

Egyptian court rules Uber, Careem illegal; appeal expected

March 20 2018, by Samy Magdy

An Egyptian court on Tuesday ordered authorities to revoke the operating licenses of the Uber and Careem ride-hailing services and block their mobile apps and software.

The government and the companies are expected to appeal the administrative court verdict, which would prevent it from being implemented until a higher court weighs in.

The administrative court in Cairo ruled that it is illegal to use private vehicles as taxis.

Both companies provide smartphone applications that connect passengers with drivers who work as independent contractors.

In a brief statement posted on its Facebook account, Careem said it "hasn't been notified officially to stop its operations" and was operating normally. There was no immediate comment from Uber.

Uber was founded in 2010 in San Francisco, and operates in more than 600 cities across the world. Careem was founded in 2012 in Dubai, and operates in 90 cities in the Middle East and North Africa, Turkey, and Pakistan.

The applications took off in Cairo, a city of 20 million people with near-constant traffic and little parking. The services have recently started offering rides on scooters and tuk-tuks, three-wheeled motorized

vehicles that can sometimes squeeze through the gridlock.

The apps are especially popular among women, who face rampant sexual harassment in Egypt, including from some taxi drivers. Cairo's taxi drivers are also notorious for tampering with their meters or pretending the meters are broken in order to charge higher rates.

In 2016, taxi drivers protested the ride-hailing apps. They have complained that Uber and Careem drivers have an unfair advantage because they do not have to pay the same taxes or fees, or follow the same licensing procedures.

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