24 March 2016: Taxis

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The Autorité has published the opinion issued to the Government on the implementation of the Le.taxi platform

> *Version française*

Following publication of the texts[1] launching the Le.taxi service, the *Autorité de la concurrence* has published the opinion it issued to the Government.
Subject to compliance with a certain number of conditions, the *Autorité* is in favour of the introduction of this State-operated register, which enables information to be collected, on a voluntary basis, on the real-time availability and geo-tracking of taxis.

As the law presupposes that it is possible to transpose the principle of taxis cruising (in the street) to electronic cruising, the *Autorité* has in particular insisted on the necessity of ensuring that all the rules and obligations applicable to taxi cruising that may be transposed to electronic cruising are actually transposed. The pursued objective is to avoid distortion of competition in the market of prior booking by means of a tool reserved for taxis and financed by public funds.

The Autorité was followed in its recommandations, in particular with regard to the non-charging of journeys to the pick-up point, the universality of the service and the prohibition for taxi drivers to refuse a ride.

Le.taxi platform

In order to enable taxis to adapt to new technologies, Article 1 of the "Thévenoud law" of 2 October 2014, relating to taxis and private passenger cars with driver, provides that taxi drivers "*may provide information to the register administrator*

relating to the availability and location of the taxi in real-time throughout the national territory".
This platform, called Le.taxi, is an interface from which the information is then used by mobile applications or search engines to enable their users to order a taxi by electronic means.

1-The government only has a legitimate role to play in the cruising market

As the platform is financed by public funds, it is essential to ensure that it causes the least distortion to competition as possible in the market of prior booking.

In particular, Le.taxi must comply with the following cumulative conditions, inherent to the cruising market (in the street):

-prohibition to charge for the journey to the pick-up point;
-introduction of a limited geo-tracking radius within the parking area in question;
-universality of service: presentation to the client of all the taxis geo-tracked without discrimination relating to the taxi fleet to which they belong;
-protection of the client's freedom of choice of taxi;
-prohibition for taxi drivers to refuse a ride;
-continuation of the taxi driver's administrative responsibility in the event of failure to comply with regulations.

2- Le.taxi must guarantee impermeability between offers in the cruising market and offers on the prior booking market

Clients may be put in contact with available taxis in particular through prior-reservation applications, central database applications or applications created by new entrants. There is therefore a risk of misappropriation of clientele for the benefit of their own prior booking services: the clients shall first be offered their prior booking service (immediate or in advance) and may only click on the Le.taxi icon and access a second geo-tracking screen as a second step in the process.

The Autorité therefore recommended that applications enabling access to Le.taxi are:
-dedicated applications;
-applications limited to electronic cruising if they also propose their own offer;
-or applications operating with clear segmentation for the client between their

own prior booking offer and the offer of Le.taxi.

3-The universality of the measure must be protected

Electronic cruising may in some ways be considered as an extension of the client's field of vision, so it is important that they are offered to all taxis which are in the vicinity of their location. Yet, the *Autorité* has noted that the draft texts which were submitted, do not explicitly prohibit the applications or search engines from filtering the information provided, i.e., to decide to show a non-exhaustive list of taxis, yet according to the criteria they have set (the reservation centres could, in theory, indicate only their own fleet, for example).
Such a situation would result in considerably restricting the benefit of Le.taxi for clients and bias the functioning of the cruising market.

Therefore, in order to ensure protection of the universality of the mechanism, the *Autorité* has recommended that:
- any filtering of taxi fleets be prohibited;
- the texts shall provide an exhaustive list of the objective conditions which could be subject to a filter (vehicle seating capacity, electric vehicles, means of payment, additional services, previous notes, etc.);
- the possibilities of filtering may only be used at the client's sole initiative.

[1] ***Decree n°2016-335 of 21 March 2016 on a national register relating to the availability of the taxis was published on the Official Journal on 22 March 2016***

?????? **> See the full text of opinion 15-A-20 of 22 December 2015 regarding a draft decree or order on a national register relating to the availability of the taxis.**

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