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Moscow Gets First Big Carsharing System to Tackle Traffic Jams

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Each carsharing vehicle can replace 10 private cars, according to Sobyanin.

A government-backed carsharing service launched in Moscow last week in the latest effort by City Hall to ease the capital's infamous traffic jams.

Carsharing is a type of short-term car rental service that bills users per minute. The scheme, which is being actively developed in cities across the world, allows users to book a car at a nearby location, drive it for as long as they like, and leave it where they please.

Earlier this year the Moscow government decided to get in on the game. The new service, Delimobil, is not the city's first carsharing system, but it aims to be the biggest. It currently has 100 vehicles available in Moscow, according to its general director, Stanislav Groshov, but plans to have 1,500 by the end of next year.

The service is already popular with Muscovites, Groshov told The Moscow Times: "We have

queues in our main office. Hundreds of people come every day to sign agreements with our company."

Users can register for the service on Delimobil's website and sign a carsharing agreement — a necessary requirement — at the company's central office near Paveletskaya metro station or at Financial Standard Bank branches around Moscow.

Growing Market

Carsharing is a fast-growing market across the globe. According to a report published by research firm Frost & Sullivan in September last year, nearly 5 million people used carsharing services globally in 2014, a rise of almost 1.5 million people from the year before.

The first private carsharing firms popped up in Moscow in 2013, but city authorities announced in May that they would develop a new service. City Hall began looking for private investors to invest in and operate the service, and Italian company General Invest committed a billion rubles ($15 million) to the project, the Vedomosti newspaper reported Friday.

Free Parking!

To stimulate demand for these services, city authorities have introduced free parking for Delimobil's users — something not currently available to its competitors. During the first month of the new program, Moscow carsharing users can rent cars for a reduced rate of 5 rubles (7 cents) a minute, Groshov said.

At the end of the first month, prices will rise to 8.9 rubles (13 cents) per minute, he said. The price includes gas, insurance, maintenance and parking expenses.

Delimobil's fleet of carsharing vehicles currently includes 100 Hyundai Solaris cars and even one Ferrari — but that won't be available until October — also for 8.9 rubles per minute. Users can find the cars in various Moscow parking lots.

To help carsharing users find the official Moscow vehicles, Delimobil has a mobile app to help locate the nearest available car.

For the moment, the cars can only be used up to 5 kilometers beyond the MKAD, Moscow's outer ring road, and must be left within the boundaries of the Third Ring Road in the center of the city, Groshov said.

Private Competition?

The Moscow city government, though enthusiastic, is late to the carsharing party. Similar services are already offered by several private firms in Moscow. The oldest company, Anytime, has been operating since 2013.

Yulia Baimler, Anytime's managing director, told The Moscow Times on Friday, "We welcome the decision of City Hall to support carsharing in Moscow, and the market will only benefit from the appearance of a new player."

Anytime operates a fleet of 120 cars, and 95 percent of the cars are currently being used,

Baimler said. The company's prices range from 5 to 10 rubles (7-15 cents) per minute, depending on the kind of car and time of day.

Baimler said Moscow's carsharing market is growing. The company has 7,500 clients that have signed carsharing agreements. Only a lack of vehicles is preventing Moscow residents from using the service, he said.

Fewer Traffic Jams

Moscow Mayor Sergei Sobyanin said at Delimobil's launch last Thursday that the city's carsharing market had potential for 10,000 cars, according to City Hall's website. Moscow has a population of nearly 12 million, according to UNdata.

In cities where carsharing services are developed, 7 to 10 percent of their users are car owners, said Sergei Kanayev, head of the Federation of Russian Car Owners.

Kanayev said that if Moscow could hit this target, it would reduce the number of cars on its streets by 350,000-400,000 vehicles, effectively eliminating the city's notorious traffic problems. Each carsharing vehicle can replace 10 private cars, according to Sobyanin.

In cities like Milan, Paris and London, carsharing has managed to draw in about 4 percent of the local population, Vedomosti reported on Friday, citing data collected by Moscow's transport department.

Kanayev said privileges would help tempt Muscovites to sign up for carsharing services. Apart from free parking in the city center, authorities could authorize carsharers to use bus lanes that are currently only open to public transport and legal taxis, he said. According to the Kommersant newspaper, such measures are being considered.

But special entitlements are opposed by civil activists such as Pyotr Shkumatov from the Blue Buckets Society, which defends motorists' rights and tries to force the cars of top government officials to observe common traffic laws.

Shkumatov told Kommersant that carsharing is not a form of public transport, and not even people with disabilities and large families are given similar privileges.

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