

Evaluation of Taxi Transportation Services in the Urban Area of Algiers City

AKKARI ZAKARIA*, University of hadj lakhdar Batna, Algeria, Email: zakaria.akkari@univ-batna.dz

Received: 13/ 12/ 2024

Accepted: 19/05/2025

Published: 03/06/2025

Abstract: Despite the significant efforts by public authorities to enhance the quality of public transport services, particularly in urban areas—through legislation regulating land transport activities, strategic direction, and investments in completed and ongoing projects—this sector continues to face numerous challenges and obstacles. These issues have hindered professionalism, undermined efforts to improve public service quality, and diverted the sector from achieving the public interest. This study aims to assess the quality of urban taxi transport services in the Algiers province to shed light on the key problems and weaknesses contributing to the decline in the quality and efficiency of collective public transport services in the region. Taxis are one of the most critical modes of transportation in urban environments. They play a vital role in balancing supply and demand in the transport sector by addressing gaps caused by the limited coverage of collective transport networks across urban areas. Additionally, taxis provide higher-quality services compared to other forms of public transport.

Keywords: Taxi; Urban Transport; Public Service.

JEL codes: R41, R42, R48

Citation : AKKARI, ZAKARIA, (2025). Evaluation of Taxi Transportation Services in the Urban Area of Algiers City, *Journal of economics studies and researches in renewable energies*, 12(1). 249-257

Introduction:

Effective urban transportation is the lifeblood of any modern city, profoundly impacting residents' quality of life and facilitating economic and social integration. While a fundamental requirement, especially in densely populated areas, public transport systems globally, including those in Arab countries like Algeria, often grapple with significant challenges. These issues range from aging infrastructure and inefficiency to incomplete coverage, slow service, and a lack of comfort, safety, and reliability. Such shortcomings frequently compel commuters to seek alternatives, notably increasing reliance on private vehicles, which in turn exacerbates urban pollution and traffic congestion.

Amidst these widespread challenges, taxi services emerge as a crucial component of urban mobility. Taxis play a vital role in balancing supply and demand within the transport sector, effectively filling gaps where collective transport networks have limited reach. They offer a higher degree of flexibility, adaptability, and often a superior quality of service compared to other public transport modes.

Despite considerable efforts by public authorities in Algeria to enhance the quality of public transport, including robust legislation and substantial investments, the taxi sector in urban areas like Algiers continues to face numerous obstacles. These persistent issues have hindered the professionalization of services, undermined attempts to improve public service quality, and diverted the sector from adequately serving the public interest.

*. Corresponding Author

This study aims to thoroughly evaluate the quality of urban taxi transport services in Algiers City. By doing so, we seek to shed light on the key problems and underlying weaknesses that contribute to the decline in the overall quality and efficiency of collective public transport services in the region. Our findings will provide a comprehensive understanding of the current state of taxi services and offer insights crucial for developing targeted interventions to foster a more professional, reliable, and user-centric urban transport system in Algiers.

I. General Information on Urban Transport

1. Concept of Urban Transport

Urban transport is a fundamental necessity for any society, serving as a vital social service before its commercial aspects. It's a key factor in enhancing the quality of life for people both within and outside urban areas. Fundamentally, urban transport can be defined in several ways: it is a paid service for third parties, carried out by licensed natural or legal entities (AOG, 2011). It's also a service activity that creates benefits in terms of time and space by physically moving people and goods within urban areas using designated vehicles over acceptable distances (Khazmi & Al-Turki, 2002). More broadly, it's a comprehensive system of technologies, planning, infrastructure, and various means that collectively or administratively organize the optimal movement of individuals, animals, goods, and information, prioritizing time, cost, comfort, and safety (Zekri, 2016).

In developed nations, urban transport holds immense significance within the framework of daily life, with a large proportion of the population relying on it regularly for commutes, work, or other purposes. This holds true for many Arab countries, including Algeria, where collective urban transport is crucial for city dwellers, especially those residing in suburbs or far from city centers. However, significant challenges persist in public transport systems. These often include aging infrastructure, inefficiency, incomplete coverage, slow service, and a lack of comfort, safety, and reliability. Such issues frequently lead commuters to abandon public transport in favor of private cars, which further exacerbates urban congestion and other related problems (Khazmi & Al-Turki, 2002).

This highlights the deep-seated connection between transport evolution and urban growth. While the rise of private cars has undoubtedly influenced urban expansion by boosting mobility, especially where public transport is lacking, and by fostering the development of suburbs and new cities to ease pressure on central areas, this exponential growth has also introduced new challenges. These include increased urban pollution and the deterioration of cities' aesthetic and environmental quality (Abdo, 2010).

Despite these challenges, urban transport offers several key advantages. It contributes significantly to urbanization and advancement by developing transport systems that meet the growing needs and demands of urban populations (Mansour, 1998). It also actively promotes economic and social integration among various urban activities. Furthermore, it supports commercial and economic growth by stimulating national economic activities, fostering regional development, reducing disparities between population centers, and enabling the exchange of surplus production to address deficits across different areas. The expansion of collective urban transport economies also has broader benefits, such as stimulating investment, expanding labor markets through new employment opportunities, and ultimately enhancing the overall socioeconomic prosperity of the state.

2. Urban Transport Planning

Interest in studying aspects of urban transport, particularly its development, dates back to the early 1950s. In 1954, the U.S. National Committee on Urban Transportation conducted a series of studies to

improve urban transport networks across American cities. These efforts were followed by initiatives such as those by the American Municipal Association in 1964, all aimed at advancing urban transport planning (Khazmi, A., & Al-Turki, A., 2002).

Urban transport planning is a multifaceted and multi-stage process. Its goal is to establish frameworks that ensure the long-term stability of transport systems, aligning them with ongoing urban development according to specific programs and objectives. These frameworks aim to meet residents' needs for convenient, safe, and efficient mobility with adequate service levels. As urban populations grow and urban life becomes more complex, existing transport systems increasingly fail to provide satisfactory service due to rising vehicle numbers on road networks. This leads to traffic congestion, increased accidents, and widespread environmental pollution in urban areas (Hassan, A. M. A., 1994)

II. Taxi Services and Their Core Objectives

1. Definition of a Taxi

A taxi is a mode of transportation used within or outside urban areas, offering unique advantages over collective transport. Taxis are highly flexible and adaptable, capable of navigating diverse urban roads and neighborhoods without being restricted to fixed routes, unlike metro systems or predefined bus lanes (Youssef, 2011).

A taxi is defined as a licensed vehicle authorized to transport passengers and their luggage for a fare. Specifically, it refers to a vehicle permitted to park on public roads or designated areas to provide on-demand passenger transport. Taxis are typically registered as passenger cars with two side doors and a maximum of six seats (excluding the driver's seat) (AOG, 2001).

2. Types of Taxis

Taxis are broadly categorized into two main types based on their usage patterns: collective taxis and individual taxis (Zahri, 2003). Collective taxis provide shared transportation services, operating along fixed routes within urban, semi-urban, or intercity areas. In this model, the fare is divided among all passengers. Subtypes of collective taxis include urban collective taxis, semi-urban collective taxis, interstate collective taxis, and specialized 8-seater collective taxis (known as Taxi Collectif Fourgon). In contrast, individual taxis offer on-demand, point-to-point services. These operate without fixed routes, and their fares are non-negotiable, providing a direct and private transportation experience for single users or groups traveling together.

3. Core Objectives of Taxi Services

Article 4 of Law 01-13 (AOG, 2001) mandates that any transport system must prioritize meeting citizens' mobility needs while simultaneously benefiting the national community and individual users. This prioritization encompasses several critical aspects: safety, availability, cost, pricing, and overall service quality.

Building upon this legal framework, taxi services are specifically organized to achieve key objectives (Zahri, 2003). First, they provide a continuous transport service, effectively complementing other public transport modes by filling gaps in coverage and availability. Unlike scheduled services like buses or trains, taxis operate on demand, ensuring mobility is accessible at all times and even across routes that are typically underserved.

Second, comfort is a significant draw for passengers opting for taxis. Many commuters are willing to pay higher fares for the enhanced travel experience, which often includes amenities like air-

conditioned vehicles, ergonomic seating, and other modern features designed to improve the journey. Third, safety is paramount. Taxi services are obligated to ensure passengers reach their destinations unharmed by adhering to traffic laws and maintaining essential safety features such as seat belts, functional brakes, and proper lighting to minimize accident risks. Finally, time efficiency is a crucial objective, especially in urban and non-urban mobility. Passengers frequently prioritize shorter travel times, particularly for urgent trips or the transport of perishable goods. Taxis offer a faster alternative to other modes like buses, underscoring the contemporary perception of time as a valuable commodity.

4. Informal Transport

The use of unlicensed vehicles for passenger transport—locally referred to as "*Froud*", "*Clondestin*", or other terms—has become a notable phenomenon, particularly in Algeria's major cities. This activity has grown significantly alongside urban expansion and rising mobility demands.

The term "Informal Transport" (*Transport Informel*) is also used, as all passenger transport operations must be licensed under current laws and regulations. Informal transport is characterized as non-taxable, unregulated, and often labeled with terms like "*Fraud*" (derived from the Latin "*Fraude*", meaning illegal or illicit) or "*Clandestin*" (clandestine).

The level of transport regulation correlates with a state's economic conditions and the government's capacity to enforce oversight. Research highlights the reliance on informal transport in such contexts. In the 2002 edition, he replaces the term "*Transport Artisanal*" (artisanal transport) used in the 1992 edition with "*Transport Informel*" (informal transport), reflecting the sector's evolution into a structured yet unlicensed system that addresses growing mobility needs (Kbiche, A., 2011).

III. Regulation of Taxi Services in Algeria

The Ministry of Transport in Algeria has implemented numerous laws to ensure passenger safety and regulate the transport sector. The evolution of taxi services in the country since its independence has unfolded in several distinct phases.

The initial phase began in 1962 with Executive Decree No. 760 (March 22, 1962). This decree introduced a comprehensive transport plan that set specific taxi license quotas for each province, determined by population. Specifically, municipalities with populations under 100,000 were allocated one taxi per 2,000 residents, while those exceeding 100,000 residents received one taxi per 1,500 residents. Provincial governors held the authority to adjust these quotas as necessary, with provincial committees managing the licensing decisions (Ben Maatoug & Abi, 2013).

A subsequent phase commenced in 1974 with the establishment of taxi cooperatives. These cooperatives prioritized former independence war veterans (Mujahideen), equipping their vehicles with radios and operating in two 7-hour shifts. By 1982, the taxi fleet reached 2,000 vehicles. However, this number proved insufficient for Algiers, a city with over 2 million residents at the time. Operational conflicts with provincial authorities ultimately led to the dissolution of these cooperatives in 1983, exacerbating transport challenges for users.

The landscape shifted significantly in 1988 with the introduction of Law 88-17 (May 10, 1988). This legislation liberalized the land transport market, which in turn triggered a substantial surge in taxi numbers across the country. In Algiers province alone, the taxi fleet expanded dramatically, reaching 11,813 taxis by 2000 (AOG, 1988).

Distribution of Taxis

Taxis are distributed based on demand density, primarily concentrated along high-traffic streets and corridors. Drivers freely operate outside legal frameworks, choosing high-demand routes while avoiding congested areas, creating service gaps in underserved zones. To address this, authorities introduced a collective taxi model in 1995, establishing a network of 40 fixed routes to cover high-demand areas and compensate for deficiencies in other transport modes (e.g., buses, railways). A flat fare of 20 Dinar per passenger was set for these routes (AOG, 1994).

Decree No. 12-230 regulates taxi services and outlines several provisions, including license types for:

- Individual Taxis: Transport one or more passengers; fares determined by meter; no fixed stops; multiple destinations.
- Urban Collective Taxis: Transport one or more passengers; fixed per-passenger fare; fixed stops and destinations.
- Intercity Collective Taxis: Operate between cities; fixed per-passenger fare; fixed stops and destinations.
- Licenses are granted exclusively to Algerian nationals or taxi companies composed of Algerian nationals. Pricing is determined by regulatory authorities.
- **Article 09** stipulates: *“Operating a taxi individually or through a company requires prior authorization from the provincial transport director, issued after consultation with the provincial taxi technical committee.”* Key requirements include:
 - **Natural Persons:** Minimum age of 25; Algerian citizenship; clean criminal record; vehicle meeting transport ministry specifications; possession of a state-issued logbook.
 - **Legal Entities:** Ownership of at least 10 vehicles; maintenance facilities; compliance with natural person requirements.

Licenses are personal, temporary, revocable, and subject to a 3-month processing period. Rejected applications may be appealed to the transport minister.

Historical Context: License Allocation to Veterans

Under Decree No. 65-140 (1965), taxi licenses were reserved for:

- War-disabled veterans ($\geq 50\%$ disability).
- Individuals previously sentenced to death for participation in the independence struggle.
- Former *Mujahideen* (independence fighters) over 40 years old supporting four minors.
- Widows of martyrs over 30 years old supporting three minors.

Licenses could not be inherited, leased, or delegated. Over 50 years later, veterans, martyrs' families, and their descendants continue to monopolize licenses. Non-veterans must rent licenses from these groups, as they remain legally ineligible to obtain them.

Current Challenges

Over 10,000 licenses have been revoked due to veterans' deaths, exacerbating shortages. License rental prices have surged from 800 Dinar/month in the 1990s to 10,000 Dinar/month in some provinces today. This commodification of licenses has distorted the market, prioritizing profit over service quality.

Exclusive license allocation to veterans and their families is a key factor in Algeria's poorly regulated taxi sector. Experts argue that while prioritizing veterans is justified, reserving all licenses for this group—rather than a portion—has stifled competition, innovation, and service improvement (Zekri, A., 2016).

IV. The reality of taxi transportation in Algiers.

The urban transport network comprises 14,623 taxis in 2022, with 8% allocated to collective taxi services. These collective taxis operate on 24 fixed routes, featuring predetermined starting points, destinations, and fixed routes that drivers cannot alter (DTAP, 2022).

Table 01: Urban Transport via Taxis

Taxi Type	Number of Vehicles	Number of Stations	Number of Available Seats
Individual	13 896	47	55 584
Collective	450	18	1 800
Total	14 346	65	57 384

Source: Directorate of Transport for Algiers Province, 2022.

The taxi fleet in Algiers has grown significantly since independence, with 2,000 vehicles in 1974, rising to 11,813 taxis in 2001 (Baouni, T., 2008), and reaching 14,346 taxis operating in the urban area of Algiers Province by 2022.

According to the Directorate of Transport for Algiers Province: 50% of taxis are in dilapidated condition; 20% of vehicles are over 10 years old; 45% of drivers are over 50 years old.

Taxis account for 12% of total urban mobility, playing a critical role in compensating for gaps in public transport by offering shared rides, which has increased demand for collective taxi services.

Regulatory Framework

Article 10 of Executive Decree No. 12-230 (May 24, 2012) allows natural or legal persons owning a fleet of at least 10 vehicles—alongside meeting professional and technical criteria—to operate urban transport services (AOG, 2012).

Operational Challenges

Persistent issues include **Lax Enforcement**, Weak oversight and non-compliance with legal requirements, such as ignoring fare meters or failing to recalibrate them per official guidelines; and **unprofessional Conduct**, such as drivers smoking, using radios in vehicles, and abandoning standardized uniforms. Finally, the **neglect of night Shifts**, the night time services are nearly nonexistent due to drivers disregarding assigned shifts, enabling unlicensed operators to exploit gaps—particularly at Algiers International Airport. Authorities plan to license five new taxi companies to address rising demand and replace informal operators, which constitute 25–30% of Algiers' taxi fleet. This initiative aims to formalize services and improve urban mobility standards.

V. The Spread of Informal Transport in Algiers

In the past, unlicensed transport was used to compensate for gaps in taxi services, particularly during late-night hours or periods of high demand when licensed taxis were unavailable. Today, informal transport has expanded aggressively across Algiers' urban landscape, with dedicated pickup points—sometimes shared with licensed taxi drivers—who now face intense competition from this unregulated sector.

This mode of transport has become indispensable for a segment of society due to its convenience. However, it poses significant risks to users, such as lack of insurance in case of accidents. For local authorities, informal transport operates outside taxation, regulation, or oversight, depriving municipalities of revenue that could fund urban improvements and environmental protection (Kbiche, A., 2011).

Algeria's licensed taxi sector suffers from chronic disorganization and declining relevance amid unprecedented growth in informal transport. In major cities like Algiers, licensed taxis increasingly fail to meet demand due to traffic congestion and rigid service patterns. During peak hours, drivers often prioritize routes convenient to themselves, forcing passengers to adapt with the slogan: "I'll take you in my direction, not yours."

The proliferation of unlicensed transport is a direct consequence of systemic failures in public transit and socioeconomic pressures. High unemployment has driven many vehicle owners to convert their cars into informal taxis, capitalizing on unmet demand and lax enforcement. In Algiers, informal networks dominate peripheral areas and inter-municipal routes, offering flexible payment options and competitive fares compared to licensed taxis (Kbiche, A., 2011).

Conclusion

This study set out to evaluate the quality of urban taxi transportation services in Algiers City, aiming to uncover the fundamental problems hindering the sector's efficiency and its ability to serve the public interest. Despite the Algerian public authorities' considerable legislative efforts and investments to enhance public transport, including the taxi sector, our findings reveal persistent and significant challenges that impede professionalism and compromise service quality.

The analysis highlighted several critical issues plaguing Algiers' taxi services. While the taxi fleet has grown substantially since independence, reaching over 14,300 vehicles by 2022, a concerning proportion — 50% — is in dilapidated condition, with 20% being over a decade old. Furthermore, an aging driver demographic, with 45% of drivers over 50 years old, contributes to operational challenges. Core objectives of taxi services such as continuous availability, comfort, safety, and time efficiency are frequently undermined by prevalent issues like lax enforcement of regulations (e.g., non-use or recalibration of meters), unprofessional conduct among drivers, and the notable neglect of night shifts, creating service gaps exploited by informal operators.

A major underlying systemic problem identified is the historical and continued monopoly of taxi licenses by independence war veterans and their descendants. This exclusive allocation, despite license revocations due to deaths, has severely distorted the market, driving up license rental prices and prioritizing profit over service quality, thereby stifling competition and innovation. Consequently, the licensed taxi sector suffers from disorganization and declining relevance, a void increasingly filled by a burgeoning informal transport network. This unregulated sector, while providing perceived convenience for some segments of society, poses significant risks to users, operates outside taxation, and deprives municipalities of vital revenue for urban development.

In essence, while taxis remain indispensable to Algiers' urban mobility, compensating for the limitations of collective transport networks, their potential is severely constrained by structural issues and operational deficiencies. Addressing these multifaceted challenges requires comprehensive and strategic interventions. As indicated by the proposed recommendations, a future-oriented approach must involve amending outdated regulations, developing alternative frameworks for license allocation, combating informal transport, standardizing infrastructure, enforcing fare meter usage, reforming

driver training, and digitizing services. Only through such concerted efforts can Algiers foster a professional, reliable, and user-centric taxi transport system that genuinely serves the mobility needs and well-being of its citizens.

Recommendations:

- Amend Executive Decree No. 12-230 (May 24, 2012) regulating taxi services to revise operational conditions and licensing procedures.
- Develop alternative frameworks to phase out licenses monopolized by independence veterans (*Moudjahidin*) in urban areas.
- Combat informal transport through stricter enforcement, penalties, and public awareness campaigns.
- Establish regulatory laws for managing taxi stations to ensure safety, organization, and compliance.
- Standardize taxi station infrastructure to include essential amenities (e.g., seating, lighting) and safety measures (e.g., surveillance).
- Mandate universal use of fare meters with regular calibration to ensure transparency and fairness.
- Reform driver training programs through accredited institutions equipped with modern tools and curricula focused on customer service and traffic laws.
- Digitize public taxi services via real-time booking apps and digital payments to enhance accessibility and competitiveness.

References:

- Abdou, S. (2010). The geography of transport: Its significance and objectives. Anglo-Egyptian Library, Cairo, p. 15.
- Al-Khazmi, A., & Al-Turki, A. (2002, December). Spatial analysis of the urban transport network in Kuwait City. *Damascus University Journal for Humanities and Literature*, Syria, p. 4.
- Algerian Official Gazette. (1988, May 11). Law No. 88-17, Issue 19.
- Algerian Official Gazette. (1994, July 4). Ministerial Decision, Issue 56.
- Algerian Official Gazette. (2001, August 17). Law No. 01-13 on the orientation and regulation of land transport, Issue 44, pp. 5–7.
- Algerian Official Gazette. (2001, January 2). Ministerial Decision modifying the 1993 taxi regulation, p. 19.
- Algerian Official Gazette. (2011, August 10). Law No. 01-13 on the orientation and regulation of land transport [Official Text]. Issue 44.
- Algerian Official Gazette. (2012, May 27). Executive Decree No. 12-230, Issue 33.
- Baouni, T. (2008, November 12–14). Mobilité et systèmes de transport face à la croissance urbaine d'Alger. CODATU XIII Conference, Ho Chi Minh City, p. 8.
- Ben Maatoug, S., & Abi, W. (2013, October 7–8). Urban transport strategy in Algeria and its future prospects. International Conference on Transport Development Strategies, University of M'sila, p. 9.
- Boubakeur, F., & Boukena, S. (2009, January 26–27). [Use of quantitative methods in administrative decision-making]. National Symposium, University of August 20, 1955, Skikda, Algeria, p. 3.
- Directorate of Transport for Algiers Province. (2022).
- Hassan, A. M. A. (1994). Transport and traffic engineering. Dar Al-Rateb Al-Jameiyya, Beirut, Lebanon, p. 7.

Kbiche, A. (2011). Urban expansion and mobility in the urban area of Sétif [Doctoral dissertation, Mentouri University – Constantine], p. 300.

Kbiche, A. (2011). Urban expansion and mobility in the urban area of Sétif [Doctoral dissertation, Mentouri University – Constantine], p. 343.

Khazmi, A., & Al-Turki, A. (2002, December). Spatial analysis of the urban transport network in Kuwait City. *Damascus University Journal for Humanities and Literature*, Syria, p. 3.

Mansour, H. F. (1998). *Introduction to transport economics*. Alexandria Book Center, Egypt, p. 21.

Youssef, A. (2011). The experience of using phone-based taxi services: A case study of Batna City [Master's thesis, University of Batna], p. 31.

Zahri, Y. (2003). Reality and challenges of public passenger transport in Chlef Province [Graduation thesis, ENATT], p. 11.

Zahri, Y. (2003). Reality and challenges of public passenger transport in Chlef Province [Graduation thesis, ENATT], p. 14.

Zekri, A. (2016, March 29–30). Public transport policies in Algeria. 27th Engineering Conference on Transport in the Arab World, Kingdom of Bahrain, p. 3.

Zekri, A. (2016). Evaluation of public policies for urban transport: A case study of Algiers [Doctoral dissertation, University of Batna 1], pp. 132–135.