SDMH WP2 activity 3: agreement framework between shared mobility providers and public authorities

Way To Go

Text: Bram Seeuws, Jeffrey Matthijs

May 2024

This hand-out was created within the context of the INTERREG North Sea Project project ShareDiMobihub

Deliverable:

| 3 Develop agreement framework between shared mobility providers and public authorities	Report	1
Based on existing contracts and licenses, an agreement framework will be developed that supports cities around Amsterdam and cities that want to implement hubs in the future to conclude contracts with shared mobility providers.		

3

Table of contents

Introduction

Over the past decade, new shared mobility services have entered many European cities and regions. This created opportunities for cities to reduce emissions, car ownership and car trips, but created challenges as well. Therefore many cities and regions introduced regulatory frameworks, whether or not in collaboration with the market. Especially over the past 5 years we have seen a huge increase in the number of regulatory tools and frameworks.

The goal of this document is to support public authorities within and outside the SDMH project with the necessary regulatory tools. In the first part of this deliverable we will provide an overview on the different possibilities to regulate the market. In the second part, we will deep dive into the different elements of such a framework.

Why a framework for shared mobility?

Shared mobility ensures that fewer private vehicles are needed to meet the same mobility needs. This means that fewer cars are needed and therefore less space is needed to park these cars, creating more free public space and more space for the residents of neighborhoods. Moreover, shared mobility contributes to a modal shift away from car ownership and use.

Cities and municipalities can maximize these benefits of shared mobility by setting up a smart framework. Together with organizing shared mobility in public space, maximizing the benefits of shared mobility is the priority goal of a recognition framework. The ultimate goal is to reach less car dependency by achieving less privately owned cars, less car trips and a sustainable modal shift. Moreover, shared mobility can be used to make sure as many people as possible have access to mobility options. In the image below, created by the project consortium of the interreg North Sea project Share North (2016 - 2021), the goal of shared mobility and a framework is schematically presented.

Inclusion: (shared) mobility for everyone!

3. Modal shift

2. Less car trips

1. **Less private cars**
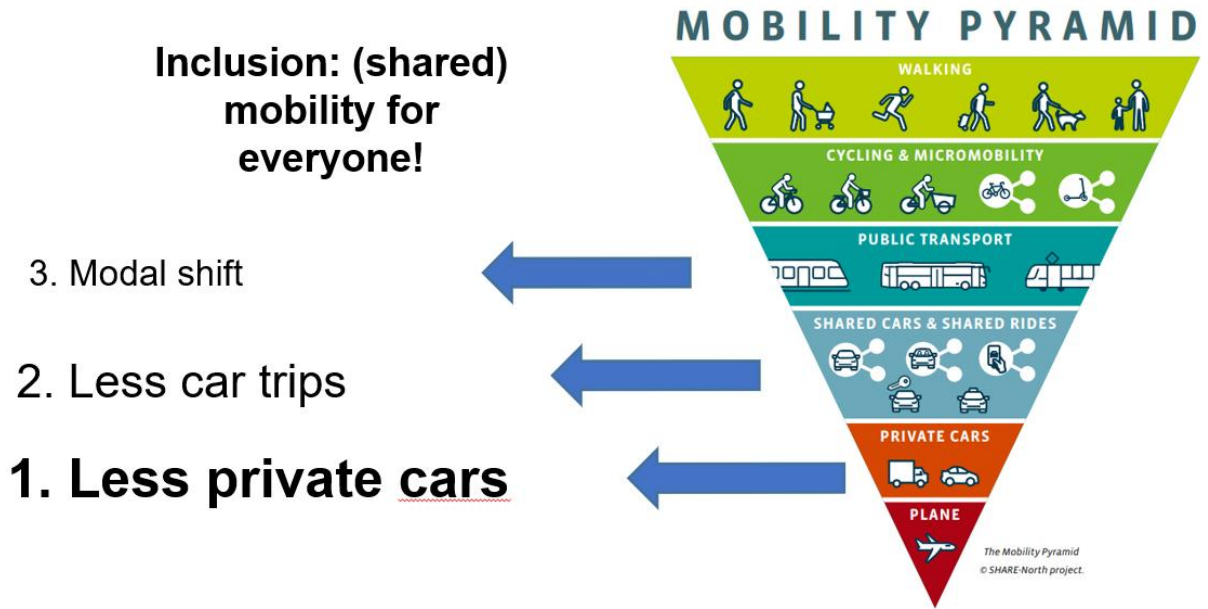
Different options for organizing shared mobility on public territory

Sam Schwartz and Mark Bennett define a spectrum of regulatory mechanisms for shared e-scooters that can be used for all different types of shared mobility services.[1] Their spectrum goes from an open market system to a city driven initiative.

Open License	Limited License	Limited License Strong Oversight	Multi-Operator Partnership	Single-Operator Partnership	Municipal Program
Any eligible operator can receive a license if they meet the license terms	Any eligible operator can apply for a license, but limited number available (granted either first-come-first-serve or competitive process)	Any eligible operator can apply for a license, but limited number available; City works closely with operators to regulate service	Competitive process used to select operators for multi-year contracts to partner with City in developing and operating a program	Competitive process used to select one operator for multi-year contract to partner with City in developing and operating a program	City develops and operates program with internal resources and owns infrastructure; City may contract out for support services

Increasing City Involvement, Investment, Ownership, Control and Accountability for Outcomes

---

[1] https://www.samschwartz.com/staff-reflections/2022/5/10/3-key-decision-points-for-successful-shared-scooter-programs
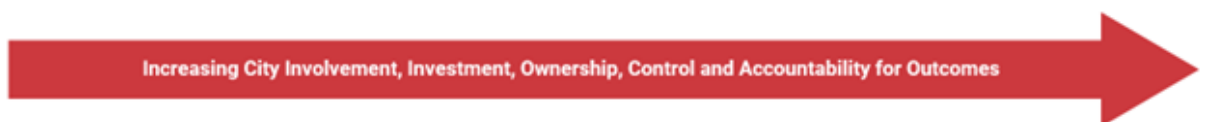
Schwartz and Bennett's model is a good theoretical starting point for organizing shared mobility in cities. Where we see that for car sharing most regulations in European cities and regions are located on the left side of the spectrum, for micromobility regulations are in general more limited and thus more in the center of the spectrum. On the right side of the spectrum we can locate the public bike sharing schemes that have been established in many European cities over the past 20 years.

However, the spectrum starts from the idea that operator X wants to operate a service in city Y and is taking 100% of the financial risks. There is no intervention from the government. However, in Europe some shared mobility systems are subsidized by the government, in particular in suburban and rural areas. Therefore, it is necessary to have a parallel spectrum for public procurement procedures. With a **procurement** we mean one or more **contracts** given to one or more operators to exploit one or more services in the city **with financial support** from this city. With **licensing** we thereby mean the **right** given by the government to an operator **to operate activities** in the cities **without financial contribution** from this government, whether or not with a selection procedure.

Mobility Impact Market: a new way of stimulating shared mobility?

Mobility Impact Market (MIMA), an idea by Merit Democracy, is an outcome-based public funding concept as an alternative to traditional procurement. In MIMA, cities are allowed to place funding into a separate fund and target the vehicle type, service model, place and/or time of trips to create financial incentives for service providers. The model can be used even to fund personal trips on a personally owned bike, where a company can play the role of collecting the data, ensuring the trip has occurred as claimed.

MIMA creates a new governance structure, and regulatory framework for long-term collaboration between the public sector and new mobility solutions. To make this work, operators will need to share their data - also subject to auditing.

Definitions, conditions, quality standards, incentives and payments

The theoretical framework mentioned above provides an insight into the possible regulatory systems. However, this model does not provide any in depth information on how to define a certain service. Therefore, this document provides insights in possible definitions, conditions and quality standards, incentives and additional regulations for shared mobility. These insights are based on extensive desktop research, insights from project partners as well as own experience on this topic. It is important to mention that these conditions and definitions are of course depending on the local context. The goal is to provide a list of possibilities.

Before we dive deeper into these elements, it is important to mention that there is a certain hierarchy in setting up these elements

1. **Definitions**: Determine what it is about. e.g. what is car sharing, what is bicycle sharing, what is a shared car, what is a customer of a sharing system, what are the different forms of shared mobility, etc.
2. **Conditions**: Determine the minimum criteria to meet the above definitions
3. **Quality standards**: The aim is to maximize the impact of shared mobility in terms of car ownership, car trips and modal shift. A framework determines how a city or municipality wants to measure this impact
4. **Incentives**: e.g. parking spaces, financial interventions, etc. The basic rule is, the more impact a subsystem generates, the greater the incentive it can receive

Definitions

In this part we define a wide number of definitions that can be part of a framework in order to regulate shared mobility services. With **definitions** we mean the **legal demarcation** of concepts and services. Within Europe we see a wide range of definitions (and conditions), leading to different interpretations and legal demarcations of shared mobility.

What?	Goal?

Shared mobility (car sharing, (cargo)bike sharing, e-scooter sharing)	Defining what shared mobility is. We strongly advise to have a separate definition per mode.
Round Trip car sharing	Defining what roundtrip car sharing is
One way/free floating car sharing	Defining what one way/free floating car sharing is
Free floating micromobility	Defining what free floating micromobility is
Back to one micromobility	Defining what back to one micromobility is
Back to many (or hub centric) micromobility	Defining what back to many micromobility is
Shared vehicle (car, cargo(bike), e-scooter)	Defining what a shared vehicle is. We strongly advise to have a separate definition per mode.
mobility Hub	Defining what the city means with mobility hubs
Shared mobility provider /organization	Defining what a shared mobility provider/organization is. We strongly advise to have a separate definition per mode.
Reservation based car sharing	Defining what reservation based car sharing is.
Customer/member/user	Defining what a customer/member/user is
Conditions	Defining what conditions are (important for the next part)
Mobility-as-a-Service	Defining what MaaS is
Permit holder/applicant	Defining what an applicant or permit holder is

Service area	Defining the service area where a shared vehicle can be used

Conditions

With **conditions** we mean **criteria** an operator must fulfill in order to get a license or be part of a procurement process. These conditions say nothing on the quality of the service, but define essential characteristics of shared mobility services. More detailed quality standards will be mentioned in the next part. Within (part of) Europe, we see many different interpretations and legal demarcations of what shared mobility is. This leads to the fact that what is seen as car sharing in country A is not seen as car sharing in country B.

Car sharing is not always car sharing…

Within several European countries there are different conditions applicable. This leads to different interpretations. Some examples:
- Many Norwegian car sharing operators like Hyre, Hertz, Otto, etc. offer a service which **excludes** fuel prices in their tariffication. The user has to either refill the tank at his/her own expense or pays an extra fee on top of the normal usage cost. By using this tariff structure this type of car sharing cannot operate under the German Car share law in Germany or receive the Flemish car share label.
- Belgian P2P car sharing companies like Dégage and Cozywheels would not be seen as car sharing under the German car share law, the île de France regional car sharing label and the local car sharing regulations in Bergen, Norway. The reason for this is that the vehicles are **not 100% dedicated** to car sharing and, since a key swap is sometimes needed, the service cannot be used and reserved **independently**
- French P2P-car sharing companies will probably not be regarded as carsharing in Germany, Flanders and Bergen. Several reasons could apply such as the fact that the vehicle is (not always) 100% **dedicated** to car sharing, the fact that **energy** costs are not always included in the total price and the reality that for every reservation a new **contract** must be signed. The City of Bremen also applies an extra rule on top of the German car share law, being the fact that the **hourly rate** may not exceed 20% of the daily price - this in order to be an alternative for all type of possible car trips.

Below we give an overview of some of the most important conditions for several types of shared mobility and their goal.

What?	Goal?
24/7 service	Creating an alternative for private ownership so people have access to a shared vehicle the way they have access to a private vehicle. Special conditions can be applied for micromobility (for example not available during the night for safety reasons)
Period of use	Making distinction with other mobility models (renting, leasing,...) in order to provide a using period that is in line with the usage of private vehicles
Opening/unlocking the vehicle	Conditions on how to open/unlock the vehicle. This might increase the impact of the system
Reservation/booking options	Defining minimal conditions on how the vehicles can be reserved and/or booked. For car sharing it is essential that the minimal reservation period is in line with private car usage, and must thus allow shorter reservations (f.e. < 1 hour)
Statute references	Check if the goals/tasks of operator are related to shared mobility and/or in line with the city goals
Active region	Defining the region/city where

	the operator will be active (and thus where the permit is valid)
Ownership vehicles	Defining the ownership structure of the vehicles (f.e. own vehicles, leasing, vehicles by private persons,...)
Pricing	Defining tariff structure and transparency. This differs between modes
User rules	Defining minimal user rules
Customer support / complaints	Conditions regarding customer support and complaints by users
Minimum fleet size	Conditions regarding the minimum size of the fleet in order to get a permit.
Maximum fleet size	Conditions regarding max. fleet size. This is not common amongst car sharing, but more common amongst micromobility
Minimum usage/users	Defining minimum number of users per vehicle or for the total vehicle size. This is mostly applicable for car sharing in order to make sure the vehicle is effectively shared (enough).
Who can use it?	Defining possible customers/members (for example: everyone with a valid driving permit)
Agreements with customers/members	Defining what type of agreements with customers/members are needed. This is especially

	applicable for car sharing since an essential element of car sharing is that you do not have to sign an agreement every time you use a vehicle, but only once when becoming a member/customer of the service.
Non-discrimination	Defining non-discrimination clausules
Vehicle location	Defining where the vehicles must be located (in general). Creates distinction with rental mobility. The vehicles must be, for example, located in the direct neighborhood of the user.
Static data	Defining the type of static data that should be shared with the city. Differs per mode.
Real time data	Defining the type of real-time data that should be shared with the city. Differs per mode.
Maximum amount of permits	Defining the maximum amount of permits in the area

Quality standards

Next to conditions, authorities can ask for additional quality standards or criteria. These **quality standards** can be defined as elements in a tender or regulation that does not characterize the service itself, but can create extra quality of cities and users of the service. The table below provides a non-exhaustive list of potential quality standards.

Lastly, we want to highlight that regulating authorities can also opt to score operators on certain quality standards instead of predefining what the standard should be. In the case of interoperability (see example below), this

could mean that operators with more options on interoperability can have a higher score.

What?	Goal?
Interoperability	Defining which standards and cooperation is wanted between several permit holders
Free usage	Defining if the vehicles can be used for free (f.a. as part of promotional code). This is mostly common amongst car sharing regulations
Maintenance	Defining the level of maintenance of the vehicles
Environmental related conditions	Defining which environmental standards are important to take into account.
Link with other modes / MaaS	Defining how the operator should work together with other operators
Vehicle information	Defining conditions for vehicles (f.e. on the number of e-vehicles in the fleet)
Stopping activities	Defining the procedure on stopping activities in the city
Insurance	Defining insurance of the customers/members/vehicles
Local cooperation	Defining if and how the operators should work together with local parties
Geographical distribution	Defining maximum and/or minimum capacity of certain location in order to guarantee a geographical distribution

Parking violation	Defining rules on violating local parking rules
Defective vehicles	Defining rules on replacing defective vehicles
Parking restrictions	Defining no-parking zones for vehicles
No-go zones	Defining no-go zones for shared mobility services. This is not applicable for car sharing since they have to follow the traffic code.
Low-speed zones	Defining low-speed zones or the possibility to create low-speed zones. This is not applicable for car sharing since they have to follow the traffic code.
Price for permit	Define price for permit per vehicle
Permit period	Defining how long the permit is valid
Application process	Defining the rules and demands for the application

Impact based incentives and fees

This last part will provide an overview of possible incentives and fees for and by shared mobility providers from and towards the regulatory authority. This must ensure that systems with a high impact on for example reducing car ownership, car usage and emissions receive certain incentives related to their permit. On the other hand, regulatory governments can allow permit holders to also financially contribute for the public space.

What?	Goal?
Dedicated parking spots	Providing space for shared

	mobility services in the public domain. Three main reasons to do this are: - Avoiding cluttering public space - Facilitating reserved based systems like most of the roundtrip carsharing systems. These systems have in general the highest impact amongst car sharing systems. - Charging of shared mobility
City wide parking permits	Providing the necessary parking permits for especially free floating carsharing in order to deploy their business model
(Dynamic) subsidizing (in suburbs and rural areas)	Regulatory governments can provide a subsidy scheme for operators with a permit to operate in less commercially interesting areas where the local authority nevertheless wants a shared mobility offer. This can be for example a purchase guarantee, which provides operators to have a minimal income in certain areas. This can be dynamic in time (depending on the usage). Other options are dynamic subsidies that are linked to the fee an operator has to pay in commercially interesting areas. This fee can be lowered if an operator provides a certain amount of vehicles in the suburbs.
Fees per vehicle/parking spot	Most regulatory authorities in the North-Sea region link a permit system with fees paid by operator(s). Although every city

|	has its own approach, most regulatory authorities work with either general fees per permit and/or fees per vehicle or parking spot. Nevertheless, not all authorities demand a fee for operating in public space. We advise here again to look at the impact of the service in order to justify fees and the level of it.

A good framework is...

In the chapters above we highlighted some key components of a good and solid framework for shared mobility. However, there is no one size fits all solution since every context is different. Therefore, we provide some extra guidelines for regulating authorities.

1. Different levels have different needs

The different regulatory levels that we mentioned earlier cannot be seen independently from the regulatory level. The regulatory pyramid below shows the different levels and the interplay between the European and local level. When we consider the definition, it makes absolutely no sense that every city creates its own definitions. The regional or national level acts as a better level for definitions and conditions for shared mobility. However, looking at the current market situation in Europe, an EU-framework (in line with for example the regulations on public transport) could also be a preferred option. This was already recommended by the H2020 project STARS in 2019.[2]

---

[2]https://urban-mobility-observatory.transport.ec.europa.eu/news-events/news/stars-project-publishes-policy-recommendations-car-sharing-2019-02-26_en?prefLang=ro
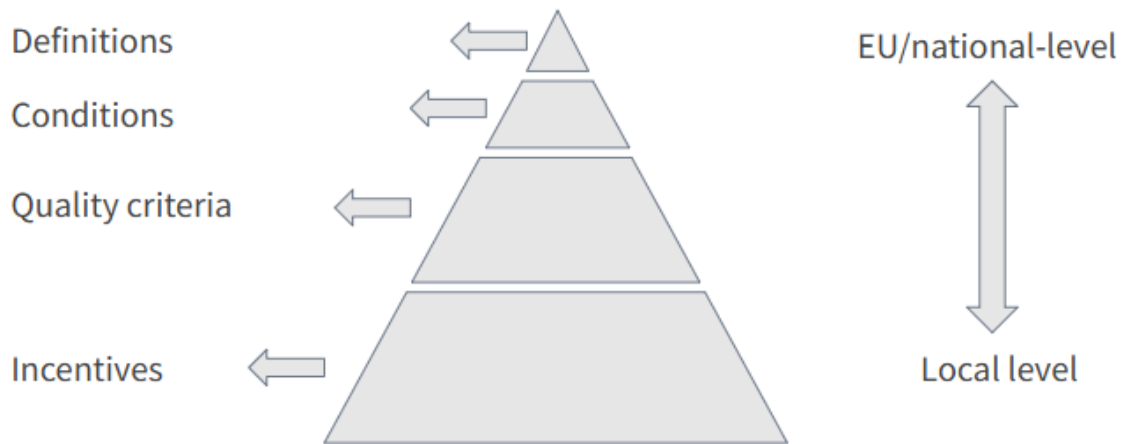
For other aspects such as quality criteria and incentives, the regional and local level is by far the most ideal level. After all, Local governments are in many cases the conductors of public space.

2. Don't forget the user

Current regulatory frameworks quite often start from the needs and wishes from private operators and/or authorities. Although their point of view is very relevant, the consumer is quite often forgotten in the regulatory frameworks we've been reading. Compared to f.e. the aviation sector, shared mobility users have no or only few rights when it comes to for example trip guarantee. This also counts for MaaS-users that use several modes of transport during one booking.

3. Public vs. private?

Coming back to the Sam Schwartz and Mark Bennett figure mentioned above, we see that creating an offer of and regulating shared mobility can be done in different ways. Unfortunately there is no perfect option that fits for all cities and/or regions. Some public bike sharing schemes like Velo in Antwerp or Vélib in Paris have been incredibly successful, while others are

struggling[3]. The bankruptcy of Cargoroo on the other hand shows that depending on 100% private operators includes serious risks of losing your offer in the city. Related to this topic we have several recommendations for public authorities:

1. In every tender or regulation the number one concern must be **to assure a continuous offer**. It would be a shame to see a negative modal shift due to the loss of shared mobility offered in a city.

2. Assure a **longtime presence** for private operators in your city or region. The uptake of shared mobility can take some time and also the depreciation costs take more than 1 or 2 years. Give operators the chance to operate at least 4 years within a current permit in order to build a stable offer.

3. Take into account the **cost benefits and your goal** as a city or region. Is there no offer of bike sharing (yet) and is your goal to increase cycling in your modal split? It might be an idea to explore a public bike sharing system or to subsidize 1 or more private operators to launch an offer in the city via a minimum revenue guarantee. Is there a flowering bike sharing market and a solid bike culture in your city? Don't invent the wheel by spending a lot of money in a public shared mobility system but see how you can cooperate with your operators on making the offer more offerable for some target groups (f.e. via social mobility budgets) or micro subsidies to create an offer in less commercial interesting areas.

4. Either if you tender for a public system or you have a (limited) license scheme, leave room for **innovation.** The shared mobility market still changes rapidly. There are several (public) shared mobility systems today that have very long term contracts or permits (+8 years) that are very rigid. These systems, especially when part of a public system, are quite often not flexible enough to adapt to changes in market situations and consumer behaviour. A good example of this is the current Villo system in Brussels which tried to catch up with the introduction of electric shared micromobility in Brussels. The e-Villo bikes however don't reach the service level of many of the other operators in the region.

---

[3] For more information see CIE benchmark: https://cyclingindustries.com/fileadmin/CIE_Bike_Sharing_Shared_Ambition_2024_.pdf

Further reading

Car sharing frameworks

- Ghent: https://apidg.gent.be/supporting/dss-public/v1/sharedfiles/8a2a3769-3215-4425-88e2-a2556bd19c16
- Label car sharing Flanders: https://www.vvsg.be/Leden/Mobiliteit/Vervoerregio/VVSG_Label%20Autodelen%20Kader.pdf
- Label car sharing île de France: https://www.iledefrance-mobilites.fr/medias/portail-idfm/81432f36-15f2-4fec-895d-be180fa3548d_Label+re%CC%81gional+Autopartage+IDFM_V+consolide%CC%81e+27+11+2023.pdf
- CoMoUK accreditation criteria: https://www.como.org.uk/documents/car-club-accreditation-criteria
- Bremen car sharing law: https://www.transparenz.bremen.de/sixcms/detail.php?gsid=bremen2014_tp.c.128888.de&template=00_html_to_pdf_d#:~:text=Dieses%20Gesetz%20regelt%20die%20Sondernutzung,umweltsch%C3%A4dlichen%20Auswirkungen%20des%20motorisierten%20Individualverkehrs
- Germany's national car sharing law: https://www.gesetze-im-internet.de/csgg/BJNR223000017.html
- Amsterdam`s parking permit: https://www.amsterdam.nl/parkeren/parkeervergunning/parkeervergunning-autodeelorganisaties/#hf9456b79-29cd-4085-a364-c0eb4fb3fc61

Shared micromobility frameworks

- Ghent bike sharing regulation: https://apidg.gent.be/supporting/dss-public/v1/sharedfiles/b178da2e-3aaf-4e7a-b7d9-949acc7fbc9f + subsidy scheme for licensed operators https://apidg.gent.be/supporting/dss-public/v1/sharedfiles/19f56b8f-1e17-47ee-a0bb-0c326483fc08
- Brussels micromobility regulation: https://www.ejustice.just.fgov.be/mopdf/2023/09/06_1.pdf#Page1345

- Permit procedure mopeds and cargo bikes Amsterdam: https://www.amsterdam.nl/deelvervoer/vergunningprocedure-deelscooter/
- E-scooter regulation City of Bergen: https://lovdata.no/dokument/LF/forskrift/2022-03-30-521?q=sm%C3%A5%20elektriske%20bergen
- E-scooter regulation City of Oslo: https://www.oslo.kommune.no/gate-transport-og-parkering/sykkel/leie-av-elsparkesykler-og-elsykler/#gref
- Norwegian Road Administration - Action plan for regulating micromobility: https://vegvesen.brage.unit.no/vegvesen-xmlui/bitstream/handle/11250/3104933/281123%20Karolina%20Hye%20Aaland.pdf?sequence=1&isAllowed=y

Other
- POLIS report on how European Cities are regulating shared micromobility: https://www.polisnetwork.eu/wp-content/uploads/2023/11/SHARED-MICROMOBILITY-REPORT.pdf
- Fietsberaad (NL) guidance for municipal shared mobility policies: https://www.fietsberaad.nl/Kennisbank/Fietsberaadpublicatie-37-Leidraad-gemeentelijk-bel#:~:text=Deze%20leidraad%20is%20tot%20stand,tot%20Z%20door%20te%20lezen
- CROW (NL) advice on shared mobility: https://corp-kentico-productie.crow.nl/downloads/pdf/mobiliteit/advies-deelmobiliteit-ictrecht.aspx