



Investing in the sharing economy



Above and below photos by Björn Köhler



Left: Pascal Smet; top: Brussels; above: Brussels' business district

Pascal Smet is Brussels Regional Minister for Mobility and Public Works. In this role he would like to fulfil his dream of fostering sustainable urban development in Brussels. Polis's **Yannick Bousse** spoke with him about his new plan for private transport in the Brussels Capital Region and ride-sharing systems. The plan includes a legal framework for controversial apps such as Uber

What are the most pressing transport challenges in the Brussels Capital Region?

The greatest challenge for the Brussels Capital Region is high levels of congestion. We also need sufficient bicycle lanes and we will be providing massive investment in bicycle infrastructure in the coming four years. We need to reduce car ownership, use the existing car fleet more efficiently and invest in public transport, car-sharing, collective taxis and allowing peer-2-peer services such as Uber and Djump to operate under strict conditions. We also need to make our transport system greener, with electric cars and taxis.

On 5 March 2015 you set out your plan for private transport in the Brussels Capital Region. This note includes a legal framework for ridesharing systems such as Uber. What are its main features and objectives?

The plan wants first and foremost to modernise the taxi-sector and make it a qualitative, trustworthy service for the citizens of Brussels and its visitors. This means

- A transparent service (introduction of digital taximeters with external fiscal memory)
- Easy to use: launching a regional smartphone application for all taxis and installing credit card terminals in all vehicles
- Promoting mobility: by opening bus lanes and investing in collective taxis
- Reviewing fares
- Making it a viable sector: scrapping regional taxes, collectively buying petrol, insurance, vehicles for drivers, etc

Bikes, taxis, buses and trams happily share road space on Brussels' car-free Sundays

Photo: Björn Köhler



The government is also considering creating a new legal framework for new categories of private paid transport. This past couple of years new initiatives have emerged in Brussels and in Europe as a whole that combine the principles of the sharing economy with technological innovations and easy-to-use smartphone applications. Such services, which are often low-cost, allow for better use of the existing car fleet and make having a car less of a necessity and less attractive. At the same time they are not always in line with social and tax legislation and can constitute unfair competition towards the existing services.

It's the aim of this government to allow such services to operate, but in full respect of social and tax legislation. Peer-2-peer services can contribute to the mobility in the city, but should always remain an occasional activity and never constitute a mini-job. That's why we are thinking now about creating a legal framework.

Under strict conditions, services such as Djump, Uber and Lyft would be able to operate in the new legal framework.

The Brussels Capital Region SUMP (Sustainable Urban Mobility Plan), Iris 2, states that you would like to reduce road congestion by 20 per cent by 2018. How will a legal framework for ride sharing systems such as Uber contribute to reaching this goal?

By reducing the use of private cars. People are willing to leave their car at home for an affordable, easy-to-use and customer friendly service which takes them from A to B.

Photo: Björn Köhler



Jubelpark in Brussels

The central point of any such legislation is to make sure these initiatives are made possible without undercutting the larger economic sector of which they are part. It would be wrong to want to ban these activities. I think it's better to shape the future, rather than to succumb to it

The taxi sector has been vocal in their opposition to Uber. How do you plan to win their support?

The government has decided to invest €5 million in the taxi sector. There are plenty of measures in the plan that will modernise the sector and make it the qualitative service it should be.

Taxis will always be a part of the Brussels landscape. They are often the first point of contact a visitor has with the city, they are recognisable, have a fixed price and privileges such as the use of bus lanes, taxi stands, hailing, etc. More than ever taxi drivers should be ambassadors of the city and this plan will make that happen.

Uber is currently banned in Brussels. Your plan for private transport would not come into effect before January 2016 so what will happen with Uber before then?

Uber remains illegal in Brussels and our services continue to control and seize vehicles. A number of different judicial procedures are taking place. In May there was a first guilty verdict for a driver and a more general verdict will follow after the summer. If Uber does not comply with the current legal framework this situation will remain until a new framework enters into force. But this will be at the earliest in January 2016.

Are you concerned that ride-sharing systems could lead to low wage, mini-jobs with little social protection?

This is indeed a risk and the reason why the government has decided to put these services in a strict legal framework. If you want to drive your car full-time, you should become a taxi driver. Services such as Uber or Djump should always be occasional, drivers should have a clear legal status and both Uber and its drivers should respect social and tax rules in Belgium. Only by creating a clear legal framework with conditions that exclude unfair competition can we remove the risks.

Other cities such as Amsterdam, Paris and Berlin have banned Uber. The Brussels Capital Region will be the first region to create a legal framework for ride-sharing systems. Do you see the Brussels Capital Region as an innovator?

I think many other cities are considering similar options. The sharing economy is relatively new, and slowly but surely legislation is being adapted, such as with Airbnb. The central point of any such legislation is to make sure these initiatives are made possible without undercutting the larger economic sector of which they are part. It would be wrong to want to ban these activities. I think it's better to shape the future, rather than to succumb to it.

Last year, you joined the closing plenary of the annual Polis conference in Madrid and spoke about what policy agenda you saw in the new European legislative term to support sustainable urban and regional mobility. What type of support would you like to see from Europe for local mobility issues?

Europe cannot only help by making the sharing economy work, but for Brussels I think any stimulus from the European Commission in greening our city further, ranging from investments in bike infrastructure, or fiscally stimulating greener cars and the use of public transport, to major infrastructure works which also give a boost to the local economy (building park and rides, metro-lines, tunnels, etc) will be helpful. 🔄

FYI

Pascal Smet is Brussels Regional Minister of Mobility and Public Works
<http://en.pascalsmet.be/pascal/>
www.pascalsmet.be

Yannick Bousse is Project Manager at Polis
YBousse@polisnetwork.eu