

Public consultation on the regulatory environment for platforms, online intermediaries, data and cloud computing and the collaborative economy

Uber appreciates the opportunity to share its views on the role of online platforms in the European economy. Uber connects partner-drivers who have a vehicle and riders who need to make a trip (UberBLACK, uberX, or uberPOP), or restaurants that want to deliver food and consumers who want to get home delivery (UberEats). The services provided through the Uber platform keep evolving and it is already experimenting with food (UberFRESH) or parcel (UberRUSH) deliveries.

By seamlessly connecting two distinct but interdependent groups of users through our app, Uber makes cities more accessible, opening up possibilities for riders and economic opportunities for partners. From our founding in 2009 to our presence in more than 330 cities around the globe today, Uber continues to bring people and their cities closer.

Increasing transportation access for all

Uber offers riders a new option for point-to-point transportation that supplements the options they previously had access to. In a basic sense, giving riders one more choice can *only* make them better off. Uber increases access to transportation options at times and in places where people most need them.

Uber provides reliable rides within minutes, often to and from locations where public transport has not reached, and where taxis have historically not reliably gone. A study commissioned by Uber with BOTEK Analysis, a research firm in the United States, found that in Los Angeles neighborhoods traditionally underserved by taxis, uberX rides were half the cost and arrived in less than half the time than taxis.¹

In London, the average wait time for an Uber ride is just 3.6 minutes. This includes service well outside the city center, to areas with low public transit penetration. For example, trips to and from Hackney, located in Zone 2 without any Tube stops and underserved by black cabs, have increased from 3% of all Uber trips in London in 2013 to nearly 12% this year.²

Data reveal that a significant number of Uber trips start or end at public transport hubs. Uber encourages the use of mass transport by providing a “last mile” linkage to mainline rail, underground stations and bus links. In Paris over 65% of Uber’s trips start or end within 200m of the Metro.

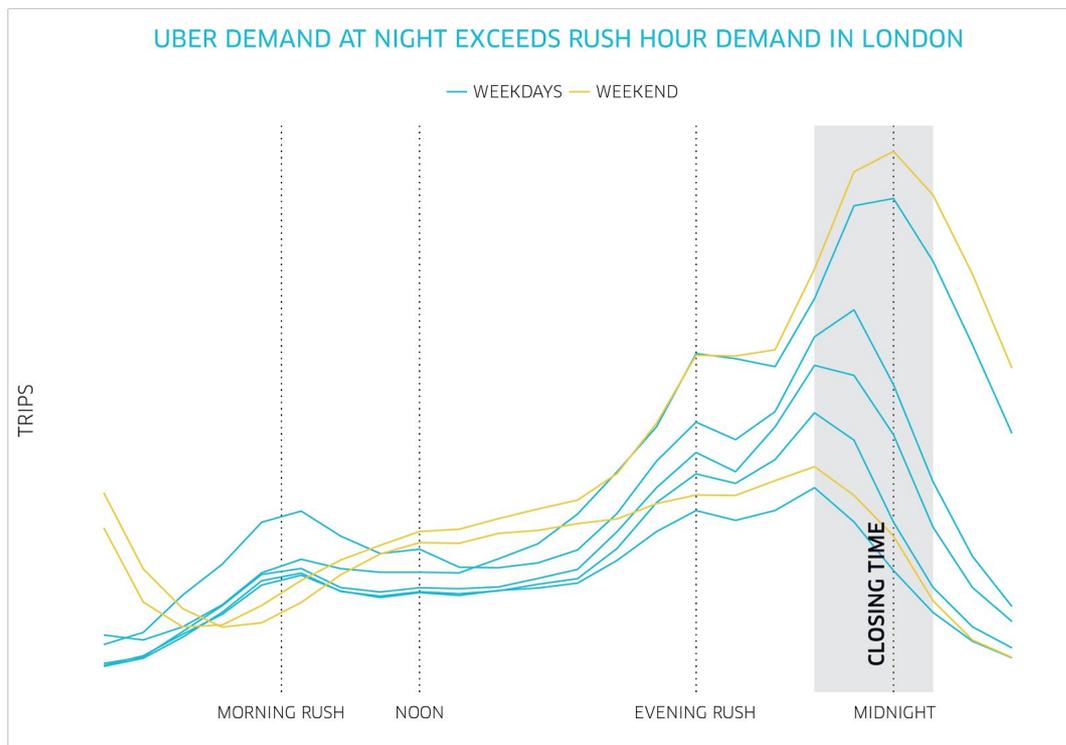
CITY	UBER TRIPS NEAR METRO
Paris	65%
London	34%
Vienna	39%
Frankfurt	49%
Budapest	30%

¹<https://newsroom.uber.com/2015/07/new-study-finds-uber-cheaper-faster-more-reliable-for-lower-income-neighborhoods-in-la/>

² <http://newsroom.uber.com/london/2015/06/hackney-2/>

And unlike taxis, which tend to concentrate in the wealthier central and business areas of cities while they look for riders, Uber serves the entire city. In Paris 7% of Uber trips are taken to economically disadvantaged areas, the same percentage of Paris' population living there. Nearly 30% of trips in London start in Zones 3-6.

Cheaper and more reliable rides means people can make smarter decisions when it comes to impaired driving. California experienced a 6.5% decline in alcohol-related crashes involving under-30 year olds following the launch of uberX.³ In London we've seen that the use of Uber peaks late at night as pubs close, which also happens to be when black cabs are least available.



An economic engine for today

Platforms like Uber also provide people a new option for people to make money. These platforms support flexibility and control over personal schedules in a way that traditional models simply cannot.

Enabling such flexibility is essential for the nearly ten million part-time workers in Europe who wish they had more work.⁴ Most work opportunities today do not provide flexibility for people to work whenever and wherever they want.

Most importantly, these platforms are creating economic opportunities for those who need it most: in France, 22% of drivers were unemployed prior to driving with Uber, and 44% of those had been unemployed for at least a year.

³ <http://newsroom.uber.com/2015/01/making-our-roads-safer-for-everyone-2/>

⁴ <http://ec.europa.eu/eurostat/documents/2995521/6800423/3-27042015-AP-EN.pdf/08a0ac51-c63d-44d0-ad29-248127fd01c3>

There is tremendous diversity in how each partner utilises the Uber app. A major survey⁵ showed that 87% of drivers in the United States said that one of the main reasons they use the Uber platform is “to be their own boss and set their own schedule.”

Ridesharing also benefits small businesses throughout a city. Because riders know they can rely on Uber for a journey back home no matter where they’re going, the platform encourages people to travel more widely throughout their city, visiting a broader range of neighborhoods than they otherwise would—and supporting those small businesses that cannot afford the rent in prime central locations. In Chicago, for example, one in three trips on Uber last year began or ended at a local small business.

Uber is an engine for economic growth in each city where we operate. That’s because the lion’s share of each fare goes to the driver and stays in the local economy, either in their pocket or in the form of local tax revenue. And since fares are collected electronically, all payments are traceable, unlike cash transactions. This is a major benefit for governments in terms of new taxable income.

In October 2015, Uber and the Estonian Tax and Customs Board (EMTA) announced the creation of a joint committee to support the development of a modern, digital platform for the simplified declaration of tax by self-employed people in Estonia.

Building Better Cities for Tomorrow

The introduction of rideshare platforms has encouraged existing providers to make improvements to their services. Taxi fleets across the European Union are now using “e-hail” apps to dispatch their taxis in a more intelligent manner. A report released by the Technology Policy Institute, concluded that faced with Uber’s services, taxis are improving their service.⁶ Examining New York City taxi complaint data, the researchers found that the number of complaints per taxi trip in New York has declined alongside the growth of Uber in that city. And looking at comparable data from Chicago, they found that certain complaints — driver willingness to turn on air conditioning, acceptance of credit cards, driver rudeness, and talking on cell phones — all seem to have decreased along with Uber’s entry in that city.

Ridesharing companies like Uber have also introduced new urban mobility services that can help reduce congestion over time. Tackling the problem of congestion in the context of urbanisation is paramount for all European cities. In Paris, people spend more than 70 hours per year in traffic jams, which will cost the city roughly 15 billion euro per year by 2030.⁷ Megacities like New York, London, Lagos and Delhi have seen population increases of between 5-20% over the past decade. It’s hard for infrastructure build-out to keep pace, which means more people using the same roads as before. The only long-term solution is to transport more people using fewer cars. A study on ridesharing services in the city of Stockholm concludes that a ridesharing community with a minimum of 3,000 drivers could reduce daily car trips in Stockholm by 37,000 based on the fact that each vehicle used has the ability to render up to 15 cars obsolete.⁸ Such a reduction in traffic can save citizens almost €100 million per year and nearly a working day of commuting time. It would also save 49,000 tons of greenhouse gases per year.

To further reduce congestion, Uber is working on solutions like uberPOOL⁹ and uberCOMMUTE¹⁰. These solutions smartly connect riders with one or more riders heading along a similar route and enable these riders to share the cost of their ride. At scale, this type of smart routing has the potential to streamline transportation across our cities.

⁵ <http://dataspace.princeton.edu/jspui/handle/88435/dsp010z708z67d>

⁶ http://www.techpolicyinstitute.org/files/wallsten_the%20competitive%20effects%20of%20uber.pdf

⁷ <http://inrix.com/download-the-inrix-cost-of-congestion-report-2/>

⁸ <http://www.copenhageneconomics.com/dyn/resources/Publication/publicationPDF/0/320/1441009386/economic-s-benefits-of-peer-to-peer-transport-services.pdf>

⁹ <https://newsroom.uber.com/announcing-uberpool/>

¹⁰ <https://newsroom.uber.com/2015/09/ubercommute/>

The right regulatory framework for innovative services

Companies like Uber have become key contributors to increasing urban mobility. Europeans increasingly make use of such services while travelling in the European Union and expect to have access to them across the Digital Single Market. The potential of this new way to get around safely and cheaply is however stifled by ill-fitted national regulatory frameworks. The EU therefore clearly has a role to play to clarify the way EU law should apply to the collaborative economy services.

According to the definition provided for by both articles 1(2) of the Information Society Services Directive (98/34/EC), the notion of “information society service” refers to “any service normally provided for remuneration, at a distance, by electronic means and at the individual request of a recipient of services.”

Uber clearly satisfies all these criteria. As a result, Uber and other online platforms should benefit from the principle of freedom to provide services in the terms guaranteed by EU law, and in particular the Services Directive (2006/123/EC) and the E-commerce Directive (2000/31/EC). The mere application of EU laws to new online intermediation services, should lead national courts and European Institutions to challenge the restrictions imposed on services such as Uber that are bad for consumers and growth, as well as being at odds with the Digital Single Market.

The European Commission has made clear that Member States must ensure fairness, proportionality and non-discrimination for services such as Uber. Applying existing EU provisions will make sure that online intermediation services can develop their activities across the Single Market, while ensuring the appropriate level of user safety and consumer protection.

We look forward to working with the European Commission and regulators across Europe to develop a vision of progressive regulation, and hope for discussions in the context of creating a Digital Single Market.

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