

EUROPEAN ECONOMIC AREA

STANDING COMMITTEE OF THE EFTA STATES

FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

FIFTEENTH MEETING OF THE EEA EFTA FORUM

Skien

15-16 June 2017

Opinion on the collaborative economy **Rapporteur: Nils Røhne**

The EEA EFTA Forum of Local and Regional Authorities (the Forum):

- A. Having regard to the Communication from the European Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – A European agenda for the collaborative economy, COM(2016)356;
- B. Having regard to Article 1 of the Agreement on the European Economic Area (EEA Agreement), enshrining the objective of a homogeneous EEA in which there is free movement of goods, persons, services and capital;
- C. Noting the reinforced subsidiarity principle set out in the Lisbon Treaty and its explicit reference to the local and regional dimension and self-government;
- D. Acknowledging the impact of European Union law and policy on local and regional authorities in the EEA EFTA States through the EEA Agreement;
- E. Noting the role of the Forum as a body in the EFTA structure:
 - 1. Welcomes the economic benefits that the collaborative economy may bring for the EEA EFTA States, and its potential to promote increased efficiency, innovation, growth and jobs;
 - 2. Is of the view that the new collaborative economy business models can contribute to better and more sustainable distribution and utilisation of goods and services, create new jobs, improve choices and lower prices for consumers;
 - 3. Notes the disruptive innovation in some sectors and the subsequent pressure on traditional business activities in markets such as passenger transport, housing and tourist accommodation;
 - 4. Emphasises the societal and regulatory challenges arising from the collaborative economy, and that an efficient and proportional regulatory regime is needed in order to realise the full and long-term potential of the collaborative economy;
 - 5. Stresses that although regulation of the new fields covered by the term collaborative economy is mainly the competence of national authorities, local and regional authorities are responsible for the monitoring and management of the regulatory measures in many sectors, e.g. business authorization and licenses in for passenger transport and letting of buildings;

6. Underlines that the current legislative framework needs to be scrutinised in order to identify any regulatory gaps and the need for additional legislation to address the specific aspects of the collaborative economy, in particular in consumer protection, taxation, housing and the labour market;
7. Highlights the need for a thorough evaluation and assessment of the taxi and private hire industry, as well as the housing sector in the EEA EFTA States;
8. Highlights that many collaborative economy initiatives impact local authorities, for instance the property market through increasing prices and shortage of rental housing as homes are converted to tourist accommodation. Collaborative economy car services have also influenced prices and working conditions in the transport services;
9. Underlines that some collaborative activities are carried out in the black economy without the relevant dues and taxes being paid. The Forum calls on collaborative economy platforms, in particular in the accommodation sector to require their providers to pay the relevant taxes, and that it be mandatory to collect such taxes on all reservations, in order to remit them to the appropriate authorities;
10. Highlights the need to monitor developments closely in the collaborative economy, with a view to identifying opportunities and challenges which may impact the public and private labour market;
11. Is of the view that untimely and overly rigid regulation may inhibit good ideas, innovation and efficiency, and may underpin inefficient business models and established structures;
12. Supports the establishment of an EEA information portal where consumers, platforms and service providers may find information on the rights and duties related to the collaborative economy;
13. Encourages the European Union to work closely with the EEA EFTA States when developing new EEA-relevant legislation governing the collaborative economy;
14. Instructs the Secretariat to forward this Opinion to the EFTA Standing Committee at Ministerial level.