

Independent work in the EU ride-hailing sector

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About Bolt

Bolt, founded in Estonia in 2013, is the leading European ride-hailing platform. Bolt operates in over 200 cities in more than 40 countries around the world, including **18 EU Member States**. Over 50 million passengers and more than 1.5 million drivers globally use Bolt's platform. 400,000 Bolt drivers provide transport services in European Union Member States. **Bolt believes that it is the second largest direct provider of flexibly engaged work within the EU.**

The danger of a "one size fits all" approach to platform work

Platform work is today very much at the center of debates within the European institutions. While this debate is timely, Bolt would like to stress that **there are many different types of platform work** and that **the specific status of ride-hailing drivers in the European Union should be carefully looked at with an evidence-led approach** before any potential new regulation is decided. Platform work as a whole does not represent a homogeneous sector and cannot be approached in a single, uniform manner.

Reclassifying all drivers as employees would put at high risk the EU ride-hailing sector

Bolt strongly believes that the issues at stake in the United States, where drivers earn lower revenue, bear little relationship to issues in the EU. Requiring platforms such as Bolt to shift to a business model in which all drivers are employed would be a major threat for the hundreds of thousands of ride-hailing drivers in Europe as their number would be highly decreased given the non-bearable cost of such employment for the platforms. **Bolt currently has over 400,000 drivers providing services on its platform in Europe. If Bolt was forced to employ them, that number would fall by more than half and fare prices would get more expensive for European passengers.** European policy-making institutions should carefully consider the impact of less well functioning ride-hailing services for European citizens as such services would lose their capacity to meet the transport needs in real time. Bolt, one of the very few European technology companies able to compete with global tech giants, would be strongly harmed. Bolt therefore urges the policy-makers not to strike at the very heart of Bolt's business model and thereby weaken the personal choice of individuals who want and have chosen to be self-employed.

Bolt drivers enjoy revenues above the minimum wage

Bolt believes the drivers enjoy decent working conditions as Bolt drivers have higher revenues than on competing platforms and especially compared to US drivers. Within the ride-hailing market, Bolt charges drivers one of the lowest levels of commission on the price paid by the passenger to the driver (typically 15%). In fact, Bolt's internal studies show that **Bolt's drivers**

in European Member States earn revenues higher than the national minimum wage and often up to two to three times higher (see annexed drivers' earnings graph).

Ride-hailing drivers are professionals

Ride-hailing drivers are professionals who are **licensed, regulated and registered by national and local competent authorities**. In all of Bolt's European markets, drivers hold a specific license often earned after taking an exam, in a similar manner as taxi drivers.

The independence of drivers versus platforms is at the heart of the ride-hailing sector

A key element of the ride-hailing sector is that **drivers can connect to any platform they wish to, meaning that there is no exclusivity of the relationship between a driver and a platform**. Most drivers are connected to several platforms, often simultaneously, when they are waiting for a ride in order to choose the journey with the best value. Ride-hailing platforms are in a situation where they compete to attract the drivers by offering the best value proposition.

Drivers set their own working hours

Drivers can also connect and disconnect **whenever they want, there are no shift patterns**. Working hours vary greatly among the drivers depending on the fact that this is their main activity or that it comes in addition to another professional activity or occupation. A high proportion of Bolt drivers - 50% in Bolt's home market of Estonia - are connected less than 20 hours a week, so are either supplementing their wages from other employment, or are providing services, fitting work in around study, child-care or care of sick or elderly relatives. It is important to note that the overwhelming majority of drivers say they need this flexibility - in comparison to conventional employment patterns such as shift work - and want to remain in full control of their working schedule.

The vast majority of drivers value flexibility and are not asking to be employed

Bolt's April 2021 survey¹ results are overwhelmingly clear: drivers prefer the flexibility of being able to set their own hours and want the earnings premium over the minimum wage which they receive, to conventional employment patterns. **85% of drivers told us that they prefer having the freedom to choose when they drive instead of working in a set shift. 70% of drivers stated that they prefer switching between platforms instead of working on a single platform. 84% of drivers said they value a flexible schedule (46%) or higher earnings (38%) more than social protection (12%), paid holidays (2%) or sick leave.**

The ride-hailing industry: a work opportunity for all

It should also be noted that many ride-hailing drivers belong to groups which are often discriminated against in the EU job market, may it be for reasons of nationality, ethnicity, education or age. **Ride-hailing platforms have been able to offer professional opportunities, with decent revenues and working conditions, to hundreds of thousands of people around Europe when other sectors did not.**

¹ Bolt April 2021 survey: responses of 4,500 Bolt drivers in France, Sweden, the Netherlands, Portugal, Croatia, Estonia, Lithuania and Latvia

The relationship between a platform and self-employed drivers is already regulated

The majority of ride-hailing drivers are self-employed and many operate under a microbusiness status. The relationship between the platform and such drivers is therefore **regulated since July 2020 by the EU Platform-to-Business Regulation 2019/1150** which provides, for example, for a notice period for any change of the terms and conditions of the platform and mandates an appeal mechanism if the relationship between the platform and the driver is to be terminated.

An evidence-led approach is necessary to avoid detrimental consequences

The ride-hailing industry is one with a long tradition of recent arrivals to Europe taking their first steps into the labour market. And when times are hard, providing ground transport services is one area to which European citizens have historically turned to keep their families financially afloat. Of course, Bolt absolutely supports the fact that abusive labour market practices must be eradicated in the transport field, just as they must in construction, hospitality and agriculture, all economic sectors which feature at-scale use of flexibly engaged workforces. But **Bolt urges European institutions to take an evidence-led approach to policy-making and consider the unintended consequences of any potential change in the regulation.**

