

## CARPOOLING - AN IDEA THAT NEEDS REGULATORY INTERVENTION IN INDIA

### What is Carpooling?

- ▶▶ **Carpooling** (also **car-sharing**, **ride-sharing** and **lift-sharing**) is the sharing of car journeys so that more than one person travels in a car, and prevents the need for others to have to drive to a location themselves.

### Why Carpooling?

- ▶▶ Carpooling is a more environmentally friendly and sustainable way to travel as sharing journeys reduces air pollution, carbon emissions, traffic congestion on the roads, and the need for parking spaces.
- ▶▶ Privately-owned vehicles display inherently low asset utilization, often as low as 5%, including the lower utilization of seats in the two-five-seat category of cars.
- ▶▶ Congestion happens when everyone takes out their vehicles around the same time towards the same destination. Carpooling can contribute to get multitudes of private vehicles off the road during peak hours by simply reducing duplication.
- ▶▶ Carpooling also reduces fuel consumption of a country in average which can make a major impact on its foreign exchange.
- ▶▶ By having more people using one vehicle, carpooling reduces each person's travel costs such as fuel costs, tolls, and the stress of driving too.

### Current Policy Framework in India:

- ▶▶ In India, while the Motor Vehicles Act, 1988, does not specifically restrict carpooling, it remains in the grey zone when enabled by a third party and when money is involved.
- ▶▶ Cost-sharing may be perceived as legitimate, but the authorities on ground may possibly interpret the law otherwise.

### Reports supporting carpooling in India:

- ▶▶ In 2016, a report of a committee on **Taxi Policy Guidelines to Promote Urban Mobility**, constituted by the **Ministry Of Road Transport And Highways**, took recognition of the need for a national level policy intervention to promote shared mobility via private vehicle ownership to reduce congestion and pollution in urban agglomerations.

- ▶▶ A NITI Aayog report, **Transforming India's Mobility** (September 2018), supported carpooling as a concept to be encouraged.

### **Carpooling – A Worldwide Scenario:**

- ▶▶ While this was pioneered in the U.S. in 1969, its effective implementation in other countries such as China and Indonesia have encouraged millions of commuters to opt for car-sharing as it ensured them a speedier journey
- ▶▶ Peer-to-peer carpooling is also permitted in the Singapore, Brazil, Mexico, the UK, South Africa, Australia, France and Germany, among other countries.
- ▶▶ In the US, the 2012 Highway Act sets standards for “carpools, and real-time ride-sharing projects”.

### **Need of the Hour:**

- ▶▶ In our view, carpooling can succeed in India if it is backed by an enabling regulatory environment.
- ▶▶ The need of the hour is a national level framework that is adopted by all states, or at least by the most congested cities, such as Gurugram, Bengaluru, Delhi, Chennai, Mumbai, Kolkata, Hyderabad, etc.
- ▶▶ A carpooling policy framed with necessary checks and balances that address concerns about safety, security, background checks, tracking, etc. and, one that has provisions to prevent misuse and ensure that taxi operators do not suffer, would be the right approach to look at this.
- ▶▶ Such a policy could offer a fabulous opportunity for technology-based start-ups to not only compete for users in a new market, but also trigger mass adoption of the concept.

### **Constituents of a Regulatory Framework:**

- ▶▶ For a technology-aided model to work, it would not only have to offer a platform for those interested in a car pool to connect with one another, but also get regulatory support.
- ▶▶ Regulators would examine it from a safety, security and transport rules standpoint.
- ▶▶ Regulatory interventions could possibly stipulate a set of conditions for the operation of a car pool.
- ▶▶ For example, the person offering a car pool service should not offer more than four rides per day; the ride being offered should be incidental to the person's use of the car, and should be on a fixed route with clarity on the pick-up time, date and location.
- ▶▶ The charge levied should ideally not exceed the cost incurred for a given ride, and no passenger should be solicited on a road, etc.
- ▶▶ It is also recommended that if it is not a free service, then such services be offered only through accredited app-based technology providers operating through a digital platform

registered with the ministry of road transport and highways, or a state transport department.

- ▶▶ Such a provider should offer services digitally that connect providers with seekers, and maintain the spirit of carpooling activity by preventing any form of misuse and ensuring transparency and privacy.
- ▶▶ Such a service may collect a small transaction fee for enabling and maintaining such services, which would be governed by a national policy framework for carpooling.

### Way Ahead:

- ▶▶ This is an opportune time to design sustainable and inclusive transport systems in urban India.
- ▶▶ The use of technology and big data could assist greatly in mapping travel patterns and needs, engaging citizens, and improving the quality and efficiency of transport solutions.
- ▶▶ Carpooling offers a simple solution to congestion for which a national policy would move us towards the ease of mobility as a core component of the ease of living that a New India aspires for.
- ▶▶ Solutions such as introduction of Hot lanes and Toll differential system can also be considered along with carpooling techniques to ensure safe and less costly journey to the citizens.

