

Uber offers chance to cut congestion and carbon emissions

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23 Nov 2016

Africa is undoubtedly one of Uber's most exciting markets. The continent constitutes a melting pot of rapid infrastructural development, rich cultural diversity and burgeoning entrepreneurship. As some of the fastest-growing in the world, African cities present very real challenges with congestion.



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While each country offers unique opportunities, Uber has found the African region to be defined by agility, creativity and adaptability. This provides the company with the perfect conditions to launch and nurture its on-demand economy in partnership with local governments and existing businesses.

Car ownership in Tanzania has grown faster than anywhere else in the past decade, says the International Organisation of Motor Vehicle Manufacturers; faster than China, which is second. And Ghana is not far behind in third place.

Africa is already home to some of the most congested cities anywhere, with places in Egypt, SA and Kenya suffering suffocating traffic, yet there are comparatively few cars on the continent's roads.

As with telecommunications, where the leapfrog effect has seen investment in 4G rather than fixed-line networks, there is

the potential for Africa to decrease traffic congestion and for people to move around the continent more time efficiently and productively while reducing carbon emissions.

Wherever Uber is available at scale, access to a safer, cheaper, more reliable way to get from here to there becomes a real alternative to car ownership.

Apart from the benefits seen from Uber in Africa, products such as UberPOOL are set to help Africa move even better. Using technology, it is quick and easy for people heading in the same direction at the same time to share their journey.

UberPOOL is carpooling at the press of a button. In Africa, it could allow people going in the same direction the opportunity to share the ride and the cost, which can get more people into fewer cars and tackle congestion and pollution.

Since Uber's first venture into Africa in Johannesburg in 2013, it has opened in 15 other cities across eight African nations - including a whirlwind of starting in three new places in just three weeks in June.

It has also launched new businesses, such as UberEats in Johannesburg that is an ondemand food delivery app powered by the Uber platform.

With any new country or city it has launched in, it has tried to do it in partnership with governments so that countries, as well as riders and drivers, can make the most of the on-demand economy Uber creates.

While Uber has been engaging with the government since the outset in SA, the introduction of a new licensing category in May - specifically for people using apps such as Uber - was a huge step forward in supporting licensed, professional drivers.

A month later, Nigeria's house of representatives was the first national legislature in Africa to vote unanimously in support of a resolution embracing ride-sharing.

And in that same month, Uber signed a statement of understanding with the Ghanaian ministry of transport, which officially welcomed it on its launch in Accra, while the prime minister of Uganda heralded its opening in Kampala and the many economic opportunities it could create.

About 60,000 drivers now use Uber across Africa - the equivalent of enabling 54 small business opportunities every day since it started. Uber believes it can do more.

Egypt's capital Cairo, with historically high unemployment, is one of Uber's fastest-growing cities. Uber is now enabling up to 3,000 additional small business owners every month - and more than 40% of them were previously unemployed.

With local charitable organisations, the company launched an economic empowerment programme to provide Egyptians with the resources and education needed to become drivers - with a focus on young people and women.

In a country in which 99.3% of women say they have been sexually harassed including 57% by taxi and bus drivers, Uber also supports mandatory antisexual harassment education in partnership with Cairo-based anti-sexual harassment nonprofit organisation HarassMap.

Entrepreneurship is flourishing across the continent, but access to vehicle finance remains a challenge. Which is why it introduced the Vehicle Solutions Programme in SA. Thanks to its partnership with WesBank, it has created lowcost access to vehicles to the value of R100m.

Drivers in Kenya can even get better priced loans with Sidian Bank-based on how riders rate their service - giving access to credit in a country in which very few people have that option. Most importantly, drivers across the continent are excited about what Uber has to offer. It is not just about creating economic opportunities for individuals, it is about helping drivers

build their small businesses. Such as Mark Luyima, a driver-partner in Uganda who says his business will go to another level with the ride-sharing company. Mariam Mkumbukwa, who operates in Tanzania, thinks Uber is a good fit because she can choose her own hours of work.

By bringing what has historically been a cash-in-hand trade into the digital age, the company can also help contribute to the country directly. For instance, in Nigeria, Uber has teamed up with PwC, the federal revenue service and the Lagos state revenue service to develop guidance to demystify tax for drivers no matter whether they use Uber part- or full-time.

This is just the beginning of an important shift in how it moves around cities.

African Uber riders have already travelled the equivalent of Cape Town to Cairo more than 36,442 times and spent a total of 621,780 days in a driver's vehicle. The total distance travelled in Africa is an astonishing 452,853,658km.

What it has seen in this exciting corner of the global village illustrates Africa's potential in creating and defining its sustainable cities of the future.

Source: Business Day

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