

Liberalisation of the taxi and rental car market

Tourists use taxis, rental cars and coaches to meet their travel needs on land. The memo outlines a series of proposals designed to improve the quality of taxi services and to upgrade the level of rental car services available, by making it possible to hire a driver along with the rental car. The memo does not refer to the current situation - rental cars without a driver, where the market is fully deregulated, and coaches. Those are issues that we will address in a future proposal.

Taxis

In general terms, taxis providing transport services in the tourism sector can be divided into:

- taxis transporting passengers from point A to point B within the same city or outside its boundaries (i.e. services primarily related to the local population) and
- circular routes with stops along the way (i.e. services which are available almost exclusively to visitors of a single destination).

Taxis can embark and disembark passengers at any location (cab stands, random locations in squares, streets, etc., airports, ports, bus and train stations). Alternatively one can call and book a taxi or make online bookings. Charges are based on pre-set rates which are the same for all taxis. However, we propose that if taxis are pre-booked or if there is a pre-set route/pre-set journey time, it should be possible to apply a charge which differs from the one shown on the taximeter, provided that this is agreed in advance.

The number of taxis should be set based on population criteria, taking into account tourist numbers in the area. In this regard, one also needs to take into account the seasonality of tourist destinations and to make provision for the low tourist season.

Criteria need to be developed for taxis currently on the road and for cases where new licences need to be issued. These criteria should relate to the vehicle (such as anti-pollution technologies, minimum boot size, air-conditioning, etc.). Standards also need to be drawn up to cover essential taxi driver skills (adequate knowledge of the wider area they operate in, satisfactory English language skills, etc.). Rules that have to do with appearance and behaviour are also necessary (covering politeness, cleanliness, honesty, full application of the ban on

smoking, etc.) given that in Greece from now on, we need to focus on the fact that this is primarily a tourist country. A transitional period and incentives (such as an investment law) are clearly essential so that all existing taxis and drivers will comply with the new standards and rules.

Rental cars plus driver

To improve the tourist product and the quality of service tourists receive, car rental firms must be allowed to hire out cars along with a driver. This service is offered in all other EU and OECD countries and in many developing countries too. Renting a car with a driver would only be permitted for cars meeting specific standards (i.e. luxury vehicles with an engine cc above a specific level, etc.). Cars rental with a driver would only be available if pre-booked online, by phone, etc. and would only pick up customers from a pre-specified location.

There should not be restrictions relating to the number of licences for rental cars with drivers, the legal form of such businesses (sole trader enterprises or companies) or the pricing policy adopted. The main issue in any new legislative reform should be to put in place quality standards and rules about the condition, technology and size of the cars used, taking into account new tourism requirements, such as mini buses seating up to 9 people, 4x4 vehicles, limousines, etc.

Moreover, the standards applicable to rental car driver skills and the rules on appearance and conduct must match, or be stricter than, those for taxi drivers.