Just Scoot over here: E-scooter Regulation in the UAE

Andrew Fawcett - Partner - Digital & Data a.fawcett@tamimi.com - Abu Dhabi

Bushra Abu Tayeh - Senior Counsel - Shipping, Aviation & Logistics b.abutayeh@tamimi.com - Dubai International Financial Centre



Regulating the use of electric scooters ('E-

scooters') has become a trending topic around the world. E-scooter-related incidents are growing, with many international governments and city officials unsure about the adequate level of safety measures to impose. In the UAE, the governments of irrespective Emirates of Abu Dhabi and Dubai are taking action on this issue.

What exactly are E-scooters?

E-scooters are a motorised version of the two-wheel kick scooter, powered by rechargeable batteries. The E-scooter's battery life ranges depending on model. Currently, you can expect to travel 40km on average E-scooter.

Providing users with a more convenient and environmentally friendly means of transport, use of E-scooters is becoming widespread in densely populated cities all around the world.

Worldwide services that allow users to rent E-scooters for a short period, as an e-hail service via a booking app are becoming very popular (i.e. companies such as Bird, Lime or Jump).

Yet it is unclear whether the positives outweigh the negative consequences of their extensive use.

In the past year, cities across Europe have experienced issues managing the influx of E-scooters in their

communities. The death of a 25-year old hit by a truck driver while riding an electric scooter in Paris signalled a massive demand for the introduction of legislation to regulate the use of E-scooters. Businesses are complaining about scooters being left in front of their shop terraces, as designated parking spaces have not been created in most cities. The crowding of pavements by electric vehicles is, most importantly making it unsafe for pedestrians. In 2018 in Barcelona, a 92-year-old woman was fatally run over by an E-scooter.

These events have made it clear that regulations are needed to control the introduction of new transport technologies in the so-called 'micro-mobility' market -and the subsequent risks associated to them.

What are European Countries doing to Regulate the use of E-scooters?

France has implemented a nationwide ban of E-scooters on pavements from September; with riders subject to a fine of around US\$150 if they break the law. Paris has drafted new legislation setting speed limits to 20 km/h in most areas and requiring brakes and a bell, (as well as reflective gear when driving in the dark). Spain is reported to be working on regulations that would also ban E-scooters from pavements and set speed limits but additionally require for riders to wear reflective wear and have insurance for E-scooter.

Where does the U.A.E stand on E-scooters?

E-scooters are even popular in extreme weather conditions and could provide a quick, effective and cheap solution to beating the heat in the UAE. Not having to walk to the metro, wait for the bus or pay for a taxi for short distance commuting are some potential benefits UAE residents get from E-scooters.

Under Federal Traffic Law No.21 of 1995, as amended, E-Scooters are considered to be in the same category as motorcycles (as a "motorcycle" is defined as a vehicle of two wheels or more and equipped with a mechanical engine, and is intended to transport persons or things).

Different Emirates have their own transport authorities that are responsible for the registration and licensing of vehicles in that Emirate. We discuss the approaches of the competent authorities in Abu Dhabi and Dubai to the regulation of E-Scooters below.

Abu Dhabi

As of July this year, E-scooter rentals are now authorised in the Emirate of Abu Dhabi. Media reports have indicated that government officials believe this will reduce traffic congestion and encourage residents to use environmentally friendly solutions for their daily commute.

The regulations recognise the use of E-scooters rentals to provide links between public transport stops stations to destinations such as shopping malls, other facilities and residential areas.

Companies can register with the transport sector regulator to rent them out once the necessary permits have been obtained. Users will need to register on an app to use the service.

The Integrated Transport Centre ('ITC') has put in place some regulations similar to the European laws governing E-scooters: speed limits should be around 15-20km/h, and paths designated for pedestrians and cyclists should be used. Under the regulations, riders of E-scooters endangering pedestrians, blocking traffic flow or parking in undesignated parking spots should be penalised.

Corniche Street and Khalifa Bin Zayed Street are currently the only places where E-scooters are available to rent in Abu Dhabi. This will enable the ITC to study public demand for such services in order to assess the need for an extended roll-out over the next year. It has been reported that Careem is currently in talks regarding the launch of its own E-scooter hailing service in Abu Dhabi.

Dubai

In Dubai, the renting of E-scooters has been banned since March 2019 on the grounds of safety and will continue to be banned until such time as new and appropriate regulations come into force.

Due to the growing demand for E-scooters in the Dubai market, the RTA is conducting a study about the vehicles with a view to formulating regulations regarding their use based on the study's findings.

Reports suggest that the director-general and chairman of the board of executive directors of the RTA recently met with E-scooter rental companies to discuss the current ban and recommended effective solutions for E-scooter users, pedestrians and other vehicles that will also be affected by this development.

Need to comply with Telecommunications Regulations

E-scooter rental companies offer their services using E-scooters that are fitted out with GPS trackers and wireless connectivity. Such technology is regulated under Federal Law by Decree No.3 of 2003 Regarding the Organisation of Telecommunications Sector, as amended ('Telecoms Law').

The Telecoms Law makes it an offence for anyone to use, sell, offer for sale or connect any telecommunication equipment that is not Type Approved. Type Approval is achieved under the UAE telecommunications Regulatory authority's ('TRA') Telecommunications Equipment Type Approval Regime Regulations (2 October 2018) by registration of the equipment concerned with the TRA as follows:

- Type Approval is achieved through conformity with technical specifications published by the TRA and by registration of the telecommunications equipment concerned with the TRA;
- the applicant for Type Approval (dealers, importers or manufacturers of the RTTE) must first be registered with the TRA themselves; and
- the application for Type Approval must be made on the official form (which can be done online).

The TRA's Instructions for Satellite Tracking and Global Positioning Systems 'GPS Tracking systems' (dated 1 November 2017) require the registration of the GPS tracking system supplier, as well as the registration and Type Approval of GPS tracking system.

Further, the TRA has recently implemented an Internet of Things Regulatory Policy ('IoT Policy') to ensure a safe and secure development of 'internet of things' devices that are now connected to the internet, collecting and sharing data.

Key features of the IoT Policy include:

- an IoT Service Provider must register with the TRA to provide IoT Services;
- there are data localisation requirements. Data that is classified as 'secret', 'sensitive' and/or 'confidential' is to be stored primarily in the UAE. However, such data may be stored outside of the UAE if the destination country meets or exceeds any data security and user protection policies/followed in the UAE; and
- there are additional requirements for telecommunications equipment which provide IoT Services, including that all key features and functionalities need to be indicated on the device or its packaging or

in the user documentation.

The IoT Policy formally defines IoT very broadly as "a global infrastructure for the information society, enabling advanced services by interconnecting (physical and virtual) things based on existing and evolving interoperable information and communication technologies".

In light of the above the IoT Policy could apply to rental E-scooters with wireless connectivity, but this will need to be formally confirmed by the TRA on application by E-scooter rental companies wishing to operate in the UAE.

Conclusion

Regulators in the UAE appear to be monitoring the impacts of E-scooters overseas and how individual governments address the issues thrown up by their use. As a result, the relevant UAE bodies are positioning themselves to introduce measures to ensure the safe use of the vehicles for both riders and other road/pavement users. Such measures are likely to include road safety training, controls, regulations and effective signage. Telecommunications regulations will also apply to E-scooter rentals, because of the technology used by these services.

Al Tamimi & Company's <u>Technology</u>, <u>Media & Telecommunications</u> and <u>Transport & Insurance teams</u> regularly advise on laws and regulations impacting the introduction of new technologies in the transport sector. For further information please contact <u>Andrew Fawcett</u> (<u>a.fawcett@tamimi.com</u>) or <u>Bushra Abu</u> <u>Tayeh</u> (<u>b.abutayeh@tamimi.com</u>).