BTO - Claire Bury meeting TechUK/Codac delegation of online platforms

Participants:

TechUK:

Start-ups: Yoti, Captain Train, Vrumi, Under the Doormat, Hiyacar, Setting.io

CONNECT: Claire Bury, (F1)

Main points:

TechUK and Codac invited a selection of smaller and larger online platforms to Brussels to demonstrate the variety of new business models: https://www.techuk.org/events/panel-debate/item/8188-small-european-online-platforms-discuss-with-eu-commission-and-parl…

The companies briefly introduced themselves:

Yoti (UK) - online platform enabling ID verification online
Captain Train (FR) - online platform enabling train ticket sales
Vrumi (UK) - online platform facilitating workplace sharing
Under the Doormat (UK) - online platform for holiday home rentals
Hiyacar (UK) - online platform enabling private car rentals
Setting.io (DE) - online platform enabling work space bookings

Key obstacles to growth: start-ups are run by determined entrepreneurs who can overcome obstacles, but the challenge is scaling up cross border. Differences in insurance and property law, and consumer rules create obstacles for platforms to expand cross border. Some of the current regulation is outdated.

Data collection and use: Data is the defining difference between the physical and digital worlds. It should be as open and transparent as possible; however consumers need to be aware of the data companies collect.

With everything being highly automated, open data can facilitates work of insurance brokers and increase trust among customers and suppliers.

The data collected by online platforms can be useful for public authorities, e.g. Hiyacar share traffic data with the local authorities by equipping cars with tracking devices. Online platforms can assist tax authorities by making users aware of their obligations. However, in the UK HMRC requests data on a format which is too cumbersome for start-ups.
Thresholds: should there be thresholds for small businesses for when regulation should kick in? There is a risk of bad reputation to the other companies if businesses are exempt from regulation; furthermore if accidents happen, e.g. in the markets for home or car rentals, the consequences to individuals can be significant.

Tax: tax break for start-ups have spurred significant growth of start-ups in UK.

Next steps with regard to platform initiatives: There are two different approaches to regulation; either authorities can stay away and create space for innovation to take place, or they can put in place a (horizontal) frameworks up front. The Commission needs to strike the right balance and avoid Member States going in different directions.

The Commission will publish the outcome of the public consultation on online platforms in April and present its Communication end May. Around the same time the Commission will publish its guidelines on how existing regulation may apply to the collaborative economy.