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The Hellenic Competition Authority issues an Opinion finding that minimum hiring duration, return-to-base and fare/entry requirements for private hire vehicles restrict competition without serving the public interest

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References: Hellenic Competition Authority, *Opinion of the Hellenic Competition Commission on the full rental of private passenger vehicles with a professional driver and on intermediation for the transport of passengers*, Opinion No. 41/2026, Opinion, published 6 March 2026, decided 24 February 2026 (Greek) | Hellenic Competition Authority, *Opinion of the Hellenic Competition Commission on private (urban) on-demand transport services provided by Private Passenger Vehicles (PPVs)*, Press release, 27 February 2026

The Hellenic Competition Commission issues an Opinion on the compatibility of PHV (Private Hire Vehicle) regulatory conditions with competition law*

I. Introduction

Greek Competition Act (Law 3959/2011) provides that “[t]he Competition Commission shall issue an opinion on matters within its competence either on its own initiative (as in this case) or upon request by the Minister of Economy, Competitiveness and Shipping or another competent Minister” (art. 23 para. 1). It is further provided that “[t]he Competition Commission shall express an opinion on draft laws and other regulations that may create barriers to the functioning of free competition” (art. 23 para. 3 p. a).

The opinion concerns the urban passenger transport sector and focuses on the regulatory conditions for exercising the activity of private hire vehicles with drivers (thereinafter referred to as PHV). It is noted that (unfortunately) following the Opinion the proposed legislative act was not accordingly amended.

II. The convergence between taxis and PHV

II.1. The regulatory framework for taxis. The legislator provides specific regulatory requirements for taxis, since (a) it is treated as a public service and (b) the relevant market is a search-and-matching market characterised by information asymmetry and time restraints.

More specifically, taxis are subject to particular regulatory requirements concerning (a) administrative licensing and market entry rules; (b) price regulation and pricing methods; (c) restrictions regarding quantity and market entry; (d) restrictions regarding the geographic scope of activity; (e) quality standards/rules for the driver; and (f) quality standards/rules for the vehicle.

II.2. The regulatory framework for PHV. The legislator provides specific requirements for PHV in order (a) to support the development of the tourist sector and (b) to clearly differentiate between PHV and taxis. It is noted that the aims of PHV regulation fundamentally differ from the taxis regulation aims.

More specifically, PHV are subject to a) restriction of access to the activity; b) administrative licensing and entry rules; c) price regulation and pricing methods; d) minimum rental duration rules; e) advance booking obligation; f) Restrictions on the geographical scope of the activity; g) registration and transparency obligations via digital registries; h) quality standards for the driver; and i) quality standards for the vehicle.

II.3. Advance booking of taxis. Advance booking of taxis is permitted within the administrative

boundaries of their designated operating base. By way of exception, advance booking is allowed outside said administrative boundaries, provided that (i) the assignment takes place while the taxi is within its designated base and (ii) the passenger's destination is also located within those same administrative boundaries. Other than the advance booking fee, the taximeter is used for pricing purposes.

II.4. The convergence. It is clear that in view of technological advancements the boundaries between such advance booking of taxis and PHV have been blurred. According to the Commission, both taxis and PHV tend to belong to the same on-demand passenger transport market. The problem lies on the fact that taxis and PHV are governed by (essentially) different regulatory frameworks.

III. PHV regulatory framework assessment – Lawful restrictions

Providing PHV intermediary services requires administrative licensing, as long as the intermediary services provider exercises decisive influence over the terms for offering such PHV services, and in particular, by defining the final price (either directly or indirectly) and by setting extra vehicle standards (other than the ones provided by the law).

HCC clarified that the provision is consistent with EU case-law and in particular with ECJ Judgment in Case C-434/15 *Asociación Profesional Elite Taxi*, according to which an intermediation service [exercising decisive influence] the purpose of which is to connect, by means of a smartphone application and for remuneration, non-professional drivers using their own vehicle with persons who wish to make urban journeys, must be regarded as being inherently linked to a transport service.

Other than that, it found that requesting a license serves as a quality and trust filter in the public purpose which guarantees the secure transport of passengers. The procedure for issuing the license (a) must be transparent (e.g. it does not provide for evaluative criteria), (b) shall not be complicated (in

view inter alia of the documentation required), (c) shall have clear completion deadlines and (d) shall not lead to disproportionate administrative costs (in this case, a fee of €1,000 was found proportionate).

What is of utmost importance, HCC found that this requirement was compatible with competition law as long as it is *implemented* in a uniform and transparent manner.

IV. PHV regulatory requirements that do not serve a purpose in the public interest

HCC examined the main characteristics of the regulatory framework applicable to PHV in order to assess its compatibility with competition law. It found that some of them cause anti-competitive effects without serving a purpose in the public interest.

IV.1. Purposes not in the public interest. The law stipulates that PHV hiring time shall be at least 3 hours or, during 01.04-31.10, in the cases of islands other than Crete and Euboea, at least 30 minutes. HCC found that these provisions (both individually and cumulatively) produce anti-competitive effects, as they restrict competition among PHV providers (by reducing available supply and raising barriers to entry), while simultaneously conferring undue competitive advantages on taxis. Such restraints serve the purpose of differentiating between taxis and PHV, which nevertheless does not constitute a purpose in the public interest (see C-50/21 *Prestige and Limousine*).

IV.2. No purpose identified. The law requires that PHV shall return to their seat after completing a route/itinerary. This measure increases the “empty runs” rendering PHV routes less flexible and increasing operational costs, while it is not compatible with environmental policies, as it increases traffic and CO2 emissions. The incompatibility with environmental law targets had already been taken into account by the legislature, as the regions of Attica (Athens) and Thessaloniki

(i.e. the two largest cities in Greece) were exempted from said return rule. In any case, HCC found that the measure did not serve a public purpose; even if such purpose were identified less onerous measures, e.g. an exception when there is a new booking (as per the French model) exist.

IV.3. No specific market failure identified. PHV legislation provided for a minimum (and not maximum) fee of 90€ (as a rule), of 50€ (for zero-emissions PHV in Attica and Thessaloniki) and 45€ (in case the minimum duration is 30 minutes).¹ HCC found that this provision does not cover any identified market failures but rather unduly differentiates between PHV and taxis, forms a barrier to entry and forecloses part of PHV providers. As analysed, even if the measure aims to protect taxi services providers, this does not constitute a legitimate purpose. In any case, HCC ruled that even if a public purpose is served, any fee restrictions shall be comparable to the ones applied to taxis as they are less onerous.

V. PHV regulatory requirements that go beyond necessary

It has been illustrated that in cases where no public purpose was served, HCC examined in the alternative which less onerous measures existed. This constitutes the application of the proportionality principle. In the case at hand, the most important part of the three-stages proportionality test was the second; the necessity requirement.

V.1. Status-based vs. objective criteria. The law provides that PHV services may be provided only by travel agencies and car rental agencies as well as taxi companies and cooperatives. The measure aims to upgrade the tourist product, meeting new needs that have emerged in the tourism market, and is appropriate for this purpose. Nevertheless, it goes beyond necessary given that it does not impose neutral and objective criteria for entering the market

but rather excludes undertakings by virtue of their status.

V.2. Supervision mechanisms and sanctions as less onerous measures. We have already examined the anti-competitive restraints caused by the minimum PHV hiring duration. This requirement is supplemented by specific termination provisions; where a hiring agreement is terminated prior to its contractual expiry, the PHV company must notify the competent transport authority of the termination within thirty minutes and shall refrain from entering into any new hiring agreement for the remaining time until the applicable minimum hiring duration has been satisfied (lock-out). This provision aims to prevent PHV companies from circumventing the minimum duration rule; however, HCC found them unnecessary (and non-appropriate); at least two less onerous measures may be identified;

- *firstly*, targeted supervision mechanisms and targeted sanctions (as was proposed by the French Autorité de la concurrence in Opinion 13-A-23); and
- *secondly*, the provision of exceptions when the PHV company is not responsible for the prior termination (as proposed by the Scientific Committee of the Hellenic Parliament).

In my opinion, this second measure (especially in combination with the first measure) is the least onerous yet highly effective remedy available.

V.3. Taxis regulatory framework as a sufficient measure. PHV conceptually requires advance booking instead of on-street or taxi rank passenger pickup. The Greek legislation provides that (as a general rule) PHV shall be booked at least 30 minutes before the transport. HCC found that this rule serves as a friction rising PHV costs in favour of taxis in a market where time is a key aspect of competition and the service providers aim to serve peak-period demand. Council of State had already found that an administrative provision on minimum advance booking time was not duly reasoned; HCC went on to find that it also goes beyond necessary, as existing measures prohibiting on-street and taxi rank passenger pickup were less onerous. This is consistent with the administrative and judiciary practice in Spain, France and Italy.²

1. As a matter of fact, moving from Athens (Centre) to the Airport with a taxi costs approximately 40€.

2. HCC extensively refers to relevant Spanish, French and Italian cases, see

VI. Conclusion.

I think that HCC Opinion regarding on-demand urban passenger transport ecosystem may be summarised by the following passage (p. 56 of the Opinion):

“The lifting or material relaxation of regulatory restrictions in the market for private-use passenger vehicles with a professional driver (PHV), if implemented without a parallel and coherent review of the regulatory framework for the public-use passenger vehicle (taxi) market, may create

pp. 37-41 of the Opinion.

conditions of substantial regulatory asymmetry.”

It is critical to understand that all the following shall apply in parallel: (a) many aspects of the PHV regulatory framework create anti-competitive effects in favour of taxis; the fact that the taxis are also heavily regulated is of no importance as to this finding, (b) therefore, such PHV regulatory requirements shall be abolished; (c) following their abolishment, the taxis regulatory framework shall be amended so as to avoid any anti-competitive effects – this time – in favour of the PHV.

Therefore, instead of heavily – yet differently – regulating both activities, the legislator shall rather adopt a model of less intrusive regulation in favour of market participants and consumers.

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