolen.se, Bil.coop (a Scandinavian wide cooperation), Gomore and City Car Club. Also, many housing associations/condominiums and others similar institutions often have their own car pools.

VI.5.4 Ridesharing

With the exception of Heetch, there is a city ridesharing platform operating at night and during the weekend dedicated for those out late at night, but no short-distance ridesharing intermediaries seems to be present in the city. Websites such as <http://www.samakning.se/>, which is the largest Swedish ridesharing platform, indicates that one of the most demanded journeys for non-profit ridesharing is Stockholm-Goteborg, but there is also offer and demand from Stockholm to Arlanda.⁴⁸¹

VI.6 Users' satisfaction

As to customer satisfaction, a 2015 Report provides a 73.8 customer satisfaction rate for taxi services, which is an improvement from 2012. Between 2009 and 2012, customer satisfaction for taxis increased as well.⁴⁸²

The results of the Wavestone consumers' panel highlight that, in Stockholm, 28% (16) of the respondents used a taxi in the past 3 months, 26% (15) used a private car with driver service and 47% (27) used both of them.

The respondents from Stockholm cited the following reasons for using a taxi in Stockholm: the safety and reliability of the service (73%, 11), driver route knowledge (60%, 9), the booking user-friendliness (33%, 5) and the waiting time between the completion of the booking and the vehicle arrival (33%, 5). On the other hand, the main reasons cited for using a private car with driver over a taxi service in Stockholm are related to the price of the journey (81%, 30), the booking user friendliness (70%, 26), the payment method (68%, 25) and the waiting time between the completion of the booking and the vehicle arrival (59%, 22).

⁴⁷⁸ www.taxijakt.se.

⁴⁷⁹ Id.

⁴⁸⁰ Reply to the stakeholder consultation by the Ministry of Enterprise and Innovation and The Swedish Transport Agency (Transportstyrelsen).

⁴⁸¹ <http://www.samakning.se/>, last access September 2016.

⁴⁸² See Swedish Taxi Association Report. Swedish Transport Agency, Interview, 20 May 2015.

We also observed that the average satisfaction of users for private car with driver service (8.57/10) is higher than for taxi service (7.14/10).

VI.7 Market conditions and developments

Stockholm is one of the most knowledge-intensive and innovative regions in the world. Thanks to successful start-ups like Spotify, Skype and King, Stockholm has become a global tech and start up hub⁴⁸³. The Stockholm market and more in general the Swedish market, was analysed by the Competition Authority in the aftermath of liberalization. At the beginning of 1990s, immediately after deregulation, the taxi market in Stockholm was still dominated by ex-monopolists, which developed various strategies in competition with each other. At the end of the 1990s, when new kinds of competitors (the so-called free wheelers single operators who were not attached to any dispatch centres) entered the market, the picture became more complicated. Former monopolists started to be better organised, recognizable (using logos, good fleet of vehicles), offering business services with well established and extensive network of business contacts, as well as a wide clientele⁴⁸⁴. According to the Swedish National Road and Transport Research Institute (VTI), there was evidence of regional differences in Sweden as a result of the deregulation and competition which was naturally higher and consumers benefitted more from the regulation in the larger cities such as Stockholm than in small cities.

The city of Stockholm has 843,139 inhabitants and almost 1.9 million in the Stockholm Metropolitan Area. Forecasts indicate that the City of Stockholm will have 25 per cent more inhabitants by 2030. In this context, the Vision 2030 project launched by the City of Stockholm Traffic Administration intends to reduce the use of private cars by 25% by 2030, which could also boost the use of ridesharing and taxi service. In the last few years, an increase in environmentally friendly vehicles used by the taxi industry has been observed.⁴⁸⁵ Some dispatch centres have started to buy environmentally friendly vehicles on their own initiative to boost their brand awareness.⁴⁸⁶

The entrance of players such as Uber on the market has generated low-key protests, compared to other EU cities, which have focused largely on the exemption from the requirement of having a taximeter. However, UberPop was suspended after drivers were fined for lack of licences. A study promoted by Uber and carried out by Copenhagen Economics has shown the benefit of the peer-to-peer transportation in Stockholm, in terms of increased productivity, lower information asymmetry and transaction costs, lesser traffic congestion and a positive correlation with employment.⁴⁸⁷ According to the Study, *"immediate and induced effects on traffic imply that a typical citizen of Greater Stockholm will use private vehicles less often and use other transport modes more often, among them peer-to-peer services. There will be fewer vehicles on the streets of Stockholm any given day, thus reducing traffic intensity and congestion, which in turn reduces the amount of time citizens spend in traffic. We will see that changes in congestion and unproductive time spent in traffic can improve labor supply and*

⁴⁸³ <http://www.investstockholm.com/>.

⁴⁸⁴ Z. Slavnic (2011) Struggle for Survival in the Deregulated Market: Re-commodification and Informalisation of the Taxi Sector in Stockholm, *Forum for Social Economics*, 40:2, 233-251.

⁴⁸⁵ Reply to the stakeholder consultation provided by one stakeholder.

⁴⁸⁶ Reply to the stakeholder consultation provided by one stakeholder.

⁴⁸⁷ Id.

*competition in Greater Stockholm and thereby give rise to economic benefits for citizens”.*⁴⁸⁸

The growth trend at Stockholm Arlanda Airport has continued in the recent years. Air travel to and from Sweden continues to grow. In 2015, international travel to and from Sweden went up 8 percent. That increase demonstrates Stockholm Arlanda’s importance for economic growth both in the Stockholm region and throughout the country. Since 2012, annual passenger volume at Stockholm Arlanda has increased from 19.6 million to more than 23 million in 2015. The total number of international passengers flying to or from Stockholm Arlanda increased 4 percent in 2015 compared to 2014.⁴⁸⁹ The airport market is interesting for many players, including free-floating car sharing operators. Since October 2015, DriveNow operates also from Arlanda Airport and it is possible to reserve a car via the apps and leave it in another point of the city.⁴⁹⁰

As clarified by the Swedish Agency for Economic and Regional Growth, increase in international passengers at Arlanda means major revenues for Sweden and Stockholm in particular and more jobs especially for low skilled labour force such as taxi drivers. *“Consumption by international visitors is broken down into categories such as accommodation, restaurants, car rental and shopping. In 2012, international visitors spent an average of 800 Swedish kronor per person and day in all during their visit to Sweden. The export value of tourism, measured as the consumption of international visitors in Sweden, increased by 7.5 per cent to 106.5 billion kronor in 2012 compared to the preceding year, which was about 85 per cent more than iron and steel exports (SEK 57.1 billion) and almost three times as much as the value of Swedish passenger cars (SEK 37.6 billion). In 2013, international tourism increased 2.1 per cent compared to 2012. The export value of tourism constitutes an important contribution to Sweden’s economy, but tourism’s ability to contribute to increased employment is also crucial. The sector’s ability to create jobs for young people and the competence that many people who are first- or second-generation immigrants can contribute are especially important”.*⁴⁹¹

VI.8 Conclusions

Due to the national regulation applicable to the taxi market, the transport situation in Stockholm partially overlaps with the rest of Sweden. Distinctions between taxi services and hire vehicle with driver services are irrelevant since there is only one-tier of regulation applicable to all services. Hire car with driver services exempted from the use of the taximeter are few and mainly destined to the high-end limousine service. The exemption is very difficult to obtain since it could lead to tax evasion, as it has happened in the past. Large taxi companies, which are also dispatch centres, operate in the market and have maintained their market position despite liberalisation. The liberalisation brought more competition in Stockholm, with the entrance of free riders (i.e. single operators who were not affiliated to any dispatch centres) which have enjoyed the opportunities offered by new app-based intermediaries that entered the market.

⁴⁸⁸ A. Stefansdotter, C. von Utfall Danielsson, Dr C. Kastberg Nielsen, Dr E. Rytter Sunesen, *Economic benefits of peer-to-peer transport services*, Copenhagen Economics, April 2015, p. 9.

⁴⁸⁹ <http://www.swedavia.com/about-swedavia/press/news/23-million-passengers-new-record-at-stockholm-arlanda/#gref> (last access September 2016).

⁴⁹⁰ See webpage: <http://www.swedavia.com/arlanda/about-stockholm-arlanda-airport/about-stockholm-arlanda-airport/news/drivenow-at-stockholm-arlanda-airport/#>.

⁴⁹¹ Source: Swedish Agency for Economic and Regional Growth/ Statistics Sweden <http://www.swedavia.com/arlanda/about-stockholm-arlanda-airport/about-stockholm-arlanda-airport/news/more-international-visitors-mean-good-revenue-for-sweden/#gref>.

However, free-riders have been also accused of applying exorbitant prices compared to the taxis affiliated to dispatch centres.

The development of the hire transport and of new urban mobility service such as car sharing and bike sharing could be boosted by the new plan of the City of Stockholm to introduce new strategies to reduce the use of private cars by 2030. The city is expected to grow in the coming years in terms of population and of visitors. These two factors may drive the demand and the supply of hire transport as an alternative to public urban transport. The high-technology environment is also favourable to the development of IT based apps.

As anticipated, the ongoing Government inquiry is expected to bring about reform, including possibly introducing a new category of "taxis" with clearer rules on exemptions from the compulsory taximeter requirements.⁴⁹² An update of the current rules take into account changes in technology that is also being assessed. This reform is, however, not expected to be finalized before 2017.

⁴⁹² Swedish Competition Authority, 18 May 2016.

VII. WARSAW CASE STUDY

VII.1 Introduction

The road transport of passengers in Warsaw is divided between taxi and hire car with driver services. The hire car with driver sector has experienced large changes and developments in recent years with the arrival of new intermediaries. On 24 September 2015, taxi drivers in Warsaw held a strike to draw attention to the growth in the hire car with driver sector and to induce the government to establish specific regulations applicable to those companies (i.e. those acting as agents and providing applications facilitating arranging passenger transport such as Uber).

However, in general, the progressive deregulation brought new intermediaries to the market and in the last year, Warsaw saw an increase in hire transport service providers and intermediaries.

VII.2 Regulatory and Administrative Framework

VII.2.1 Taxis

A large part of the regulation on taxis is contained in the Road Transport Act of 6 September 2001. The Road Transport Act is a general act specifying the rules for performing taxi activity on the national level.

Since 1 December 2014, taxi drivers are no longer required to complete any state course in road transport or pass a final state exam. However, according to Article 6.3a, councils of the municipalities with populations exceeding 100,000 are authorised to require prospective taxi drivers to complete a course confirming knowledge of city topography and local regulations. In such case, the applicant is also required to pass a final exam after completing the course. The City Council of Warsaw has introduced such local regulations.

Pursuant to the provisions of the Road Transport Act and Transport Law Act of 15 November 1984, municipalities are authorised to adopt local regulations. The city of Warsaw adopted the following resolutions:

- Resolution No. XXIX/608/2011 of the City Council of the capital city of Warsaw of 15 December 2011 on determining official prices for taxi passenger transport within the territory of the capital city of Warsaw ("**Local Regulation 1**");
- Resolution No. LXXI/1843/2013 of the City Council of the capital city of Warsaw of 21 November 2013 on obligation to complete training concluded by an exam for individuals rendering passenger transport services by taxi ("**Local Regulation 2**");
- Resolution No. LXXXV/2185/2014 of the City Council of the capital city of Warsaw of 3 July 2014 on regulation connected with passenger and luggage transport by taxi ("Local Regulation 3");

- Resolution No. LXXXV/2184/2014 of the City Council of the capital city of Warsaw of 3 July 2014 on additional labelling of taxis ("Local Regulation 4");
- Resolution No. LV/1638/2009 of the City Council of the capital city of Warsaw of 14 May 2009 on the establishment of price zones (tariff rates) for person and cargo taxi services in Warsaw, as amended.

To obtain a licence for taxi services, the operator must submit an application (in writing or in an electronic document) to the Mayor of Warsaw (Department of Licences and Road Transport of the Bureau of Administration and Civil Matters (*pl. Wydział Licencji i Transportu Drogowego Biura Administracji i Spraw Obywatelskich Urzędu m.st. Warszawy*)).

The application fees are:

- PLN 320 – for a licence valid for a period from 2 to 15 years,
- PLN 380 – for a licence valid for a period over 16 to 30 years,
- PLN 450 – for a licence valid for a period over 31 to 50 years.

An applicant may choose the length of validity of the licence for which he is applying. To apply for the licence, the applicant must have the proper qualifications required by national legislation.

The Mayor (*pl. Prezydent m.st. Warszawy*) is responsible for issuing the licences covering the city of Warsaw.

The application must contain:

- name of the entrepreneur, his address and registered office or the place of residence;
- information on entry into the Central Registration and Information on Business (*pl. Centralna Ewidencja i Informacja o Działalności Gospodarczej*) or number in the Business Register of the National Court Register (*pl. Rejestr Przedsiębiorców Krajowego Rejestru Sądowego*), if required;
- Tax Identification Number (NIP);
- indication of the type and scope of road transport services, as well as the area of rendering transport services;
- indication of the period time for which the licence is supposed to be submitted;
- indication of the type and number of vehicles which will be used by the entrepreneur for rendering road transport services;
- indication of the number of excerpts of the licence.

The demand must be accompanied by the following documents:

- statement of members of the governing body of a legal person, persons managing a general partnership or limited partnership and in case of other entrepreneur – persons conducting business confirming that they:
 - have not been convicted with a final judgment of a fiscal criminal offence or of wilful offence against road traffic safety, property, business transactions, reliability of documents, environment or against work conditions and wages or other criminal offence having connection with performed profession;
 - have not been issued with a final judgment prohibiting performance of business within the field of road transport;
- statement on the intent of hiring drivers meeting the conditions specified in the Road Transport Act or on the intent to co-operate with persons not employed by

the entrepreneur, but performing transport services personally in his favour meeting the conditions specified in the Road Transport Act;

- list of vehicles containing information on the brand, type, character/purpose, registration number, VIN number and indication of the type of a legal title thereto;
- proof of payment of a fee for issuing the licence;
- medical certificate confirming a lack of health contradictions to perform the job of a driver, medical certificate confirming a lack of psychological contradictions to perform the job of a driver;
- certificate on the completion of the training and passing the exam confirming the knowledge of city topography and local regulations.

There is no quantitative threshold to the number of the licences that may be issued. The numbers of taxi licenses issued by the Mayor between 2010 and 2015 were as follows:

Year	2010	2011	2012	2013	2014	2015
Number of licenses issued	735	536	1235	1103	1345	1636

Pursuant to the Road Transport Act, the City Council of Warsaw adopted Local Regulation 2 introducing the obligation to pass a written exam confirming knowledge of city topography and local regulations.

The scope of knowledge required on the exam includes:

- The location of streets, squares and residential areas in Warsaw;
- Position of the monuments, museums, hospitals, embassies, government offices and local governments, the villa-dining and leisure-recreation areas;
- The provisions of the local law related to the performance the activity of the road transport of passengers by taxi.

The exam is a written test. The exam is considered passed if the applicant answers at least 70% of the questions correctly. In 2015, 938 out of 2,079 applicants passed the exam 268 out of the 938 applied for a licence.

The fee for the exam is PLN 260 per person.

- *Fitness of the vehicle and taximeter*

Pursuant to Local Regulation 4, every vehicle used to perform road transport of passengers by taxi in Warsaw needs to have the following labelling:

- yellow-red stripe in the colours of the City of Warsaw with the licence number;
- emblem of Warsaw consistent with the model set out in the statute of the City of Warsaw;
- information about the current official maximum prices used by the entrepreneur for the transport of passengers by taxi;
- A sticker bearing the hologram containing the vehicle registration number and licence number;
- The ID of a taxi driver bearing a hologram containing:
 - current photography of a taxi driver;
 - name and surname of a taxi driver;

- the term of validity of licence;
- the number of a blank;
- the name of the licensing authority;
- the date of issue;
- side number of taxis.

Entrepreneurs granted taxi licenses are required to modify their vehicles to the taxi transporting activity, including the installation and certification of a taximeter and cash register.

- *Airports*

There are no limitations on which taxis may render transportation to/from the airport. However, Warsaw Chopin Airport recommends, for security reasons, to use official licensed taxis and suggests the following corporations on its website: Ele Taxi, Super Taxi and Sawa Taxi.⁴⁹³

- *Fares*

Local Regulation 1 on determining official prices for taxi passenger transport within the territory of Warsaw introduced the following maximum prices:

- Tariff 1	on weekdays between 6:00 a.m. and 10:00 p.m	1 km - PLN 3.00
- Tariff 2 - higher by 50% from tariff 1 (night tariff)	on weekdays between 10:00 p.m. and 6:00 a.m. and on Sundays and holidays throughout the entire day and night	1 km - PLN 4.50
- Tariff 3 - higher by 100% from tariff 1	for travel beyond the boundaries of tariff 1 zone without using transport in the opposite direction on weekdays between 6:00 a.m. and 10:00 p.m	1 km - PLN 6.00
- Tariff 4 - higher by 100% from tariff 2	for travel beyond the boundaries of tariff 1 zone without using transport in the opposite direction on weekdays between 10:00 p.m. and 6:00 p.m. and on Sundays and holidays throughout the entire day and night	1 km - PLN 9.00
- Initial fee		PLN 8.00

⁴⁹³ <http://www.lotnisko-chopina.pl/en/taxi.html>.

- Fee for 1 hour of stop (on all tariffs)	PLN 40.00
---	-----------

The prices indicated below are those applied by the largest taxi operators in Warsaw.

a. Bayer Taxi

- Tariff 1	on weekdays between 6:00 a.m. and 10:00 p.m.	1 km - PLN 1.50
- Tariff 2	on weekdays between 10:00 p.m. and 6:00 a.m. and on Sundays and holidays throughout the entire day and night	1 km - PLN 2.25
- Tariff 3	for travel beyond the boundaries of tariff 1 zone without using transport in the opposite direction on weekdays between 6:00 a.m. and 10:00 p.m.	1 km - PLN 3.00
- Tariff 4	for travel beyond the boundaries of tariff 1 zone without using transport in the opposite direction on weekdays between 10:00 p.m. and 6:00 p.m. and on Sundays and holidays throughout the entire day and night	1 km - PLN 4.50
- Initial fee		PLN 8.00
- Fee for 1 hour of stop (on all tariffs)		PLN 30.00

b. Glob Cab

- Tariff 1	on weekdays between 6:00 a.m. and 10:00 p.m	1 km - PLN 1.80
- Tariff 2	on weekdays between 10:00 p.m. and 6:00 a.m. and on Sundays and holidays throughout the entire day and night	1 km - PLN 2.70
- Tariff 3	for travel beyond the boundaries of tariff 1 zone without using transport in the opposite direction on weekdays between 6:00 a.m. and 10:00 p.m	1 km - PLN 3.60
- Tariff 4	for travel beyond the boundaries of tariff 1 zone without using transport in the opposite direction on weekdays between 10:00 p.m. and 6:00 p.m. and on Sundays and holidays throughout the entire day and night	1 km - PLN 5.40
- Initial fee		PLN 8.00

- Fee for 1 hour of stop (on all tariffs)	PLN 36.00
---	-----------

c. MERC Taxi

- Tariff 1	on weekdays between 6:00 a.m. and 10:00 p.m	1 km - PLN 2.40
- Tariff 2	on weekdays between 10:00 p.m. and 6:00 a.m. and on Sundays and holidays throughout the entire day and night	1 km - PLN 3.60
- Tariff 3	for travel beyond the boundaries of tariff 1 zone without using transport in the opposite direction on weekdays between 6:00 a.m. and 10:00 p.m	1 km - PLN 4.80
- Tariff 4	for travel beyond the boundaries of tariff 1 zone without using transport in the opposite direction on weekdays between 10:00 p.m. and 6:00 p.m. and on Sundays and holidays throughout the entire day and night	1 km - PLN 7.20
- Initial fee		PLN 8.00
- Fee for 1 hour of stop (on all tariffs)		PLN 40.00

d. Sawa Taxi

- Tariff 1	on weekdays between 6:00 a.m. and 10:00 p.m	1 km - PLN 2.40
- Tariff 2	on weekdays between 10:00 p.m. and 6:00 a.m. and on Sundays and holidays throughout the entire day and night	1 km - PLN 3.60
- Tariff 3	for travel beyond the boundaries of tariff 1 zone without using transport in the opposite direction on weekdays between 6:00 a.m. and 10:00 p.m	1 km - PLN 4.80
- Tariff 4	for travel beyond the boundaries of tariff 1 zone without using transport in the opposite direction on weekdays between 10:00 p.m. and 6:00 p.m. and on Sundays and holidays throughout the entire day and night	1 km - PLN 7.20
- Initial fee		PLN 8.00

- Fee for 1 hour of stop (on all tariffs)	PLN 40.00
---	-----------

There is no difference between pre-booked fares and regular fares. There is also no difference between regular fares and fares applicable to trips to the airport.

However, some taxi operators offer flat rates for trips to the airport (for instance Glob Cab offers a trip from the Warsaw Chopin Airport to the city centre of Warsaw for PLN 29.00).

VII.2.2 Hire cars with driver

There are no specific local regulations for hire car with driver service. In Poland, the legislation provides for the general obligation to obtain the relevant licence to perform hire transport services. Therefore, there is only one regulation applicable to all the professional transport services. The conditions for obtaining the licence are the same at the national level and local level and the procedure for requesting and issuing is the same. Both taxi and hire car with driver licenses may be granted to any entrepreneur, provided that he/she fulfils the legal requirements. These include: lack of criminal record (concerning both the entrepreneur and the drivers he employs), being a holder of professional competence certificate (hire car with driver), being a holder of a certificate confirming a passing result of the topography and local legislation exam (taxi), appropriate health condition (taxi), appropriate financial situation (hire car with driver), and having a car at their disposition.

Therefore, the main distinction in Warsaw between the taxi licence and the hire vehicle licence is that for the hire vehicle licence there is no need to pass the topography and local legislation exam.

Pursuant to the provisions of Regulation 3, as of the date of this report, the fees for issuing a licence for passenger transport by car are as follows:

Fee in PLN for each vehicle		
period of validity of a licence in years		
from 2 to 15	over 15 to 30	over 30 to 50
700	800	900
Fee per 1 extract from the licence for one vehicle		
77	88	99

There is no limit to the number of hire vehicle with drivers licences issued.

The numbers of the aforementioned licenses issued by the Mayor of Warsaw between 2010-2015 were as follows:

Year	2010	2011	2012	2013	2014	2015
------	------	------	------	------	------	------

Number of licenses issued	29	10	21	20	18	19
Number of extracts issued from the licences	200	126	56	94	97	62

- *Fares*

There are no legal provisions either at the national level or at the municipality level, which would specify maximum/minimum fares applicable to road transport with hire vehicles with drivers.

For instance, the current fares for Uber in Warsaw are as follows:

UBERPOP

Initial fee	PLN 5.00
Fee per 1 km	PLN 1.40
Fee per 1 min	PLN 0.30
Minimum fee	PLN 5.00
Resignation fee	PLN 10.00

UBERSELECT

Initial fee	PLN 7.00
Fee per 1 km	PLN 1.70
Fee per 1 min	PLN 0.35
Minimum fee	PLN 7.00
Resignation fee	PLN 10.00

High-end segment hire car with driver services provide for higher fares. Limousine Poland, the largest provider of luxury hire cars with driver in Poland, has published the following fares:

Transfers

Warsaw Fryderyk Chopin Airport (WAW) - hotel EUR 175,

Warsaw Modlin Airport (WMI) - hotel (42 km) EUR 349,

Warsaw Train Station - hotel EUR 175.

Hourly hire

1 hour & up to 50 km EUR 175,

2 hours & up to 50 km EUR 349,

4 hours & up to 100 km EUR 599,

8 hours & up to 250 km EUR 899.

For over 8 hours and multi-day service, a quote must be required.⁴⁹⁴

VII.3 Enforcement

Article 15 sec. 1 of Road Transport Act, lists the reasons for licence revocation. In Warsaw, the Mayor of Warsaw (*pl. Prezydent m.st. Warszawy*) handles revocations through administrative proceedings by.

The supervision over the activity of passenger transport by taxi in Warsaw is performed by the Inspection of Road Transport (*pl. Inspekcja Transportu Drogowego*).

Inspectors of the Inspection of Road Transport are also authorised to impose a fine for infringements of the road transport activity obligations or conditions which can amount from PLN 50.00 to PLN 10,000.00 for each violation.

In 2015, the Municipality Office of Warsaw conducted inspections in cooperation with the Police, the Fiscal Control, the Trade Inspection, the Road Transport Inspection and the Municipal Police of the capital city of Warsaw. The purpose of the inspections was to verify the legality of passenger transport by taxis and by hire vehicles with drivers.

According to the data provided by the Municipality of Warsaw, in 2015, inspections of 1,933 carriers were conducted. 37.4% of inspections (723) showed abnormalities. The most common were:

- drivers who have not passed the exam with the regulations and the topography of the city 71.6% (518 cases);
- performance of road transport of passengers without a licence 10.4% (75 cases);
- lack of cash register - 23 cases;
- performance of a passenger transport by taxi by a vehicle not entered into a licence - 21 cases.

The inspections in 2015 revealed breaches of the Road Transport Act of the total value close to PLN 1,212,000.

Apart from revealing breaches of the Road Transport Act, 631 fines were issued amounting to almost PLN 145,000 for breaching the Road Transport Act, penal and fiscal provisions, and the provisions of local law, and 19 motions for penalty were filed with the Court.

Concurrently, the inspection officers filed 3,280 post-inspection protocols and materials. Breaches were revealed, mainly concerning the local law. The licensing authority analyses the material and takes actions regarding the Road Transport Act, which varies from warning the entrepreneur to instituting administrative procedure for withdrawing the licence.

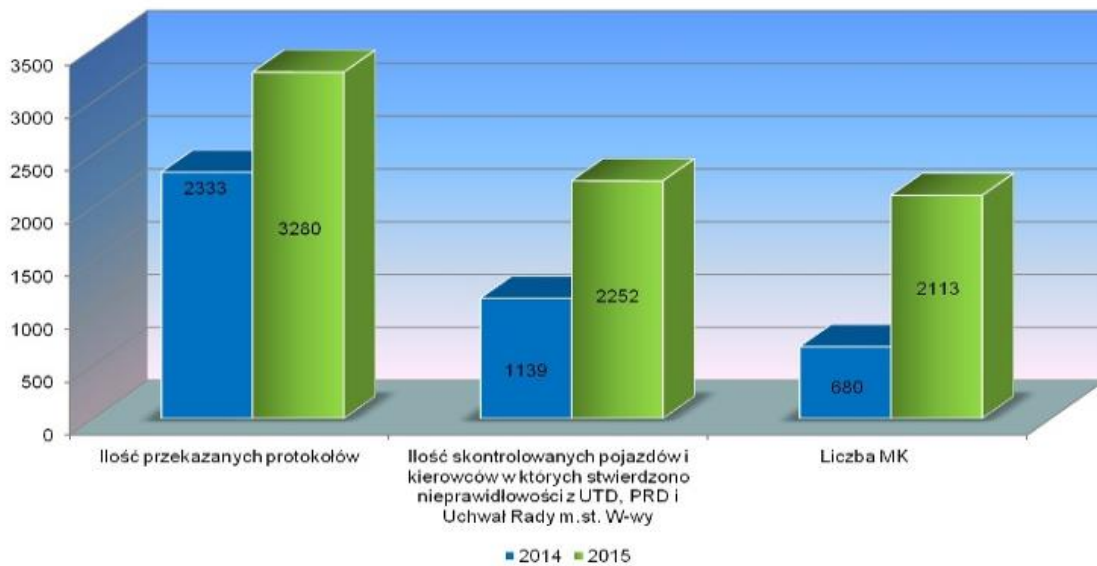
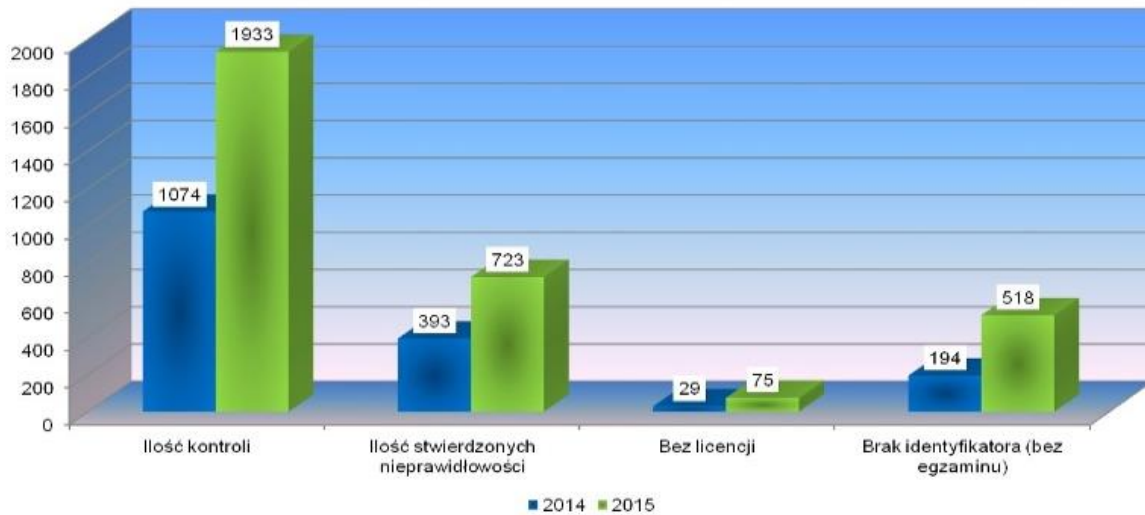
In 2015, the Mayor of Warsaw inspected 2,607 entrepreneurs. As a result, the Mayor extinguished 762 licenses, issued 1,037 warnings, and issued 313 decisions withdrawing

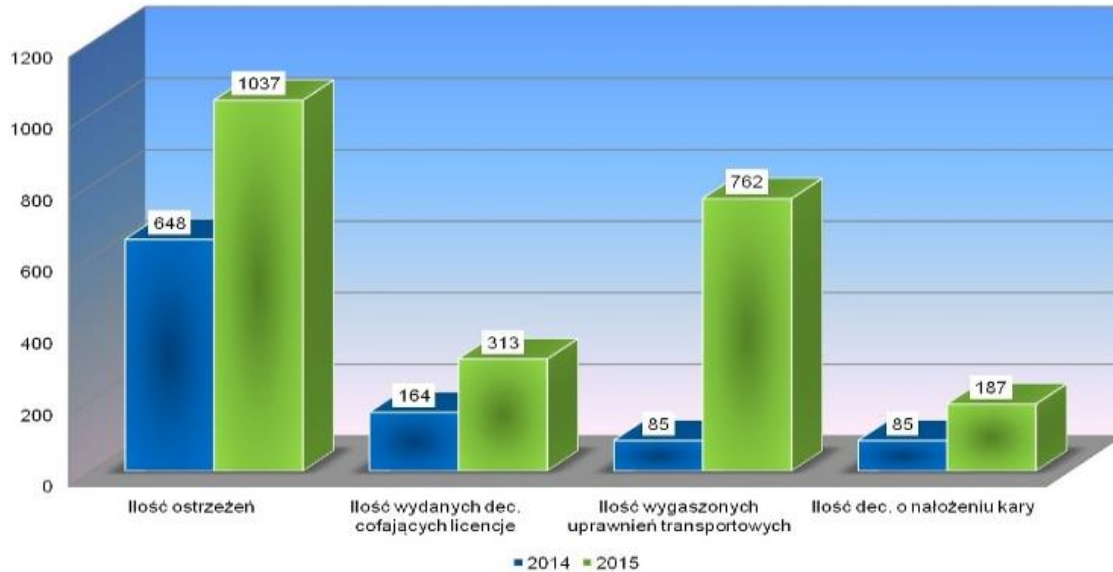
⁴⁹⁴ http://www.limousinespoland.com/limousines_warsaw.html.

licenses. In addition, 133 "prosecution requests" for unlawful use of the colours and the emblem of Warsaw were submitted to the Police.

Data concerning inspections conducted in Warsaw in 2015 are below:

Inspections conducted in 2014 and 2015 by the Police, the Fiscal Control, the Trade Inspection, the Road Transport Inspection and the Municipal Police of the capital city of Warsaw in cooperation with clerks of the Municipality Office of the capital city of Warsaw:





Source: <http://www.um.warszawa.pl/aktualnosci/przewo-nicy-pod-kontrol-przez-ca-y-rok?page=0,0>.

VII.4 New Urban Mobility

As clarified by the city of Warsaw during the consultation, *"for the time being, there is not enough interest in carpooling or car sharing in order to create some sort of preferential programs for them. In Warsaw, as well as in some other cities, starting this kind of systems is in the planning phase, and no definite measures have been taken yet."*⁴⁹⁵

However, the City of Warsaw is planning to launch a low carbon car sharing service in the city in 2016. The proposed car sharing system would begin with 500 low-emission vehicles and with future expansion to include zero emission electric cars. The system would be integrated with the city's public transportation system as well as the bike-sharing system Veturilo, to encourage the use of multiple modes of transport in one journey.⁴⁹⁶

The City finances specialized transport services for people with disabilities (Municipal Transport for People with Disabilities - MTPD) as part of public transport. The service is provided under an agreement between the City of Warsaw and the carrier company chosen by public tender. The present agreement is valid for the period between 1 February 2015 and 31 December 2020. The budget of the funding in total during this period amounts to 12 361 566,00 PLN gross. The lump sum for every ride within the transport service during this period is 66,00 PLN gross. Certain limits are specified for each year of the agreement for daily and occasional rides, i.e. transport for disabled children to attend the "summer/winter in the city" program. Apart from the lump sum, the carrier charges a 15 PLN fee gross per person. To provide the service, the carrier provides at least 15 authorised and properly marked vehicles specialized to transport people with disabilities (maximum 6 years old counting from the production date, with a maximum authorised mass not exceeding 3,500kg and minimum capacity of 4,5 cubic

⁴⁹⁵ Reply of the City of Warsaw to the stakeholder consultation of 3 February 2016.

⁴⁹⁶ <http://www.eltis.org/discover/news/warsaw-introduce-car-sharing-scheme-poland>.

meters). The transport service is provided on weekdays between 6:00 and 22:00 and on weekends between 8:00 and 20:00 in the City of Warsaw, and if for the treatment or rehabilitation then an area up to 20km from the borders of the City of Warsaw. It is possible to share rides if the pickup points are situated close to one another.⁴⁹⁷

In 2015, MTPD realised 26 750 daily and 806 occasional rides.

According to the City of Warsaw, MTPD is attractive to passengers due to its low ride fares (15PLN per ride regardless from distance travelled), and also due to its “door to door” system, i.e. a driver and an assistant (first aid trained) provide assistance for a disabled person to leave their home and get to their destination or vice versa.

Additionally, taxi and MTPD vehicles are allowed to use bus lanes in the City of Warsaw, which makes the rides shorter (especially during rush hours) and hence more attractive to customers. Moreover, emissions are reduced due to the shorter travel time.

VII.5 Market analysis

VII.5.1 Taxis and hire cars with driver

Following the liberalisation of the market, the taxi sector seems quite open and competitive. Prices are among the lowest in Europe and the market is characterized by a large number of players. The market for taxis and hire car with drivers in Warsaw is constantly growing. The number of taxi licences granted by the Mayor of Warsaw grows each year.

New transport players such as Uber, Heetch and other foreign companies have entered the market without being particularly “disruptive”. Recently, the taxi sector called for a reform of the legislation requiring the digital applications acting as agents, such as Uber and iTaxi to obtain a licence under the Road Transport Act. However, the legislative proposal to amend the Road Transport Act remained a draft due to the Parliament’s term at the end of 2015.

At the end of 2013, there were 9,954 licensed taxis in Warsaw, in 2014 there were 10,475, and at the end of 2015 the number of licensed taxis in Warsaw reached 11,079.

Due to the fact that companies such as Uber joined the Warsaw market, traditional taxi companies have started using new technologies including the ability to order a taxi via website, SMS or via a mobile app.

- Taxis

Taxi operators are regrouped in “corporations”. The biggest corporations in the Warsaw market are as follows: Bayer Taxi, City Warsaw, EcoCar, Ele Taxi, Euro-Lux Taxi, Express

⁴⁹⁷ Reply of the City of Warsaw to the stakeholder consultation of 3 February 2016.

Taxi, Glob Cab, Gold Taxi, Grosik Taxi, Halo Taxi-OK., Korpo Taxi, Marion Taxi, MERC Taxi, MPT, Partner Taxi, Prestige Taxi, Sawa Taxi, Super Taxi, Tele Taxi, Top Taxi, Ursyn Taxi, Volfra Radio Taxi, Wawa Taxi.

- *Hire cars with driver*

The major hire car with driver's operators are:

- **Uber**, which offers various options with professional and non-professional drivers;
- **Limousine Service**, a Polish operator specialised in high end luxury hire cars with driver for special occasions, weddings, sightseeing or business in Poland or abroad, ad hoc services or rental by hours;⁴⁹⁸
- **Limousine Poland**, the largest hire car with driver operator in Poland, has a fleet of more than 100 luxury cars and offers exclusive airport transfers in major Polish airports, VIP, corporate and diplomatic service, tours, hired cars for artistic and cultural events;
- **Blacklane**, a German platform offering hire car with driver in various cities.

Uber and Blacklane are intermediaries which connect drivers and passengers, while Limousine Service and Limousine Poland are operators with a car fleet and employ licensed drivers.

VII.5.2 Ridesharing

Among the local ridesharing companies are **UberPop** and **Heetch**. Warsaw is one of the few cities where the ridesharing service with non-professional drivers is available in the EU. The tolerance towards the short-distance ridesharing services prompted other players, such as Heetch, to launch the service in Warsaw. The Ministry of Economy clarified that it is watching with interest the development of the enterprise-based economy, which shares the new and expanded the forms of services. The Ministry provided some guidelines on the application of VAT on sharing economy services.⁴⁹⁹

Among the local intermediaries, **InOneCar**⁵⁰⁰ provides services which connect drivers commuting by car to work and having empty seats in their car with potential passengers, who also need to get to work.

VII.6 Users' satisfaction

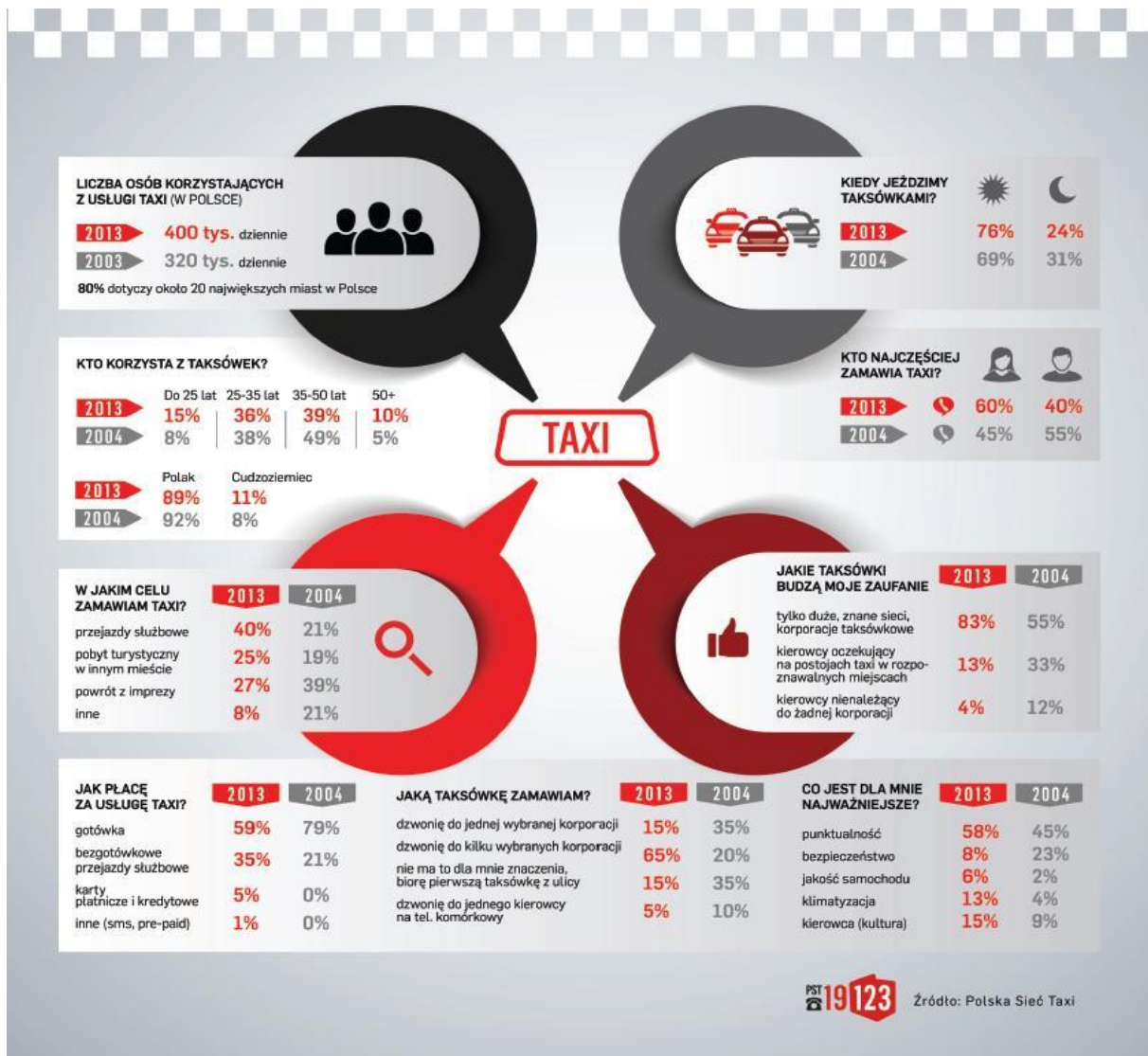
Pursuant to the results of a market survey, which took place in 2013, the increasing popularity of taxis also changes the image of the largest corporations belonging to this market. Around 83% of respondents indicated that they had the greatest confidence in the largest, most reputable corporations. In accordance with the survey, 65% of customers used the opportunity to choose among several previously tested corporations. Statistics were prepared based on surveys collected in the 20 largest cities in Poland by the Polish Taxi Network 19 123 and based on the survey of approx. one thousand customers.

⁴⁹⁸ <https://limousineservice.pl/index.php>.

⁴⁹⁹ <http://orka2.sejm.gov.pl/INT7.nsf/klucz/088552EF/%24FILE/i32705-o1.pdf>.

⁵⁰⁰ www.inonecar.com.

The results of the survey are below:



Source: <http://www.bankier.pl/wiadomosc/Polski-rynek-uslug-taksowkowych-w-liczbach-2953963.html>.

However, since the survey mentioned above took place, the Warsaw and Polish market of passenger transport by taxi and hire car with driver has significantly changed due to Uber and other undertakings operating in the online platforms market that have entered the market. Currently, there is significant competition between the traditional taxi corporations in Warsaw and drivers cooperating with such companies as Uber. Taxi drivers have held strikes in Warsaw aimed at the issue of increased competition in passenger transport, in particular to the fact that a part of drivers co-operating with companies such as Uber do not hold the required licences and do not pay taxes and social insurance contributions.

The results of the Wavestone consumers' panel highlight that, in Warsaw, 38% (24) of the respondents used a taxi in the past 3 months, 19% (12) used a private car with driver service and 44% (28) used both of them.

The respondents from Warsaw cited the following reasons for using a taxi in Warsaw: (i) the safety and reliability of the service (88%, 29), (ii) driver route knowledge (67%, 22) and (iii) the booking time (52%, 17). On the other hand, the main reasons cited for using a private car with driver over a taxi service in Warsaw are: (i) the price of the journey (97%, 28), (ii) the booking user-friendliness (72%, 21) and (iii) the payment method (69%, 20).

We also observed that the average satisfaction of users for private car with driver service (8.28/10) is greater than for taxi service (7.69/10).

VII.7 Market conditions and development

The Warsaw market of taxis and hire cars with drivers constantly grows and the number of licences granted by the Mayor of Warsaw for taxis grows each year. The growth of the sector and the attractiveness seems to reflect the general growth of the Polish economy.⁵⁰¹ Warsaw is one of the largest cities in Europe with 1,744,351 inhabitants⁵⁰² and, across the period 2005-2010, realised fast economic development.

According to the Trade Union of Taxi Drivers "Warszawski Taksówkarz", the market in Warsaw is supersaturated as it estimated that in addition to the 11,079 taxis in Warsaw, there are also a lot of entities/individuals performing transport without the required licences.

Pursuant to a survey conducted in 2013, throughout the last decade the number of people using transport services in Poland rose by 30%. Approximately 80% of taxis services are within the 20 largest cities in the country.

For the past 10 years, the number of taxi journeys of an official taxi has nearly doubled. The reasons for this is the increasing number of service companies, corporate savings cutting the additional costs of switching from leasing and rental cars and, above all, parking access for taxis, no fees for parking and the bypass of traffic jams in major cities.

In addition, corporations offer taxis with the possibility of cashless travel, used by more than 1/3 of the customers. Alternative methods of payment for taxis services also gained popularity over time - credit cards, SMS codes or pre-paid methods.

With regard to the impact of the arrival of the ridesharing intermediaries, and especially the entrance of Uber on the Polish market, the National Competition Authority (UOKiK) has considered, in a recent opinion, that Uber's entry in the markets contributes to the development of competition and has a positive impact on consumers.

VII.8 Conclusions

⁵⁰¹ <http://www.bloomberg.com/news/articles/2013-11-27/how-poland-became-europes-most-dynamic-economy>.

⁵⁰² ["Population in Poland. Size and structure by territorial division as of December 31, 2015"](#).

There has been significant development in the hire transport services in Warsaw, especially in the last few years, following the deregulation and removal of quantitative restrictions on taxi licences, which also reflects the positive country-wide trend.⁵⁰³ The increase in the supply of taxis and hire transport is driven both by the demand caused by the lower price of hire transport and by the entry of new intermediaries providing easy access via apps and websites to book a ride. Warsaw, like the rest of the country, has accepted potential disruptive models, which has rendered the city attractive for new innovative services' operators. As reported in the Country Report, one of the respondents to the stakeholder consultation stressed that, "*[r]eception from local authorities has been relatively positive at both local and national levels, with a clear understanding on the value of the service for both users and drivers, and the need for modernization of some existing regulation, although some questions have been raised regarding licensing and taxation, which need to be addressed through regulatory change*".⁵⁰⁴

⁵⁰³ [J. Górski, Liberalization and Deregulation of Taxi Market in Warsaw, Poland \(2014\).](#)

⁵⁰⁴ Reply to the stakeholder consultation.

VIII. VIENNA- BRATISLAVA CASE STUDY

The cross-border case of Vienna and Bratislava was selected due to the geographical proximity of the two capitals and because both cities are easily accessible from the other's airports. There is therefore a potential catchment area of people travelling across the border who may use taxis, hire car and ridesharing. While Bratislava airport is serviced by various airlines with an average of 1,3 million passengers (in 2013), due to its proximity, many travellers use the Vienna airport instead which is only 50 minutes away by car, taxi or bus service.⁵⁰⁵ From the desk research, it appears that certain hire car with driver companies are offering specific services from Bratislava to Vienna airport, such as Bratislava Airport Taxi,⁵⁰⁶ at fixed fares.

VIII.1 Overview of the taxi, hire car with driver and ridesharing in Vienna

The main relevant regulatory act for taxis and hire car with driver is the *Wiener Taxi-, Mietwagen-und Gästewagen-Betriebsordnung* (Regulation for taxis, hire car and commercial cars), which provides for the technical requirements applicable to taxis in the area of Vienna. Half of the taxis authorised in Austria are in Vienna (4,800 out of around 8,500 taxis). There is no maximum number of taxis and the concessions are issued to the applicants who meet the qualitative requirements. Concessions are issued per fare zones and the Vienna fares are fixed.

Taxis are integrated in the Vienna mobility system, with the possibility to pay for taxi rides with the urban mobility card. Moreover, various services are in place for youth, elderly and small collective transport. In Vienna, taxis operate on a couple of bus lines. The taxis serve the bus stations that are marked by a special sticker. The on-demand taxis mostly operate in the evening and throughout the night, and on some lines during the day. The public transport ticket in Vienna can be used and the taxi operators are paid an agreed tariff on a kilometre basis by the Vienna operator "Wiener Linien". The number of passengers using hail-shared taxis ranges from approximately 800 to 13000 passengers yearly per line, depending on the bus route. This new system allows Vienna citizens to have direct access to collective means of transport, whilst improving cost-efficiency for operators.

As indicated in the Country Report, the main players in the taxi sector are Taxi 60160 and Taxi 40 1000 they are among the largest dispatch centres and belong to the same company, WIHUP Taxi Service GmbH.

- Taxi 40 1000 is the largest Austrian dispatch centre with an affiliated fleet of 1,800 taxi operators. The holding company provides various services for affiliated companies and customers. They propose a fixed fee from any city point in Vienna to the airport and vice versa, as well as discounts for groups of 5-6 people travelling together. The companies have entered into a partnership with the Vienna public transport operator to allow customers who booked through their dispatch centre to pay with the Vienna Mobile card, which is a public transport integrated card. The companies offer pre-paid vouchers to pay for taxi rides as well.

⁵⁰⁵ Slovak Republic Labour Laws and Regulations Handbook Volume 1 Strategic Regulation, Global Investment and business centre.

⁵⁰⁶ <https://www.bratislava-airport-taxi.com/why-us>.

- Taxi 31 300 mainly operates in Wien. It offers various services to its affiliated companies, including devices for electronic payments, including debit cards, taxi school for drivers preparatory training and professional training for affiliated drivers. For customers, they propose various services, including luxury service, subscription for regular customer, delivery service of packages or small goods within the city, quick order, pre order service and airport transport at fixed fares (EUR 36) from all the Vienna points for maximum 4 people. Also, the use of pre-paid vouchers is available.
- The two main hire car with driver companies are Uber and Blacklane. Uber offers the services, UberX, UberBlack and UberVan, all with licensed drivers. It proposes rides from Vienna airport to Bratislava with fares between EUR 65 (UberX) and EUR 142 for UberBlack and UberVan. With Blacklane, a journey between Vienna airport and Bratislava varies between EUR 89 and EUR 112.

With BlaBlaCar, the average cost of a journey between Vienna and Bratislava is EUR 4.

VIII.2 Overview of the taxi, hire car with driver and ridesharing in Bratislava

The taxi sector in Slovakia is mainly regulated at the national level, and there are no quantity restrictions to the number of licences to be issued. The regulation exists only at the national level. The relevant legislation is the Road Transportation Act – i.e. the Act No. 56/2012 Coll. on road transportation (o cestnej doprave), as amended. However, municipalities may specify and add further requirements in the area of taxi services, but these cannot contradict main regulations. In general, there are no maximum or fixed fares but the fares are freely established by the taxi companies. According to the Taxi Unions, there are 3 000 licensed drivers working for several taxi companies in Bratislava. This number represents approximately one taxi driver per 200 inhabitants. Comparatively, there is one taxi driver for 400 inhabitants in Vienna (Trend, 2015).

In Bratislava, the capital city, the respective authority in Slovakia allegedly issued the most concessions in terms of number. Bratislava is followed by the second largest city in the eastern part of Slovakia – Košice.

Among the biggest taxi operators is taxi company KOLL UP, spol. s r.o. which operates a taxi brand named Hello Taxi in Bratislava. They cooperate with approximately 300 taxi drivers out of approximately issued 1,500 taxi concessions for the Bratislava region. Other notable players and recent entrants are Easy Taxi and VB taxi. Easy taxi entered the market with a new method of pricing (i.e. fixed price per city zones) and VB taxi uses retro image of police cars deployed in former socialist regime (VB being a shortcut for public security – former name of the police).

Uber entered Bratislava in 2015 with the UberX service and is facing a lot of competition from local platforms Hopin and Liftago. Hopin is a Slovak platform working with licensed taxis as well as Liftago, which allows passenger to book for a taxi via web application and also choose the type of car and the driver according to the preference of the passengers. Hopin has already one fifth of the whole taxi market, which is about 600 taxi drivers, and their goal is to have one third of the market (HN, 2015a). Hopin charges EUR 20 per

month as affiliation fees, while Uber charges a percentage of the fare. These applications have seen large success because taxis in Bratislava are cheaper if pre-booked than if boarded at the taxi stand. Therefore, the applications allow a very short pre-booked ride at lower prices.

VIII.3 Cross border catchment area

Vienna has 1.794.770 inhabitants (2,6 million with the metropolitan area) according to data from 2015.

Bratislava has around 450,000 Inhabitants and it is the most populated Slovakian city. The distance between the two cities is 80,1 km for an average 55 minutes by car or bus. Until 1945, the two cities were connected by a tram line. It is currently connected by various bus lines (Eurolines, Flixbus, Slovak lines) connecting Bratislava with Vienna airport and the city centre.

The main connections are:⁵⁰⁷

- Line bus 901, which costs around EUR 23 with 1 hour journey;
- normal line bus (1 hour) costs around EUR 8;
- train EUR 19 and 1 hour journey;
- ferry lines which cost between EUR 20 and 35 and take around 1,30 h and 1,45h;
- taxis, which cost around EUR 120-140 and take around 55 minutes;
- ridesharing, such as Blablacar, which takes around 55-60 minutes and costs around EUR 4.

In addition, there are private shuttles lines connecting Bratislava airport to Vienna: Bratislava airport is served by various low cost companies, especially Ryanair which is the dominant carrier and from April 2015 has opened its base in Bratislava. Over 1.56 million passengers passed through Slovakia's biggest airport in 2015, an increase of 15.4% over the 2014 figure. Scheduled passenger numbers were up 23% to 1.07 million while non-scheduled traffic was up 2% to 0.48 million.⁵⁰⁸

Compared to Bratislava, Vienna main airport handled 1,850,605 passengers in April 2016 and a total of 22,775,054 passengers in 2015.

With regard to the cross-border catchment area we can identify different groups of people:

- cross-border workers, who need to move often between the two cities for work reason,
- business tourists,
- tourists (including young people going to club in Bratislava).

⁵⁰⁷ <https://www.rome2rio.com/it/s/Vienna/Bratislava>.

⁵⁰⁸ <http://www.anna.aero/2016/01/19/facts-and-figures-for-the-world-of-aviation-2016-week-2/>.

The taxi and hire car with driver services seem mainly directed towards business tourists or groups of people of up to 8 for a minivan. The price for a minivan is fixed (around EUR 89-99) and the average price for passenger is between EUR 10 and EUR 20, which is competitive against trains and buses.

Taxi service from Bratislava Airport to the City of Vienna and to the Vienna Airport in Schwechat (VIE) is available from EUR 60 with the main Bratislava taxi companies serving the airport, such as Fun Tax, Hello Taxi, Profi Taxi, Trend Taxi.

Vienna airport offers the airport taxi service to Bratislava. The following companies provide cross border service: Flughafentaxi and Tax 40100.

Desk research has provided information concerning various companies providing limousine service between Bratislava airport and Vienna, and vice versa.⁵⁰⁹ Prices are slightly lower from Bratislava to Vienna (around EUR 60), while for Vienna to Bratislava is around EUR 90. The majority of operators accept credit cards, but for taxi and hire car with drivers operators booked in Bratislava, the request to pay with a credit card must be made in advance, otherwise the journey must be paid cash to the driver which may be inconvenient for tourists and business.

As clarified by the surveyed authorities, where a taxi or rented car takes passengers to Airport Schwechat or Bratislava, the passengers must get off at these destinations. If the taxi driver or rented car driver has an ordered trip, he can pick up passengers there but if there is no ordered trip then he has to go back to Vienna empty. Similarly, passengers are not allowed to board non-ordered taxis either from Schwechat or from Bratislava airports. Moreover, no special call centres exists for taxi companies for orders to go across the border. The call centres in Vienna provide all orders for customers and the journey must be booked via dispatch centre or app.

The taxi and hire car with driver service seems more directed towards business tourists and top tier travellers. The services are all with English speaking drivers, and the top tier segment cars offer various services including wireless connections and foreign newspapers. As confirmed by one of the respondent to the stakeholder consultation, the cross-border trips only represent a very low percentage of the overall trips. On average about 100-200 trips take place every month between Vienna and Bratislava.

VIII.4 Transport providers information

In response to interviews, a municipal authority and a market operator indicated that the market is marginal compared to the rides within the municipal area of the two cities. In particular, according to the Vienna municipality, the demand seems limited to: passengers having a special airline landing or departing from one of the two airports;

⁵⁰⁹ Vienna Hotels Online (VHO), http://www.vho.at/airporttransfer.bratislava_transfer.en.htmlhttp://www.vho.at/airporttransfer.bratislava_transfer.en.html.
Bratislava Airport Transfer <http://www.bratislava-airport-transfers.com/>.
Austrian Transfer https://austriatransfers.at/en/transfer/vienna-airport/bratislava/?qclid=CPTN7oP_k80CFYIK0wodcqEEzQ.
Airport transfers direct <http://www.airport-transfers-direct.com/vienna-transfers/taxi-from-vienna-airport-to-bratislava.html>.
[http://www.airports-shuttle-express.com/bratislava-airport-\(bts\)-taxi-reservation/book-taxi-from-bratislava-airport-\(bts\)-to-vienna-airport-\(vie\).html](http://www.airports-shuttle-express.com/bratislava-airport-(bts)-taxi-reservation/book-taxi-from-bratislava-airport-(bts)-to-vienna-airport-(vie).html).
Bratislava Airport Taxi, <https://www.bratislava-airport-taxi.com/?qclid=CNXBtoaAIM0CFZAW0wodWqAL2w>.

passengers in a hurry; passengers carrying luggage who do not want to transport their luggage by train or bus; and corporate and business travellers.

VIII.5 Conclusions

Vienna and Bratislava are two well connected cities. Different transport methods cover the distance between the two cities. In this context, taxi and hire car with driver transport seems to be a small segment. Long distance pre-arranged ridesharing seems more appealing and the costs are competitive compared to buses and trains. A brief overview of the ridesharing intermediaries' websites showed various daily offers for this connection. However, we were unable to access the necessary data from the market operators to define the market size.

