

Spain's Cabify to return to Barcelona despite restrictions

March 6 2019



Pressure from taxi drivers resulted in tighter regulations for ride-hailing companies such as Cabify

Spanish ride-hailing service Cabify said Wednesday it will return to Barcelona, a month after it suspended its services in Spain's second-



largest city due to strict new regulations.

Cabify and its main US rival Uber pulled out of Barcelona on January 31 after the regional government of Catalonia passed <u>new regulations</u> requiring customers of ride-hailing services to book a ride at least 15 minutes in advance.

The new rules were passed under pressure from taxi drivers, who had staged an open-ended strike and noisy street protests calling for tighter regulations for ride-hailing services, which they argue operate with an unfair advantage.

Cabify said in a statement that it would resume its services in Barcelona on Thursday with a fleet of around 300 vehicles.

The company had "adapted its business model" to meet the new rules and would "assume a series of costs" in order to do so, the statement added.

"We hope that many people from Barcelona continue to choose our <u>service</u> and, in doing so, take back their right to choose how to move about their city," Cabify founder and CEO Juan de Antonio said in the statement.

When the new rules were announced, Unauto VTC, an association of transport companies in Spain, estimated they would put 3,000-4,000 jobs at risk and force the closure of over 60 firms.

While Catalonia gave into taxi drivers' demands to restrict ride-hailing services, the conservative regional government of Madrid refused to adopt similar measures despite a 16-day strike by <u>taxi drivers</u> in the region over the issue.



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