



**COMISIÓN NACIONAL DE LOS  
MERCADOS Y LA COMPETENCIA**

## **Sharing Economy – Regulations on Accommodations and Transport**

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Workshop on Regulation and Competition in light of  
Digitalisation - OECD

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## Characteristics of the Sharing Economy

- Use of underutilised resources.
- Multi-sided platforms: *those platforms with one or more groups of consumers or clients, the value of which lies in the mutual interaction between those groups.*
- Efficient matching.
- Direct and indirect network externalities: (i) the more people participate in a platform, the more attractive it is for each individual, (ii) the perceived value increases with the interaction between groups.
- Disruptive innovation: *technological innovation that can drastically change the rules and functioning of markets.*
- Digitalization: Internet, mobile phones, GPS, online payment systems.

## *Effects: Efficiency gains*

### **STATIC AND DYNAMIC EFFICIENCY**

- Better resource allocation
- Dynamic adjustment in pricing systems
- Reduction of transaction costs
  - Information costs
  - Search costs
  - Intermediation costs
- Reduction of asymmetric information problems
  - Incentives to self-regulation
- Network externalities: cost competitiveness, quality and consumer choice

## *Other Effects*

### **OTHER EFFECTS**

- Reduction of negative environmental externalities
- Redistributive effects
- Economic growth and development
- Platforms may act as tax withholders
- Greater traceability and transparency of economic transactions
- New demand

# *How should the public sector proceed? What should the approach be?*

## **Market failures**

- Natural monopoly
- Positive or negative externalities
- Information problems
- Public goods
- Incomplete markets

**Need to review current regulation from the perspective of the principles of efficient economic regulation**

- Necessity
- Proportionality
- Non-discrimination

**Self-regulation?**

# Competition advocacy - instruments

## Competition advocacy

### Draft Regulation Reports

Report on Draft Decree on holiday accommodation in Aragón; Report on Draft Regulation of Land Transport (taxis, TNCs).

### Market studies

Public Consultation

Study on new models for service delivery and sharing economy

### Challenges before court

Decree holiday accommodation Madrid, Canary Islands, Galicia and Castilla y León

Taxi Ordinance in Málaga and Córdoba.

Regulation of Land Transport

# **Sharing Economy and regulations on accommodation and transport**



## *Analysis of regulation on holiday accommodation*

- Access restrictions:
  - Responsible statement and Register.
  - Regularity of the activity.
  - Minimum/maximum stay.
  - Type of accommodation (exclusion of apartments in condominiums)
  - Exclusion of dwellings located in certain areas.
  - Ban on single rooms.
  - Ban on the rental of main residence.
  - Home building plans with visa of the architect professional bodies.

## *Analysis of regulation on holiday accommodation*

- Restrictions on exercise:
  - Technical requirements and minimum equipment.
    - Minimum dimensions.
    - Minimum equipment requirements: Furniture, household items, etc.
    - 24h Telephone support.
    - Distinctive plate on the exterior of the dwelling.
    - Authorization from the home-owners' association.
    - Filling of the register book.

# ARE THERE MARKET FAILURES THAT JUSTIFY REGULATION?

**Asymmetric information?**

**Negative externalities?**



## I. COMUNIDAD DE MADRID

### A) Disposiciones Generales

#### Consejería de Empleo, Turismo y Cultura

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*DECRETO 79/2014, de 10 de julio, por el que se regulan los apartamentos turísticos y las viviendas de uso turístico de la Comunidad de Madrid.*

De conformidad con lo dispuesto en el artículo 26.1.21 del Estatuto de Autonomía de la Comunidad de Madrid, la Comunidad de Madrid tiene atribuida la competencia exclusiva en materia de promoción y ordenación del turismo en su ámbito territorial.

- Non permanent residence. Open to public.
- **Minimum stay of 5 days.**
- Wifi.
- Distinctive plate and price list by the door.
- Plan of the dwelling approved by the architects' professional body.



## I. Disposiciones generales

### Presidencia del Gobierno

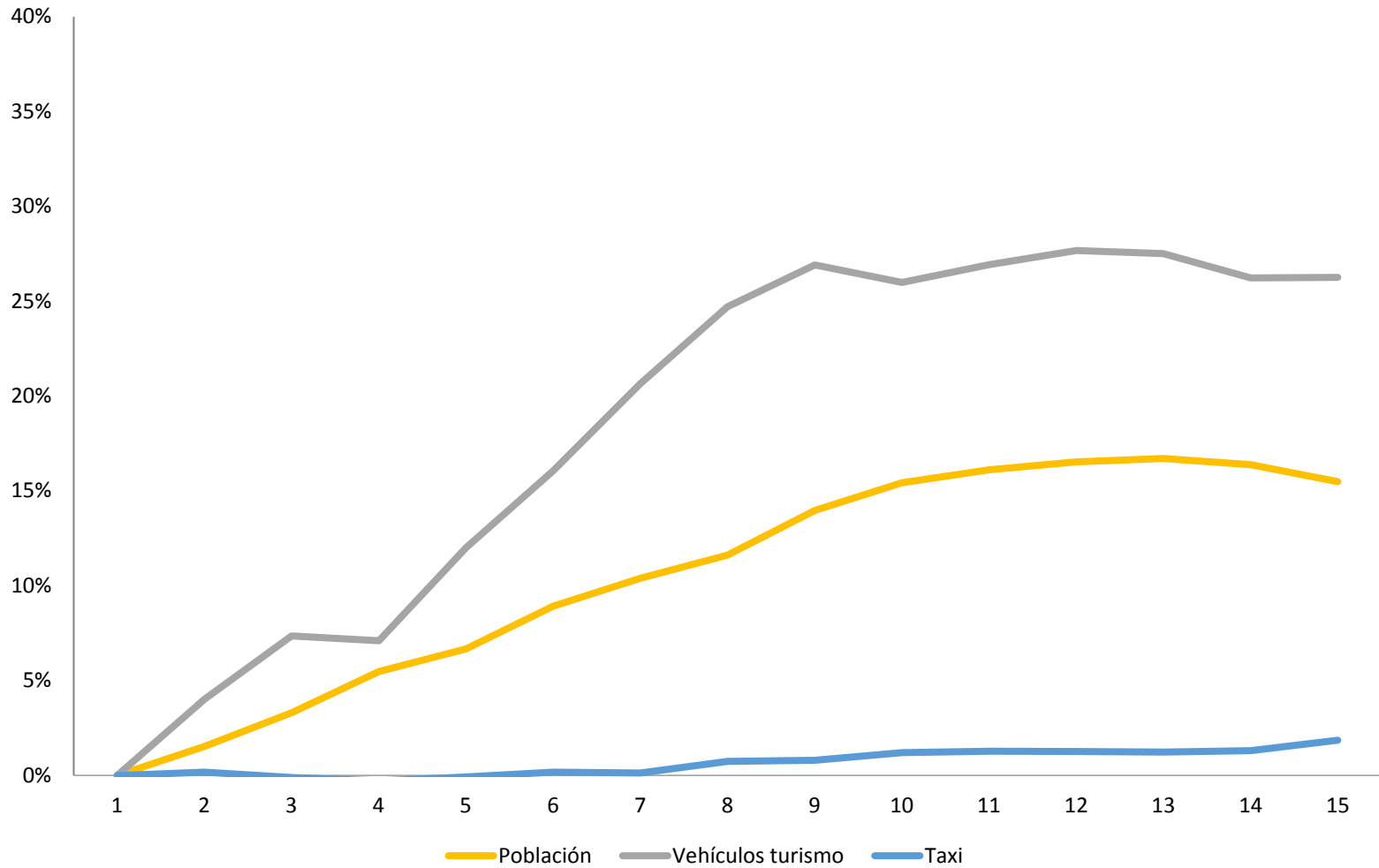
*2512 DECRETO 113/2015, de 22 de mayo, por el que se aprueba el Reglamento de las viviendas vacacionales de la Comunidad Autónoma de Canarias.*

El Estatuto de Autonomía de Canarias, aprobado por Ley Orgánica 10/1982, de 10 de agosto, en el apartado 21 de su artículo 30, atribuye a la Comunidad Autónoma de Canarias la competencia exclusiva en materia de turismo.

**Holiday accommodations located in tourist areas are excluded.**

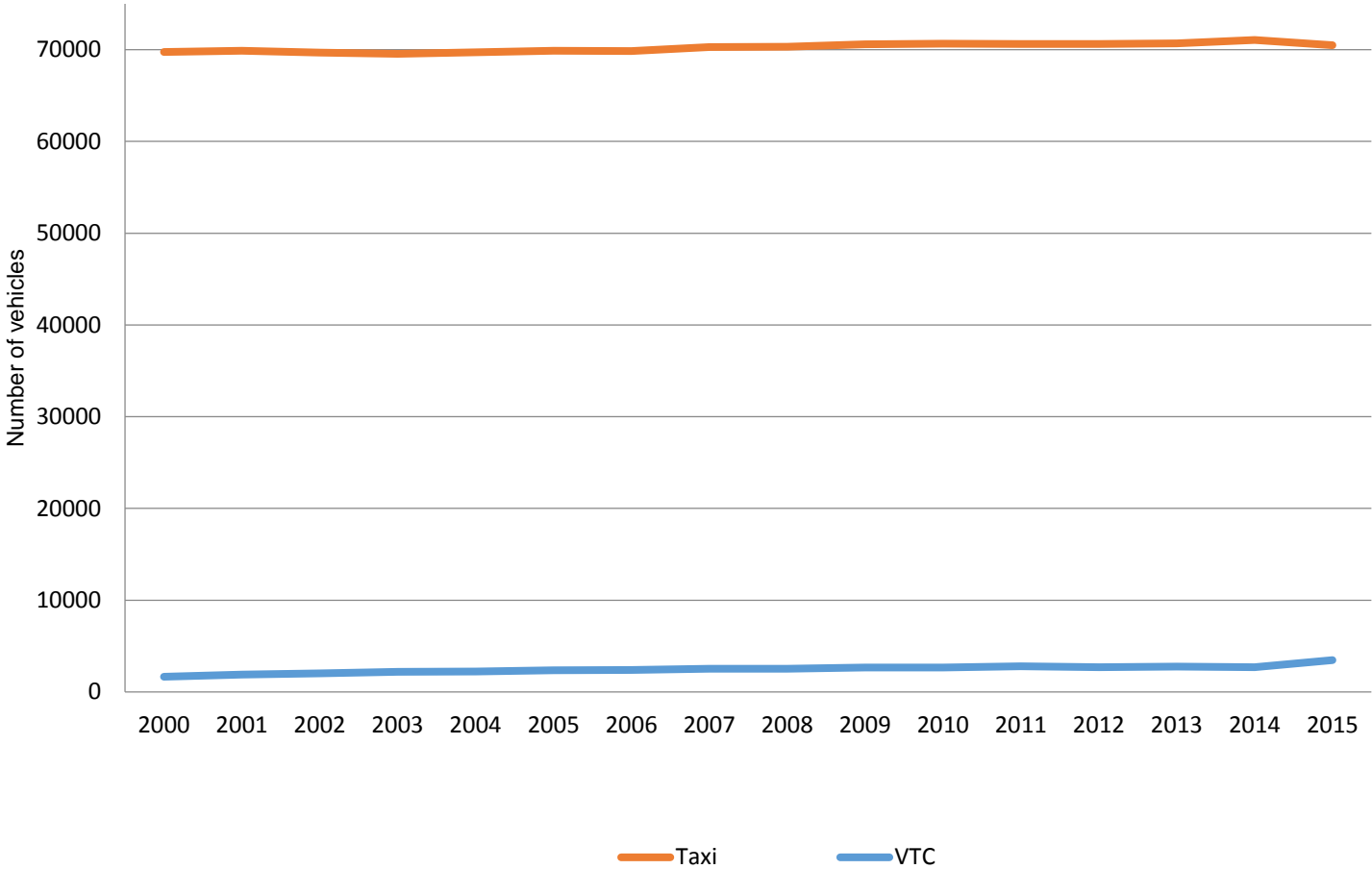
# Urban transport in Spain

Percentage evolution of the number of vehicles and taxis and Spanish population



Source: INE y Ministerio de Fomento

# Development in the number of TNC compared to taxis in Spain



Source: Observatory for Road Passenger Transport Services. Supply and Demand.

## *Analysis of regulation on taxis and TNCs*

- Access restrictions: limits on number of licences (numerus clausus)
  - It benefits incumbent taxis.
  - It hinders the development of competitive dynamics, which would have a positive impact on consumers in terms of service quality, lower prices, shorter waiting times and innovation.
- Restrictions on the territorial scope of licences:
  - Local area.
  - Licence + authorisation for the Autonomous Community



- Quality and safety requirements:
  - High frequency of technical vehicle inspection.
  - Limits to the vehicle's age.
  - Special driving licence.
  - High amount for civil liability insurance.
- Regulated tariffs
- Other restrictions
  - Limits on the number of licences per person
  - Limits on the ownership of the licence (natural person)
  - Setting of driving timetable and rest periods
  - Limits to different drivers other than the licence holder
  - Ban on the possibility to lease, transfer or assign the exploitation of the vehicle

**ARE THERE ANY MARKET FAILURES THAT JUSTIFY  
THE NUMERUS CLAUSUS?**

**Excessive entry?**

**Congestion and  
pollution?**

**Quality and safety?**

**Optimal number of taxis?**

# ARE THERE ANY MARKET FAILURES THAT JUSTIFY PRICE REGULATION?

**Numerus Clausus**



**Yes**

**Liberalization**



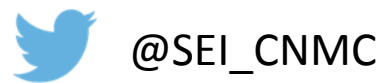
**No**

## **INFORME ECONÓMICO SOBRE LAS RESTRICCIONES A LA COMPETENCIA INCLUIDAS EN EL REAL DECRETO 1057/2015 Y EN LA ORDEN FOM/2799/2015, EN MATERIA DE VEHÍCULOS DE ALQUILER CON CONDUCTOR – UM/085/15 Y ACUMULADOS**

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Este Informe se realiza en el marco del proceso de recurso tramitado ante la Audiencia Nacional en aplicación del artículo 27 de la Ley 20/2013, de Garantía de la Unidad de Mercado (en adelante, LGUM), contra las restricciones a la competencia incorporadas en dos normas de carácter nacional en el ámbito de los vehículos de alquiler con conductor (VTC):

**Welfare loss amounts to 324M€.**



*Thank you*