Press release — Internal Market Committee calls for EU strategy on the collaborative economy — Committee on the Internal Market and Consumer Protection

The EU should reap "collaborative" economy benefits while ensuring fair competition, workers' rights and tax compliance.

In a non-binding resolution voted on Wednesday, MEPs stressed the need to address regulatory grey areas that cause significant differences among member states due to national and local regulations and case law. These new business models range from providing accommodation (e.g. Airbnb) and car journeys (e.g. Uber), to domestic services.

MEPs' recommendations include, inter alia:

- individual vs professional providers: effective criteria for distinguishing between "peers" (e.g. individual citizens providing services on an occasional basis) and "professionals" is needed, with general principles at EU level and thresholds at national level (e.g. based on income),
- consumer rights: information to consumers about the rules applicable to each transaction and their rights; collaborative platforms should put in place effective systems for complaints and for settling disputes,
- workers' rights: fair working conditions and adequate protection should be guaranteed for all workers in the collaborative economy; workers should also be able to transfer and accumulate users' electronic ratings and reviews, which constitute their "digital market value", and
- taxation: similar tax obligations should be applied to businesses providing comparable services, whether in the traditional economy or in the collaborative economy; MEPs advocate innovative solutions for improving tax compliance and call on platforms to collaborate to this end.

Regulation should, however, not restrict the collaborative economy, MEPs said, condemning in particular the regulations being imposed by some national authorities "which seek to restrict the supply of tourist accommodation".

Quote

Internal Market and Consumer Protection Committee rapporteur, Nicola Danti (S&D, IT), said "The collaborative economy is a new phenomenon that bring us new opportunities as well several challenges. So we need an ambitious EU strategy to pave the way for a harmonised and dynamic 'ecosystem', consisting of specific rules and general principles".

"Our priorities should be to guarantee fair competition between traditional business sectors and the new collaborative economy world, to ensure a high level of consumer protection and to encourage the promotion of a European collaborative-model, which could contribute to a more sustainable development of EU society", he added.

Next steps

The report, approved in committee by 31 votes to one, with three abstentions, is to be voted by the full House at the 12-15 June plenary session.

Background

A 2016 <u>Eurobarometer</u> poll found that one person in six in the EU already used collaborative platforms. This report is Parliament's response to the Commission <u>communication</u> on a European agenda for the collaborative economy.