



Webinar
Brief
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SOCIO-ECONOMIC IMPACT OF RIDE HAILING :

OVERCOMING BARRIERS TO MOBILITY

Pakistan Institute of
Development Economics





PAKISTAN INSTITUTE OF DEVELOPMENT ECONOMICS

SOCIO-ECONOMIC IMPACT OF RIDE HAILING: OVERCOMING BARRIERS TO MOBILITY

Live On Zoom & Social Media Networks

Friday 17th Dec, 2021 - 02:00 PM



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Rana Waqas Anwar

Additional District Magistrate,
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This webinar will highlight the key socio-economic impact of Ride Hailing in Pakistan along with address pertinent questions like:

- Ride Hailing possible solution to Pakistan's transit crisis
- How Ride hailing has overcome mobility issues in Pakistan
- Impact on women (as a means of direct employment or otherwise)
- Regional learnings (examples in the region of how disruption such as Ride Hail have paved the way for improved mobility)
- Link to other industries e.g., tourism etc which may potentially benefit from Ride Hail
- What are some of the policy measures which if taken by the government can help facilitate the Ride hailing Industry? Currently, Ride Hailing comes under the Provincial Transport Departments.



Link to Join Webinar

<https://bit.ly/2Pwskh3>
Meeting ID: 986 3023 1695
Passcode: 381153

Moderator

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Ride Hailing has the comfort and freedom that people enjoy while traveling point-to-point on a pre-scheduled basis as needed. Make a "call" by asking a local driver to pick you up at a specific location via the app, considered as the modernization of traditional chauffeur driven taxi services. Ride hailing apps introduced the corporate culture for its captain's dignity. Customers may freely drive to places with limited parking, stay out longer, stay safe, trustworthy ride will be ready in minutes, which is excellent for the economy and works as a time saver for the people.

In Pakistan, careem is the pioneer of ride hailing app and works as a sustainable mode of transportation to enhance the socio-economic productivity for the country. Careem is fulfilling the gap and overcoming the barriers to mobility which unfortunately government is unable to fulfill, thus providing the income generating opportunities irrespective of age and gender. Furthermore, the transportation is less expensive for the elderly and individuals with impairments.

Key Objectives of the Webinar:

- ❖ To know the socio-economic impact of ride-hailing to overcome the issues of mobility in Pakistan.
- ❖ Ride Hailing possible solution to Pakistan's transit crisis.
- ❖ To elucidate why the regulatory framework for ride hailing is needed.
- ❖ Link to tourism industry which may potentially benefit from Ride Hail.

Key messages:

Ibrahim Manna, Managing Director Global Markets, Careem

- ❖ Ibrahim shared the main findings of a study conducted at Oxford Economics on Careem's socio-economic impact on Pakistan. Careem is operating in Pakistan for the past five years and by an initial investments to US \$ 100 million in two key components: captain and customer base.
- ❖ Careem has 800,000 registered captains, 15% of whom were unemployed before this service. With regard to its customer base around 236 million trips have been taken over by the Careem platform.
- ❖ Careem has improved mobility for both men and women, 36% of registered customers are female. About 3.3 million women across Pakistan use it as the safest mode of transportation, breaking down barriers to travel.
- ❖ From a safety perspective, Careem is at the scene to ensure customer-based safety by checking the captain's criminal record, ride tracking features, safety buttons, emergency measures, vehicle registration, and vehicle status.
- ❖ Careem is not an occupation but an income generating opportunity comes along with the flexible working hours 24/7 to work with an autonomy either to work full time or part time.
- ❖ In terms of global perspective, careem has partnered with the government regulatory body by creating a joint venture Hala cab in UAE to bring on taxis on the careem platform.

Cezanne Maherli, Head of Policy Middle East & Africa, Uber

- ❖ Uber is operating in the 9 major cities of Pakistan. As per se in terms of diversity in their services on suburbs is concerned, it is not their prime objective but the focus is on employee recovery of post-covid19 in terms of remuneration and job security.
- ❖ For the mass transit and high capacity system, Uber is partnering with the government on the existing/ new bus modes by using technology in order to add a layer to make the service more efficient in the near future.
- ❖ The efficient use of land is to encourage the use of ride hailing as a preferable mode of transportation over people using private cars to avoid congestion and car parking on the roads.

Rana Waqas Anwar, Additional District Magistrate, ADCG Islamabad

- ❖ Uber and Careem create negative externalities by causing road congestion in Islamabad intensifying the psychological impact in terms of depression and stress among the people.
- ❖ Under the Automobile Regulations, these services pay taxes to the government, which is very low because the tax rate in Islamabad is reserved, but Punjab is taxed at an annual tax rate of 0.06 per person per year.
- ❖ Uber is charging peak hour's rate to its customers, but they are not paying similar kind of tax rate to the government in terms of peak hours.
- ❖ Taxi drivers are regulated by motor vehicle ordinance where government is charging Rs1500 tax to the traditional taxi drivers in lieu of licensing fee to roam around or optimize themselves by having their own adas to get the ride, but uber and careem are resisting to pay this fee as current motor vehicle ordinance does not account for tax provision on the ride hailing app.

Fatima Akhtar Ahmad, Director of Govt. Relations, Careem

- ❖ Careem's regulatory mechanism is thorough and self-regulated as compared to other ride-hailing apps to maintain the fitness and record checks of vehicle.
- ❖ Careem pays sales tax and is proactively engaging with provinces and the capital administration on regulatory policy, which includes vehicle fitness, route permits, licensing fees, and taxes, by proposing amendments to the motor vehicle ordinance.
- ❖ Careem is providing an immense opportunity to its people and has a strong correlation with the tourism industry too, the reason why mostly people are using Careem is to travel around to see different places with safety and security to reach at a destination without any hassle.
- ❖ To bring women on board for portability, Careem is partnering with the Women's on Wheels' foundation to enable them for joining as a captain or to extend women's client base.

Conclusion:

People who use ride-hailing services benefit from the flexibility and independence that comes with owning or running a car. Careem/Uber has created earning chances for a large number of young people throughout the world. A flexible working schedule is a big element in their decision to continue on and use their earnings to support their families' expenses. It raises awareness to the mission of aiding disadvantaged and marginalised communities with the help of kind customers.



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