Meeting with Wolt CEO Miki KUUŠI
Bilateral discussion on the platform work initiative

Virtual meeting, 09/06/2021

CAB room VTC

11:00 – 11:30

Member of Cabinet in charge:
Ana Carla PEREIRA

Briefing coordination:

Main contributors:
**Scene setter**

You are meeting with Wolt CEO Mr Miki KUUSI.

This discussion will revolve around the Commission’s forthcoming initiative on platform work. This is an increasingly sensitive topic for Wolt, a fast-growing platform from Finland which fears its business model based on self-employed drivers might be threatened if the EU initiative leads to their reclassification as workers.

Mr KUUSI's pivot might build on Wolt’s co-drafting of the *Statement of Principles of EU technology platforms, a document committing four EU-based platforms (Bolt, Delivery Hero, Glovo and Wolt)* to a “purpose-driven business model” based on the European values and social model (cfr. Annex for more details).

**Mr KUUSI will make the case that people working through platforms should remain self-employed**, while being given more social rights and better social protection.

Wolt is not in principle against a third category status, but does not actively advocate it. Wolt is experimenting with the employee status in Germany. At the same time they warn against potential effects of reclassification in Finland, where the Labour Council issued an opinion that couriers should be classified as employees.

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Speaking points

[General remarks]

- **Wolt is a very important player in Europe’s platform economy**, providing job opportunities to tens of thousands of people, as well as a service that is appreciated by consumers.

- The European Commission appreciates the benefits of the platform economy and of platform companies such as Wolt and wants to make sure that these benefits are spread equally and accessed fairly.

- **Challenges remain**, particularly as regards the correct classification of the employment status of many people working through platforms, as well as the transparency and accountability of algorithmic management and surveillance.

- The Commission is looking into these issues in the context of its forthcoming initiative on platform work, while keeping an eye on the development of courts’ relevant jurisprudence.

- The Commission is of course **very keen to hear the views of platforms and of people working through them**.

[On the Statement of Principles of EU technology platforms]

- Your *Statement of Principles of EU technology platforms* is an important step towards building a **sustainable business model** for platform work, balancing flexibility and decent working conditions.

- I read the statement with great interest and appreciated the three actions to which you commit in order to strengthen the European social model and make innovation work for all.

[On the Commission’s initiative]

- As you will know, the Commission is looking into ways to improve the working conditions in platform work and, on 24 February, launched a two-stage social partners’ consultation on the matter.

- The first stage, which ended on 7 April, asked workers’ and employers’ representatives for their views on the direction of a possible EU initiative on the working conditions in platform work.

- The second stage, which will be launched on 16 June, will ask social partners for their views on the content of such an initiative.

- If they decide not to enter negotiations on the matter, the Commission will possibly put forward a legislative initiative by the end of 2021.
• Our objective is to ensure that those working through platforms are protected by minimum standards regarding working conditions and thus contribute to a sustainable development of the platform economy.

• We need to address issues that are fairly “traditional” such as access to social rights already available for other workers but also new phenomena that are totally new such as algorithmic management.

• The cross-border dimension is particularly important if we wish to develop a strong digital single market. Determining the jurisdiction of where the activity takes place will have implications for access to the access to social rights.

• An EU intervention will certainly help to decrease the level of legal uncertainty now faced by platforms operating in different Member States.

**Defensives**

*Wolt is keen to provide more social protection and growth opportunities such as insurance and re-skilling programmes to its drivers and riders. However, we fear this may prompt their reclassification from self-employed to workers.*

• The Commission welcomes Wolt’s and any other company’s initiatives to improve the working conditions of people on platforms.

• The reclassification of people from self-employed to workers is an empirical exercise, based on evidence and facts.

• So far, the courts have not based their rulings on reclassification on the provision of social protection or growth opportunities by platforms, but rather on the finding that the people concerned were in a position of subordination vis-à-vis the platform.

• The key question is how much control a platform exerts over a person’s provision of a service, be it directly or indirectly through the use of algorithms.

*Will the Commission’s initiative reclassify people on platforms from self-employed to workers?*

• The employment status of people working through platforms is one of the issues that the Commission is looking into in the context of its potential legislative initiative.

• We are observing the courts’ growing jurisprudence on the matter, and see that reclassifications take place when evidence points to a misclassification as self-employed, despite a factual relationship of subordination.
The Commission is aware that different platforms have different business models. In our potential legislative initiative we will aim to balance flexibility with improved protection for people working through platforms.

**Will the Commission’s initiative introduce a European third category status for people working through platforms?**

- The Commission is very aware of Member States’ different sensitivities on social policy and does not intend to create a European definition of what is and what is not a worker.
- We want to ensure decent working conditions for people working through platforms and legal certainty for platform companies to continue offering their services.
- In light of this, and based on the evidence gathered so far, a third category status does not seem to be the best approach to regulate platform work.

**Background**

*[On the platform work initiative]*

The Commission President’s Political Guidelines commit to look into ways to improve the working conditions of people working through platforms.

The Commission Work Programme for 2021 includes a **legislative initiative under Article 153 TFEU** to improve the working conditions in platform work.

After extensive fact-finding, part of which is still ongoing, the Commission launched a two-stage social partners’ consultation on the matter on 24 February.

The first stage, asking for views on the direction of a possible initiative, ended on 7 April. It received 14 responses from officially recognised social partners.

**The second stage, which will ask for social partners’ views on the content of a possible initiative, will be launched on 16 June.** If social partners decide not to enter negotiations, the Commission will possibly present a legislative proposal by the end of 2021.

We have already engaged in extensive exchanges with other stakeholders at both political and technical level in the run up to the launch of the social partners consultation.

Wolt representatives have met with the Commission, both at Cabinet and services level, bilaterally and in stakeholder fact-finding workshops, at least 6 times since October 2019.
The Open Public Consultation launched in the summer of 2020 in the context of the Digital Services Act (DSA) already included a section on the situation of self-employed people working through platforms.

It is not yet decided if another open public consultation would be organised but in any case we will continue to discuss with different stakeholders throughout the process leading up to a possible Commission proposal.

[Wolt: business profile]

Wolt was founded in Helsinki, Finland in 2014 by tech start-upper Miki KUUSI, alongside other partners. Wolt is today active in 160+ cities and 23 countries worldwide, including 16 EU Member States (CY, CZ, DE, DK, EE, FI, EL, HU, LV, LT, MT, PL, SK, SI and SE).

Wolt calls itself a “technology company” and according to the Financial Times\(^1\), was 2020’s fastest growing tech company in Europe. Wolt has over 85,000 couriers and works with over 40,000 restaurants worldwide.

Wolt has raised $856 million in funding from investors such as ICONIQ Capital, Tiger Global, DST, Prosus, KKR, Coatue, 83North, Goldman Sachs, Highland Europe and EQT Ventures & EQT Growth, among others.

[Wolt’s stance on the EU initiative on platform work]

Wolt supports the EU’s effort at bringing legal clarity in the platform economy through harmonised rules and has often cited the P2B regulation as a best practice.

Wolt is opposed to the reclassification of ride-hailing drivers from self-employed to workers. However, they have in the past expressed openness to the idea of a third category status.

In October 2020 the Finnish “Labour Council”, an independent body operating under the Ministry of Economic Affairs and Employment, and issues statements about employment protection and regulation issued a statement declaring that platform workers providing food delivery services, including for Wolt, should be considered employees of the platform, and not self-employed. The statement is quite recent, and thus it remains to be seen what effect this will have on the actual working status of platform workers. Wolt published an opinion indicating that reclassification into worker status would lead to lower number of jobs, loss of flexibility and lower earnings of the couriers.\(^2\)

In January 2021, Wolt expanded to Germany and launched a pilot project by which it employs its German riders. Wolt claims this is possible in Germany thanks to the flexible labour market rules. The results of the pilot are yet to be disclosed.

\(^1\) Article available online.
\(^2\) Wolt blog available online.
Wolt claims that the only type of control exerted over couriers is that of ‘gatekeeping’: they fix a maximum number of couriers per any given market, beyond which hires are blocked. Couriers are paid per delivery completed, not per hour worked.

In Denmark, where it has +2000 couriers and has been facing increasing pressure to classify them as employees, Wolt has been in talks with trade unions (including 3F, which already struck a deal with household services platform ‘Hilfr’) on the possibility of entering a collective agreement.

In a meeting with the Commission’s DG EMPL on 29 January 2021, Wolt confirmed it would participate in the Social Partners’ Consultation via engagement with Business Europe and national employers’ organisations.

[Overview of national court rulings concerning Wolt]

In October 2020, the Finnish Labour Council (an independent special authority under the Finnish Ministry of Economic Affairs and Employment) issued a legally non-binding opinion defining food-delivery couriers working for Foodora and Wolt as “employees”, not independent contractors.³

The council stressed that its opinion only applied to couriers who have signed a contracts as individuals, not through a third party like a temporary work agency.

Wolt responded with a blog post, arguing that it respected the opinion but did not share the analysis behind it, stressing that if it had to employ its drivers it would go bust.

[Miki KUUSI’s CV]

Mikko “Miki” KUUSI (born September 25, 1989 in Helsinki) is a Finnish startup entrepreneur. Since 2014, he has been the CEO of the technology company Wolt, which he co-founded.

KUUSI is known as one of the founders of the growth business event series “Slush”. He served as the first CEO of the event series from 2011 to 2015, when he switched entirely to Wolt.

KUUSI previously worked for the gaming company Supercell as a business analyst, He studied finance at the Aalto University School of Economics.

In September 2015, he was 32nd in Wired’s list of Europe’s 100 Most Influential Technology Influencers. He was also named one of Forbes' 30 most significant consumer technology players under the age of 30 in January 2016.

³ Article available online.
Annex

Wolt’s co-drafted *Statement of Principles of EU technology platforms*

[SoP food delivery platforms.pdf](SoP_food_delivery_platforms.pdf)

FLASH REPORT - Meeting between Bolt and DG EMPL - 24/06/2020

[FLASH REPORT - Meeting between CAB](FLASH_REPORT_Meeting_between_CAB.pdf)