

[REDACTED]

Subject:

[REDACTED]

FW: Meeting with Uber

From: [REDACTED] (GROW)
Sent: Wednesday, February 24, 2016 10:27 AM
To: GROW TF1 MEMBERS LIST
Subject: Meeting with Uber

Dear colleagues,

Find below the main points taken during a meeting held by E1 with representatives from UBER.

Date: 17/02/2016

Participants:

COM: [REDACTED], [REDACTED], [REDACTED], [REDACTED],
[REDACTED], Joanna Drake, [REDACTED] (GROW),
Uber: [REDACTED], [REDACTED]

On economic data and MS reactions

- [REDACTED]
- UBER have found that France is reluctant to support their business model and passed specific laws to limit their activity whereas the Baltic and Nordic countries are more comprehensive. The two examples set forward were Estonia and Lithuania which are both considering inclusive regulation.
- GROW indicated that data on market share would also be important. Specific questions were asked about Estonia and Vilnius.
- Vilnius seemed to be willing to work with UBER and the government was not obtrusive. **UBER will send an English version of the MOU used in Vilnius to GROW.**
- In Estonia, a regulatory process is underway. UBER is also working with the Estonian Tax and Customs Board (TCB). This is considered as a pilot project where UBER offers the possibility to the driver to offer them tax information questionnaires (regarding revenues made and taxable income) to facilitate compliance for the driver with obligation vis-a-vis the tax department.
- When asked whether countries that are considered as digitalised look at UBER as a digital service rather than a taxi platform UBER responded that some countries, like Ireland, are very digitalised but usage of their platform is still low.
- GROW asked whether UBER was considering expanding their services but UBER insisted that they are solely an online

intermediary and **not a service provider**. They started intermediating the transport of people and is trying to move on to the intermediation of on-demand delivery (Christmas trees / Valentine's baskets). In the US UBER has a broad range of other expansions such as UberSUV, UberFAMILY, and UberPOOL.

- UBER explained that for them the driver is the client rather than the passenger.
- In the EU, UBER employs around 200 employees.

On relations with the drivers:



- ***On pricing***

- UBER uses a **dynamic pricing mechanism** which used an algorithm to match demand and supply depending on location among other factors. The algorithm uses a multiplier to raise or lower the rate which has been capped (the amount varies depending on the location). In Brussels the multiplier is based on average prices and capped at x3.5.

- ***Other assets given to drivers***

- When asked whether **UBER owns any merchandise** in the car UBER replied of a system that is being phased out where drivers where leased a mobile phone with the UBER app preinstalled. There are plans for UBER to help drivers buy eco-friendly cars in the US but not in the EU.

- ***Checking quality of the service & rating mechanisms***

- Uber monitors the quality of the transport service and the services provider - UBER's rating system was described and an explanation was given as to how the platform deals with badly rated drivers. When a driver is given a rating which is three stars or under it immediately asks the passenger why and after several bad ratings the driver is contacted. They can also be taken down from the webpage
- Uber does not disclose to the driver the final destination to avoid having the same problem than with taxis (refusal of rides)

UBER offered to set up a call with its policy team for any further questions.



European Commission

DG for Internal Market, Industry, Entrepreneurship and SMEs

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