Basic information

2017/2003(INI) INI - Own-initiative procedure	Procedure completed
European agenda for the collaborative economy **Subject** 2.40 Free movement of services, freedom to provide 3.30.06 Information and communication technologies, digital technologies 3.30.25 International information networks and society, internet 3.45.02 Small and medium-sized enterprises (SME), craft industries 3.45.06 Entrepreneurship, liberal professions 3.50.04 Innovation	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
IMCO Internal Market and Consumer Protection	DANTI Nicola (S&D)	17/06/2016
	Shadow rapporteur CORAZZA BILDT Anna Maria (PPE) FORD Vicky (ECR) CHARANZOVÁ Dita (ALDE) MAŠTÁLKA Jiří (GUE/NGL) ZULLO Marco (EFDD)	

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs (Associated committee)	SCHUSTER Joachim (S&D)	25/10/2016
ITRE Industry, Research and Energy (Associated committee)	TAMBURRANO Dario (EFDD)	12/07/2016
TRAN Transport and Tourism	KYLLÖNEN Merja (GUE /NGL)	06/12/2016

Key events

Date	Event	Reference	Summary

02/06/2016	Non-legislative basic document published	COM(2016)0356	Summary
19/01/2017	Committee referral announced in Parliament		
19/01/2017	Referral to associated committees announced in Parliament		
03/05/2017	Vote in committee		
11/05/2017	Committee report tabled for plenary	A8-0195/2017	Summary
14/06/2017	Debate in Parliament		
15/06/2017	Decision by Parliament	T8-0271/2017	Summary
15/06/2017	Results of vote in Parliament		
15/06/2017	End of procedure in Parliament		

Technical information	
Procedure reference	2017/2003(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/8/07659

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE595.756	22/12/2016	
Amendments tabled in committee		PE599.597	13/02/2017	
Committee opinion	ITRE	PE595.661	24/03/2017	
Committee opinion	EMPL	PE592.420	27/03/2017	
Committee opinion	TRAN	PE597.749	12/04/2017	
Committee report tabled for plenary, single reading		A8-0195/2017	11/05/2017	Summary
Text adopted by Parliament, single reading		T8-0271/2017	15/06/2017	Summary

European Commission

Document type	Reference	Date	Summary
Commission document (COM)	COM(2016)0356	02/06/2016	Summary

Commission response to text adopted in plenary	SP(2017)574	20/11/2017	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	RO_CHAMBER	COM(2016)0356	28/09/2016	

European agenda for the collaborative economy

2017/2003(INI) - 11/05/2017 - Committee report tabled for plenary, single reading

The Committee on the Internal Market and Consumer Protection adopted the own-initiative report by Nicola DANTI (S&D, IT) on a European Agenda for the collaborative economy.

The Committee on Employment and Social Affairs and the Committee on Industry, Research and Energy, exercising their prerogatives as associated committees under Rule 54 of the Rules of Procedure, also gave their opinions on the report.

Members noted that the collaborative economy has experienced rapid growth in recent years, in terms of users, transactions and revenues, reshaping how products and services are provided and challenging well-established business models in many areas. In this regard, the communication on a European agenda for the collaborative economy should represent a good starting point for promoting and regulating this sector.

Accordingly, Members welcomed the communication as a first step towards a well-balanced EU strategy in this area. If developed in a responsible manner, the collaborative economy creates significant opportunities for citizens and consumers.

Members encouraged Member States to provide **legal clarity** and not to view the collaborative economy as a threat to the traditional economy. They believed that the collaborative economy empowers consumers, and offers new job opportunities, but stressed nevertheless the importance of ensuring a high level of consumer protection, of fully upholding workers' rights and of ensuring **tax compliance in this sector**.

Need for greater legal certainty: Members stressed the need to strengthen legal certainty, particularly in view of the risk of **fragmentation of the single market**. They were aware that, if not properly governed, the changes could result in legal uncertainty about applicable rules and constraints in **exercising individual rights and protecting consumers**. Regulation needs to be fit for purpose for the digital age, especially European start-ups and non-profit organisations involved in the collaborative economy.

Collaborative economy in the EU: Members emphasised the need to consider the collaborative economy not only as a collection of new business models offering goods and services but also as a **new form of integration between the economy and society** where the services offered are based on a wide variety of relations embedding economic relations within social ones and creating new forms of community and new business models. In Europe has some specific traits reflecting European business structure, which consists mainly of SMEs and micro-enterprises.

EU regulatory framework: Members recognised that while certain parts of the collaborative economy are covered by regulation, including at local and national level, other parts may fall into regulatory grey areas. They welcomed the Commission's intention to tackle the current fragmentation, but regretted that its communication did not bring sufficient clarity about the applicability of existing EU legislation to different collaborative economy models. They emphasised the need for the Member States to **step up enforcement of existing legislation**, and called on the Commission to aim for an enforcement framework supporting the Member States in their efforts, most importantly regarding the Services Directive and the consumer acquis. They called on the Commission to make full use of all tools available in this context, including infringement procedures, whenever incorrect or insufficient implementation of the legislation is identified.

Members also urged the Commission to work together with Member States to provide further guidelines on laying down effective criteria for distinguishing between peers and professionals, which is crucial for the fair development of the collaborative economy. These guidelines should take into account of the differing legislation in Member States and their economic realities, such as income level, the characteristics of the sectors, the situation of micro and small businesses. Members were of the opinion that **a set of general principles and criteria at EU level and a set of thresholds at national level** could be a way forward.

They also noted the need to further clarify the **liability regimes of collaborative platforms** as quickly as possible, in order to promote responsible behaviour, transparency, legal certainty and thereby **increase user confidence**. Members believed that any new regulatory framework should leverage platforms' self-governing capacities and peer-review mechanisms, since both have proved to work effectively and take into account consumer satisfaction with collaborative services. They were convinced that collaborative platforms themselves can take an active role in creating such a new regulatory environment by correcting asymmetric information, especially by means of **digital reputation mechanisms** to increase user trust.

Competition and tax compliance: whilst welcoming the fact that the rise of the collaborative economy has brought greater competition and has challenged existing operators to focus on consumers' real demands, they stressed that the **collaborative economy should never be used as a way of avoiding tax obligations**. They stressed, further, the urgent need for collaboration between the competent authorities and collaborative platforms on tax

compliance and collection. They called on the Commission to facilitate exchange of best practices among Member States to develop **effective and innovative solutions enhancing tax compliance and enforcement,** in order to eliminate the risk of cross-border tax fraud. Members invited the collaborative platforms to play an active role in this regard.

Impact on labour market and workers' rights: Members noted that the collaborative economy is opening new opportunities and new, flexible routes into work, especially for the self-employed, for those who are unemployed, and marginalised groups. They recalled that all workers in the collaborative economy are either employed or self-employed based on the primacy of facts and must be classified accordingly. They called on the Member States and the Commission, in their respective areas of competence, to ensure **fair working conditions and adequate legal and social protection** for all workers in the collaborative economy, regardless of their status. Members called on the Commission to examine how far the Directive on Temporary Agency Work (2008/104/EC) is applicable to specific online platforms.

Promotion of the collaborative economy: recalling the local dimension of the collaborative economy, Members also recalled its evolving nature with regards to regulation. They pointed out the importance of adequate competencies skills and training with a view to enabling as many individuals as possible to play an active role in the collaborative economy. In this respect, they pointed to how the introduction of 5G will fundamentally transform economies, making services more diverse and accessible.

Collaborative platforms in the tourism sector: Members recalled that, according to Commission estimates, peer-to-peer accommodation is the largest collaborative economy sector on the basis of generated commerce, while peer-to-peer transportation is the largest measured by platform revenue. They highlighted the fact that in the tourism sector home sharing represents an excellent use of resources and under-used space, especially in areas that do not traditionally benefit from tourism. They **condemned, in this regard, the regulations being imposed by some public authorities**, which seek to restrict the supply of tourist accommodation via the collaborative economy;.

Lastly, Members called on the Commission to facilitate and promote access to appropriate funding lines for European entrepreneurs who operate in the collaborative economy sector, in the framework of Horizon 2020.

European agenda for the collaborative economy

2017/2003(INI) - 15/06/2017 - Text adopted by Parliament, single reading

The European Parliament adopted by 510 votes to 60, with 48 abstentions, a resolution on a European Agenda for the collaborative economy.

It should be noted that an alternative motion for a resolution, tabled by the ENF group, was rejected in plenary by 61 votes to 553 against with one abstention.

Parliament noted that the collaborative economy has experienced rapid growth in recent years, in terms of users, transactions and revenues, reshaping how products and services are provided and challenging well-established business models in many areas. In this regard, the communication on a European agenda for the collaborative economy should represent a good starting point for promoting and regulating this sector.

Accordingly, Parliament welcomed the communication as a first step towards a well-balanced EU strategy in this area. If developed in a responsible manner, the collaborative economy creates significant opportunities for citizens and consumers.

It encouraged Member States to provide **legal clarity** and not to view the collaborative economy as a threat to the traditional economy. It believed that the collaborative economy empowers consumers, and offers new job opportunities, but stressed nevertheless the importance of ensuring a high level of consumer protection, of fully upholding workers' rights and of ensuring **tax compliance in this sector**.

Need for greater legal certainty: Parliament stressed the need to strengthen legal certainty, particularly in view of the risk of **fragmentation of the single market**. It is aware that, if not properly governed, the changes could result in legal uncertainty about applicable rules and constraints in **exercising individual rights and protecting consumers**. Regulation needs to be fit for purpose for the digital age, especially European start-ups and non-profit organisations involved in the collaborative economy.

Collaborative economy in the EU: Parliament emphasised the need to consider the collaborative economy not only as a collection of new business models offering goods and services but also as a **new form of integration between the economy and society** where the services offered are based on a wide variety of relations embedding economic relations within social ones and creating new forms of community and new business models. Europe has some specific traits reflecting European business structure, which consists mainly of SMEs and micro-enterprises.

EU regulatory framework: Parliament recognised that while certain parts of the collaborative economy are covered by regulation, including at local and national level, other parts may fall into regulatory grey areas. It welcomed the Commission's intention to tackle the current fragmentation, but regretted that its communication did not bring sufficient clarity about the applicability of existing EU legislation to different collaborative economy models. It emphasised the need for the Member States to **step up enforcement of existing legislation**, and called on the Commission to aim for an enforcement framework supporting the Member States in their efforts, most importantly regarding the Services Directive and the consumer acquis. It called on the Commission to make full use of all tools available in this context, including infringement procedures, whenever incorrect or insufficient implementation of the legislation is identified.

Parliament also urged the Commission to work together with Member States to provide further guidelines on laying down effective criteria for distinguishing between peers and professionals, which is crucial for the fair development of the collaborative economy. These guidelines should take into account of the differing legislation in Member States and their economic realities, such as income level, the characteristics of the sectors, the situation of micro and small businesses. It considered that **a set of general principles and criteria at EU level and a set of thresholds at national level** could be a way forward.

Parliament also noted the need to further clarify the **liability regimes of collaborative platforms** as quickly as possible, in order to promote responsible behaviour, transparency, legal certainty and thereby **increase user confidence**. It believed that any new regulatory framework should leverage platforms' self-governing capacities and peer-review mechanisms, since both have proved to work effectively and take into account consumer satisfaction with collaborative services.

According to Parliament, collaborative platforms themselves can take an active role in creating such a new regulatory environment by correcting asymmetric information, especially by means of **digital reputation mechanisms** to increase user trust.

Competition and tax compliance: whilst welcoming the fact that the rise of the collaborative economy has brought greater competition and has challenged existing operators to focus on consumers' real demands, Parliament stressed that the **collaborative economy should never be used as a way of avoiding tax obligations**. It stressed the urgent need for collaboration between the competent authorities and collaborative platforms on tax compliance and collection. It called on the Commission to facilitate exchange of best practices among Member States to develop effective and innovative solutions enhancing tax compliance and enforcement, in order to eliminate the risk of cross-border tax fraud. Members invited the collaborative platforms to play an active role in this regard.

Impact on labour market and workers' rights: Parliaments noted that the collaborative economy is opening new opportunities and new, flexible routes into work, especially for the self-employed, for those who are unemployed, and marginalised groups.

It called on the Commission to examine how far existing Union rules are **applicable to the digital labour market** and ensure adequate implementation and enforcement.

Member States are called upon to assess, in a proactive way and based on the logic of anticipation, the need to modernise existing legislation, including social security systems. The Commission and the Member States are called on to coordinate social security systems with a view to ensuring the exportability of benefits and aggregation of periods in accordance with Union and national legislation.

Parliament encouraged social partners to update collective agreements where necessary so that existing protection standards can also be maintained in the digital work world.

Moreover, it called on the Commission to publish guidelines on how Union law applies to the **various types of platform business models** in order, where necessary, to fill regulatory gaps in the area of employment and social security.

Plenary stated that the high transparency potential of the platform economy permits good traceability, in line with the aim of enforcing existing legislation. Sufficient labour inspections should be carried out. The Commission and the Member States should pay special attention to **undeclared work and bogus self-employment** in this sector, and to put the platform economy on the agenda of the European Platform Tackling Undeclared Work.

Parliament recalled that all workers in the collaborative economy are either employed or self-employed based on the primacy of facts and must be classified accordingly. It called on the Member States and the Commission, in their respective areas of competence, to ensure fair working conditions and adequate legal and social protection for all workers in the collaborative economy, regardless of their status. Members called on the Commission to examine how far the Directive on Temporary Agency Work (2008/104/EC) is applicable to specific online platforms.

Promotion of the collaborative economy: recalling the local dimension of the collaborative economy, Parliament also recalled its evolving nature with regards to regulation. It stressed the importance of adequate competencies skills and training with a view to enabling as many individuals as possible to play an active role in the collaborative economy. In this respect, it pointed to how the introduction of 5G will fundamentally transform economies, making services more diverse and accessible.

Parliament stressed the importance of **coherent policies and the deployment of broadband and ultra-broadband** as a precondition to develop the full potential of the collaborative economy and to reap the benefits offered by the collaborative model. It recalled, therefore, the need to enable an adequate network access for all citizens in the EU, especially in less populated, remote or rural areas, where sufficient connectivity is not yet available.

Collaborative platforms in the tourism sector: Parliament recalled that, according to Commission estimates, peer-to-peer accommodation is the largest collaborative economy sector on the basis of generated commerce, while peer-to-peer transportation is the largest measured by platform revenue. It highlighted the fact that in the tourism sector **home sharing** represents an excellent use of resources and under-used space, especially in areas that do not traditionally benefit from tourism. It condemned, in this regard, the regulations being imposed by some public authorities, which seek to restrict the supply of tourist accommodation via the collaborative economy.

Lastly, Parliament called on the Commission to facilitate and promote access to appropriate funding lines for European entrepreneurs who operate in the collaborative economy sector, in the framework of Horizon 2020.

European agenda for the collaborative economy

2017/2003(INI) - 02/06/2016 - Non-legislative basic document

PURPOSE: to propose a European agenda for the collaborative economy.

BACKGROUND: the collaborative economy creates new opportunities for consumers and entrepreneurs and would make an important contribution to jobs and growth in the European Union.

The success of **collaborative platforms** are at times challenging for existing market operators and practices, but by enabling individual citizens to offer services, they also promote new employment opportunities, **flexible working arrangements and new sources of income**.

At the same time, the collaborative economy often raises issues with regard to the application of **existing legal frameworks**, blurring established lines between consumer and provider, employee and self-employed, or the professional and non-professional provision of services.

This can result in uncertainty over applicable rules, especially when combined with regulatory fragmentation stemming from divergent regulatory approaches at national or local level.

The collaborative economy is small but growing rapidly, gaining important market shares in some sectors. Gross revenue in the EU from collaborative platforms and providers was estimated to be **EUR 28 billion in 2015** in the five key sectors (short-term letting, passenger transport, household services, professional and technical services, and collaborative finance).

This Communication aims at helping to reap these benefits and to address concerns over the uncertainty about rights and obligations of those taking part in the collaborative economy. It provides legal guidance and policy orientation to public authorities, market operators and interested citizens for the balanced and sustainable development of the collaborative economy.

CONTENT: firstly, the communication proposes a definition of what the term ‘collaborative economy’ means.

It refers to business models where activities are facilitated by collaborative platforms that create an **open marketplace for the temporary usage of goods or services often provided by private individuals**.

The collaborative economy involves three categories of actors:

1. service providers who share assets, resources, time and/or skills — these can be private individuals offering services on an occasional basis (“peers”) or service providers acting in their professional capacity ("professional services providers");
2. users of these;
3. intermediaries that connect — via an online platform — providers with users and that facilitate transactions between them (“collaborative platforms”).

Key issues: the communication outlines a series of key issues raised by the emergence of this new type of economy and attempts to propose a set of regulatory responses that should be further developed:

- **market access requirements**: when assessing whether market access requirements applied to the collaborative economy are necessary, justified and proportionate to meet identified and legitimate public interest objectives, Member States should **take into account the specific features of collaborative economy business models**. Private individuals offering services via collaborative platforms on a **peer-to-peer and occasional basis** should not be automatically treated as professional service providers. Establishing (possibly sector-specific) thresholds under which an economic activity would be considered a non-professional peer-to-peer activity may be a suitable way forward;

- **rules on contractual and extra-contractual liability**: under EU law, online platforms, as providers of information society intermediary services, are under certain conditions exempted from liability for the information they store. It is therefore suggested that collaborative platforms are encouraged to continue taking **voluntary action** to fight illegal content online and to increase trust;

- **consumer protection**: EU consumer and marketing legislation has been designed to address transactions, in which there is a weaker party that needs to be protected (typically the consumer). However, the collaborative economy blurs the lines between consumers and business. In these relationships, it is not always clear who the weaker party requiring protection may be. The effectiveness and use of online trust mechanisms (e.g. quality labels) to increase trust and credibility should be improved to encourage a more confident participation in the collaborative economy;

- **employment relationships**: the collaborative economy enables people to work according to flexible arrangements. This makes it possible for them to become economically active where more traditional forms of employment are not suitable or available to them. Member States should assess the adequacy of their national employment rules considering the different needs of workers and self-employed people in the digital world;

- **tax rules**: Member States are invited to assess their tax rules to **create a level playing field for businesses providing the same services**. Member States should also continue their simplification efforts, increasing transparency and issuing online guidance on the application of tax rules to collaborative business models. They are encouraged to facilitate and improve tax collection by using the possibilities provided by collaborative platforms, as these already record economic activity. Collaborative platforms should take a **proactive stance in cooperating with national tax authorities** to establish the parameters for an exchange of information about tax obligations.

In the last part of the report, the communication stated that the Commission intends to establish a monitoring framework covering both the evolving regulatory environment and economic and business developments in order to identify possible obstacles and problems encountered, in particular when they arise from divergent national regulations or regulatory gaps.

The Commission also looks forward to engaging in a dialogue with the European Parliament, the Council and Member States to ensure the best possible environment for citizens and businesses in the collaborative economy.