

# Article – Infographic: the increasing popularity of the collaborative economy

Online platforms such as Uber, Airbnb and Deliveroo that match providers of goods and services with consumers have become household names in just a few years. The total transactions' value for the four main sectors involved in the so-called collaborative economy already reached €28 billion in the EU in 2015, nearly double that of 2014. However, this new business model also comes with challenges and opportunities, which are dealt with in a report adopted by the internal market committee on 3 May.

## **How the collaborative economy works**

Each transaction usually involves three parties: the consumer paying for the service, the provider who gets the income and the platform, which matches the two together and takes a fixed commission on the payment.

One of the core ideas is to unlock the value of unused or under-used assets. This could for example be an empty room in an apartment, which could be rented out to visitors. Usually no change of ownership is involved.

Not all collaborative platforms are geared towards generating a profit. Some use alternative, non-monetary currencies such as time or favours, others simply rely on voluntary contribution of their users. One of the best examples is the online encyclopaedia Wikipedia which since launching in 2001 has become the largest encyclopaedia in existence with nearly 5.4 million articles in English.

Collaborative platforms can also be an effective tool for bringing local communities together in the pursuit of common goals.

## **Challenges**

The success of collaborative platforms has raised concerns regarding workers' rights and unfair advantages these firms might enjoy over traditional companies that are bound by stricter legal regulations. Read more about the controversies surrounding the collaborative economy in our [in-depth background article](#).

Fair working conditions and adequate protection should be guaranteed for all workers in the collaborative economy, according to the report adopted by the internal market committee on 3 May.

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# Showcasing New Trade and Business Opportunities for Jordan and the EU

The meeting showcased the “EU Rules of Origin Initiative” that aims to mitigate the effects of the Syrian refugee crisis on the Jordanian economy. Thanks to the initiative launched last year Jordanian exporters benefit now from an extra flexibility as it comes to the use of foreign components. This helps them take better advantage of the tariff-free access to the EU market under the EU-Jordan Association Agreement.

European Commissioner for Trade Cecilia Malmström said: *“We have come a long way in less than a year in taking forward our initiative aimed at supporting the Jordanian economy and mitigating the effects of the Syrian refugee crisis, by making it easier for products from Jordan to get into the EU market. Today’s event highlighted the business and investment opportunities that our initiative has helped to create. I look forward to continue working with Jordanian authorities to maximise the impact of that initiative.”*

EU Commissioner for European Neighbourhood Policy and Enlargement Negotiations Johannes Hahn said: *“The EU is doing its utmost to support its partner and neighbour Jordan in addressing the consequences of the Syrian refugee crisis. We remain committed to working with the Jordanian government to step up its efforts in guaranteeing an improved business climate as well as with the Jordanian private sector to ease access to credit, business services and international expertise.”*

Today’s meeting brings together prominent political and business representatives from the EU and Jordan. It builds upon outcomes of the earlier conferences related to the Syrian refugee crises held in [Brussels](#) in April this year and in London in February 2016. Those meetings resulted in a strong international commitment to strengthen Jordan’s resilience and economic development. In the result, the EU reviewed the rules of origin protocol of the EU-Jordan Association Agreement and complemented the change with financial and technical assistance.

## **EU-Jordan Rules of Origin Agreement**

In July 2016, the EU and Jordan agreed on a simplification of the rules of origin applicable in their bilateral trade. This allows producers in Jordan to use an alternative set of rules of origin for exports to the EU, provided that production takes place in one of the 18 geographic zones in Jordan and includes the creation of jobs for Syrian refugees. The new scheme applies to 52 different product categories including textiles and garments, engineering and electrical products, chemical products, plastic products, and furniture and wood products. This initiative is already opening up new opportunities for trade with the EU, and its use should now be accelerated.

The meeting brings together high profile actors from the EU and Jordan to explore the possibilities generated by the revised Rules of Origin Agreement

and efforts to enhance the investment climate in Jordan for business and investment in industrial sectors. It includes a panel discussion with EU and Jordanian business representatives. The meeting is part of a longer-term EU engagement to support private sector development and investment and trade opportunities for Jordanian stakeholders.

## **Background**

As a result of the prolonged civil conflict in neighbouring Syria, Jordan is currently hosting over 1.3 million Syrians, including over 658,000 refugees registered by UNHCR. This influx has caused a major economic shock and has undermined the country's resilience. The Syrian Crisis and wider instability in the region have disrupted Jordan's traditional trade patterns and affected inward investment. The EU has been assisting Jordan in its efforts to deal with this crisis. In this regard, the rules of origin initiative is only one element of the EU's support to Jordan and is complemented by EU's financial support to areas such as private sector development and business climate reforms, support to SMEs and start-ups, or vocational training initiatives.

## ***Rules of Origin***

Rules of origin are the technical criteria which determine whether a specific product qualifies for duty free or other preferential treatment under a given trade agreement.

The agreed simplification under the EU-Jordan rules of origin agreement covers a wide range of manufactured products and includes items that Jordan currently exports in small volumes to the EU and others where there is currently no trade. The alternative rules of origin now available for Jordanian exports to the EU are similar to those applied by the EU to imports from Least-Developed Countries under the EU's "Everything But Arms" initiative – however, with an additional condition that Jordanian producers must have a workforce comprising of 15% Syrian refugees, rising to 25% after three years, and that production must take place in one of the 18 specific zones identified in the agreement.

A mid-term review in 2020 will consider whether any changes should be made in light of experience.

## ***EU-Jordan Association Agreement and Trade Relations***

The EU's Association Agreement with Jordan entered into force on 1 May 2002. It progressively established a Free Trade Area between the EU and Jordan over a period of 12 years. In addition, an agreement on further liberalisation of agricultural products entered into force in 2007.

In 2016, the EU was Jordan's most important trading partner with total trade in goods amounting to €4.4 billion. The structure of Jordan's exports is currently concentrated in a limited number of sectors, such as clothing, phosphates and phosphate-based fertilizers, chemicals, machinery and transport equipment.

In the spirit of the revised European Neighbourhood Policy, the EU and Jordan

agreed in December 2016 on EU-Jordan [Partnership Priorities](#) and a [Compact](#), confirming an ambitious agenda for cooperation across different domains. The revised rules of origin mechanism and corresponding cooperation between the EU and Jordan on trade and economic cooperation are an integral part of the Compact.

### **For More Information**

EU assistance to Jordan:

[https://ec.europa.eu/neighbourhood-enlargement/neighbourhood/countries/jordan\\_en](https://ec.europa.eu/neighbourhood-enlargement/neighbourhood/countries/jordan_en)

EU-Jordan trade relations:

<http://ec.europa.eu/trade/policy/countries-and-regions/countries/jordan/>

EU Delegation to Jordan: [https://eeas.europa.eu/delegations/jordan\\_en](https://eeas.europa.eu/delegations/jordan_en)

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## **Daily News 03 / 05 / 2017**

### **European Commission takes next step in Article 50 process by recommending draft negotiating directives**

The College of Commissioners has today sent a recommendation to the Council to open the Article 50 negotiations with the United Kingdom. It includes draft negotiating directives. This legal mandate follows the adoption on Saturday by the European Council of political guidelines. Today's text complements the guidelines and provides the necessary details to conduct the first phase of the negotiations. This reflects the two-phased approach established by the European Council and prioritises those matters which are necessary to ensure an orderly withdrawal of the United Kingdom from the Union. Today's recommendation will be sent to the Council, where it is set to be adopted by the General Affairs Council on 22 May. A full press release is available [here](#). (For more information: Margaritis Schinas – Tel.: +32 229 60524; Mina Andreeva – Tel.: +32 229 91382; Daniel Ferrie: +32 229 86500)

### **Eurobarometer survey shows overwhelming public support for EU role in emergency response**

The European Commission has published today the results of the Eurobarometer survey of public attitudes to the European Union's role in emergency response. 88% of respondents felt it important that the EU fund humanitarian aid activities and 90% said it was important that the EU help to coordinate the response to disasters in the EU through its civil protection role. *"The 2017 results show a continuing and overwhelming level of public support for EU action on humanitarian aid and civil protection. The European Union is a global humanitarian leader. When a disaster hits, there are no borders and the public support the EU helping in emergency response both at home and*

abroad. I am determined that the Commission will continue to deliver on this vote of confidence by European citizens”, said Christos **Stylianides**, Commissioner for Humanitarian Aid and Crisis Management. The survey also shows that most EU citizens (56%) do not think their own country has sufficient means to deal with all major disasters on their own. For further details, see the [press release](#). (For more information: Carlos Martin Ruiz de Gordejuela – Tel.: +32 229 65322; Daniel Puglisi: +32 2 296 91 40).

### **State Aid: Commission approves aid to inland waterway transport in Slovakia**

The European Commission has endorsed a Slovak scheme to support inland waterway transportation by exempting all commercial operators from paying excise duty on fuel for inland waterway boats. The aim of the measure is to boost the shift of freight traffic in Slovakia from road to inland waterways. Supporting a mode of transport that is less polluting than road will have a positive impact on the environment. The aid scheme will cover a period of 10 years with a budget of approximately €38.4 million. The Commission concluded that the scheme will promote a sustainable shift from road to inland waterway transport in line with EU state aid rules. More information will be available on the Commission’s [competition](#) website, in the [public case register](#) under the case number SA.46046. (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Yizhou Ren – Tel.: +32 229 94889)

### **Eurostat: Estimation rapide préliminaire pour le premier trimestre 2017 – Le PIB en hausse de 0,5% dans la zone euro et de 0,4% dans l’UE28: +1,7% et +1,9% respectivement par rapport au premier trimestre 2016**

Au cours du premier trimestre 2017, le PIB corrigé des variations saisonnières a augmenté de 0,5% dans la zone euro (ZE19) et de 0,4% dans l’UE28 par rapport au trimestre précédent, selon l’estimation rapide préliminaire publiée par Eurostat, l’office statistique de l’Union européenne. Au cours du quatrième trimestre 2016, le PIB avait progressé de 0,5% dans la zone euro et de 0,6% dans l’UE28. En comparaison avec le même trimestre de l’année précédente, le PIB corrigé des variations saisonnières a enregistré une hausse de 1,7% dans la zone euro et de 1,9% dans l’UE28 au premier trimestre 2017, après +1,8% et +1,9% au quatrième trimestre 2016. Un communiqué de presse est disponible [ici](#). (Pour plus d’informations: Annika Breidhardt – Tel.: +32 229 56153; Juliana Dahl – Tel.: +32 229 59914)

### **Eurostat: Les prix à la production industrielle en baisse de 0,3% dans la zone euro – En baisse de 0,2% dans l’UE28**

En mars 2017 par rapport à février 2017, les prix à la production industrielle ont diminué de 0,3% dans la zone euro (ZE19) et de 0,2% dans l’UE28, selon les estimations d’Eurostat, l’office statistique de l’Union européenne. En février 2017, les prix étaient restés stables dans les deux zones. En mars 2017 par rapport à mars 2016, les prix à la production industrielle ont augmenté de 3,9% dans la zone euro et de 4,6% dans l’UE28.

Un communiqué de presse est disponible [ici](#). (Pour plus d'informations: Lucia Caudet – Tel.: + 32 229 56182; Maud Noyon – Tel.: +32 229 80379; Mirna Talko – Tel.: +32 229 87278)

## ANNOUNCEMENTS

### Vice-President Šefčovič on second Energy Union Tour to Belgium

On 4 May, Vice-President for Energy Union Maroš **Šefčovič** will bring the second Energy Union Tour to Belgium. Vice-President **Šefčovič** will hold a ministerial meeting with the Belgian Federal and Regional Energy Ministers of Energy. Belgium's long-term energy and climate vision will be at the heart of the discussion. The Vice-President will also engage with Members of the different Parliaments, together with civil society stakeholders, in the Federal Parliament for a debate on the implementation of the EU's 2030 energy and climate framework, the Energy Union governance (including the preparation of the Integrated [National Energy and Climate Plans](#)) and the Commission's [Clean Energy for All Europeans](#) package from November 2016. In Antwerp, **Šefčovič** will take part in the [Citizens Dialogue](#) "How the EU can finance cities to become smart cities?" and delivers a key note. Ahead of the visit, Vice-President **Šefčovič** said: "Europe is forging ahead with the clean energy transition. Whether it is with politicians, energy stakeholders or citizens, I look forward to discussing how it can be best driven in Belgium. The Energy Union is more than energy and climate alone. It is about accelerating the fundamental modernisation of Europe's entire economy, making it low-carbon, energy and resource efficient, in a socially fair manner. In this context, I particularly welcome on-going efforts by Belgian leaders to join forces for a Belgian Energy Pact". Upcoming dates and more information on the 2017 Energy Union tour are available [here](#). More information on Energy Union is available [here](#). (For more information: Anna-Kaisa Itkonen – Tel.: +32 229 56186; Nicole Bockstaller – Tel.: +32 229 52589)

### Commissioner Avramopoulos in Beijing

Commissioner for Migration, Home Affairs and Citizenship Dimitris **Avramopoulos** will be in Beijing, China, on Thursday and Friday (4-5 May) where, among others, he will meet with the Chinese State Councilor and Minister of Public Security Guo Shengkun. In Beijing, the Commissioner will officially launch the parallel negotiation for an EU-China visa facilitation agreement as well as an EU-China agreement for the cooperation on illegal migration. He will also more broadly discuss the perspectives of EU-China cooperation on security and migration issues. A press conference will take place tomorrow at 17:00 (local time) and will be available on [EBS](#). On Friday, Commissioner **Avramopoulos** will deliver a lecture on "EU-China partnership in a world of mobility and global security challenges" at the Peking University. (For more information: Natasha Bertaud – Tel.: +32 229 67456 ; Katarzyna Kolanko – Tel.: +32 229 63444)

## Commission appoints new Deputy Head of the European Political Strategy Centre

Today, the Commission appointed former Romanian Defence Minister Mihnea Motoc as Deputy Head of the Commission's in-house think tank, the European Political Strategy Centre. He will in particular work on the Commission's European Security and Defence priorities. Mihnea Motoc has had a distinguished career in Romania's diplomatic service and government, most recently as Romania's Minister of National Defence. In light of his vast experience and strong network in Brussels and across Europe, Mihnea Motoc will provide valuable strategic advice to President Jean-Claude **Juncker** and the relevant Members of the College. He will join the European Political Strategy Centre on 16 May, in time to contribute to the up-coming Commission Reflection Paper on the future of European defence. Making Europe a stronger global actor when it comes to security and defence matters is one of President Jean-Claude Juncker's [Political Priorities](#). For further details, see full press release in [EN](#), [FR](#), [DE](#) and [RO](#). (For more information: Alexander Winterstein – Tel.: +32 229 93265)

[Upcoming events](#) of the European Commission (ex-Top News)

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## [Press release – Internal Market Committee calls for EU strategy on the collaborative economy – Committee on the Internal Market and Consumer Protection](#)

**The EU should reap “collaborative” economy benefits while ensuring fair competition, workers’ rights and tax compliance.**

In a non-binding resolution voted on Wednesday, MEPs stressed the need to address regulatory grey areas that cause significant differences among member states due to national and local regulations and case law. These new business models range from providing accommodation (e.g. Airbnb) and car journeys (e.g. Uber), to domestic services.

MEPs’ recommendations include, *inter alia*:

- **individual vs professional providers:** effective criteria for distinguishing between “peers” (e.g. individual citizens providing services on an occasional basis) and “professionals” is needed, with general principles at EU level and thresholds at national level (e.g.

based on income),

- **consumer rights:** information to consumers about the rules applicable to each transaction and their rights; collaborative platforms should put in place effective systems for complaints and for settling disputes,
- **workers' rights:** fair working conditions and adequate protection should be guaranteed for all workers in the collaborative economy; workers should also be able to transfer and accumulate users' electronic ratings and reviews, which constitute their "digital market value", and
- **taxation:** similar tax obligations should be applied to businesses providing comparable services, whether in the traditional economy or in the collaborative economy; MEPs advocate innovative solutions for improving tax compliance and call on platforms to collaborate to this end.

Regulation should, however, not restrict the collaborative economy, MEPs said, condemning in particular the regulations being imposed by some national authorities "which seek to restrict the supply of tourist accommodation".

### Quote

Internal Market and Consumer Protection Committee rapporteur, Nicola Danti (S&D, IT), said "The collaborative economy is a new phenomenon that bring us new opportunities as well several challenges. So we need an ambitious EU strategy to pave the way for a harmonised and dynamic 'ecosystem', consisting of specific rules and general principles".

"Our priorities should be to guarantee fair competition between traditional business sectors and the new collaborative economy world, to ensure a high level of consumer protection and to encourage the promotion of a European collaborative-model, which could contribute to a more sustainable development of EU society", he added.

### Next steps

The report, approved in committee by 31 votes to one, with three abstentions, is to be voted by the full House at the 12-15 June plenary session.

### Background

A 2016 [Eurobarometer](#) poll found that one person in six in the EU already used collaborative platforms. This report is Parliament's response to the

## Article – Jaromír Štětina: “Freedom of the press is a core condition of democracy”

“When freedom of the press ends, so does democracy. We’ve seen this in the past,” said MEP Jaromír Štětina. The Czech member of the EPP group is a former journalist who lost his job during the Prague Spring back in 1968 when the Warsaw Pact armies invaded Czechoslovakia. He has been a member of the European Parliament since 2014. On the occasion of World Press Freedom Day, we asked him about the importance of free media. Watch our video to find out what he had to say.

Štětina studied at the University of Economics, Prague, in 1961-1967. In 1968 he started working as a journalist for the newspaper Mladá Fronta. His work coincided with the Soviet occupation of Czechoslovakia, during which the Soviet army seized control of Mladá Fronta. Štětina was subsequently fired due to his disagreement over the Warsaw Pact armies entering Czechoslovakia. During the next 20 years he was employed at the Geological Survey, of which eight years were spent working as a miner.

He returned to journalism in 1989 when he co-founded the journalists union and started working at the re-established newspaper Lidové Noviny. In 1990 Štětina started working as a foreign correspondent in Moscow, where he covered numerous conflicts in the former Soviet Union. He worked in Moscow until he was expelled from Russia as a persona non grata.

In 1992 he started the Lidové Noviny Foundation as well as the People in Need Foundation. During 1993-1994 he was editor-in-chief of the Lidové Noviny newspaper. In 1994 he founded the independent journalist agency Epicentrum, dedicated to war reporting.

He entered politics in 2004 when he became a senator in the Czech republic. He served in the Czech senate for 10 years until becoming an MEP in 2014.