

Hungary votes to allow blocks on ride-sharing apps

June 13 2016, by Pablo Gorondi



In this April 26, 2016 file photo taxi drivers line up their vehicles at Heroes' Square during their demonstration against the use of Uber rideshare application in downtown Budapest, Hungary. Hungary's parliament has approved a proposal Monday, June 13, 2016, allowing authorities to block ride-sharing apps and websites like Uber for up to a year if they continue to operate without the necessary permits after being fined. (Zoltan Mathe/MTI via AP, file)

Hungary's parliament on Monday approved legislation allowing

authorities to block ride-sharing apps and websites like Uber for up to a year if they continue to operate without the necessary permits after being fined.

The amendment passed in a 119-61 vote with three abstentions, supported by deputies from the governing Fidesz party and its Christian Democratic allies.

The new rules guaranteeing "equal competition conditions to defend the legally functioning, tax-paying Hungarian entrepreneurs" will take effect in mid-July, the National Development Ministry said.

"The government's initiative is not to undermine or ban modern applications but to ensure compliance with the law and the more effective sanction and suppression of unlicensed personal taxi services," the ministry said, adding it continued to support the use of "innovative solutions strengthening the comfort and trust of passengers" among the legal taxi companies.

Authorities will also be empowered to remove from circulation the cars used by drivers for unlicensed passenger transport for up to three years and suspend their driving licenses for six months.

Uber referred to European Union directives urging countries to impose reasonable rules on participants of the "sharing economy" instead of banning them.



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"The ban or blocking of new technologies—simply because they can't be forced into an obsolete regulatory framework—is not a good direction," said Zoltan Fekete, operations director of Uber in Hungary.

Taxi drivers in Budapest have held several protests blocking or slowing traffic to pressure the government into banning Uber and similar services, which have become popular in the capital.

Uber said it had 1,200 drivers and 150,000 users, while Budapest has about 4,200 traditional taxis.

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