

Report from the meeting between CAB Schmit members and Bolt representatives

Thursday 7 May 2020, videoconference

Participants:

- Mr Dominick Moxon-Tritsch, Bolt, Director of Regulation & Public Policy
- Mr Aurélien Pozzana, Bolt, Head of Public Policy for Western Europe and EU
- Ms Ana Carla Pereira, Cabinet Expert, Cabinet of Commissioner Schmit
- Mr Fabien Dell, Cabinet Member, Cabinet of Commissioner Schmit
- [REDACTED] Policy Officer, DG Employment, Social affairs and Inclusion

Bolt presented itself as the leading European company for transport through platforms. Founded in Estonia, it is active in 35 countries worldwide, including 15 MS (AT, CY, CZ, EE, ES, FR, HR, HU, LT, LV, MT, PL, PT, RO, SE) and the UK. It calls itself a “multi-model online transport company”, referring to its core business (on-demand ride-hailing) as well as to its new side-services like micro-mobility (electric bike and scooters rental) and its growing delivery services (mostly meals prepared by third-party restaurants, but increasingly groceries from supermarkets and other goods as well).

Bolt claims to be “the European answer to global giants in the platform sector”, stressing that its business model is different from that of competitors like Uber: its strategy consists in taking smaller commission fees from drivers and allowing them high flexibility of choice, in terms of turning down tasks and working for other platforms. Bolt has 300.000 drivers registered in Europe, avowedly making it the bloc’s second company after Uber in terms of self-employed opportunities offered through online platforms.

Bolt stressed the “European” nature of the company, which leads it to work in a collaborative way with drivers. It claims to have never been kicked out of a market for anti-competitive or non-compliant behaviour, and to have never experienced a strike of its drivers.

Bolt said that, when asked, its drivers persistently confirm that they want to stay independent, because in this way they can “optimise revenues by deciding how much and when and with whom to work”. **Bolt therefore insisted that drivers would overwhelmingly oppose a re-classification to an employee status**, which would prevent them from earning the current “premium”, i.e. the difference between the minimum wage that national regulations would grant and what they currently earn. Bolt claims that, **if drivers were to be re-classified as employees they would experience up to a two-thirds wage cut**. Drivers have reportedly stated that they want to keep accessing “the premium” they get by driving with Bolt, since it charges a very low commission fee compared to its competitors.

Bolt also applies its “European model” of low fees and flexibility to its non-European markets: Kenyan Bolt drivers are reportedly earning up to 4 times the national minimum wage. Similar premiums are to be found in MS as well. Bolt drivers in MT, HU, SK, LV and EE have median revenues equal to 4/5 times the national minimum wage. In HR it’s 3 times as much.

Bolt also stressed that it offers an opportunity for entering the labour market to traditionally discriminated categories of workers, including migrants and individuals from low-income urban areas, as is the case e.g. in FR’s *banlieues*. Hence its claim that re-classifying Bolt drivers as employees would

induce a wage- and personnel- cut that would affect the poorest and hinder labour market access opportunities.

COM asked what are the main differences encountered by Bolt's business operations across MS. Bolt said it is mostly a question of transport regulations, rather than employment rules. Countries like IT have completely banned transport platforms. Despite this, **up to 30% of Bolt passengers use the service in more than 1 MS. The absence of alignment in transport regulations is the most serious threat to Bolt's business**, as it distorts the market and creates regulatory hurdles.

Given Bolt's claim that it is "in constant dialogue with drivers", COM asked whether there is an organisational entity through which drivers can speak to Bolt with one voice. **Bolt said that in some markets it is getting close to *de facto* trade union recognition**. In the UK it has a partnership with GMB, having asked it to help it put together a financial assistance package for combatting the effects of Covid-19 on its workforce. Bolt is trying to replicate such model in the EU as well through vaguely defined "different mechanisms" to listen to drivers' voices.

Bolt said it is also rolling out new app features to empower drivers vis-à-vis clients, for instance by giving them information on the destination of the forthcoming ride before they accept it. **Bolt made it evident that the re-classification of the drivers' employment status is its main fear, claiming it would threaten tens of thousands of jobs.**

COM said that the September conference announced by Commissioner Schmit will unfortunately not be possible due to Covid-19. In light of this, COM is looking into alternative ways of consulting relevant stakeholders. One of COM's main concerns is the working conditions of platform workers and how these are affected by the platform work model.

Bolt said that the P2B regulation (*which applies as of July 2020*) has had the effect of introducing employment-like protection in many business-to-business relationships. The P2B's notice period for termination decisions and the appeal mechanism were cited as examples. Bolt claims to support the P2B's provisions.

COM said its services are looking into the issue from a multi-dimensional viewpoint. There are ongoing reflections on the issue of collective bargaining for self-employed people. COM said it is also looking into issues such as algorithmic management and the relationship between the task-performer and the task-manager. COM said that its recently published study on platform work commissioned to CEPS gives a good picture of the issues it is looking in in view of the announced initiative on platform work. For now, there aren't any decisions taken as regards the specific path to take.

COM asked BOLT if it is applying its same "European" model of low fees and flexibility to its food-delivery riders as well, and whether data on earnings and hours worked similar to that discussed for drivers was available for sharing. Bolt confirmed the model is the same and that such data will be available in circa 3 months, most notably for LV, LT and EE. **It is willing to offer COM the opportunity to run a statistical survey among its drivers on their satisfaction with their working conditions.**