

Association For Consumer Rights (Malta)

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ACR AGM 2017 Resolution

Title of Resolution

The Sharing Economy

Name of Individual submitting the resolution

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Justification/situation to be addressed

The sharing economy is a highly controversial and topical issue in terms of its definition and scope, the various concepts it covers, the practices it incorporates and its effects. The practices which, in recent years, have been attributed to this concept are as extensive as the wide range of publications written about it.

It is important to define the characteristics, of *The Sharing Economy* of which the following stand out:

- \checkmark it does not result in the ownership or joint ownership of goods, but in pooled use;
- ✓ an intermediary platform which is usually electronic to put a significant number people offering goods or services in touch with a significant number of users;
- \checkmark a common objective to make better use of goods and services by sharing them;
- ✓ and the final parties to these complex three-way transactions are primarily peers (P2P) and are never part of a business to customer (B2C) contractual relationship

Proposals/Recommendations

In addition to the growing economic importance of sharing economy practices, which already represent significant European and world trade volumes, it is important to mention

- the social and environmental dimensions of the sharing economy, which have the potential
- to strengthen solidarity between people,
- boost local economies,
- create jobs,
- rationalise household consumption by pooling the use of certain goods,
- reduce energy footprints and
- promote more responsible and sustainable consumption.

It is necessary for these new business models

- to comply with the applicable national and EU legislation, especially with respect to workers' rights,
- > appropriate taxation,
- > data protection and the privacy of stakeholders,
- ▹ social rights,
- ➢ fair competition and
- ➤ the fight against monopolies and anti-competitive practices,
- > the accountability of platforms in the context of transactions between the partners and
- ➤ the legality of their dealings and, above all,
- the protection of the rights of all partners operating in the sharing economy, including prosumers,
- ➤ by adapting these relations across the existing EU acquis on consumer rights, with particular reference to unfair contractual terms, unfair commercial practices, health and safety and e-commerce
- This phenomenon, by its very nature, now clearly extends beyond the borders of the Member States, the
- EU must define, for the purposes of its common and integrated area as a vast single market, the legal framework applicable to these activities when they are carried out across borders

The legal frmework

The legal framework must take into account the following priority areas:

- a) protection of the rights of all partners operating in the sharing economy, including **prosumers,** by adapting these relations across the existing EU acquis on consumer rights, with particular reference to unfair contractual terms, unfair commercial practices, health and safety and e-commerce;
- b) basic consumer rights, which would have to be extended to include them (information, transparency, data protection and privacy, health and safety);
- c) protection of data and privacy of those involved (tracking and profiling) that ensures the portability of their data;
- d) competition law, insofar as these activities compete on the market with companies pursuing identical objectives and activities, and insofar as they ensure fair competition and combat monopolies and anti-competitive practices in order to address other challenges of the sharing economy;
- e) tax law, insofar as revenues from these activities cannot be exempt from appropriate taxation, in order to combat tax evasion and avoidance;

- f) the responsibility of the platforms, depending on the services they provide, and in line with their level of involvement in the transactions undertaken through them and guarantees relating to the legality of their dealings;
- g) the impact on the labour market and the very definition of the concept and forms of work in the digital environment;
- h) protection of the workers involved, distinguishing between the situations of workers who do not have an employee-employer relationship with the platform, protecting them on the basis of the principles that apply to self-employed workers, and of workers who actually qualify as employees, applying the principles that protect employed staff, particularly with regard to "false" self-employment and job insecurity;
- i) protection of workers' social rights and instruments, such as the right of association, the right to strike and the right to collective bargaining and social dialogue;
- j) protection of social models and of the Member States' capacity to ensure the future sustainability of these models;
- k) the environmental dimension, with a view to monitoring the environmental impact of the collaborative economy in order to prevent negative repercussions¹;
- copyright and intellectual property, to be considered during the review of Directive 2001/29/EC.

http://www.iddri.org/Evenements/Interventions/ST0314_DD ASN_sharing economy.pdf