Uber

Ridesharing in Review

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PUBLIC FIRST

Ridesharing in Review

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Public First is an independent consultancy that works to help companies and organizations develop new policy proposals, better understand public opinion, and model their economic and social impact. Public First is a member of the Market Research Society.

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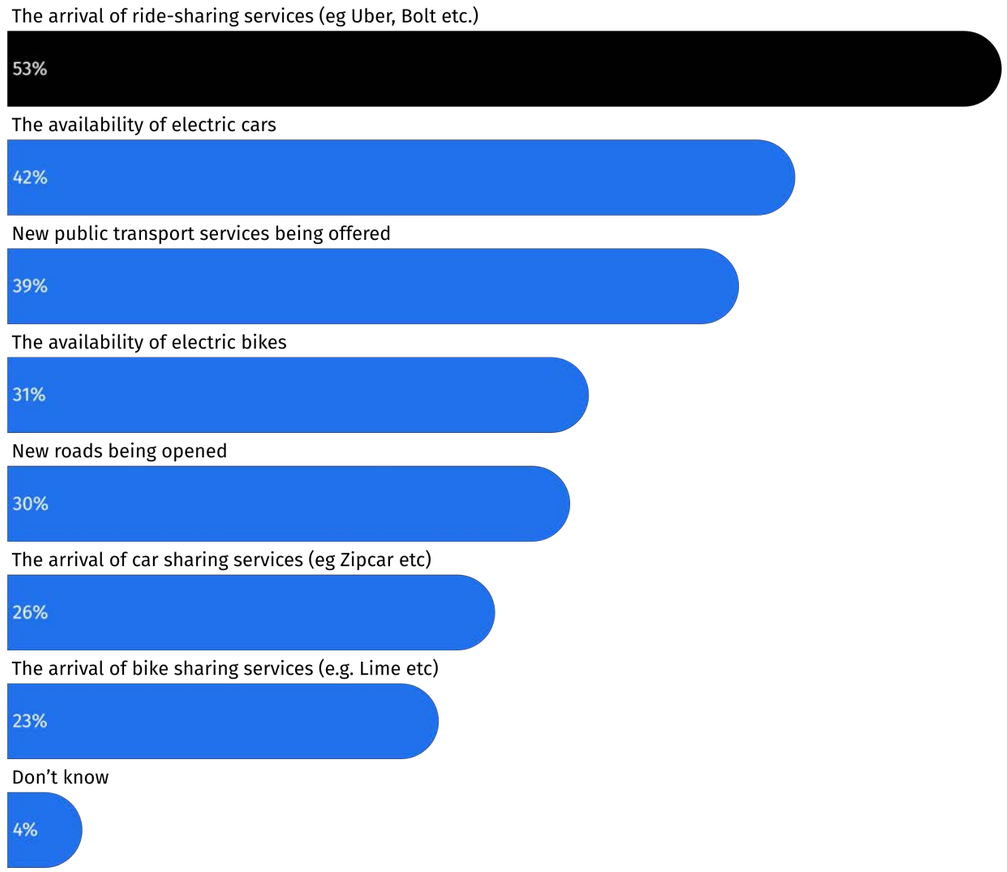
Executive Summary

How Ridesharing has Changed Mobility and How it is Likely to Evolve

Ridesharing has rewired how cities move. In just 15 years, ridesharing has gone from a San Francisco pilot to a service available in **15,000+ cities** - cementing itself as a new layer in the urban mobility stack alongside public transit, walking, cycling and taxis. By matching supply and demand in real time, adding cashless payments, GPS traceability and two-way ratings, ridesharing (see Figure 4 below) has improved the passenger experience, introduced new earning opportunities for drivers, and delivered measurable economic benefits for cities around the world.

For **passengers**, ridesharing introduced a number of benefits compared to relying on traditional taxis - it cut wait times, expanded coverage into underserved areas, improved safety features and made trips more reliable. It is therefore no surprise that in repeated surveys across the world consumers regularly cite ridesharing as the most significant transport innovation of the past 15 years (Figure 1).

Figure 1. Ridesharing tops perceived transport innovations in the last 15 years



For **drivers**, ridesharing has created two major benefits compared to other forms of work: flexibility and low barriers to earning income. This makes it easier to balance work with other responsibilities, allows people to turn to ridesharing as a stabilizer in times of uncertainty and generates additional income.[1]

For **cities** as a whole, ridesharing has improved mobility. By improving transport options, ridesharing has made it easier to connect riders with a wider range of jobs, clients, customers and suppliers, ultimately increasing demand for local businesses and improving productivity.[2]

Ridesharing will play an even bigger role in the future - helping cities maximize the opportunity presented by autonomous vehicles, develop fully accessible multimodal transportation systems, and reduce their transport sector emissions.

1 https://flex.publicfirst.co/
2 https://uberuk.publicfirst.co.uk/

Learning From Global Policies

The central question for policymakers today is how to harness ridesharing to deliver their future vision for their city, one with less congestion, cleaner air, safer platforms, better work opportunities, and affordable & accessible transport. A crucial step to getting the policy approach right is learning from the successes and failures of cities around the world. One of the major differences in how cities have approached ridesharing is in their response to pushback from the existing - and often powerful - taxi lobby. Cities that have treated ridesharing and taxis as identical services that are at odds with each other have largely failed to capture the benefits that ridesharing can bring for both consumers and rideshare drivers. Successful approaches, on the other hand, embrace the distinctiveness and complementarity of both modes, creating benefits for both sectors.

In general, what we see has not worked is a **restrictive approach** that tries to prevent change in the wider transport market by singling out specific transport modes in their policies, lifting and shifting policies from the taxi industry, and ignoring modern preferences of consumers and drivers (most notably the demand for convenience, transparency, and flexibility).

By contrast, cities have seen much more success when they take a more **flexible, outcomes-based approach** that supports innovation, introduces mode-neutral policies, embraces new technology to improve safety and price transparency, and facilitates the integration of different transport modes on a single platform.

Figure 2. How Cities Have Responded to Ridesharing at a Glance

Policy goal: **Less congestion**

Mitigating ridesharing's impact on traffic and congestion.

What has worked: A flexible, outcomes-based regulatory approach

Mode-neutral tools applied to all vehicles, such as congestion pricing, with funds reinvested in expanding and improving public transit.

For example, Singapore's Electronic Road Pricing system (page 39)

What hasn't worked: A restrictive regulatory approach

Targeting a single mode (e.g. supply caps, minimum waits, return-to-base policies) tends to reduce availability - especially in outer/ low-income areas - without meaningful reduction in traffic.

For example, Barcelona's stringent supply caps (page 38)

Policy goal: **Cleaner air**

Reducing greenhouse gas emissions in ridesharing and across the transport sector.

What has worked: A flexible, outcomes-based regulatory approach

Holistic approach to decarbonizing the transport sector, including investment in supporting infrastructure and incentivizing consumers to shift away from private car ownership to greener options (e.g. public transit, cycling, walking)

For example, London's Decarbonizing Transport Strategy (page 42)

What hasn't worked: A restrictive regulatory approach

Blanket EV mandates without adequate support for charging infrastructure or support for vehicle purchases. **Singling out specific transport modes** (like ridesharing) for EV mandates is also insufficient for wider transport decarbonization efforts.

For example, New York City's Green Rides Initiative (page 43)

Policy goal: **Safer platforms**

Helping ensure safety for ridesharing passengers, drivers and the public.

What has worked: A flexible, outcomes-based regulatory approach

Clear and enforceable policy that ensures platforms meet industry standards (such as background checks, trip-sharing, in-app emergency features).

For example New South Wales' vehicle and driver standards (page 47).

What hasn't worked: A restrictive regulatory approach

Arbitrary vehicle specifications can increase cost and complexity for drivers with little proven safety gain.

For example, Catalonia's vehicle length requirement (page 46)

Policy goal: **Better work opportunities**

Delivering high-quality work opportunities for ridesharing drivers.

What has worked: A flexible, outcomes-based regulatory approach

Providing core benefits without undermining the fundamental market design that supports low barriers to earning income and the flexibility that ridesharing drivers value.

For example, California's Proposition 22 (page 52)

What hasn't worked: A restrictive regulatory approach

Forcing ridesharing roles into a one-size-fits-all full employment model has proven to reduce the flexibility that drivers value in their jobs, reduces the overall pool of drivers, and pushes up prices for passengers.

For example, Seattle Fare Share/ PayUp (page 51)

Policy goal: **Affordable & accessible transport**

Balancing affordability and accessibility through dynamic pricing innovations.

What has worked: A flexible, outcomes-based regulatory approach

Embracing dynamic pricing to keep rides affordable and reliable.

For example, New York City's embrace of dynamic pricing (page 57)

What hasn't worked: A restrictive regulatory approach

Rigid fare caps or blanket bans on real-time pricing break the supply-demand match, leading to higher wait times, fewer fulfilled journeys, and reduced service particularly in low-density areas.

For example, Karnataka, India's ban on dynamic pricing (page 56)

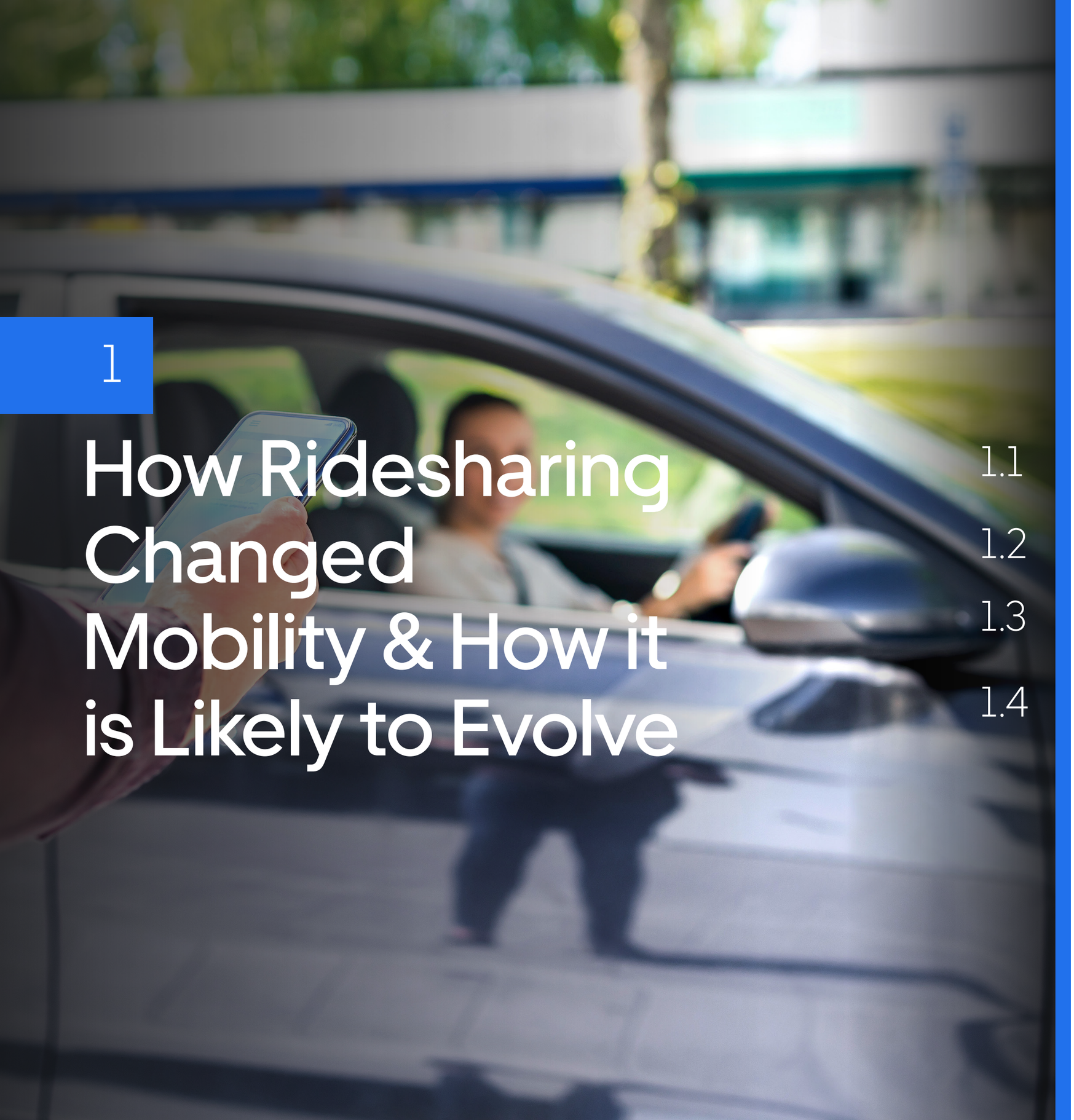
Introduction

The introduction of ridesharing has changed the way we move around cities. For passengers, it has introduced a new level of accessibility and convenience, helping to reduce reliance on private cars and improving connections to public transit routes. For drivers, it has opened up a new and flexible earning opportunity. For the economy as a whole, it has helped to move people more efficiently - increasing productivity and connecting more people with local businesses. It can also help deliver future visions of urban transport - systems that are electric, multimodal and increasingly autonomous.

But policymakers must set the right environment to harness its full potential - for passengers, for drivers and for the economy as a whole. To get the regulatory environment right, policymakers must learn from the successes and failures of approaches taken in cities around the world.

This report explores how ridesharing has changed urban mobility, how it is likely to evolve and how different cities have attempted to regulate ridesharing to deliver less congestion, cleaner air, safer platforms, better work opportunities and affordable and accessible transport for their residents. We find that more flexible, outcomes-based approaches that embrace innovation and change tend to be more successful than more restrictive approaches that resist or ignore change to the wider transport sector.

This report is split into two main sections, the first section explores how ridesharing has changed mobility and how it will likely shape transport systems of the future; the second section explores the different ways policymakers around the world have responded to ridesharing to identify both successful and less effective approaches. The purpose of this report is to inform policy and regulatory approaches so cities can harness the benefits of ridesharing to help deliver future urban transport systems that are electric, multimodal and autonomous.



1

How Ridesharing Changed Mobility & How it is Likely to Evolve

Life in Cities Before Ridesharing

Cities have always been at the heart of trade and growth. As the world economy becomes more focused on services, innovation, and skilled people swapping ideas, this has only become more apparent. Increasing the size and density of cities — making it easier for people to swap those ideas — has been consistently shown to create powerful agglomeration effects, increasing their productivity.[3]

But capturing the full benefits of cities hinges on the ability to efficiently move people around. For centuries, dense cities have struggled to reduce congestion, ensure passenger safety and find the right balance between private and public transport.

Historically, cities have relied on a mix of transport options: public transit for trunk routes; taxis that could be hailed from the street or at set stands; and private cars for flexibility and accessibility everywhere else. Outside of city centers and major transport hubs, people relied on their own cars or booking taxis (without knowing exactly what the trip would cost and without knowing their service area).

The Benefits of Ridesharing

Ridesharing changed everything. It took advantage of the constant connectivity and interface enabled by smartphones to introduce several key innovations: real-time driver-rider matching, upfront and dynamic pricing, in-app cashless payments, two-way ratings and GPS transparency. These innovations made trips faster, more reliable, and safer. Further, ridesharing introduced on-demand accessibility and significantly expanded geographic coverage, improving transportation access. The two-sided marketplace and dynamic pricing improved matching between riders and drivers, increasing economic efficiency, improving the consumer experience, and expanding opportunities for drivers.

Ridesharing has not replaced existing transport modes, but it plays a distinct and valuable role alongside them. It fills the gaps left by private cars, public transit,[4] walking, cycling and even traditional taxis - offering flexibility and convenience where other options fall short.

3 https://onlinelibrary.wiley.com/doi/full/10.1111/joes.12543
4 https://medium.com/uber-under-the-hood/all-aboard-new-report-finds-that-ridesharing-complements-public-transit-b66f21611992

Then vs. Now

Pre-ridesharing, traditional taxis	With ridesharing
Street hails/phone dispatch	Real-time matching
Cash/card payments	In-app cashless payments
Service concentrated in high-density areas	Upfront and dynamic pricing
Unknown pricing, based on taximeter	GPS traceability
Potentially long waits	Two-way rating system
No feedback loops	Multimodal trip planning

Over the last 15 years, ridesharing has gone from an idea to an integral part of the transport system in cities around the world; indeed over 2 billion users are expected to use ridesharing services by 2030 worldwide.[5]

5 https://www.statista.com/statistics/1156091/active-users-digital-hailing-services-worldwide

2009

Uber was founded and began first pilot trips in San Francisco

2011

Uber expands internationally with first operations in Paris and launches UberX as a low-cost option

2012

Several new ridesharing platforms launch around the world, including Lyft in America, Didi in China, Grab in Malaysia, and Careem in the UAE

2013

DoorDash launches in California, expanding the gig economy to new markets

2015

UberAuto launches in New Delhi

2016

Uber launches UberMOTO in Thailand and announces an autonomous vehicle public trial in Pittsburg

NuTonomy launches a closed-invitation robotaxi service in Singapore

2017

Uber launches its in-app tipping feature initially in the US

2018

Uber rolls out the comprehensive Safety Toolkit in the US including the in-app emergency button and enhanced driver screenings

2020

Phoenix launches the first large-scale robotaxi operation with Waymo

2025

13+ cities with large-scale robotaxi operations across the US and China

Uber is present in 15,000+ cities around the world

Nearly 2 billion global users of digital ridesharing apps

Figure 3. A Brief Timeline of Major Ridesharing Industry Milestones

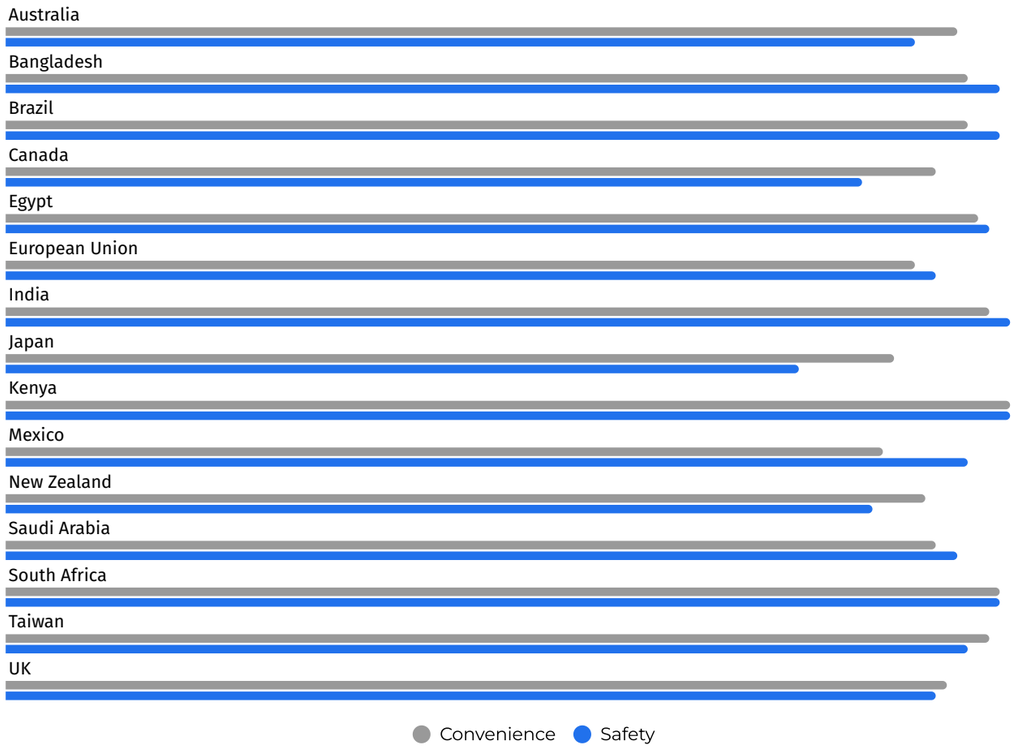
The Core Benefits from Ridesharing

The core benefits from the introduction and expansion of ridesharing include:

1. Improved convenience and reliability for passengers.

Ridesharing helps provide consumers with shorter waiting times - in Los Angeles, for example, riders were found to wait just one-quarter as long as they would for an equivalent taxi.[6] Shorter waiting times coupled with on-demand availability makes ridesharing a more convenient option for many consumers. Indeed, surveys of ridesharing users around the world have shown that increased convenience is one of the most important perceived benefits from ridesharing.

Figure 4. Convenience is a Top Reason Why Passengers Use Uber Across the World.



2. Better matching of passengers and drivers.

By improving matching of drivers and riders in real time, ridesharing created a new more efficient marketplace, creating a win-win for both drivers and passengers. This efficiency helps to maximize benefits for both passengers and drivers - balancing low wait times, accessibility and affordability for passengers with financial incentives and minimal idle time for drivers. Ultimately, this efficient marketplace opened up new opportunities for drivers and expanded access to mobility.

6 https://trid.trb.org/View/1845646

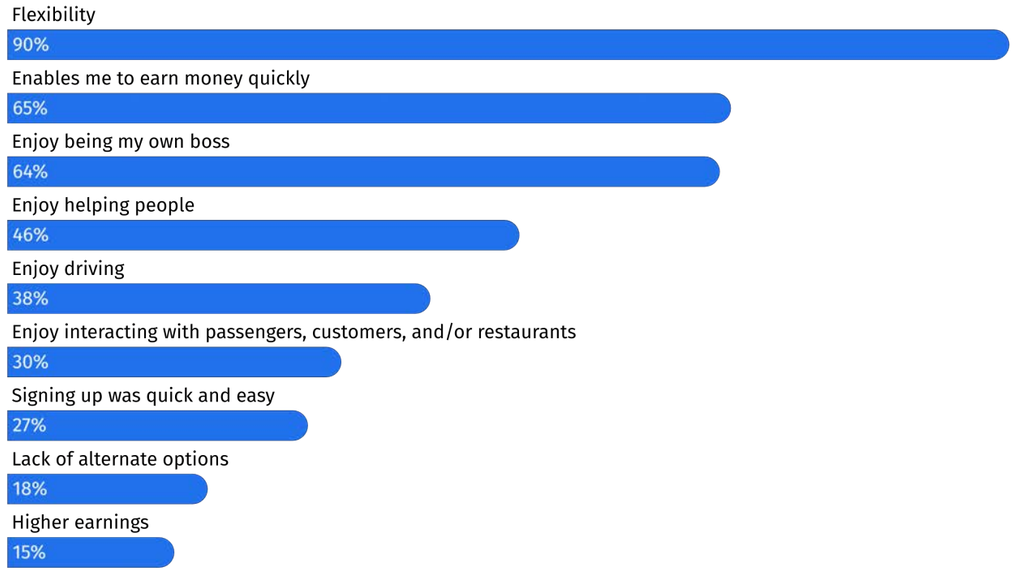
3. Economic spillover due to improved mobility.

The growth of ridesharing has supported significant new supply chains of drivers, mechanics and local businesses, creating notable spillover effects for cities. **In the EU, for example, every €1 spent on ridesharing apps generates an estimated €1.10 of economic value for local businesses.**[7] Further, by making it easier to travel, ridesharing can increase demand for local hospitality, retail or tourism businesses.[8] In Sub-Saharan Africa, one study found that the introduction of Uber contributed $20 million annually in total tourist spending - $24 per tourist spending on average, to a country's economy between 2013 and 2016.[9]

4. Empowering drivers to flexibly earn income.

Ridesharing has low barriers to earning and high schedule control, which drivers rank as their top reason for choosing the work. Indeed, 90% of US app-based workers report that flexibility is an important reason why they choose to do app-based rideshare or delivery work,[10] with similar results found for drivers internationally. The lack of fixed hours or exclusive contracts allows ridesharing to easily fit in alongside other responsibilities such as other jobs, family, caring responsibilities, studying, or other app-based work. The relative ease of joining and working through ridesharing platforms also means that they can often act as a short-term replacement for other lost jobs or income. One study from 2019 found that regions in the US with access to Uber or Lyft saw workers around 4% less likely to need to claim unemployment benefits.[11]

Figure 5. Flexibility is the Top Reason Why Drivers Choose App-based Work.



7 https://ubereu.publicfirst.co/
8 https://escholarship.org/uc/item/0322526g
9 https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4908118
10 https://flex.publicfirst.co/
11 https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3414041

5. Broadening access to underserved areas and populations.

Ridesharing has helped expand transportation access to populations that have historically been poorly served by public transit or existing taxi networks, including across lower-income neighborhoods, aging populations, and residents in suburban or rural areas. Much of the growth in ridesharing trips in the last decade in New York City, for example, came from growth in trips from the outer boroughs rather than within the city center.[12] This can be particularly important for lower-income populations with lower access to cars[13] and those living in transit deserts. For aging societies - such as Japan - ridesharing can support improved elderly mobility, particularly as an alternative to private cars and in rural areas where public transit gaps are extensive.[14]

5. Supporting greener transport systems.

By reducing dependency on private cars and extending the reach of public transport, ridesharing helps make urban transport systems greener. Private cars are the least efficient mode of transport for getting in and around cities; they have the highest GHG emissions per passenger mile traveled.[15] Shared mobility - including ridesharing - moves more people in fewer vehicles and can reduce the need for private car ownership. Evidence from Great Britain, for example, links ridesharing's arrival to a 2.2% reduction in car ownership - small per household but meaningful at city scale.[16]

Further, despite ridesharing being seen historically as competing with public transit systems, it has become clear in recent years that when systems are designed to work together, ridesharing can be a clear complement to public transit. For example, when London launched the all-night Night Tube, Uber trips near stations rose by 22%,[17] indicating stronger multimodal interchange rather than substitution. A number of cities have begun implementing partnerships between public transit and ridesharing services to take advantage of their complementarity.[18]

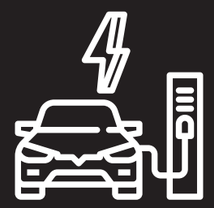
7. Improving safety for passengers, drivers and the public.

Ridesharing availability is associated with fewer alcohol-related fatalities and lower crash rates than national driving averages; in 2022 Uber's fatality rate was 0.87 per 100 million miles traveled vs 1.35 across all vehicles in the US.[19] Many ridesharing companies have expanded safety measures across their platforms voluntarily, including background checks, live trip-sharing, emergency buttons, ID verification and safer routing.

12 https://www.smartcitiesdive.com/news/what-can-uber-lyft-data-tell-cities-about-transit-deserts/558508/
13 https://journals.sagepub.com/doi/abs/10.1177/0361198119835809
14 https://www.weforum.org/stories/2021/04/japan-ageing-population-transport/
15 https://www.eea.europa.eu/publications/rail-and-waterborne-transport
16 Pinar Bilgin, Giulio Mattioli, Malcolm Morgan, Zia Wadud,The effects of ridesourcing services on vehicle ownership: The case of Great Britain, Transportation Research Part D: Transport and Environment, Volume 117, 2023, 103674, ISSN 1361-9209, https://doi.org/10.1016/j.trd.2023.103674.
17 https://medium.com/uber-under-the-hood/londons-new-late-night-alternative-the-night-tube-uber-8f38e56de983
18 https://www.wmata.com/about/news/Metro-to-begin-on-demand-transportation-program-for-late-night-commuters-July-1
19 https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/811366

What's next? Electric, Multimodal and Autonomous Transport Systems

The next few decades could see the biggest changes to the urban transport mix in generations - one that is safer, more reliable, greener and which reduces the reliance on inefficient private car ownership. We are already seeing early signs of this transition, with cities at the forefront of innovation already rolling out electric and autonomous vehicle fleets. This momentum will only continue to build in the coming years. We expect three major trends to change the future of urban transport:



The shift to electric vehicles. Over 200 cities around the world have now set their own net zero targets to help achieve national decarbonization strategies,[20] and this figure is growing every year. Transitioning to electric vehicles - across private vehicles, public transit and the ridesharing industry - will be critical to achieving cities' green transitions, given the transport sector makes up 15% of global GHG emissions.[21]

The integration of multimodal transport systems. No single mode of transport can cater to all the diverse needs of urban residents. While fixed-route public transit such as metros or buses can carry people at scale, they lack the flexibility and accessibility of other modes, such as ridesharing. A diverse multimodal system also builds resilience into transport networks, where one transport mode can minimize the impact if another is disrupted.

The growth of autonomous vehicles (AVs). AVs are already starting to become a reality in many cities around the world and have the potential to increase safety, reduce congestion and further expand efficient mobility. They will likely play an increasingly important role in filling the mobility gap for aging and more rural populations who can rely less on private cars or where public transit service is limited.

Ridesharing will be one of the key tools cities use to build transport systems that are electric, multimodal and increasingly autonomous - not as a replacement for transit and taxis, but as the flexible connector that fills gaps, extends reach, and improves accessibility.

20 https://zerotracker.net/insights/net-zero-targets-among-worlds-largest-companies-double-but-credibility-gaps-undermine-progress
21 Polestar's head of sustainability explains how transparency in the auto industry could change the climate future | Future Labs: Moonshot 2030 | The Guardian

1. The future is electric.

The transition to electric vehicles across rideshare fleets could reduce greenhouse gas emissions per trip by 40–45%.[22] Further, the OECD suggests that adequate policy support for the ridesharing industry could reduce passenger transport emissions in 2050 by 6.3% by reducing private car dependency, electrifying vehicle fleets, and promoting ride pooling.[23] Ridesharing companies are already voluntarily taking measures to improve the sustainability of their fleets, while ridesharing drivers are transitioning to electric vehicles 5 times faster than the average car owner in the US, Canada, and Europe.[24]

The transition to electric fleets hinges on cities providing sufficient infrastructure and an appropriate policy and regulatory environment to support the adoption of electric vehicles. Policies that are applied neutrally, are backed up by investment in supporting infrastructure, and are paired with support to overcome the upfront costs associated with the switch to electric vehicles tend to be more successful than applying electrification mandates to specific sectors or abruptly banning non-electric vehicles

22 https://www.acs.org/pressroom/presspacs/2023/june/all-electric-rideshare-fleet-could-reduce-carbon-emissions-increase-traffic-issues.html

23 Tikoudis, I., Martinez, L., Farrow, K., Bouyssou, C.G., Petrik, O. and Oueslati, W., 2021. Ridesharing services and urban transport CO2 emissions: Simulation-based evidence from 247 cities. Transportation Research Part D: Transport and Environment, 97, p.102923.

24 https://www.uber.com/us/en/about/reports/sustainability-report/

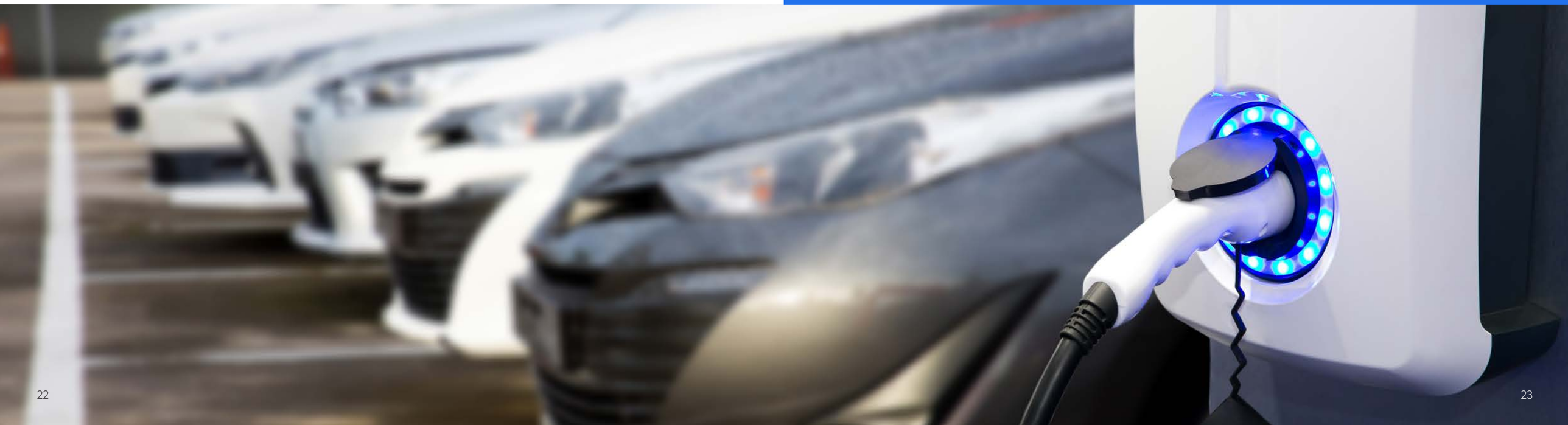
Netherlands Case Study:

Greening Transport via Zero-Emission Zones.

Under the 2019 Dutch National Climate Agreement and Amsterdam's Clean Air Action Plan, cities across the Netherlands were empowered to designate low-and zero-emission zones within their cities. Amsterdam used this legislation to designate zero-emission zones around key areas of the city, airport perimeters, and rail stations. Alongside this, the city and national government jointly adopted rules requiring that, from 1 January 2025, every newly registered taxi, ridesharing vehicle, and short-term rental car operating in Amsterdam must be zero-emission. Policymakers supported the transition by introducing subsidy schemes to help offset purchase costs, reducing taxi-rank fees, providing exclusive pick-up lanes at Schiphol for EVs, free overnight curbside charging, and accelerating the planning processes for 1400 new fast-chargers.

The policy has led to significant early adoption of electric taxis in Amsterdam, helping reduce pollution and increase awareness. Between 2019 and 2024 the share of electric taxis in Amsterdam rose from 8% to around 24%, and roadside NO_2 fell by 18%.[25] Uber has been a key driver of adoption in Amsterdam, and has pledged to fully electrify its Amsterdam fleet by the end of 2025.

25 Zero-Emission Mobility in Amsterdam Implementation Agenda 2023-2026; Netherlands paves the way for cleaner taxis | IRU



2. The future is multimodal.

From London to Dallas, ridesharing is already helping connect people with public transit. Cities that invest in multimodal transportation systems - combining public transit with ridesharing, active transport, and other new mobility solutions - are better positioned to compete effectively against inefficient private car usage than those who rely solely on public transportation. When an on-demand shuttle service providing first and last mile connection to metro transportation hubs was trialed in Sydney, 55% of users stated that they had previously driven cars regularly - demonstrating the impact of convenient, integrated transport alternatives.[26]

Policymakers have an important role to play in supporting the expansion of multimodal transit systems in their cities. The most successful approaches support the integration of transport options via existing agency apps whilst protecting user privacy and maintaining the industry values of innovation and competition.

26 https://ridewithvia.com/news/cooee-busways-integrates-on-demand-transport-with-australias-new-multi-modal-opal-connect-platform#:~:text=Residents%20using%20Cooee%20Busways%20have,percent%20considering%20selling%20their%20vehicle

Case Study:

Dallas Area Rapid Transit (DART): First/Last-Mile Integration at Scale.

In 2016, DART sought to expand its transit services to accommodate population growth in the Dallas/Fort Worth area, where many residents struggled to complete the first and/or last mile of their travel.[27] Nearly a third of Dallas area residents live more than a quarter-mile from a public transit station, making accessing public transit a challenge. To improve mobility for residents, DART integrated both public and third-party mobility providers on an app that residents could use for planning and paying for their journey. It included both a microtransit shuttle service and shared Uber rides as options to improve access to public transit stations.

An evaluation of the program found that the newly integrated app led to increased transit use, improved access for people with disabilities, reduced private car usage, reduced travel time, improved consumer experience/satisfaction, and widened the geographic reach of public transit.[28]

27 https://www.itskrs.its.dot.gov/sites/default/files/2025-03/case-study/MOD_Sandbox_DART_Case_Study_508c_03042025_0.pdf
28 https://www.transit.dot.gov/sites/fta.dot.gov/files/2021-06/FTA-Report-No-0195.pdf

3. The future is autonomous.

AVs are now a commercial reality in many parts of the world. A quarter of a million rides are completed each week in 'robotaxis' in the United States,[29] and leading global player Baidu has completed over 11 million rides since it first launched its service in 2019.[30] This market is expected to grow rapidly in the coming years as costs fall and the technology evolves - the global AV market is expected to grow from approximately $150 billion in 2022 to $2.3 trillion by 2030.[31]

AVs have the potential to increase safety, reduce congestion and further expand efficient mobility. With technology that can see in all directions and doesn't get fatigued or distracted, we expect to see strong safety benefits over time. Further, AVs at scale may be able to reduce congestion effects through route optimization and by using lanes more efficiently.[32] Cities have an important role to play - and an important voice - in creating a sustainable role for AVs in our communities.[33]

However, contrary to initial speculation, the impact of AVs on traditional point to point transport drivers remains unclear. Indeed, even if robotaxi trips are able to move quickly and increase from 18 million in 2025 to 465 million in 2030, this would only capture 10% of US ridesharing trips.[34]

The path to scaled deployment of AVs is complex and will take time to get right. We're yet to see AVs with the exceptional safety record they will need to build community trust, nor with cost-effective hardware and manufacturing processes, nor clear regulations to govern them. Governments are in the process of developing rules to allow for AV deployments around the world, and will need to work hand in glove with industry and communities as they grapple with new challenges - from safety validation and liability obligations, to urban planning, equity and labor considerations.

29 https://waymo.com/blog/2025/05/scaling-our-fleet-through-us-manufacturing
30 https://www.scmp.com/tech/big-tech/article/3311267/baidus-robotaxi-service-completes-11-million-rides-company-beats-earnings-expectations
31 https://www.statista.com/statistics/1224515/av-market-size-worldwide-forecast/#:~:text=Autonomous%20vehicle%20market%20size%20worldwide,over%202.3%20trillion%20U.S.%20dollars.
32 https://www.d-fine.com/fileadmin/user_upload/pdf/insights/whitepapers/Shared-Autnonomous-Robo-Taxis-Urban-Mobility-Milan-2018.pdf
33 https://www.brookings.edu/articles/securing-the-future-of-driverless-cars
34 https://techresearchonline.com/news/waymo-rideshare-market-expansion

Waymo Case Study:

Building Public Trust Through High Engagement in Austin.

Prior to its full commercial rollout, Uber users could join an Interest List[35] to get updates from Uber and increase their chances of being matched with a Waymo autonomous vehicle at launch. This initiative allowed local residents to gradually become familiar with autonomous vehicles.[36]

In partnership with Uber, as commercial launch drew closer, Waymo also ran a proactive public awareness campaign, partnering with well-known advocacy groups such as Mothers Against Drunk Driving, the National Safety Council, and the National Federation for the Blind. These partnerships highlighted the potential of AVs to further reduce drunk-driving incidents and enhance mobility for blind individuals. In addition to meeting with key third party groups, Uber's Public Policy team facilitated meetings with regulators in Texas including with Governor Greg Abbott, Lieutenant Gov Dan Patrick, and members of leadership in the state legislature. The goal of these meetings was to highlight the need for AV legislation that created a level playing field in the state.

35 https://www.uber.com/us/en/u/waymo-on-uber/
36 https://medium.com/waymo/waymos-early-rider-program-one-year-in-3a788f995a9c

2

Learning From Global Policies

Introduction

Over the past 15 years, cities across the world have experimented with different types of policies to harness ridesharing to deliver their urban transport visions, centered on achieving:

Less congestion. Policies that treat all traffic equally, such as the congestion pricing system in Singapore, have proven effective at mitigating rising traffic and congestion levels. In contrast, strict supply caps, taxes, or regulations that single out ridesharing platforms, such as those introduced by New York or Barcelona, have largely failed to prevent rises in traffic congestion and have had unintended negative impacts on accessibility and service reliability.

Cleaner air. Cities such as London that have implemented successful policy approaches to sustainability have focused on supporting widespread electric vehicle adoption, including by investing in charging infrastructure and providing financial incentives for consumers. In contrast, blanket EV mandates or policies that single out specific transport-modes - such as EV mandates that only apply to ridesharing vehicles in New York - tend to be less impactful.

Safer platforms. Clear and enforceable driver background checks and vehicle standards - such as those in New South Wales - can help improve safety for all road users and can build on safety measures introduced voluntarily by ridesharing companies. On the other hand, excessive licensing requirements or arbitrary vehicle standards - such as in Barcelona - can reduce driver supply, and perversely, reduce the supply of safe transport options, particularly impacting more marginal and vulnerable communities.

Better work opportunities. Ridesharing has opened up flexible earning opportunities for millions of drivers around the world. The challenge for cities now is to balance maintaining flexibility and access to earning opportunities whilst providing worker entitlements and protections. Successful approaches - such as in California and across Australia - have balanced flexibility and benefits in recognition that traditional employment is distinct from ridesharing work.

Affordable & accessible transport. Research suggests that dynamic pricing helps balance supply and demand, increasing affordability, reliability and transparency.[37] Stringent price caps restrict the ability of the market to adjust and can reduce driver earnings and wait times for passengers - as was the case in Karnataka, India.

In this section, we look in-depth at which types of policies have been effective, and which have failed to achieve their goals. In general, what we see **has not worked** is a restrictive approach that tries to prevent any change in the wider transport market. These are often introduced in response to political pressure from interest groups looking to prevent new competition and include:

- **Restrictive, mode-specific policies, instead of holistic network reform.** For example, capping the number of ridesharing vehicles to tackle congestion can either have a negligible or counter-productive impact. This is because ridesharing vehicles make up a small portion of overall traffic, and reducing ridesharing access can actually lead to a rise in the number of private cars on the road given its role as a substitute for private car ownership.[38]

- **Regulating the ridesharing industry in the same way as the taxi sector.** Lifting and shifting policies first designed decades ago under a different model can create significant unforeseen consequences, limiting the potential for ridesharing to increase access and create additional benefits over existing modes.

- **Not taking into account the modern preferences of consumers and drivers**. Consumers have repeatedly shown that they value having access to a more convenient, flexible alternative alongside taxis and public transport. At the same time, unlike the majority of taxi drivers, many ridesharing drivers chose their line of work because of its increased flexibility, allowing them to balance work with other responsibilities.

37 https://leeds-faculty.colorado.edu/leachj/BCOR1015/Readings%20not%20linked%20to%20Library%20Page/Effects_of_uber%27s_surge_pricing%20CASE.pdf
38 https://www.transportenvironment.org/uploads/files/Does-sharing-cars-really-reduce-car-use-June202017.pdf

By contrast, cities have seen much more success when they take a more **flexible approach**, taking advantage of new technologies and the greater flexibility enabled by market mechanisms to expand access to safe mobility:

- **Introducing mode-neutral policy measures aimed directly at particular policy outcomes.** Uniformly applied taxes, charges or standards can help drive improvements in congestion or air quality. These can be particularly effective when these negative incentives are balanced out by greater investment in public infrastructure, such as transit, or electric charging networks.

- **Taking advantage of newer technologies.** Technologies such as Uber's RideCheck, which combines GPS and driver and rider smartphone sensors to detect unusual activity, can increase safety for drivers and passengers.[39] At the same time, the real-time nature of pricing in ridesharing allows for a much more efficient balancing of supply and demand over time, while giving passengers more transparency upfront of the price that they will have to pay.

- **Helping different transport modes work together.** In the most effective systems, every transport mode has a different role to play that is best suited to their strengths. Public transport will remain the backbone of the system of travel for a high volume of people, while cycling and walking offer a healthy option for shorter journeys. Taxis can be particularly useful waiting for passengers at major transport or retail hubs, as well as for streethail pickups, while ridesharing platforms can flexibly expand supply to close gaps other modes don't adequately cover.

The main regulatory approaches explored in this report are summarized in Figure 6 below.

Figure 6. How Cities Have Responded to Ridesharing at a Glance

39 https://www.uber.com/newsroom/ridecheck/

Policy goal: **Less congestion**

Mitigating ridesharing's contribution on traffic and congestion.

What has worked: A flexible, outcomes-based regulatory approach

Mode-neutral tools applied to all vehicles, such as congestion pricing, with funds reinvested in expanding and improving public transit.

For example, Singapore's Electronic Road Pricing system (page 39)

What hasn't worked: A restrictive regulatory approach

Targeting a single mode (e.g. supply caps, minimum waits, return-to-base policies) tends to reduce availability - especially in outer/ low-income areas - without meaningful reduction in traffic.

For example, Barcelona's stringent supply caps (page 38)

Policy goal: **Cleaner air**

Reducing greenhouse gas emissions in ridesharing and across the transport sector.

What has worked: A flexible, outcomes-based regulatory approach

Holistic approach to decarbonizing the transport sector, including investment in supporting infrastructure and incentivizing consumers to shift away from private car ownership to greener options (e.g. public transit, cycling, walking)

For example, London's Decarbonizing Transport Strategy (page 42)

What hasn't worked: A restrictive regulatory approach

Blanket EV mandates without adequate support for charging infrastructure or support for vehicle purchases. **Singling out specific transport modes** (like ridesharing) for EV mandates is also insufficient for wider transport decarbonization efforts.

For example, New York City's Green Rides Initiative (page 43)

Policy goal: **Safer platforms**

Helping ensure safety for ridesharing passengers, drivers and the public.

What has worked: A flexible, outcomes-based regulatory approach

Clear and enforceable policy that ensures platforms meet industry standards (such as background checks, trip-sharing, in-app emergency features).

For example New South Wales' vehicle and driver standards (page 47).

What hasn't worked: A restrictive regulatory approach

Arbitrary vehicle specifications can increase cost and complexity for drivers with little proven safety gain.

For example, Catalonia's vehicle length requirement (page 46)

Policy goal: **Better work opportunities**

Delivering high quality work opportunities for ridesharing drivers.

What has worked: A flexible, outcomes-based regulatory approach

Providing core benefits without undermining the fundamental market design that supports low barriers to earning income and the flexibility that ridesharing drivers value.

For example, California's Proposition 22 (page 52)

What hasn't worked: A restrictive regulatory approach

Forcing ridesharing roles into a one-size-fits-all full employment model has proven to reduce the flexibility that drivers value in their jobs, reduces the overall pool of drivers, and pushes up prices for passengers.

For example, Seattle Fare Share/ PayUp (page 51)

Policy goal: **Affordable & accessible transport**

Balancing affordability and accessibility through dynamic pricing innovations.

What has worked: A flexible, outcomes-based regulatory approach

Embracing dynamic pricing to keep rides affordable and reliable.

For example, New York City's embrace of dynamic pricing (page 57)

What hasn't worked: A restrictive regulatory approach

Rigid fare caps or blanket bans on real-time pricing break the supply-demand match, leading to higher wait times, fewer fulfilled journeys, and reduced service particularly in low-density areas.

For example, Karnataka, India's ban on dynamic pricing (page 56)

The remainder of this section explores each policy goal in more detail: less congestion, cleaner air, safer platforms, better work opportunities and affordable & accessible transport. Each policy subchapter summarizes the overall relationship between ridesharing and the policy goal, and then presents two case studies representing a successful and unsuccessful approach to achieving the policy goal.

Less congestion

Mitigating ridesharing's impact on traffic and congestion

Summary:

Congestion was a significant and growing challenge for cities well before the introduction of ridesharing services in the early 2010s. Given ridesharing vehicles remain overall a small minority of urban traffic,[40] cities must take a more holistic approach to reducing congestion than focusing on policies that single out ridesharing.

What Works?

Comprehensive policies, not mode-specific ones, work best. One example of this is congestion pricing, which can help reduce overall congestion, as long as fees are applied neutrally.

The more granular and specific the prices charged (e.g. for certain parts of the day with high traffic levels or in certain highly congested areas), the more effective they can be at encouraging drivers to switch to other modes like public transport, shift their journeys to other times in the day, or join a carpool.

What Doesn't Work?

Targeted supply caps of private hire vehicles tend to have limited overall impact on congestion. This is because these modes tend to only account for a relatively small share of overall traffic, and any freed up road capacity is soon taken up by other vehicles.[42] At the same time, they can have a particularly negative impact on service areas that are traditionally less well served by taxis. See Annex 1 for a list of cities with supply cap regulations.

Introducing minimum waiting times or return-to-base requirements can significantly reduce the economic viability of services and also creates inefficiencies for drivers, which in turn leads to reduced options for travelers. At the same time, there is again little evidence that this has a significant impact on overall congestion.

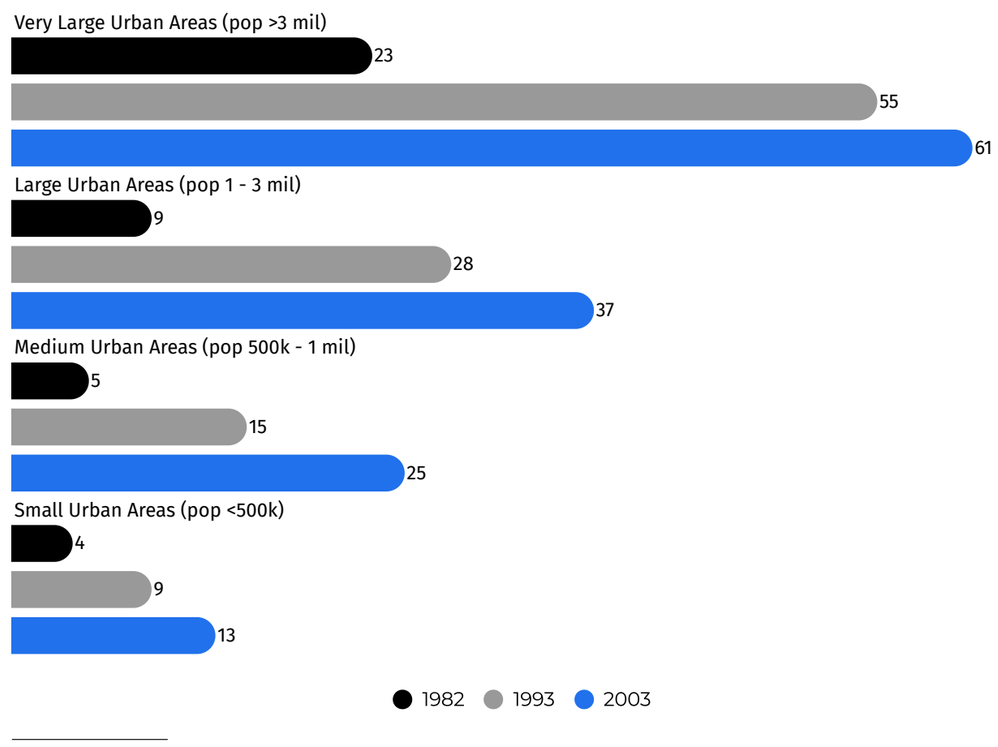
40 https://drive.google.com/file/d/1FlUskVkj9lsAnWJQ6kLhAhNoVLjfFdx3/view
41 https://www.vtpi.org/gentraf.pdf

Congestion is a long-standing problem faced by many cities. If left unchecked, it will continue to worsen as urban populations grow, with negative impacts on the environment, health, local economies, and quality of life. In fact, traffic congestion nearly tripled across US cities in the years predating the introduction of ridesharing. For example, from 1982-2003, the average urban traveler in the US went from spending 16 hours per year stuck in traffic to 47 hours per year. Between the 1980s and the early 2000s, congestion grew substantially across US cities of all sizes.[42]

Ridesharing vehicle miles remain overall a small minority of urban traffic - responsible for less than 3% of total vehicle miles traveled across several major US metropolitan regions.[43] Any effective solution to rising congestion therefore has to consider the urban transport system as a whole.

Policymakers have taken different approaches to combating congestion in cities around the world, with varying degrees of success. The evidence suggests that attempts to single out ridesharing vehicles specifically have failed to sufficiently reduce congestion and have significant unintended consequences in reducing accessibility for passengers (see Barcelona case study below and a list of cities with supply cap regulations in Annex 1). By contrast, the most effective solutions focus on mode-neutral congestion pricing, investment in public transport, and working to ensure that different transport modes can complement each other (see Singapore example below).

Figure 7. Average hours of delay per traveler across US urban areas[44]



42 https://ops.fhwa.dot.gov/congestion_report/chapter3.htm
43 https://drive.google.com/file/d/1FlUskVkj9lsAnWJQ6kLhAhNoVLjfFdx3/view
44 Schrank, D. and Lomax, T., 2005 Urban Mobility Report, Texas Transportation Institute.

Stringent Supply Caps in Barcelona Limit Consumer Options

Why was the policy introduced?

In the context of rapid growth of Uber and Spain's own rideshare company Cabify, the Spanish government sought to address concerns about a perceived oversupply of private hire drivers, contributing to congestion in the city and unrest from taxi drivers, who protested against increased competition.

What was introduced?

In 2015, Spain's national government introduced a law capping the number of private hire drivers to one for every 30 taxi drivers. This policy effectively introduced a drastic supply cap on the number of licenses that could be issued in Spanish cities. On top of this, in 2019, Catalonia introduced new rules requiring ridesharing services to be booked a minimum of 15 minutes in advance, which the city of Barcelona then in turn raised to 1 hour.[45] The city also enforced regulation, requiring companies to 'return-to-base' after every journey, rather than move on directly to their new journey.

What happened?

The new restrictions significantly reduced transportation options for local consumers. The city saw a significant fall in demand for apps, and ultimately led to both Uber and Cabify suspending services in the city. In turn, this led to significant economic damage to local drivers, with the national association for private hire drivers warning that up to 3,000 people could lose a valuable income source in Barcelona.[46] Fragmented and devolved regulatory powers also created confusion and operational challenges for rideshare operators, effectively distorting incentives for innovation in the taxi market.

Despite the restrictiveness of the policies, there was no clear evidence of a reduction in congestion in Barcelona. The restrictions were later adjudicated to be unlawful, with The Court of Justice of the European Union determining that Barcelona's limitations violated EU law by restricting the freedom of establishment for ridesharing companies. Both Uber and Cabify resumed operations in Barcelona, but ongoing regulatory challenges and conflict with the traditional taxi industry remain.[47] For example, further regulations were introduced in 2022, including restrictions to the size and type of vehicles that can be used for ridesharing. Despite the challenging regulatory environment, the resumption of ridesharing[48] in Barcelona has improved accessibility and transport options for the public — Uber, for example, saw an 80% increase in ride requests between 2023 and 2024.[49]

45 https://www.inlinepolicy.com/blog/when-regulation-goes-wrong-ride-hailing-in-spain
46 https://www.theguardian.com/world/2019/jan/31/uber-cabify-suspended-operations-barcelona
47 https://euroweeklynews.com/2025/06/12/barcelona-taxi-vs-uber-again-horns-ready-for-airport-protest/
48 https://www.catalannews.com/society-science/item/government-tightens-regulation-for-cabify-and-uber
49 https://en.ara.cat/economy/uber-takes-stand-we-re-committed-to-barcelona-and-we-re-here-to-stay_1_5407370.html

Comprehensive Road Pricing Addresses Congestion in Singapore

Why was the policy introduced?

In 1975, Singapore introduced the world's first comprehensive road pricing scheme with their Area Licensing Scheme (ALS). However, in a bid to revitalize its efforts to reduce congestion and air pollution, Singapore looked to a new, modernized system.

What was introduced?

The ALS was replaced with the Electronic Road Pricing (ERP) system in 1998. The ERP was, and still is, considered one of the most technologically advanced road pricing systems in the world. A network of 93 overhead gantries placed at key congestion-prone areas automatically administer levies on passing vehicles, ranging from SGD 0.50 to over SDG 5.00 depending on traffic circumstances, the vehicle type, and the time of day. The levy can be automatically adjusted every five minutes to maintain ideal road speeds. The system sought to incentivize drivers to shift travel patterns away from peak hours, use alternative routes that contribute less to congestion, and switch to using public transportation.

What happened?

The scheme was immediately successful, with traffic volumes falling, average vehicle speed increasing, and carpooling and bus usage both increasing in the immediate days after implementation.[50] In the long run, electronic road pricing has largely succeeded at stopping increased congestion. Despite significant growth in the numbers of cars, peak-hour traffic speeds have stayed largely consistent, rather than slowing.[51] A key reason for the scheme's success in this regard was heavy parallel investment in public transport. 85% of Singaporeans use public transport for their commute,[52] representing a significant mode shift compared to before the introduction of the system. In addition to encouraging modal shifts, the granularity of the pricing system made it easier to encourage more people to travel outside of peak hours. Other drivers have looked to car-pooling to share costs.

Singapore is currently exploring a next-generation road pricing system to further improve its highly-efficient road pricing model. This will involve eliminating the gantries and instead using satellite tracking technology to charge drivers more precisely for the distance they travel on congested roads.

50 https://www.nlb.gov.sg/main/article-detail?cmsuuid=072b1248-63b0-4b30-8a04-ba1742961351
51 https://www.itf-oecd.org/sites/default/files/docs/congestion-control-singapore.pdf
52 https://www.mynewsdesk.com/uk/hitachi-rail-global/pressreleases/singaporeans-top-global-charts-for-public-transport-usage-3316804

Cleaner air

Reducing greenhouse gas emissions in ridesharing and across the transport sector.

Summary:

A growing number of cities are setting ambitious emission-reduction targets, requiring the decarbonization of their transport sectors. The ridesharing industry can be an important part of a holistic sector-wide strategy because despite representing a small percentage of total cars on the road, rideshare drivers drive more miles than the average motorist. As a result, the electrification of these vehicles can have a disproportionate impact on decarbonization. Research suggests that increasing the adoption of electric vehicles and shifting consumer travel behaviors away from private vehicle ownership to more sustainable transport modes (walking, biking, public transit) are most effective for reducing transport sector emissions. Many cities have implemented successful policy approaches to sustainability that are centered on supporting electric vehicle adoption, including by investing in charging infrastructure and providing financial incentives for consumers.

What Works?

Enabling high-mileage drivers to lead efforts to electrify vehicles by ensuring that relevant infrastructure is in place to enable transition.

Policies with flexibility clauses that allow decisionmakers to revisit commitments if/when enabling conditions change

Incentive programs with streamlined administrative processes have seen more uptake by drivers

What Doesn't Work?

Enforcing electrification mandates **without delivering supporting charging infrastructure and/or subsidizing charging costs** tend to be unsuccessful

The transport sector contributes approximately one-fifth of global greenhouse gas emissions - mostly from cars and vans - making it a key focus area for decarbonization efforts across many cities.[53] Approximately 50 countries now have regulations, legislation, or policies in place to reduce emissions from cars and vans.[54]

Policymakers around the world have sought to improve the environmental sustainability of the ridesharing sector as part of wider approaches to reduce emissions from cars and vans. They often encourage the electrification of ridesharing vehicles, given the direct and substantial impact this has on transport sector emissions - analyses in Chicago show that fully electrifying rideshare fleets could reduce greenhouse gas emissions per trip by 40–45%.[55] Further, research indicates that the intensity of vehicle use makes electrification especially important in the ridesharing sector: replacing a gasoline car that operates many hours a day with an electric car yields bigger fuel and emissions savings than replacing a seldom-used private car. In fact, one analysis found three times the emissions reduction benefit when an electric vehicle is used in a ride-hailing fleet versus in private ownership, due to the higher mileage driven.[56]

However, it is worth bearing in mind that ridesharing still represents a small portion of total driving in major cities - for example, a 2018 study found that Uber and Lyft combined only make up 2% of total driving in Seattle, 13% in San Francisco, 3% in Los Angeles, 3% in Chicago, 7% in Washington D.C., and 8% in Boston.[57] Clearly, any attempts to meaningfully reduce emissions from cars and vans must be broader than targeting the ridesharing industry alone.

Evidence across markets suggests that the most successful policy approaches to decarbonizing transport include urban densification, shifting consumer travel behavior towards active modes of transport (walking, cycling, etc.) and public transport, and incentivizing the uptake of electric vehicles.[58] Increasing the affordability and accessibility of charging infrastructure, expanding grid capacity, and providing consumer incentives to purchase EVs, whilst simultaneously investing in active transport modes and public transport systems, are essential to a successful approach.

53 https://ourworldindata.org/co2-emissions-from-transport#
54 https://www.iea.org/data-and-statistics/data-tools/global-ev-policy-explorer
55 acs.org
56 wbcsd.org
57 https://drive.google.com/file/d/1FlUskVkj9lsAnWJQ6kLhAhNoVLjfFdx3/view
58 https://www.iea.org/energy-system/transport

Narrow targets in New York City are insufficient for meaningful GHG emission reduction

Why was the policy introduced?

New York City is committed to reaching carbon neutrality by 2050 to ensure a safe and clean environment for future generations. Given the transport sector makes up nearly 30% of the city's emissions, it is a critical pillar of the city's decarbonization strategy. Electrifying light-duty vehicles in particular - of which there are 2 million in NYC - is key to this strategy; it is estimated that 75% of light-duty vehicles need to be electrified by 2050 to cut emissions from the transport sector by up to 85%.[59]

What was introduced?

In 2023, the Taxi and Limousine Commission (TLC) introduced the 'Green Rides Initiative', requiring all rideshare services in NYC to be either zero-emission or wheelchair accessible by 2030. The initiative sets yearly benchmarks with fines for non-compliance. This policy reinforced existing voluntary commitments from both Uber and Lyft to electrify their fleets by 2030.[60]

In an effort to encourage the uptake of electric vehicles across the ridesharing industry, NYC also lifted the cap on licenses for for-hire vehicles (FHVs) and began issuing new licenses for electric vehicles only. However, this policy has been paused due to ongoing litigation and review sparked by a lawsuit filed by the New York Taxi Workers Alliance.[61]

What happened?

The policy has surpassed its early benchmarks - by August 2024 almost 20% of ridesharing trips were zero emission or wheelchair accessible, far exceeding the 'Green Rides' benchmark of 5%.[62]

However, the entire TLC fleet (of which ridesharing services make up around 75%) [63]is responsible for only 4% of the city's overall vehicle emissions.[64] There are only around 80,000 high-volume for-hire vehicles (i.e., Uber or Lyft) active in New York City as of July 2025,[65] making up a small portion of the roughly 2 million light-duty vehicles. Therefore, the city's regulatory approach must go beyond electrification of ridesharing vehicles to include all light-duty vehicles to see meaningful change in the city's emissions and air pollution.

59 https://www.hraadvisors.com/wp-content/uploads/2023/02/NYC-Electric-Vehicle-Infrastructure-Assessment_2023_Uber_HRA-Advisors-1.pdf
60 https://www.nyc.gov/assets/tlc/downloads/pdf/electrification_in_motion_report_2024.pdf
61 https://www.nyc.gov/assets/tlc/downloads/pdf/industry-notices/industry_notice_23_09_english.pdf
62 https://www.nyc.gov/assets/tlc/downloads/pdf/electrification_in_motion_report_2024.pdf
63 https://www.hraadvisors.com/wp-content/uploads/2023/02/NYC-Electric-Vehicle-Infrastructure-Assessment_2023_Uber_HRA-Advisors-1.pdf
64 https://www.nyc.gov/site/tlc/about/green-rides-frequently-asked-questions.page
65 https://www.nyc.gov/site/tlc/about/aggregated-reports.page

London's decarbonizing transport strategy supports widespread EV uptake

Why was the policy introduced?

In 2020, the Mayor of London set a target for the city to be net zero-carbon by 2030 to contribute to national level efforts to reduce emissions and mitigate the impact of climate change, as well as improve air quality and reduce noise pollution across the city.[66]

What was introduced?

Policymakers in London have developed a number of comprehensive strategies to decarbonize the transport sector over the past several years, including an 'electric vehicle infrastructure delivery plan' in 2019[67] and a '2030 electric vehicle infrastructure strategy' in 2021.[68] The strategies lay out a number of commitments to boost EV ownership, including investing in charging infrastructure, improvements to grid resilience, and supporting consumers with high purchase costs.

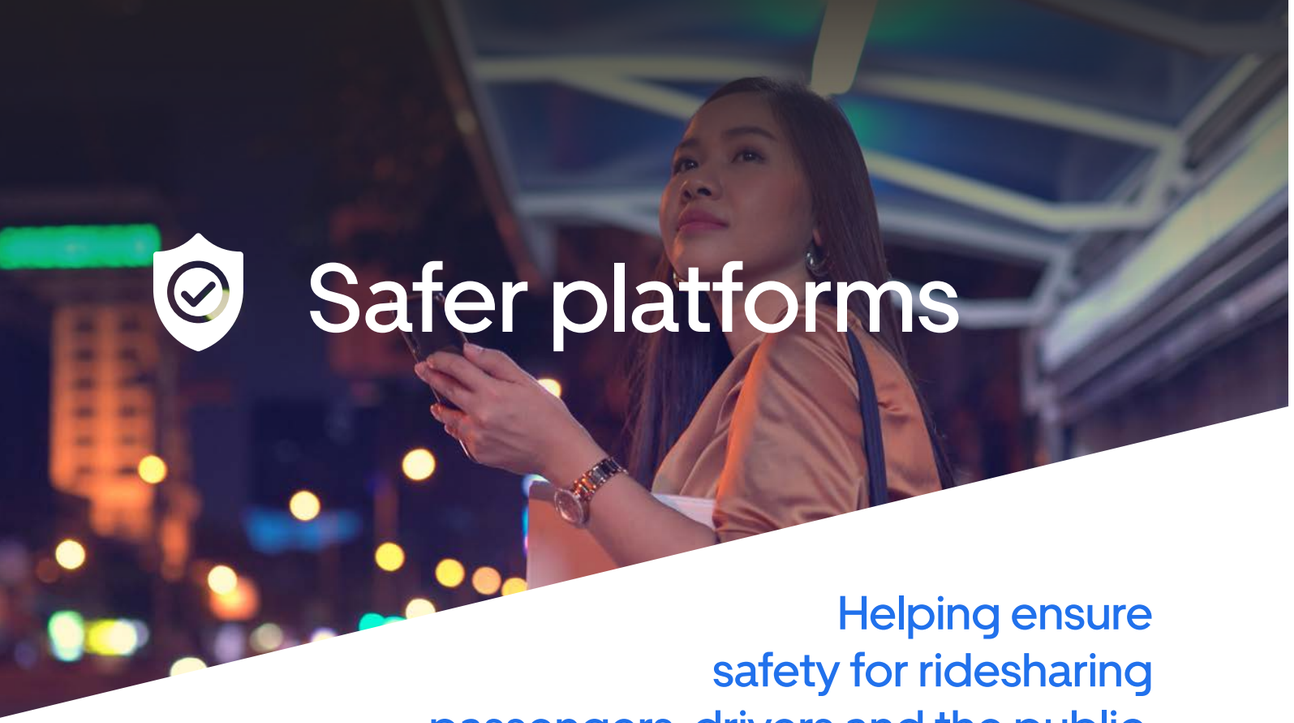
London's approach to decarbonizing the transport sector has been underpinned by a strong national-level approach, including significant levels of investment in EV infrastructure, supply chains, and purchase incentives. For example, the government are phasing out the sale of new petrol and diesel cars from 2030[69] and have committed £2.8 billion of measures to support the switch to clean vehicles (including £1 billion investment in building the EV supply chain throughout the UK). This came on top of previous commitments to invest £1.5 billion between 2015 and 2021 to support the EV early market and remove barriers to EV ownership.[70]

What happened?

As a result of national and city-level investments, there is significant charging infrastructure available throughout the country, particularly in London. As of October 2025, London alone hosts more than 26,000 public charging points - around a third of the country's public charging points.[71] A driver in England is never more than 25 miles away from a rapid (50 kilowatt) chargepoint when driving on motorways and major roads.[72]

London has taken a proactive regulatory approach to the uptake of EVs, including significant investment, setting out long-term future strategies, and reducing the costs of purchasing EVs. As a result, the uptake of EVs has been growing across the UK in recent years - in 2024, 1 in 5 new car registrations were electric vehicles, up 21% from the year prior.[73]

66 https://tfl.gov.uk/corporate/about-tfl/reducing-carbon-emissions
67 https://lruc.content.tfl.gov.uk/tfl-london-electric-vehicle-infrastructure-delivery-plan.pdf
68 https://lruc.content.tfl.gov.uk/london-2030-electric-vehicle-infrastructure-strategy-executive-summary-december-2021.pdf
69 https://www.gov.uk/government/speeches/phasing-out-the-sale-of-new-petrol-and-diesel-cars-from-2030-and-support-for-zero-emission-vehicle-zev-transition
70 https://assets.publishing.service.gov.uk/media/610d63ffe90e0706d92fa282/decarbonising-transport-a-better-greener-britain.pdf
71 https://www.zap-map.com/ev-stats/how-many-charging-points
72 https://www.gov.uk/government/publications/government-vision-for-the-rapid-chargepoint-network-in-england/government-vision-for-the-rapid-chargepoint-network-in-england
73 https://www.smmt.co.uk/record-ev-market-share-but-weak-private-demand-frustrates-ambition



Safer platforms

Helping ensure safety for ridesharing passengers, drivers and the public.

Summary:

Cities introduce operating requirements - e.g. background checks and vehicle safety standards - to help keep ridesharing passengers and drivers and the public safe. Well-crafted regulations improve safety without impacting service availability; however onerous policies can deter would-be drivers, disrupting service availability and having the paradoxical effect of pushing passengers to unsafe transport options like intoxicated driving (see Figure 8). Further, many ridesharing companies have proactively led the way in introducing innovative safety measures, such as real-time trip tracking and in-app emergency buttons. The policy challenge is therefore to ensure these safeguards are universal and enforceable across the industry without deterring drivers and disrupting accessibility.

What Works?

Clear and enforceable policy to ensure platforms meet industry standards — for example, driver checks and vehicle standards.

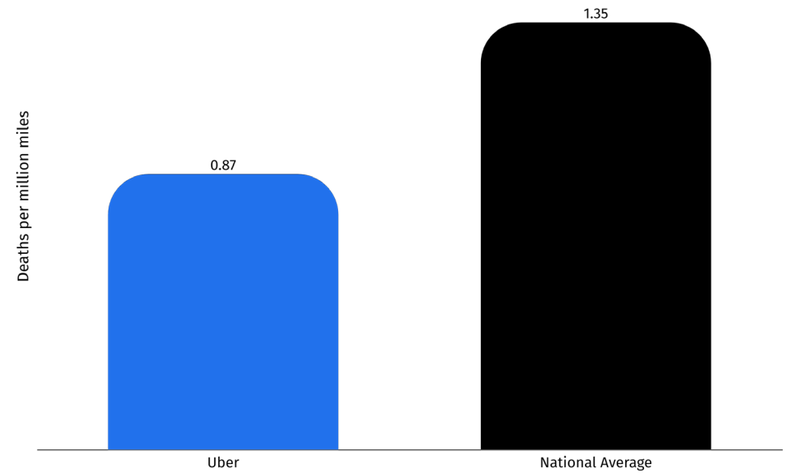
What Doesn't Work?

Lifting and shifting safety-related policies from the traditional taxi industry that are often not as well suited to the technology and operating models of rideshare companies

Overly stringent policies that introduce **excessive or discriminatory barriers to entry for drivers.** These can have unintended consequences of reducing the supply of rideshare services and moving users to less safe modes of transport.

Operating requirements exist to help keep drivers, passengers and the public safe. This matters because road traffic injuries are a leading cause of death for young people,[74] and ridesharing brings strangers together sometimes in unfamiliar locations or at late hours. At the same time, evidence suggests that ridesharing is safer than private car travel - with fewer vehicle-related fatalities per mile traveled.[75] This underscores the risk of over-correcting by designing safety regulations that disrupt access to ridesharing altogether and nudge people towards less safe private car travel.

Figure 8. Uber vs. National Average in the US: deaths per million miles



Sources: 1. U.S. Department of Transportation (2023). Traffic Safety Facts: Early Estimate of Motor Vehicle Traffic Fatalities in 2022. 2. Uber (2022) US Safety Report.

Some of the most common operating requirements implemented by cities around the world include safety inspections to ensure adequate vehicle condition and age, recurring driver background checks, driver training and language requirements, and in-service operating rules (such as limits to consecutive working time).

Regulations that balance safety with sensible requirements can maintain service accessibility, without forcing passengers to less safe alternatives. These regulatory approaches should build on the growing number of industry-led safety measures – for example, ridesharing companies have introduced robust background checks for drivers and many have introduced built-in emergency buttons that share ride details with emergency services, and real-time ride tracking so passengers can share their journey details with family and friends. Regulation can play a role in ensuring consistency and enforcement across the ridesharing industry.

Safety regulations that impose excessive barriers for drivers can restrict, or in some cases eliminate, service availability. For example, excessive license requirements in Vancouver caused a supply shortage of rideshare drivers (particularly amongst underrepresented groups), longer wait times and a reduced coverage of private hire services across areas of the city.[76]

74 https://www.who.int/news-room/fact-sheets/detail/road-traffic-injuries

75 https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/811366; Anderson, M.L. and Davis, L.W., 2021. Uber and alcohol-related traffic fatalities (No. w29071). National Bureau of Economic Research.

76 Anderson, M.L. and Davis, L.W., 2021. Uber and alcohol-related traffic fatalities (No. w29071). National Bureau of Economic Research.

Arbitrary vehicle length rule in Catalonia hurts drivers without meaningful safety gains

Why was the policy introduced?

For years, the taxi lobby in Catalonia has protested against the introduction and expansion of ridesharing services in the city due to concerns it could reduce earnings and employment opportunities for existing taxi drivers. The government has introduced several policies and regulations to appease the taxi industry over the years aimed at restricting the role of ridesharing services and any competition it may present to the existing taxi industry.

What was introduced?

In 2022, the Catalan government introduced a new regulation requiring ridesharing vehicles to measure at least 4.9 meters in length.[77] It was introduced alongside other regulations, including that vehicles must be electric or hybrid, rides must continue to be pre-booked 15 minutes in advance, and drivers need to hold their license for at least two years before they can apply for a for-hire vehicle license.

What happened?

The regulation had significant impacts on ridesharing drivers given the length rule excluded many common midsize models - the Skoda Octavia (4.68 meters) and the Skoda Superb (4.8 meters) for example made up a large part of Cabify's fleet.[78] In fact, Cabify reported that only 1% of their fleet met the length requirement when the regulation was introduced.[79] One newspaper estimated that two-thirds of ridesharing vehicles in Barcelona (the capital of Catalonia) would no longer be valid due to the length regulation.[80]

Some ridesharing services even resorted to adding bolt-on bumper extensions to their fleets to comply with the new regulations, arguing that "in the face of ridiculous measures, we've also found ridiculous solutions."[81] Ultimately the policy continues to add unnecessary costs and complexity for drivers with no clear public safety benefit.

77 https://www.catalannews.com/society-science/item/government-tightens-regulation-for-cabify-and-uber
78 https://en.ara.cat/society/only-high-end-cars-will-be-allowed-to-circulate-as-urban-vehicles-for-hire_1_4424791.html
79 https://www.catalannews.com/business/item/ride-hailing-services-want-to-remain-in-barcelona-despite-doubts-over-new-regulation
80 https://braveneweurope.com/gig-economy-project-taxistas-beat-uber-in-battle-for-barcelona
81 https://www.catalannews.com/business/item/ride-hailing-services-want-to-remain-in-barcelona-despite-doubts-over-new-regulation

Reasonable vehicle and driver standards in New South Wales, Australia

Why was the policy introduced?

Following reforms that opened the market to ridesharing, New South Wales put in place a risk-based framework under the Point to Point Transport (Taxis and Hire Vehicles) Act 2016. The framework assigns safety duties across booking service providers (including taxis that take bookings and ridesharing platforms) and drivers.[82]

What was introduced?

Several regulations were introduced to ensure reasonable vehicle and driver standards were met, including:

- Vehicle roadworthiness and maintenance. All vehicles used for booked services - whether taxi or rideshare - must be roadworthy and undergo an annual safety inspection, even if the vehicle is under five years old. Owners must keep vehicles registered, maintained and insured.
- Driver eligibility and background checks. Drivers must hold an unrestricted Australian license for at least 12 months in the preceding four years, meet medical standards for commercial drivers and pass criminal background checks. They also have an ongoing duty to notify their service provider about changes to their license or health status.
- Provider duty and oversight. Booking service providers must maintain a safety management system, describing how risks are identified and controlled; these are regularly audited by the local government.

What happened?

The New South Wales regulatory model establishes clear, enforceable baselines - annual vehicle checks, straightforward driver-eligibility rules, and auditable safety management systems for providers - without resorting to arbitrary or overly stringent vehicle specifications.

82 https://www.pointtopoint.nsw.gov.au/safety-and-compliance/safety-standards-for-vehicles-providing-booked-services

Better work opportunities

Delivering high-quality work for ridesharing drivers.

Summary:

Traditional employee benefit models cannot be directly applied to platform-based independent work, where workers frequently engage with multiple apps and often obtain revenue through multiple sources. Further, drivers value flexibility in their work, and therefore the most successful policy frameworks provide core protections while preserving drivers' freedom to choose their hours, platforms, and routes.

What Works?

Creating a distinct work status or applying an existing independent contractor status that allows platforms to provide core benefits without losing flexibility.

Successful regulatory approaches give workers control over how and when to use the **diverse benefits they value**[83] - for example sick pay, retirement contributions, and workplace protections - **without undermining the fundamental market design** that supports low barriers to earning income and the flexibility that initially attracted many workers to platform-based roles.

What Doesn't Work?

Forcing ridesharing roles into a **one-size-fits-all full employment model.**

Excessive and poorly designed regulation can have significant unintended negative consequences (e.g., Seattle's minimum pay law led to 40%+ higher fares, fewer trips, and lower driver earnings), undermining service availability and affordability for consumers.

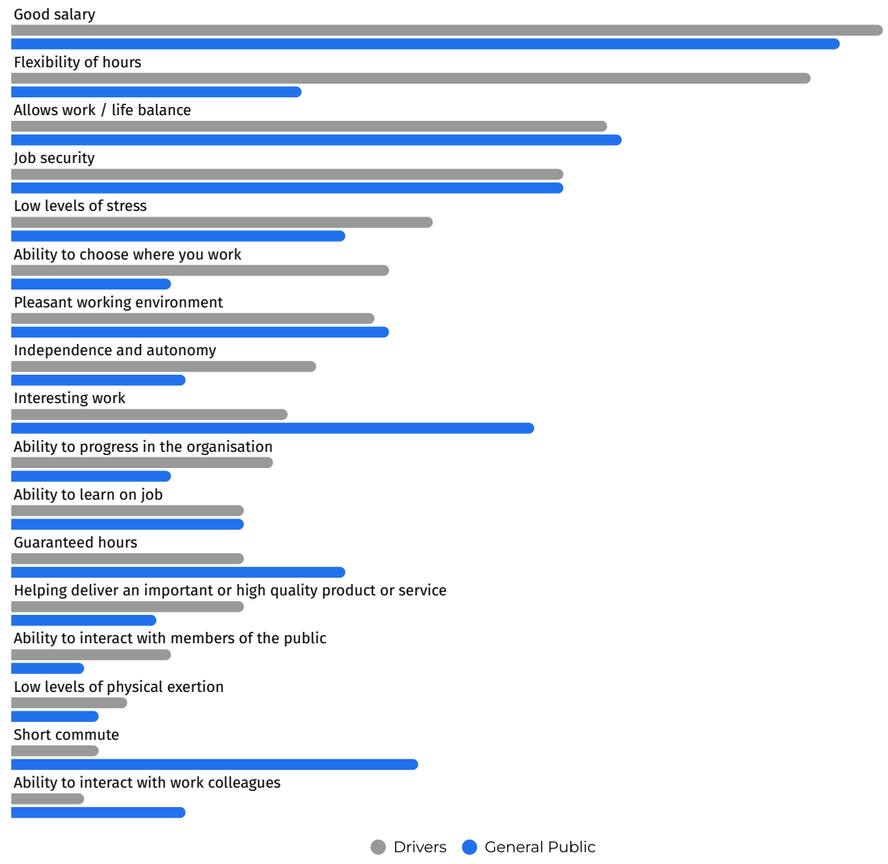
Regulatory approaches that **threaten one of the fundamental reasons many workers choose platform work:** the flexibility it offers.

83 https://www.brookings.edu/articles/how-should-we-provide-benefits-to-gig-workers/

Ridesharing drivers overwhelmingly choose platform work because they value the flexibility to work when, where, and how they want. Ridesharing drivers are three times more likely to value flexibility of hours compared to the general public. Most drivers say they do not want to trade away their flexibility to get additional benefits: for example, a majority of rideshare drivers (55%) in the UK would rather keep their current flexibility than receive an income 50% higher.[84]

Traditional employee benefit models cannot be directly applied to ridesharing work. These models, built around permanent, full-time positions, do not neatly translate to platform-based independent work, where earners frequently engage with multiple apps and often obtain revenue through multiple sources. Smarter regulations provide flexible benefits: for example, a stipend proportional to the hours a driver completes across all platforms. This ensures that when drivers are on the road, they accumulate credits towards their desired benefits - e.g. health coverage, retirement savings, sick leave, etc. - regardless of which app they're using at that moment.

Figure 9. When looking for work, what aspects of a job are most important to you? Please select up to five



Source: 2021 Public First consumer and driver polls, including a nationally representative poll of 1,003 adults in Britain, and anonymous survey of 943 Uber drivers.

84 https://goodwork.publicfirst.co.uk/

The most successful policy frameworks provide core protections — such as carefully designed guaranteed minimum earnings, injury insurance, sick pay accrual, and retirement contributions — while preserving drivers' freedom to choose their hours, platforms, and routes. By aligning benefit accrual directly with time spent completing trips, regulators can support workers' financial security and wellbeing without undermining the ease of participation and on-demand flexibility that define the ridesharing model. This model preserves the core flexibility awarded from classification as an independent contractor while also introducing appropriate benefits and protections for workers.[85]

Similarly, mandating minimum earnings requirements that are incompatible with task-based work can erode the flexibility that drivers prize. A per-hour earnings requirement that includes all of the time a driver is online but not on a trip or en-route would force platforms to monitor and compensate for "idle" or time — effectively turning drivers back into employees with schedules, break rules, and minimum-hours commitments. Research suggests that imposing minimum earnings standards for all time spent online on apps, not just for time driving, increases costs to consumers, decreases demand and could increase fraud by incentivizing drivers to stay online without accepting trips.[86]

Regulatory approaches have been successful when they strike a balance between maintaining both worker protections and flexibility. For example, Australia's new legislation (2024) introduced a new concept of 'employee-like workers' in recognition that rideshare drivers do not neatly fit into existing classifications. The new classification expands certain protections to rideshare drivers (and other gig economy workers) and attempts to balance worker protections whilst maintaining flexibility and earning opportunities.[87]

85 https://www.uber.com/newsroom/working-together-priorities/
86 https://www.analysisgroup.com/globalassets/insights/publishing/2023-hart-report-on-the-implications-of-ubers-paying-the-national-living-wage-on-p1-time.pdf
87 https://www.hfw.com/insights/nothing-to-giggle-at-new-protections-for-gig-workers-and-road-transport-contractors-are-on-the-way

Seattle's Minimum Pay Laws Backfiring on Riders, Drivers & Restaurants

Why was the policy introduced?

Aiming to support app-based workers, Seattle policymakers wanted to introduce legislation which would "increase pay for Uber and Lyft drivers" and "provide transparency and living wage protections that benefit both riders and drivers."[88]

What was introduced?

In 2020, Seattle passed the 'Fare Share' ordinance for rideshare workers, and the 'PayUp' initiative for delivery couriers in 2022. The legislation mandated that workers earn 44 cents a minute or 74 cents a mile traveled.[89] However, Seattle overestimated the costs associated with driving or delivering on Uber and caused extremely high costs for riders. A typical 20-minute, 5-mile trip costs riders at least $21.55 due to these requirements - equivalent to triple Seattle's hourly minimum wage.[90]

What happened?

Inflated driving costs meant that Uber was required to compensate drivers for beyond the market rate. Some of these higher costs were passed on to consumers, leading to a surge in rider prices. After Fare Share launched in 2021, average Uber fares jumped more than 40%.[91] This contributed to a decline in ridesharing trips in Seattle compared to all other large cities, with trips down more than 50%[92] relative to the rest of the US. This similarly affected delivery services in 2024 when PayUp was implemented. For example, Uber added a $5 fee to every on-demand order.[93] The increased prices resulting from the policy change had follow-up impacts on businesses and drivers. Six weeks after the implementation of PayUp, restaurants and couriers saw their order volumes decrease by 30%. As a result of decreased demand, the policy, aimed at increasing earnings had the opposite result and resulted in a fall in driver earnings. Since the launch of Fare Share, drivers in Seattle now earn less per hour than in most major cities in the country.[94]

88 https://council.seattle.gov/2020/09/24/mosquedas-committee-passes-fare-share-legislation-supporting-basic-standards-for-uber-lyft-drivers/#:~:text=Substitute%20bill%20increases%20pay%2C%20adds,Lewis%20and%20Dan%20Strauss
89 https://www.seattle.gov/laborstandards/ordinances/app-based-worker-ordinances/app-based-worker-minimum-payment-ordinance
90 https://medium.com/uber-under-the-hood/seattles-ridesharing-laws-don-t-work-for-anyone-189e3117dc03
91 https://medium.com/uber-under-the-hood/the-impact-of-seattles-driver-and-courier-pay-regulations-30fdc817e65c
92 https://medium.com/uber-under-the-hood/the-impact-of-seattles-driver-and-courier-pay-regulations-30fdc817e65c
93 https://medium.com/uber-under-the-hood/the-impact-of-seattles-driver-and-courier-pay-regulations-30fdc817e65
94 https://medium.com/uber-under-the-hood/seattles-ridesharing-laws-don-t-work-for-anyone-189e3117dc03

Proposition 22 - Balancing Flexibility with Essential Worker Benefits in California

Why was the policy introduced?

In 2019, California's Assembly Bill 5 codified the "ABC test," forcing gig-economy companies to treat drivers as employees. This entitled drivers to a range of benefits including minimum wages, overtime pay, paid leave and other benefits. In response, the ridesharing industry argued that reclassifying drivers as employees would force them to suspend operations and strip away the flexibility at the heart of their platforms.

What was introduced?

To mitigate the potential collapse of flexible work provided by rideshare companies, California introduced "Proposition 22" to exempt app-based rideshare and delivery drivers from Assembly Bill 5 by legally defining them as independent contractors. The bill exempted ridesharing companies from excessive provisions in the ABC bill, restoring the flexibility that forms the foundation of ridesharing work.

What happened?

The policy ensured workers crucially received a suite of benefits[95] while still preserving the flexibility for the ridesharing operating model. Specifically, earnings guarantees ensured drivers received 120% of the local minimum wage for each hour spent driving, plus $0.36 per mile for vehicle expenses. Health stipends meant that drivers averaging more than 15 engaged hours a week received a proportional insurance subsidy. Accident insurance meant drivers received up to $1 million in medical/disability coverage for on-the-job injuries, plus liability and death benefits. Proposition 22 also resulted in the introduction of workplace protections, including anti-discrimination and harassment policies and safety training mandates. The proposition was well received by drivers. In a 2021 study conducted by the Benenson Strategy Group, over 80% of drivers were happy that the measure passed. A further 76% of drivers said that they personally benefit from Proposition 22, and 75% felt that Prop 22 creates a better future for app-based drivers[96] While all regulations must be designed for local context, Prop 22 represents an important step towards balancing protections and flexibility for ridesharing drivers in practice.

95 https://help.uber.com/en-GB/driving-and-delivering/article/what-is-proposition-22-and-how-does-it-benefit-me?nodeId=70c0ac5e-7881-434a-b2a8-df828a060395

96 https://89db49b5-e060-4472-a495-feeee2659eaa.usrfiles.com/ugd/89db49_bebda2e21d92485a831a623ac094966a.pdf

Affordable & accessible transport

Balancing affordability and accessibility through dynamic pricing innovations.

Summary:

Dynamic pricing - whereby prices fluctuate based on real-time changes to supply and demand - is integral to the ridesharing model, keeping rides reliable and transparent for passengers and drivers alike. When cities introduce price controls intended to address concerns about affordability and fairness, they tend to inadvertently increase wait times, decrease service reliability and reduce accessibility.

What Works?

Embracing dynamic pricing to keep rides affordable and reliable.

What Doesn't Work?

Blanket bans on surge pricing or strict price controls that ignore market dynamics and reduce driver incentives.

Policies implemented **without consultation with industry**, resulting in unintended negative effects for drivers and riders.

Dynamic pricing is key to how ridesharing works - allowing prices to rise to incentivise drivers to work in busy times and places. It has benefits for passengers and drivers alike, keeping pricing transparent and overall service reliable.[97] Numerous empirical studies have confirmed these positive impacts, concluding that dynamic pricing reduces wait times for passengers whilst increasing driver earnings,[98] reduces the amount of time that drivers spend roaming without a passenger, and generates additional consumer surplus compared to flat-fare alternatives.[99] Further, researchers examining Uber data during demand spikes found that when surge pricing was deactivated, wait times more than doubled, and one in four trip requests went unfulfilled.[100]

By contrast, blanket bans on surge pricing or rigid price caps often backfire, harming both drivers and passengers. While these policies are intended to address concerns about affordability and fairness, they can increase wait times, and decrease service reliability and accessibility.

97 https://medium.com/uber-under-the-hood/the-power-of-pricing-balancing-rider-expectations-and-driver-needs-3eb548a4d2ee
98 https://conference.nber.org/confer/2017/MDf17/Castillo_Knoepfle_Weyl.pdf; https://pubsonline.informs.org/doi/10.1287/mnsc.2022.00096
99 https://www.nber.org/papers/w22627
100 https://www.uber.com/blog/research/the-effects-of-ubers-surge-pricing-a-case-study/

Overly stringent restrictions on dynamic pricing hurt drivers and passengers in Karnataka, India[101]

Why was the policy introduced?

As ridesharing rapidly expanded across Karnataka - particularly in Bengaluru - it became an essential mode of transport for millions. As usage increased, passengers began comparing ridesharing fares to those of traditional taxis, fuelling perceptions that dynamic pricing was "exorbitant" and unpredictable, especially during festivals, rain, and peak traffic hours.

What was introduced?

In February 2024, the Karnataka Transport Department introduced a strict cap on fares that effectively banned surge pricing altogether. This policy applied not only to rideshare platforms like Uber and Ola but also to traditional taxi operators. The government established fixed fare bands calculated on a per-kilometre basis, with rates varying depending on vehicle type. A modest surcharge of approximately 10% was permitted during nighttime hours - from midnight to 6:00 a.m. - but all other real-time pricing adjustments were prohibited. The scope of the regulation was extensive and had immediate impact on a critical portion of the city's transportation ecosystem.

What happened?

While the intent behind the policy was to protect consumers from price spikes, it led to a number of significant and unintended consequences, particularly for drivers and the overall quality of service. Post-policy data showed that drivers in Bengaluru experienced a drop in earnings compared to peers in cities without such pricing caps. On average, driver earnings declined by between 8% and 15% relative to those in Hyderabad, where dynamic pricing remained in effect.[102] Further, due higher costs associated with running cabs in Bengaluru, net take-home income plunged even further by 20–25% compared to drivers in Hyderabad, leaving many struggling to cover basic operating expenses.[103]

In the absence of surge incentives, many drivers became less willing to operate during peak hours or in high-traffic zones. This retreat from service during periods of greatest demand led to sharp increases in passenger wait times and higher ride cancellation rates. Average wait times in some areas reportedly doubled to between 15 and 20 minutes. Frustrated by falling incomes and deteriorating work conditions, a number of drivers began leaving the platform entirely—reports suggested that as many as 1,000 drivers stopped working within a few months of the policy's implementation, citing unsustainable earnings.[104]

101 livemint.com; The Economic Times; ndtv.com; medianama.com; inc42-dev; timesofindia.indiatimescom; thenewsminute.com; localcircles.com; Medium
102 https://economictimes.indiatimes.com/news/bengaluru-news/uber-faces-protest-in-bengaluru-over-earnings-and-driver-policy-concerns/articleshow/125544369.cms Uber Says Surge Price Caps Will Lower Driver Earnings, Service Quality
103 https://timesofindia.indiatimes.com/city/hyderabad/uber-drivers-riders-in-hyd-whiz-past-bluru/articleshow/74519767.cms
104 With longer waiting times on Ola and Uber, Bengalureans are turning to other options

Dynamic pricing ensures widespread service reliability in cities around the world[105]

Why was the policy introduced?

While some cities have introduced parameters on dynamic pricing, many allow fully dynamic pricing on ridesharing platform trips. For example, New York City has allowed ridesharing platforms to use dynamic pricing to ensure service reliability during demand spikes.

What was introduced?

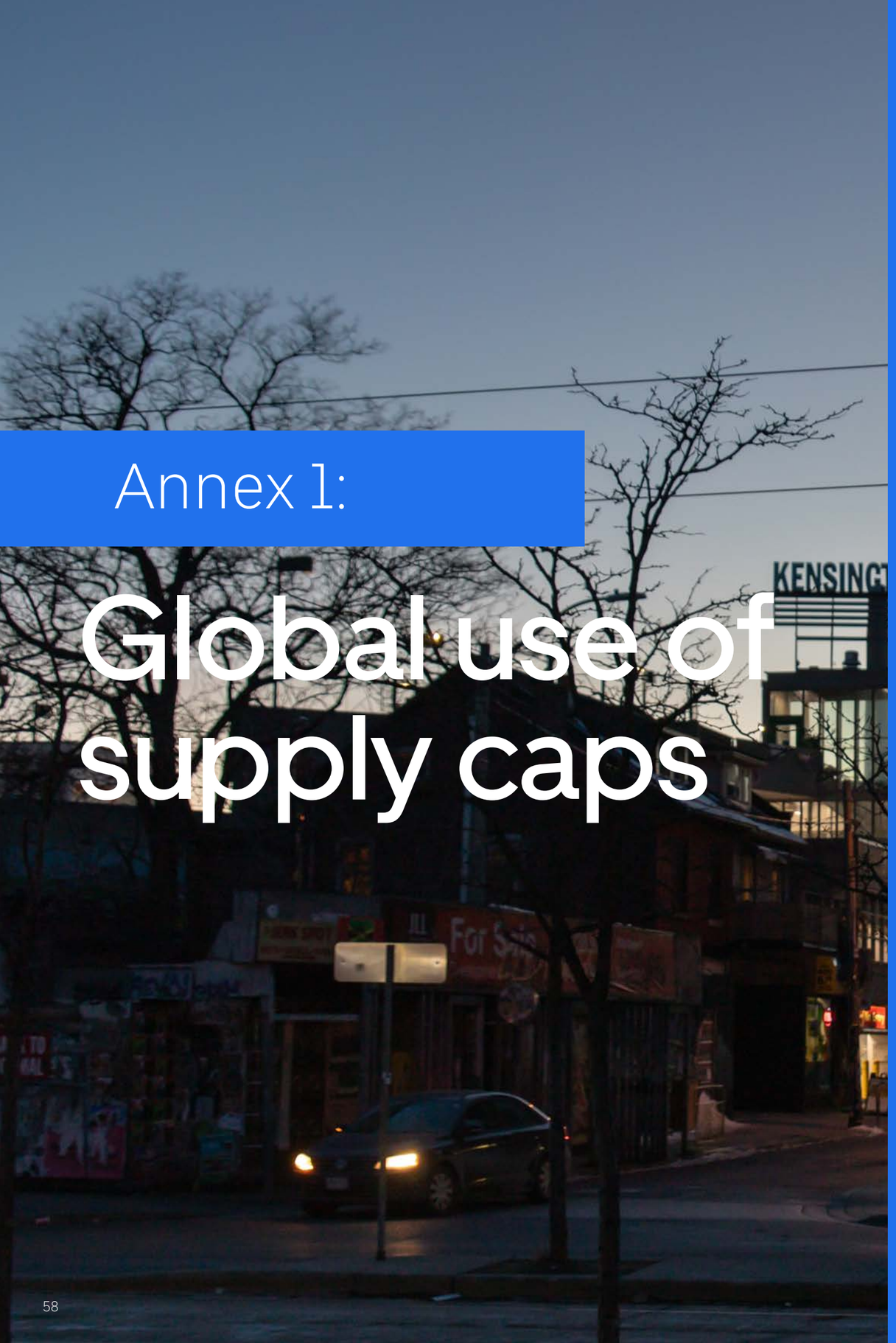
Ridesharing platforms like Uber use a real-time surge pricing mechanism in NYC to incentivize drivers when demand is high. Uber applies a simple multiplier when demand in a defined area temporarily exceeds supply, and prices return to normal as demand and supply balance. During a sold-out Madison Square Garden (MSG) concert in March 2015, for example, the multiplier fluctuated between 1.2× and 1.8× for about 35 of a 75-minute surge period after the concert ended and demand spiked.

What happened?

The price signal worked on both sides of the marketplace. For riders: app openings in the MSG area jumped to four times baseline immediately after the concert, but some riders chose other options when they saw the higher fares - allocating scarce trips to those who valued them most. For drivers: active drivers in the zone doubled relative to baseline, which helped hold marketplace performance steady: completion rates remained high and it took, on average, 2.6 minutes to connect passengers and drivers. Researchers estimate that drivers would have earned ~13% less in that period without surge.[106]

A natural experiment shows the counterfactual. On New Year's Eve 2014–15, a 26-minute technical outage disabled surge city-wide. With prices stuck at 1.0× during peak demand, available cars were immediately exhausted; completion rates plunged and ETAs spiked until surge prices resumed. The episode demonstrates that removing real-time pricing during spikes leaves many riders without a ride at all, whereas dynamic pricing keeps the system reliable for those who most need it.

105 https://leeds-faculty.colorado.edu/leachj/BCOR1015/Readings%20not%20linked%20to%20Library%20Page/Effects_of_uber's_surge_pricing%20CASE.pdf
106 https://leeds-faculty.colorado.edu/leachj/BCOR1015/Readings%20not%20linked%20to%20Library%20Page/Effects_of_uber%27s_surge_pricing%20CASE.pdf



Annex 1:

Global use of supply caps

New York City (US)

cap introduced 2018

Active: **Yes**

New York City stopped issuing new licences for for-hire vehicles (FHVs) in 2018, with exceptions for wheelchair-accessible vehicles. Attempts to exempt electric vehicles were legally contested and are currently suspended pending court decisions.

Seattle (US)

cap introduced 2014

Active: **No**

A supply cap on active ridesharing drivers per company, implemented in March 2014. The cap was repealed in July 2014; no such cap exists today.

Toronto, Canada

cap introduced 2023

Active: **No**

A supply cap on ridesharing vehicle licenses was enacted in October 2023 but rescinded in December 2023 following legal challenges. No cap is currently in effect; the city continues to explore regulatory options.

Glasgow, Scotland

cap introduced 2019

Active: **Yes**

Glasgow introduced a cap on private hire car licenses in 2019 under an “overprovision” policy framework, limiting total licenses to 3,450 to control market saturation and protect driver earnings. As of January 2026, the cap remains in force.

Shanghai, China

cap introduced 2016

Active: **Yes**

Shanghai first introduced ridesharing restrictions in December 2016, requiring drivers to have a local resident certificate and use locally registered vehicles, severely constraining the eligible driver pool. In July 2023, the city suspended new ridesharing permit applications, with a full freeze starting September 20, 2023, citing market saturation with over 76,000 licensed vehicles. These supply-limiting measures remain fully in force as of July 2025, with no new permits issued and strict eligibility requirements still restricting the operational scope of platforms like Didi and others.

Manila, Philippines

cap introduced 2018

Active: **Yes**

In February 2018, the Land Transportation Franchising and Regulatory Board (LTFRB) set a cap of 65,000 ridesharing vehicles for Metro Manila, aiming to address concerns over traffic congestion and to ensure an orderly development of the ridesharing market. As of July 2025, this cap remains in effect, with periodic reviews conducted by the LTFRB to assess and adjust the supply base as necessary.

Spain

cap introduced 2018

Active: **No**

In June 2018, the Spanish government introduced a 1:30 ratio regulation, allowing only one private hire license for every 30 taxi licenses, aiming to curb the growth of ridesharing services like Uber and Cabify. On June 8, 2023, the Court of Justice of the European Union (CJEU) ruled that this ratio violated EU law, specifically the freedom of establishment, rendering the supply cap unenforceable. However, in practice, many regions still cap private hire licenses through their own local regulations.[108]

Dubai, UAE

cap introduced 2016

Active: **Yes**

Since March 2016, Dubai has required ride-hailing companies to obtain permits from the Road and Transport Authority, which includes specifying the number of vehicles allowed to operate. As of July 2025, these regulations remain in effect, maintaining a cap on the supply of ridesharing services in Dubai.

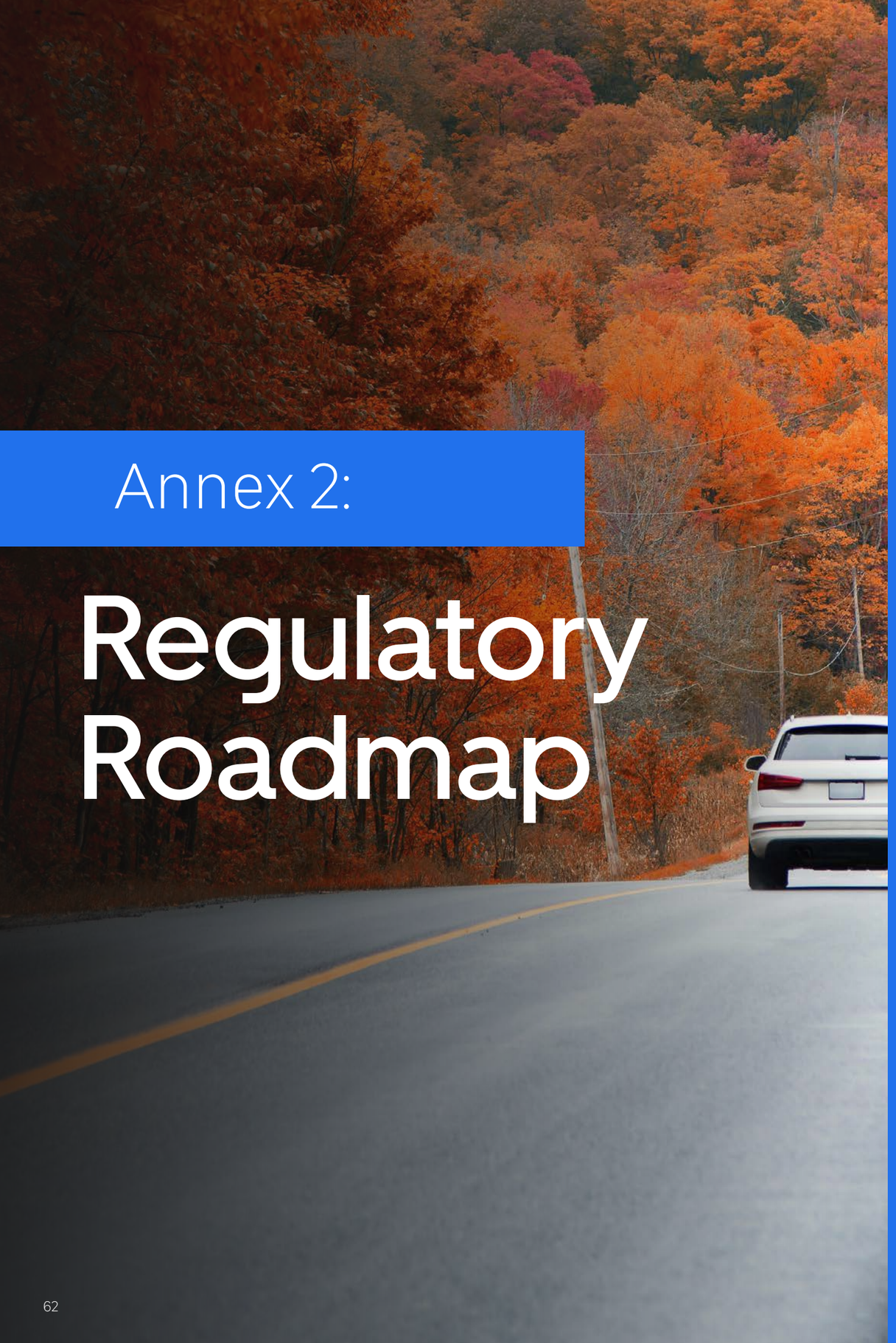
Cape Town, South Africa

cap introduced 2021

Active: **No**

In February 2021, the City of Cape Town requested the Western Cape Provincial Regulatory Entity (PRE) to impose a moratorium on new operating licenses for metered taxis and e-hailing services, aiming to prevent an oversupply and allow for a comprehensive review of the transport sector. As of July 2025, the moratorium has been lifted, and the PRE is processing new applications for operating licenses.

107 https://www.catalannews.com/politics/item/ride-hailing-services-disappear-barcelona-taxi-law-16-september-2025



Annex 2:

Regulatory Roadmap

Regulatory objective: **Mitigating ridesharing's impact on traffic and congestion**

Regulatory principle:

Mitigate congestion impacts by managing the road system, not singling out ridesharing for regulatory interventions.

Rationale:

In most cases, private cars are the dominant road users. Congestion mitigation policy should aim to reduce private car travel. Singling out other modes with restrictive policies, like ridesharing, does not meaningfully reduce congestion, as ridesharing remains a small share of total vehicle miles traveled in most cities.

Model provisions:

Avoid supply caps, target all modes equally through comprehensive policies like congestion pricing, and invest in private car alternatives like public transportation and active and shared mobility networks.

Case Studies:

Barcelona's restrictive supply caps failed to meaningfully reduce congestion while cutting mobility options.

Singapore's Electronic Road Pricing successfully maintained peak-hour speeds despite rising car ownership.

Regulatory objective: **Reducing greenhouse gas emissions in ridesharing and across the transport sector.**

Regulatory principle:

Reduce transport sector greenhouse gas emissions by incentivising drivers to switch to electric vehicles and investing in charging infrastructure, not by isolated electrification mandates on individual transport modes.

Rationale:

Ridesharing represents a small share of total road transport emissions, so policymakers must take a more holistic strategy to decarbonisation. This should include supporting the expansion of public transportation, incentivising all drivers to adopt electric vehicles, and supporting the transition by investing in sufficient charging infrastructure.

Model provisions:

Provide electric vehicle purchase subsidies and ensure access to fast-charging infrastructure across cities; apply emission reduction requirements consistently across all vehicle types.

Case Studies:

New York City's Green Rides Initiative achieved limited impact because it applied only to ridesharing vehicles.

London's Electric Vehicle Infrastructure Strategy accelerated national EV uptake by incentivizing consumers and investing in rolling out accessible charging infrastructure.

Regulatory objective: **Helping ensure safety for ridesharing passengers, drivers and the public.**

Regulatory principle:

Help ensure safety by adopting clear and enforceable safety standards that build on existing industry innovations.

Rationale:

Regulation should formalize proven safety measures (e.g. background checks, in-app safety features) without adding unnecessary burdens that reduce service availability.

Model provisions:

Require consistent background checks, vehicle safety inspections, and reporting of safety incidents across all platforms. Avoid overly stringent or arbitrary vehicle specification rules that place prohibitive costs on drivers.

Case Studies:

Catalonia's vehicle length requirement increased costs without measurable safety benefits.

Vehicle specification and driver eligibility regulations in New South Wales established clear and enforceable safety baselines without overly burdening drivers or platforms.

Regulatory objective: **Delivering high-quality work for ridesharing drivers.**

Regulatory principle:

Ensure ridesharing drivers benefit from core employee protections while preserving the flexibility they value.

Rationale:

Forcing ridesharing into one-size-fits-all full employment or pure self-employment models is ineffective. Ridesharing drivers value flexibility above all else in their work, and therefore the most successful policy frameworks provide core protections while preserving drivers' freedom to choose their hours, platforms, and routes.

Model provisions:

Creating a distinct work status or applying an existing independent contractor status that allows platforms to provide core benefits without sacrificing low barriers to earning income and flexibility.

Case Studies:

Seattle's PayUp Ordinance increased fares and reduced trips, undermining driver earnings.

California's Proposition 22 safeguarded flexibility while adding health stipends and accident insurance.

Regulatory objective: **Balancing affordability and accessibility through dynamic pricing innovations.**

Regulatory principle:

Ensuring drivers and passengers benefit from reliable, transparent and efficient service allocation.

Rationale:

Dynamic pricing aligns supply and demand in real time, reducing wait times and increasing trip completions. Artificial fare caps create shortages and longer waits, especially in low-density areas.

Model provisions:

Embrace dynamic pricing to balance accessibility and affordability.

Case Studies:

Karnataka's price caps led to longer waits, driver exits, and reduced coverage.

Research found that dynamic pricing maintained reliability during major demand spikes in New York City.

PUBLIC FIRST