## An Evaluation of the Current Situation Regarding Taxi Service Regulations in Azerbaijan, a Public Opinion Survey, and a Comparison with International Experience

written by BRI Economic Team BAİ İqtisadi Qrupu Taxi service is one of the few economic sectors in Azerbaijan where there is competition. It is through this competition that prices for taxi services have remained unchanged, actually dropping compared to 10 years ago, when the country saw a general rise in prices. Prices across other industries, including for public transportation, have gone up significantly over that time. Following amendments to the Law on Road Transportation in 2023, taxi companies raised the minimum fare threshold from 1.0-1,60 AZN to 2,50 AZN.

The quality of service, as opposed to the level of taxi fares, has always been a subject of debate. Both government representatives and population groups using the service have noted many shortcomings over the period. On the one hand, the affordability of the price of the service and, on the other hand, the low safety level of vehicles places the public in a difficult position. An increase in the quality of taxi services necessarily causes price increases, but customers are naturally left unhappy with them. Therefore, discussions over these issues have recurred for years.

The Baku Research Institute (BRI) has created a study to reveal problems in the field of taxi services. As part of the study, a survey of the population was conducted to identify the attitudes of the population towards the quality and price of taxi services. In their responses to the survey, respondents mainly mentioned as problems the unsatisfactory level of driving and culture of driver behavior, and failure to conform to the technical indicator standards for taxi vehicles. Respondents also stated that price increases would reduce their use of taxi services.

The study also analyzes the taxi market, showing that the statistical base reflecting the activities of the taxi services market is incomplete, and mechanisms to maintain complete records of all taxi passenger transportations have not yet been instituted. Although official data show that the volume of passenger taxi transport in 2022 was 83.8 million, the reality shows that this figure is much higher. The number of taxi vehicles is also not precisely known. Data on the number of Baku taxi vehicles varies from source to source.

The study also considers international experience. A review of practices from European countries, including Denmark, the Netherlands, Germany, and Türkiye, was added to the study. The study of practices encompasses issues of taxi service regulation, requirements for vehicles and drivers, and price regulation.

You can read the research here.