



cerre

Centre on Regulation in Europe

TRANSPORT ON DEMAND

'HOW TO REGULATE RIDE-HAILING IN THE EU?'



ASK QUESTIONS VIA SLID.O,
USING THE HASHTAG #CERRETOD

CONTENTS

- 01 Introduction**
- 02 Passenger Transport in the EU**
- 03 *Status quo* of ToD in the EU**
- 04 Public policy objectives in ToD**
- 05 Towards a ToD Directive?**
- 06 Policy recommendations**

01

INTRODUCTION

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INTRODUCTION

▶ Scope of the research:

- Transport on Demand = Ride-hailing = **Taxis and PHVs + intermediaries**
<-> Public transportation

▶ Aims:

- Highlight **changes** in the sector
- Identify **regulatory needs**
- Propose **fixes**
- Discuss the **regulation options** open to the EU

▶ Methodology:

- Academic research (academic + specialised news agencies)
- Case studies
- Involvement with stakeholders (structured: workshop + unstructured: informal exchanges)

02

PASSENGER TRANSPORT IN THE EU

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PASSENGER TRANSPORT IN THE EU

▶ Transport is a cornerstone of the EU Internal Market

- As a means for the realisation of all other freedoms
- As an end in itself (Articles 90-100 TFEU)
- → Common transportation policy = unification **BUT for urban transport**

▶ EU passenger protection *acquis*

- Rules in all other modes of transport: air, rail, water
- Rules for long-distance (over 250km) transport by bus/coach
- General consumer protection
- Missing ???

03

STATUS QUO OF TRANSPORT ON DEMAND IN THE EU

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STATUS QUO OF TOD IN THE EU

EU LEVEL: CJEU CASE LAW SOURCE OF UNCERTAINTY

▶ **Uber: a digital intermediary or a transport service?**

- UberPop (non-existent any more in the EU): transport service
- Models based on professional drivers (existent)???

▶ **Issue discussed in**

- Elite Taxi & Uber France
- Star Taxi App
- Airbnb

▶ **Criteria - Uncertainties:**

- “making possible a new service” – how new is “new”?
- “decisive influence” – what makes influence “decisive”?
- What is the respective weigh of each of the criteria?

STATUS QUO OF TOD IN THE EU

MEMBER STATE LEVEL: MUCH FRAGMENTATION - LITTLE CONVERGENCE

▶ 9 member states surveyed

- Clear shift towards simplification: Croatia, Estonia, Finland, Poland
- Smaller steps - in a standstill position: Belgium*, France, Italy, the Netherlands
- Increasing complexity: Germany

▶ Lines of convergence

- Some restrictive measures exist in all MS
- Liberalisation ≠ end of licensing
- Distinction between Taxi and PHV in most countries BUT
- PHV and Taxi rules intertwined: modifications in the one directly affect the other

04

PUBLIC POLICY OBJECTIVES IN TRANSPORT ON DEMAND

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PUBLIC POLICY OBJECTIVES

GENERAL PUBLIC POLICY OBJECTIVES

▶ **Public order and security**

- Background checks – by platforms

▶ **Safety of passengers and drivers**

- Control of driving hours – by the EU and local authorities

▶ **Passenger/consumer protection**

- EU Passenger Bill of Rights – by the EU

▶ **Reduction of externalities**

- **congestion** : credible ToD as an alternative to car-ownership - by the EU
- **pollution** : technical standards – by the EU
- **casualties**: -//- and transnational administrative and judicial cooperation - by the EU

PUBLIC POLICY OBJECTIVES

EU-SPECIFIC POLICY OBJECTIVES

▶ **The Internal Market imperative**

- Companies' freedom of establishment
- Drivers' freedom to provide services
- Legal certainty
- Level-playing field – non distortion of the IM

▶ **Consumer protection**

▶ **Sustainable and smart mobility**

▶ **Provision of SGEIs**

05

TOWARDS A TRANSPORT ON DEMAND DIRECTIVE?

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TOWARDS A TOD DIRECTIVE?

COMPETENCE

▶ Legal bases

- Internal Market (Art 114 TFEU) for intermediaries
- Transport Policy (Art 91 TFEU) for transport operators
- SGEI (Art 14 TFEU) for both, but for “principles and conditions”

▶ Subsidiarity - Proportionality

COMBINATION OF SELF- AND TOP-DOWN REGULATION

- ▶ Different approach for: Platforms, Consumers, Drivers
- ▶ Evaluation of recent and ongoing legislative initiatives

06

POLICY RECOMMENDATIONS

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POLICY RECOMMENDATIONS

HARD LAW

- ▶ Basic rules and conditions for the delivery of licenses
- ▶ Ban of restrictive operation rules, unless duly justified
- ▶ Mutual recognition of licenses delivered
- ▶ Numerical quotas exceptionally accepted
- ▶ Enhanced environmental and safety standards for ToD
- ▶ Capping driving times
- ▶ Consumer complaint and dispute resolution mechanisms
- ▶ Data sharing

POLICY RECOMMENDATIONS

SOFT LAW

- ▶ Guidelines for distinguishing between “digital intermediaries” and “transport services”
- ▶ User safety through standardised reputation mechanisms
- ▶ Update of the EU Passenger Bill of Right

THANK YOU!

DOWNLOAD THE REPORT

[HTTPS://BIT.LY/3C5SPWL](https://bit.ly/3C5SPWL)

FOR MORE INFORMATION

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