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Introduction

The sharing economy offers important opportunities to advance goals such as economic development, inclusion, sustainability and social connectedness. But it also presents important challenges. These opportunities can only be fully realized, and these challenges overcome or avoided, when stakeholders from the public, private, and non-profit sectors engage positively to ensure that public interest is at the heart of all activities in this emerging space.

In this guide, we present best practices that have been adopted to seize these opportunities and overcome challenges to maximize the benefit of the sharing economy to communities – as well as draw attention to persistent challenges that require further attention and governance innovation.

This guide is the product of a comprehensive, consultative research process. In early 2017, the Canadian Standards Association (CSA Group), in collaboration with the Standards Council of Canada; the Department of Innovation, Science and Economic Development; and Ryerson University, spearheaded the development of an International Workshop Agreement (IWA) as the first step towards the potential development of national or international standards to address consumer and public interest issues and challenges arising from the proliferation of sharing economy enterprises.

A year later, this guide examines steps that jurisdictions from across the world have taken to govern the sharing economy, and how these steps can be understood in the context of the aforementioned IWA and its 10 guiding principles (integrity; transparency; accountability; accessibility and inclusion; responsiveness; healthy, safety and environment; confidentiality, privacy and security; capacity; competence; and continual improvement).

The primary focus of this guide is to identify best practices that policymakers can adopt as they attempt

to address issues pertaining to sharing economy activities in their jurisdictions. The report is organized around the 10 principles set out in the IWA. For each principle, common challenges are identified, followed by responses and steps that jurisdictions have taken to overcome them. In each of these cases, best practices are identified for other jurisdictions to consider emulating. Finally, the guide closes with a brief discussion of areas that require further attention and innovation.

This guide, along with its companion [Implementation Tool](#), can also be used by other sharing economy stakeholders (consumers, providers, platform operators, etc.) to inform themselves on best practices and guide them in adopting practices and approaches that embody the 10 IWA guiding principles.

Apart from steps taken by the public sector in different jurisdictions, this report also highlights some key initiatives from the non-profit and private sectors. These include the Sharing Economy UK's TrustSeal kitemark, ShareNL's sharing promotion activities with the City of Amsterdam, and the Toronto and Region Conservation's Partners in Project Green initiative. These initiatives help demonstrate the vital importance of a healthy balance between public regulation and private responsibility.

Sharing Economy Best Practice Guide

I. INTEGRITY

IWA Guiding Principle: *“Decisions and activities are conducted in an honest, respectful and courteous manner, taking into account the interests of customers, and are communicated accurately.”¹*

Context: Ensuring that all participants act with integrity is an important prerequisite for a well-functioning sharing economy. However, it can be challenging to ensure that the basic standards of honesty and respect that are enshrined in law are put into practice. While sharing platforms have taken steps to promote integrity, there remain gaps that policymakers can help address.

¹ IWA 27:2017 “Guiding Principles and Framework for the Sharing Economy,” ISO, pg. 6.

Common Challenge 1: *Poor customer service*

Unlike traditional services such as hotels or taxis, sharing economy services are often detached from the services offered by providers who are generally treated by the platforms as independent contractors and not employees. This means that the quality of customer service can vary considerably.

Responses by Jurisdictions:

- To respond to neighbourhood concerns, the **City of San Luis Obispo** requires short-term rental hosts to have a designated responsible party available via telephone at all times and to always be within a 15 minute drive of the rental property while the rental is occurring.²
- One of the best ways to ensure a service's integrity is enabling customers to share their past experiences with providers through a reliable peer review mechanism. **Sharing Economy UK**, an industry association for sharing economy organizations in the United Kingdom, has created a kitemark called the TrustSeal. To be granted the TrustSeal, organizations must undergo an assessment process managed by Sharing Economy UK that includes an evaluation of the adherence of the organization to a set of eight principles by an expert panel.
- These principles are operationalized through the maintenance of a peer review mechanism that is supported by measures that ensure that reviews are connected to an actual use of a service and that the online identity of the poster corresponds to the correct real world identity.

Best Practice (Customer Service): Governments and regulators can best promote integrity in the sharing economy, and in customer service in particular, by encouraging the easy availability of as much high quality information about the market as possible. This can best be done by encouraging and supporting the development of industry standards requiring that platforms provide robust and reliable peer review mechanisms for their services.

Common Challenge 2: *Discrimination*

One area where governments have a critical role to play in the sharing economy is ensuring that illegal forms of discrimination, such as racial or gender discrimination, do not take place. Unfortunately, many sharing economy platforms have already been accused of enabling such discrimination³ and platforms often only respond after the fact.⁴ Thus, there remains a need to create systems to prevent discrimination from occurring in the first place. For ride-sourcing platforms,⁵ it has been suggested that the names of drivers and passengers be anonymized to prevent cancellation based on race or ethnicity. Other suggested measures include increasing penalties for cancellation and auditing drivers' cancellation records to check for bias.⁶ Clearly, regulatory and policy gaps in addressing the issue of discrimination in the sharing economy remain to be closed.

Responses by Jurisdictions:

- To ensure that hosts on Airbnb do not refuse to rent to guests on the basis of race, **California's** Department of Fair Employment and Housing (DFEH) signed an agreement⁷ with Airbnb that allows the state to conduct "fair housing testing" on certain hosts. DFEH tests for racial discrimination by setting test accounts with diverse racial profiles to check for discrimination by hosts.

² Hirshon, L. Jones, M. Levin, D. McCarthy, K. Morano, B. Simon, S. Rainwater, B. 2015. "Cities, the Sharing Economy and What's Next." Center for City Solutions and Applied Research; National League of Cities. pg. 22. <http://www.nlc.org/sites/default/files/2017-01/Report%20-%20%20Cities%20the%20Sharing%20Economy%20and%20Whats%20Next%20final.pdf>

³ Edelman, B. Luca, M. Svirsky, D. April 2017. "Racial Discrimination in the Sharing Economy: Evidence from a Field Experiment" *American Economic Journal: Applied Economics* 9(2) 1-22; and Ge, Y. Knittel, C. MacKenzie, D. Zoepf, S. October 2016. "Racial and Gender Discrimination in Transportation Network Companies" NBER Working Paper No. 22776. The National Bureau of Economic Research. <http://www.nber.org/papers/w22776>

⁴ See, for example, Solon, O. 13 July, 2017. "Airbnb host who canceled reservation using racist comment must pay \$5,000" *The Guardian*. <https://www.theguardian.com/technology/2017/jul/13/airbnb-california-racist-comment-penalty-asian-american>

⁵ Ditta, S. Urban, M. and Johal, W. 19 August, 2016. "Sharing the Road: The Promise and Perils of Shared Mobility in the GTHA." The Mowat Centre. <https://mowatcentre.ca/sharing-the-road/> See Chapter 2 for a discussion of the different forms of shared mobility.

⁶ Mackenzie, D. 31 October, 2016. "Do ride-sourcing drivers discriminate against passengers?" *Blog*. Sustainable Transportation Lab. <https://faculty.washington.edu/dwhm/2016/10/31/do-ride-sourcing-drivers-discriminate-against-passengers/>

⁷ See 19 April, 2017. "Voluntary Agreement between Department of Fair Employment and Housing and Airbnb Inc." <http://www.dfeh.ca.gov/wp-content/uploads/sites/32/2017/06/04-19-17-Airbnb-DFEH-Agreement-Signed-DFEH-1-1.pdf>



Best Practice (Discrimination): To ensure that the integrity of the sharing economy service is not compromised by discrimination, governments and regulators should employ active measures – such as posing as customers or providers attempting to use the service – to investigate when they believe discrimination may be occurring. They should also ensure that they have access to the data necessary to spot patterns of discrimination as they emerge so that they can demonstrate discrimination by participants when necessary.

II. TRANSPARENCY

IWA Guiding Principle: *“Decisions and activities affecting customers and others are findable, usable, relevant, timely and accurate to allow customers and others to make informed decisions.”⁸*

Context: Given that much of the sharing economy, and specifically the most popular services such as ride-sourcing and short-term accommodation rental, deliver their services through digital platforms, users are often forced to rely solely on an organization’s website, often a global platform, for information about that service.

Sometimes, important information concerning critical aspects such as dispute resolution mechanisms posted on these services websites can be difficult to find or understand.

Common Challenge 1: *Systems for dispute resolution and redress can be difficult to navigate*

Global platforms often do not have physical locations or local mechanisms for handling consumer grievances. Users are often forced to rely on websites, where the facilities for handling customer grievances can feel detached and unresponsive, be difficult to understand or highly complicated to use.

Responses by Jurisdictions:

- To receive the TrustSeal accreditation from **Sharing Economy UK**, platforms must put in place specific guarantees for providers and customers in case of a problem, such as insurance or customer protection policies. Further, platforms are required to provide access to support for both providers and customers through help channels. These may include measures such as a detailed FAQ page, and customer support email and phone services.⁹

⁸ IWA 27:2017 “Guiding Principles and Framework for the Sharing Economy,” ISO, pg. 6.

⁹ Sharing Economy UK. “Sharing Economy UK Good Practice Principles – Instructions,” pg. 2-4. <https://sharingeconomytrustseal.files.wordpress.com/2016/09/sharing-economy-trustseal-self-declaration-form-instructions2.pdf>

Best Practice (Platform Information): Governments should encourage and support the creation of industry standards for platforms to ensure that all the information that a user might need is easily accessible on or through a platform's website.

Common Challenge 2: *Lack of transparency in decision-making and communication*

The sharing economy is often skewed in favour of large entities and global platforms. Citizens and traditional services can feel marginalized due to a lack of transparency around the mechanisms used by these entities to make and communicate decisions. Unfortunately, the same is often also said about the mechanisms by which governments make and communicate their decisions about sharing economy issues.

Responses by Jurisdictions:

- In order to incorporate the voices of all stakeholders in policymaking, the **City of West Hollywood** created a Shared Economy Taskforce comprised of staff and representatives of the Planning Commission, Transportation Commission, Business License Commission, Chamber of Commerce, and Visit West Hollywood. Members of the public have opportunities to comment during meetings or through an online platform. The taskforce also maintains a website, and using evidence and varied perspectives gathered through consultations, it provides recommendations to the city council.¹⁰
- To ensure that regulations concerning the sharing economy are simple to understand, the **City of Amsterdam** created user-friendly infographics for citizens to assess their compliance with the city's short-term rental regulation and provides clear criteria to help users distinguish commercial activity from sharing activity.

Best Practice (Clear Communication): Governments and regulators must ensure that their communications to their constituents and stakeholders concerning the sharing economy are clear, accessible, timely, and enable their involvement or feedback. This is true both when they are communicating information about the rules governing the sharing economy, but especially the case when they are working to design governance regimes – a process for which community involvement is critical.

III. ACCOUNTABILITY

IWA Guiding Principle: *"Decisions and activities and their impacts and opportunities with respect to customers and others are open to scrutiny by governing bodies, legal authorities, and other interested parties."*¹¹

Context: Many organizations active in the sharing economy are relatively new and use novel technologies and business models to deliver services to users. This often means that little is known about how these organizations operate. Given that divulging information on how they operate could potentially undermine an important part of their competitive advantage, these organizations often resist sharing it. This opacity can also make it difficult to hold these organizations accountable.

Common Challenge: *Insufficient information and data makes evaluating regulatory compliance difficult*

Governments or regulators have certain requirements for organizations that engage in particular activities and certain means for ensuring compliance. Because they operate in novel ways, sharing economy organizations often do not fit well into these pre-existing systems. This makes it difficult for governments and regulators to measure compliance, and they often lack capacity to enforce regulations on sharing economy platforms and their users. For example, it can be difficult to measure compliance by short-term rental hosts, i.e. whether the listing complies with registration and limits on the number of days a property is eligible for rental.

¹⁰ Cooper, R and Timmer, V. with Ardis, L. Appleby, D. Hallsworth, C. October 2015. "Local Governments and the Sharing Economy: A roadmap helping local governments across North America strategically engage with the sharing economy to foster more sustainable cities." One Earth, pg. 198. http://www.localgovsharingecon.com/uploads/2/1/3/3/21333498/localgovsharingecon_report_full_oct2015.pdf

¹¹ IWA 27:2017 "Guiding Principles and Framework for the Sharing Economy." ISO, pg. 6.

Responses by Jurisdictions:

- To receive the TrustSeal accreditation, **Sharing Economy UK** requires companies to demonstrate that they have appropriate mechanisms for identity verifications, health and safety protections, transparent communications, and clear pricing and refund processes. Before companies are granted the right to display the TrustSeal, an advisory committee, assisted by PriceWaterhouseCoopers, evaluates whether they meet all standards adequately. The committee also has the power to revoke a company's TrustSeal in case of non-compliance.¹²
- The **City of San Francisco** and Airbnb have entered into a data sharing agreement, whereby Airbnb provides data on listings to the city government on a monthly basis on a limited number of data points to protect the privacy of users. These data points may include information such as zip code, street number, and registration number. Using this information, the city can identify suspicious listings, including illegal hosting or theft of registration numbers for illicit use. The government then sends the list of suspicious listings to the platform for further investigation to determine their legitimacy.
- The **City of Amsterdam** has negotiated a data-sharing agreement with Airbnb that requires the company to share aggregated data to assess the impact of home sharing, and personal data through binding legal requests in certain cases to deal with non-compliant actors.¹³ Since 2017, the city has also partnered with Airbnb to ensure that only registered hosts are allowed to post on the site, and keep count of the number of days people are renting their homes and monitor that hosts do not exceed the 60-day annual limit on short-term rentals. The platform has also added a day counter that allows hosts to track the number of rented days.¹⁴ Further, the city can ask the platform to block an address for 2 years if it was operating as an illegal hotel.

Best Practice (Information and Data-Sharing):

Governments and regulators must ensure that they have sufficient access to the information and data generated by sharing economy organizations' activities to evaluate the extent to which they are complying with applicable regulations and not deriving unfair competitive advantages from regulatory arbitrage.

IV. ACCESSIBILITY AND INCLUSION

IWA Guiding Principle: *"The products and services are available to the widest possible range of customers and others, fairly and without discrimination contrary to human rights obligations."*¹⁵

Context: Sharing economy services, particularly global platforms, are often criticized for catering disproportionately to the privileged in society – such as the wealthy, the tech-savvy, and the able-bodied – and neglecting those who may be more difficult or less profitable to serve. Even when organizations do provide services for these groups, they are often of a lesser quality or lower standard.

Common Challenge 1: *Inaccessible shared mobility services*

Shared mobility services such as ride-sourcing, ride-sharing, car-sharing, and bike-sharing, are often unable to provide accessible services at the same standards as non-accessible services.

Responses by Jurisdictions:

- **Washington D.C.** requires Transportation Network Companies (TNCs) to pay into a *Wheelchair Accessible For Hire Vehicle Service Fund*, which is used to fund wheelchair accessible vehicle-for-hire services. Accessibility funds of this type usually require firms to collect fees from standard passengers on a per ride basis to support accessible transportation.¹⁶

¹² Sharing Economy UK. "About TrustSeal." <https://sharingeconomytrustseal.com/about/>

¹³ City of Amsterdam. 1 December, 2016. "Amsterdam and Airbnb announce new unique agreement." Press Release. <https://www.iamsterdam.com/en/our-network/media-centre/city-hall/press-releases/2016-press-room/amsterdam-and-airbnb-announce-new-unique-agreement>

¹⁴ City of Amsterdam. 1 December, 2016. "Amsterdam and Airbnb announce new unique agreement."

¹⁵ IWA 27:2017 "Guiding Principles and Framework for the Sharing Economy," ISO, pg. 6.

¹⁶ Hirshon, L. et al. 2015. "Cities, the Sharing Economy and What's Next." pg. 17.



- Bike-sharing programs usually neglect disabled persons. However, the **City of Portland, Oregon** has piloted the Adaptive Bicycle Rental Pilot Project to increase the accessibility of biking services. The city conducted interviews with disabled riders to understand their needs, and ran a pilot in 2017. Eventually, the city aims to offer adaptive bikes as part of its bike-sharing system.¹⁷
- The **Town of Innisfil**, Ontario has partnered with Uber to offer a subsidized on-demand form of public transit. Uber was not able to provide accessible services as part of this partnership, so the town partnered with a local taxi company to provide an accessible alternative at the same standard and price as Uber's service. It also created an accessibility committee to monitor the efficiency of the service.
- To ensure comparable service, the **City of Toronto** has included accessibility requirements for Private Transportation Companies (PTCs) in its vehicle-for-hire regulations. Specifically, PTCs that have more than 500 drivers must ensure that wheelchair accessible vehicles are available within the same average wait time as non-accessible vehicles, and that the fares charged for accessible vehicles are the

same or lower than fares charged for the PTC's lowest cost non-accessible service.

Best Practice (Accessibility): In many cases, the best way to ensure adequate provision of accessible sharing economy services is to require that sharing economy organizations wishing to serve the larger market guarantee the provision of accessible services at a comparable level of service and price to comparable non-accessible services.

Common Challenge 2: Non-inclusive sharing economy services

Individuals with higher socioeconomic status are more likely to benefit from sharing economy services and platforms, while low-income and vulnerable populations are often excluded.

Responses by Jurisdictions:

- To improve the availability of car-sharing services to all populations, the **City of Denver** requires car-sharing companies to place at least two vehicles in a designated "opportunity area" (i.e. a low-income neighbourhood where at least 30% of the population lives below the poverty line).¹⁸

¹⁷ Collins, L. 2017. "Bike Sharing for All". 76. in (ed) Shareable. *Sharing Cities: Activating the Urban Commons*. Shareable. pg. 76. <https://www.shareable.net/sharing-cities>

¹⁸ Kodransky, M. and Lewenstein, G. December, 2014. "Connecting Low-Income People to Opportunity with Shared Mobility. Living Cities." pg. 14. https://www.itdp.org/wp-content/uploads/2014/10/Shared-Mobility_Full-Report.pdf

- When it entered into a partnership with Uber, the **Town of Innisfil** also provided residents who were unable to access the Uber app because they did not own smartphones – such as seniors and low-income earners – with the option of calling the town government office to have their trips booked for them by town staff.
- The **City of Amsterdam** has combined its City Pass for low-income residents with various sharing economy services, including meal-sharing and asset-sharing services. The city also took steps to raise awareness of sharing services for low-income residents. For example, educational sessions were conducted for low-income residents to demonstrate how to use long-distance ridesharing as a cheaper alternative to public transit. Prior to this, many low-income individuals felt alienated from sharing services and reported not having heard of many potentially useful platforms.

Best Practice (Inclusion): The best way of promoting an inclusive sharing economy is for governments and regulators to identify target groups, the specific barriers which are preventing their participation in the sharing economy, and to take positive actions to help these groups overcome these barriers. These actions can take many forms including ensuring the provision of adequate service, as well as targeted education or subsidy programs for members of these groups.

V. RESPONSIVENESS

IWA Guiding Principle: *“Decisions and activities are made in a culturally sensitive manner and reflect the evolving needs and expectations of customers and others.”¹⁹*

Context: Many sharing economy initiatives are delivered digitally. One of the advantages of digital delivery is the ability for organizations to rapidly increase the scale and geographic scope of their operations. Simultaneously, however, doing so in ways that are culturally sensitive and contextually relevant to the diverse number of local contexts and their respective needs often proves challenging.

Common Challenge 1: Global platforms set the agenda

Many of the most popular sharing economy services are provided by global corporations whose profit-making objectives do not necessarily align smoothly with the objectives of local governments. While larger organizations active across many jurisdictions are not incapable of adapting to local circumstances, their interest in doing so are often limited. Consequently, local authorities need to take proactive steps to ensure that the sharing economy contributes to advancing local objectives.

Responses by Jurisdictions:

- The “Comoodle” is an evolving sharing economy platform created by the **Kirklees Council** in the United Kingdom. The Comoodle started as a platform for sharing of idle council resources with the community, and has now expanded to also enable sharing between members of the community, as well as local businesses and organizations. Initially, the platform began as a rudimentary Wordpress website, but has grown in sophistication through a number of iterations. This ongoing evolution has been provided with direction by a deliberate attempt to understand the lives and priorities of community members so as to ensure its relevance to them. One way that this has been done is through the creation of ‘personas’ to represent different types of community members which used to help inform improvements to the system.
- Lacking the density that is needed to make a traditional public transit system viable, the **Town of Innisfil** sought proposals that would enable it to provide similar results to its residents, but modified to better meet local needs within the available budget. By entering into a partnership with Uber that sees the firm facilitating not a traditional ride-sourcing platform, but rather a modified ride-sourcing/public transit hybrid, the town has been able to expand its transit offerings and create significant customer satisfaction amongst its residents.

¹⁹ IWA 27:2017 “Guiding Principles and Framework for the Sharing Economy.” ISO, pg. 6.

- To put local needs and public interest at the forefront, the **City of Seoul** has striven to promote contextually relevant and culturally appropriate sharing initiatives. One of the steps the city took is the creation of a Sharing Promotion Committee that provides advice to the Seoul Metropolitan Government (SMG) on developing policies as well as selecting projects. This committee includes experts from diverse fields including law, economy, information technology, and accounting to make informed decisions and coach companies to ensure success.²⁰ The city has seen citizen participation in sharing services increase by five times from 2014 to 2016.²¹

Best Practice (Local Priorities): Ensuring that local priorities are advanced through the sharing economy often requires governments to fill market gaps which may have been ignored by larger profit-oriented organizations. Whether this means creating their own platform or partnering with an established organization to do so, governments can identify local priorities and then move proactively to use sharing economy tools themselves to advance these priorities.

Common Challenge 2: Unresponsive legislative and regulatory frameworks

Legislative and regulatory frameworks that do not adapt quickly enough represent a major roadblock to the effective development of the sharing economy. Sometimes this is the result of governments not moving fast enough, and sometimes it is the result of a lack of collaboration among different levels of the government. This can result in users not being able to take advantage of desirable services, or in services operating illegally – a situation which creates risks including consumer safety issues and lost tax revenue.

Responses by Jurisdictions:

- In the United Kingdom, the central government commissioned a report that led to the creation of **Sharing Economy UK**, an industry association for sharing economy organizations designed to help enable voluntary self-regulation by organizations active in the sharing economy. The report also recommended that this industry association create a kitemark to enable customers to identify trustworthy sharing economy enterprises.²² Sharing Economy UK has since created such a kitemark called the TrustSeal. Firms that display the TrustSeal are understood to have been assessed as adhering to a set of eight principles, thereby providing a form of self-regulation that, arguably, reduces the need for governments to do so.²³
- The **City of Seoul** has taken a number of steps to improve existing regulations that were likely to hinder sharing activities in areas including transportation, tourism, taxation, transportation, the food industry, insurance, and infrastructure. A major step in this regard was the enactment of the Ordinance on the Promotion of Sharing. This ordinance provides a legal definition of sharing as “activities that create social, economic and environmental values by jointly using resources, such as space, goods, information, talent and experience.” The city uses this as the legal basis for a system of funding, promotion, and capacity-building for sharing initiatives.²⁴ The Seoul Metropolitan Government (SMG) has also created a multidisciplinary “Advisory Committee on the Improvement of Sharing Institutions”. The purpose of this committee is to advise the government on ways to improve laws and institutions that might hinder sharing activities.²⁵

²⁰ CC KOREA and Bo-ra Jung. 25 December, 2015. “Seoul draws a city through sharing.” ShareHub. pg. 56-57. <http://english.sharehub.kr/e-book/>

²¹ ShareHub. 27 December, 2017. “Sharing City Seoul: 4 years’ achievements.” ShareHub. <http://english.sharehub.kr/infographic-sharing-city-seoul-4-years-achievements/>

²² Woskrow, D. November, 2014. “Unlocking the sharing economy: An independent review.” Department for Business, Innovation and Skills. pg. 9. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/378291/bis-14-1227-unlocking-the-sharing-economy-an-independent-review.pdf

²³ Sharing Economy UK. “About TrustSeal.” <https://sharingeconomytrustseal.com/about/>

²⁴ Seoul Metropolitan Government. 9 January, 2014. “Seoul Metropolitan Government Ordinance on the Promotion of Sharing.” <http://legal.seoul.go.kr/legal/english/front/page/law.html?pAct=lawView&pPromNo=1191>

²⁵ CC KOREA and Bo-ra Jung. 25 December, 2015. “Seoul Draws a City Through Sharing.” pg. 59.

Best Practice (Supportive Governance Regimes):

By creating a legal definition of activities that can be considered a part of the sharing economy, governments enable themselves and regulators to build a predictable and relevant legal and regulatory framework for governing sharing economy activities and using it to advance their own objectives.

VI. HEALTH, SAFETY AND ENVIRONMENT

IWA Guiding Principle: *“The health and safety of customers and others and their environmental expectations are given priority at the operational level.”*²⁶

Context: Because sharing economy organizations are often decentralized, it can be difficult to ensure that health, safety, and environmental standards are met using methods that have been traditionally used to ensure compliance by centralized organizations.

Common Challenge 1: *Platforms resist taking responsibility for the actions of their users*

Unlike traditional companies, sharing economy platforms often only enable others to provide a service instead of doing it themselves. This greater distance from the consumer often corresponds to a reduced sense of responsibility at the management level, which can result in health, safety, and environmental considerations receiving insufficient attention at the operational level.

Responses by Jurisdictions:

- In 2014, **Washington D.C.** enacted the Vehicle for Hire Innovation Amendment Act, which creates a new class for ride-sourcing services. This act requires background checks for drivers, yearly inspections of vehicles, and prohibits manipulating fare charges. It also requires that services provide primary insurance coverage of at least \$1 million per occurrence for accidents from the time a call is accepted until the passenger exits the car. Companies are also required to register with the D.C. Taxicab Commission, which is responsible for enforcing regulations.²⁷

- The **City of Amsterdam** has created a 24 hour hotline to allow residents to share concerns about noise levels or other activities for short-term rentals. As a result of the city's partnership with Airbnb, the site is also promoting a neighbourhood tool for raising concerns.²⁸
- **Sharing Economy UK** – an industry association for sharing economy organizations in the United Kingdom – has created the Trustseal kitemark to help customers recognize trustworthy sharing economy organizations. Among other requirements, in order to display the TrustSeal Sharing Economy UK requires platforms to establish verification processes to confirm that the information provided by users is genuine.
- TrustSeal accredited organizations must also take steps to ensure that policies are in place to conduct safety checks – such as criminal record, adverse driving, or credit history checks – through the use of an accredited service. Further, it requires platforms to make clear and transparent information on health and safety available to the users.

Best Practice (Platform Responsibility): In order to ensure the health and safety of customers, governments and regulators should require platforms to guarantee that certain minimum protections are always provided. Specific minimum requirements will depend on the type of service being delivered, but these often include insurance coverage and criminal record checks at a minimum.

Common Challenge 2: *Environmental challenges*

Sharing can be a tool to promote sustainability and reduce waste, but this potential is often not maximized due to a lack of appropriate policies or a lack of collaboration between stakeholders. Also, because many sharing platforms only enable others to provide services, they have a less direct relationship with the outcomes of these services. This makes assigning responsibility for maintaining environmental standards more difficult.

²⁶ IWA 27:2017 “Guiding Principles and Framework for the Sharing Economy,” ISO, pg. 6.

²⁷ Aratani, L. 28 October, 2014. “D.C. Council okays bill to legalize Lyft, Sidecar, uberX-type services in the District.” The Washington Post. https://www.washingtonpost.com/news/dr-gridlock/wp/2014/10/28/d-c-council-okays-bill-to-legalize-lyft-sidecar-uberx-type-services-in-the-district/?utm_term=.4dc59829be74

²⁸ City of Amsterdam. 1 December, 2016. “Amsterdam and Airbnb announce new unique agreement”.



Moreover, the environmental impact of services is often dependent on context. For example, ride-sourcing services may serve as tools to promote carpooling and reduce congestion. At the same time, they have been associated with promoting reduced use of public transit and adding more cars to the road as a result of their convenience and low cost.

Responses by Jurisdictions:

- To discourage individual ownership of cars, the **City of Minneapolis** has created a Guaranteed Ride Home (GRH) program. Residents who commute to work or school at least 3 times weekly by transit, carpooling, biking, or walking are eligible. This commuter insurance covers up to \$100 or 4 annual rides in the event of an emergency or overnight shift when using other commuting options is not possible.²⁹
- Moving towards sustainable energy consumption is often expensive for residential and small business customers. To overcome this, a policy called Community Choice Aggregation (CCA) is in place in the US states of **California, Illinois, Massachusetts, New Jersey, Ohio, New York and Rhode Island**. This allows cities to aggregate demand for non-fossil fuel generated electricity for residents, businesses, and municipal facilities and negotiate contracts with electricity suppliers without the need to own or maintain the electricity grid.³⁰
- To reduce the number of cars on the streets, the **City of Vancouver** provides dedicated parking spaces to car sharing companies on city streets and private parking lots, provides them residential parking permits, and integrates car-sharing agreements in new property developments.³¹
- The **City of San Francisco's** planning code requires newly constructed buildings to provide dedicated car-sharing parking spaces. Developers are also required to pay annual car-sharing membership fees for residents.³²

²⁹ Collins, L. 2017. "Enabling Carpooling with Emergency Ride Support". 79. in (ed) *Shareable. Sharing Cities: Activating the Urban Commons*. Shareable. pg. 79. <https://www.shareable.net/sharing-cities>

³⁰ Farrell, J. and Skeehan, E. 2017. "Community Choice Aggregation". 142. in (ed) *Shareable. Sharing Cities: Activating the Urban Commons*. Shareable. pg. 142 <https://www.shareable.net/sharing-cities>

³¹ Cooper, R. et al. October 2015. "Local Governments and the Sharing Economy," pg. 199.

³² Gorenflo, N. and Eskandari-Qajar, Y. 9 September, 2013. "Policies for Shareable Cities: A Sharing Economy Policy Primer for Urban Leaders." Shareable; The Sustainable Economies Law Center. pg. 10. <http://www.resilience.org/stories/2013-09-11/policies-for-shareable-cities-a-sharing-economy-policy-primer-for-urban-leaders/>

- To reduce waste, **Toronto and Region Conservation** created an organization called Partners in Project Green. This online network allows partners, which comprise businesses in the Pearson Eco-Business Zone, Greater Toronto Area, the Region of Peel, the City of Brampton, York Region, and the City of Mississauga to exchange materials. An online platform and program staff match and connect organizations. Supported by funding mainly from partnering municipalities, this initiative has reduced waste by diverting materials from landfills, lowered costs, and maximized the use of resources.³³

Best Practice (Environmental Impacts): By providing specific incentives (such as designated on-street parking spaces) that encourage preferred activities or decisions with lower negative environmental impacts (car-sharing), governments can advance their environmental objectives (lower levels of car-ownership and greenhouse gas emissions).

VII. CONFIDENTIALITY, PRIVACY AND SECURITY

IWA Guiding Principle: *"Personal information is treated in a confidential manner, respecting the privacy of the customer, disclosing information to others only where the consent of the customer is provided, and that information is stored in a secure manner."*³⁴

Context: As digital devices become ever more intimately connected to their users, and products and services are increasingly delivered or intermediated by digital infrastructures; issues of confidentiality, privacy, and security are becoming increasingly important. Given that the sharing economy is more highly digitized than many other sectors, these issues are particularly critical for organizations and individuals active in this sector.

Common Challenge: *Platform firms' data security and privacy assurance practices are inadequate*

As frequent data security breaches,³⁵ including at sharing economy firms,³⁶ continue to occur, it is important that platforms take steps to protect users' data from hackers and identity thieves. Policymakers need to be especially vigilant in this area to ensure that platforms have adequate mechanisms to protect the safety and privacy of citizens.

Responses by Jurisdictions:

- The **City of Boston** in the United States was the first jurisdiction to reach a data-sharing agreement with ride-sourcing firm Uber. The City's Chief Information Officer lauded the agreement as one that would advance Boston's goal "of having a more data-driven city that uses data to drive policy and operations" in areas such as roadway planning, traffic signal projects, and new housing development.³⁷ To protect users' privacy, the data that Uber provides to Boston does not show exactly where users' trips began or ended. Instead, it identifies both the pick-up and drop-off points by the zip codes in which they occurred.³⁸
- In the Netherlands, the **City of Amsterdam** has devised enforcement approaches that avoid the need for firms to share, and potentially expose, users' data. Instead of requesting data from platforms in an effort to ensure that rules are being enforced, it has worked collaboratively with firms like Airbnb, and developed strong working relationships which enable it to rely on firms to properly enforce rules. There is some sharing of data at an aggregate level, and there is some sharing of data publicly.

³³ Cooper, R et al. October 2015. "Local Governments and the Sharing Economy." pg. 142.

³⁴ IWA 27:2017 "Guiding Principles and Framework for the Sharing Economy." ISO, pg. 6.

³⁵ Yurieff, K. 10 September, 2017. "Equifax data breach: What you need to know." CNNtech. <http://money.cnn.com/2017/09/08/technology/equifax-hack-qa/index.html>

³⁶ Bensinger, G. McMillan, R. 21 November, 2017. "Uber Reveals Data Breach and Cover-up, Leading to Two Firings." The Wall Street Journal. <https://www.wsj.com/articles/uber-reveals-data-breach-and-cover-up-leading-to-two-firings-1511305453>

³⁷ Dungca, N. 13 January, 2015. "In first, Uber to share ride data with Boston." The Boston Globe. <https://www.bostonglobe.com/business/2015/01/13/uber-share-ridership-data-with-boston/4Klo40KZREtQ7jkoaZjoNN/story.html>

³⁸ Vaccaro, A. 16 June, 2016. "Highly touted Boston-Uber partnership has not lived up to hype so far." Boston.com. <https://www.boston.com/news/business/2016/06/16/bostons-uber-partnership-has-not-lived-up-to-prom>

For instance, after the regulation banning the use of a property as a short term rental for more than 60 days per year was passed, the City was able to see a reduction in the number of listings in Amsterdam over time through publicly available data. They were also able to see that certain properties were no longer rentable on the platform because they had reached their 60 day limit. Given their ability to use publicly available means to confirm that their requests were being followed, the City was confident that its collaborative relationship with the platform was paying off.

- In the United Kingdom, **Sharing Economy UK** – a sharing economy industry association – has developed the “TrustSeal” kitemark to identify trustworthy sharing economy organizations. In order to be awarded the kitemark – and the right to display it – firms must make an application to Sharing Economy UK, and be evaluated against a set of criteria. One of these criteria is that firms must have a “secure online payments system in place for both Providers and Customers.”³⁹ The example that Sharing Economy UK provides of how to do this is through the “use of a secure third-party payment provider.”⁴⁰ Firms must also provide a rationale for their choice of the particular provider. Applications to be awarded the right to use the kitemark are evaluated by a Sharing Economy UK TrustSeal Advisory Panel and by PriceWaterhouseCoopers.

Best Practice (Privacy and Data Security): Governments and regulators can best promote privacy and data security in the sharing economy by requiring that secure online payments systems be in place for both providers and customers through the use of a secure third-party payment provider. Governments should also ensure that platforms take adequate measures to protect users’ privacy and personal information from unauthorized access, and that only anonymized aggregated data is used for the purposes of planning and improving service standards.

³⁹ Sharing Economy UK. “Sharing Economy UK Good Practice Principles – Instructions.” pg. 6.

⁴⁰ Sharing Economy UK. “Sharing Economy UK Good Practice Principles – Instructions.” pg. 6.

⁴¹ IWA 27: Guiding Principles and Framework for the Sharing Economy. ISO, pg. 6.

⁴² Revenu Québec. 2016. “Uber Drivers”. Businesses. <http://www.revenuquebec.ca/en/entreprises/obligationsparticulieres/chauffeur-d-uber/default.aspx>

⁴³ Airbnb Inc. 29 August, 2017. “First tourist-tax agreement announced in Canada”. AirbnbCitizen. <https://www.airbnbCitizen.com/airbnb-and-government-of-quebec-announce-first-tourist-tax-agreement-in-canada/>

VIII. CAPACITY

IWA Guiding Principle: “Resources provided are sufficient to carry out all their decisions and activities in an effective, efficient, consistent, courteous and responsible manner.”⁴¹

Context: A sharing economy organization’s capacity is largely determined by the assets it brings to its operations including capital, the skills and efforts of its management and employees, and the quality of its technology and business model. However, governments can play a role in ensuring that organizations with the greatest potential, particularly locally-focused sharing initiatives, are able to prosper, expand, and provide benefits to users. Governments also have a key responsibility to create a level playing field and provide assistance to develop local capacity. Moreover, governments and societies can use sharing to increase their own capacities.

Common Challenge 1: Uneven playing field

Ensuring fair and robust competition between firms is often the best tool available to governments to ensure that customers have access to the best products and services. Given certain characteristics of the digital economy, as well as uneven application of rules designed for different eras and contexts, certain aspects of the competitive environment can disproportionately favour new sharing economy organizations at the expense of traditional providers. This reduces the benefits of healthy competition and negatively impacts livelihoods.

Responses by Jurisdictions:

- To promote tax fairness and fair and even competition so that no party has an unfair price advantage over another, the **Government of Quebec** reached an agreement with Uber in 2016, where the ride-sourcing company agreed to collect GST/QST on services provided by its drivers.⁴² The Government of Quebec also reached an agreement with Airbnb to include a 3.5 per cent accommodation tax in the fees that it charges guests.⁴³

- To ensure a level playing field for taxis and ride-sourcing companies, the **City of Toronto** revised taxi regulations at the same time as it created regulations for ride-sourcing companies. Not only did the city enforce safety and accessibility standards for ride-sourcing companies, but also eliminated obsolete and unnecessarily restrictive regulatory requirements for the taxi industry, such as a mandatory 17 day taxi driver training course, and reduced the registration fees for taxi drivers.

Best Practice (Fair Competition): Often, the best way to foster high capacity within sharing economy organizations is to ensure that they compete for business in a fair and balanced marketplace with other organizations providing comparable product and services. Governments and regulators can ensure fair competition by crafting rules and regulations that create a level playing field for all competitors in the marketplace, regardless of the technologies that they use.

Common Challenge 2: Suboptimal utilization of resources

One way in which jurisdictions can maximize benefit from the sharing economy is by using it to optimize the utilization of their own resources. They can do this by integrating sharing into their own operations, and by supporting the productive use of resources by citizens and sharing organizations.

Responses by Jurisdictions:

- To connect the demand and supply sides, and ensure optimal utilization of resources, the **Seoul Metropolitan Government** (SMG) established an online platform called 'ShareHub' as part of its Sharing City Seoul project. ShareHub connects citizens with appropriate sharing services, and provides information on sharing policies and projects. It has served millions of online visitors, and played a key role in promoting a culture of sharing in the city.⁴⁴

- A social network called 'BlockPooling' was set up in **Singapore** in 2013 with the help of a grant from the government. This platform enables people to offer or ask for services. The 'lend and borrow' feature also connects people based on postal codes. Apart from objects, people can also seek advice, share information, and invite others to events.⁴⁵
- In 2016, the **City of Gothenburg** partnered with Smarta Kartan (The Smart Map) to build a map displaying all the sharing initiatives in the city where residents can rent, borrow, share, swap, and give. This is a way to promote sharing projects as well as to further sustainability.⁴⁶
- To overcome the lack of parking spaces in a busy neighbourhood with a number of commercial and health facilities, the Rosemont-La Petite-Patrie borough of **Montréal** modified its by-laws to allow residents to rent out their parking spaces, provide their homes and garages for storage, and yards for gardening to others. This type of commercial activity was previously restricted in residential areas. The new regulations promote optimal use of privately-owned resources for public good, and have safeguards to deter corporations from taking advantage of these spaces.⁴⁷

Best Practice (Government Capacity): Governments can use sharing economy approaches to boost their own capacity or the capacities of their communities in ways that align with their own priorities. This can include creating their own platform to enable more efficient use of government or local resources, partnering with an established sharing economy organization to do so, or fostering the emergence of local sharing economy organizations.

⁴⁴ Gorenflo, N. 2017. "Introduction": 20-35. in (ed) *Shareable. Sharing Cities: Activating the Urban Commons*. Shareable. pg. 25. <https://www.shareable.net/sharing-cities>

⁴⁵ Nesta. No Date. "Blockpooling: Singapore is experimenting with enabling a more efficient use of resources within the city." In: *10 people-centred smart city initiatives*. <https://www.nesta.org.uk/news/10-people-centred-smart-city-initiatives/blockpooling>

⁴⁶ City of Gothenburg. 8 November, 2017. "About!". Smarta Kartan <http://smartakartan.se/about/> .

⁴⁷ Sutton, M. 2017. "New Residential Zoning Allows Peer-to-Peer Rental of Parking Spaces, Storage Areas, and Gardens" 158. in (ed) *Shareable. Sharing Cities: Activating the Urban Commons*. Shareable. pg. 158. <https://www.shareable.net/sharing-cities>



IX. COMPETENCE

IWA Guiding Principle: *“Knowledge, skills and attributes and education training and experience permit decisions and activities to be carried out in a responsible and effective manner reflecting the needs and interests of customers and others.”⁴⁸*

Context: Many new sharing economy firms are entering markets that have traditionally been heavily regulated. In some cases, the regulation that has accumulated in these markets has become inefficient or is no longer necessary. The arrival of sharing economy platforms has enabled users to avoid much of this regulation altogether. Although this has resulted in increased efficiency in many cases, it has also increased the risk that some users will engage in activities without the requisite knowledge, skills, or training to competently do so.

Common Challenge: *Insufficient provider training*

When the avoidance of training requirements for service providers is enabled through the use of sharing economy platforms, the safety of both consumers and providers could, in some instances, be compromised. Other

obligations, such as tax collection and remittance, could also be missed due to lack of training or understanding on the part of providers.

Responses by Jurisdictions:

- The **Province of Ontario** has entered into an agreement with Airbnb. This agreement provides for a pilot project through which Airbnb will voluntarily inform providers using its platform in Ontario of their legal obligations in terms of:
 - Taxes and reporting rental income
 - Consumer protection rights, such as cancellations or refunds
 - Accessibility requirements
 - Other regulatory and safety obligations, such as having a functioning smoke alarm

This initiative also includes the creation by Airbnb and the Government of Ontario of a dedicated website. The objective is to provide clear, current, easily understandable, and accessible information to providers.⁴⁹

⁴⁸ IWA 27:2017 “Guiding Principles and Framework for the Sharing Economy,” ISO, pg. 6.

⁴⁹ Government of Ontario. 19 February, 2016. “Ontario Partners With Airbnb on New Pilot Project: Province Supporting Economic Potential of Sharing Economy.” Ministry of Finance.

- In 2017, the **Province of Quebec** introduced legislation that requires Uber drivers to complete 35 hours of mandatory training, which is at par with taxi drivers in the province. In addition, the legislation requires that the criminal background checks of drivers be conducted by the police, rather than private companies, and that vehicles be inspected every 12 months.⁵⁰
- The **City of Seoul** has sought to foster the development of sharing economy initiatives that meet its own objectives, such as greater social integration and reduced traffic congestion. Recognizing that this approach would require the government to take some responsibility for the quality of the sharing economy's growth and the competence of the organizations, the Seoul Metropolitan Government (SMG) created the Sharing Economy Start-up School.⁵¹ The learning objectives for courses delivered by the Sharing Economy Start-up School are set by the SMG, but the management and operation of the school is contracted out to the Open Entrepreneur Centre (OEC) – an organization that “offers educational programs for people who find entrepreneurial solutions and continue to create values in the fast-changing work environment in the 21st century.”⁵²

Best Practice (Provider Training): To ensure that new entrants into formerly highly regulated marketplaces possess sufficient competence, governments should proactively take creative measures such as partnering with platforms to educate providers and providing support to emerging platforms so that they develop collaboratively within the governance regime established by governments and regulators.

X. CONTINUAL IMPROVEMENT

IWA Guiding Principle: “Decisions and activities lead to continual improvement in meeting the needs and interests of customers and others.”⁵³

Context: One of the opportunities offered by highly digitized economic sectors such as the sharing economy is that of rapid iteration and the development of new products and services. By adopting a proactive and flexible approach, governments can play an important role in creating an enabling environment for progress of this type; equally, by adopting a rigid and reactive stance, they can stand in its way.

Common Challenge 1: Barriers to innovation/reactionary approach

A major barrier to ongoing innovation in the sharing economy is that most of the governments' energies are focused on reacting to disruptive global platforms, rather than engaging positively to develop initiatives that benefit local residents.

Responses by Jurisdictions:

- The **City of Vancouver** has encouraged innovation in sharing by providing funding for research on the sharing economy, as well as grants to sharing start-ups. This includes the Vancouver Tool Library, which promotes the sharing of everyday tools, and ShareShed – an app connecting people wanting to rent outdoor equipment. These initiatives have helped the city advance its goals of increased sustainability and social connectedness.⁵⁴
- In 2016, the City of Amsterdam launched its Sharing Economy Action Plan. The goal is to take a proactive approach and encourage activities that promote inclusion, sustainability, and entrepreneurship, while actively monitoring and responding to challenges as they arise. The plan outlines five actions that the city will take for this purpose, including:
 1. Stimulating the sharing economy by supporting pilot projects
 2. Leading by example, such as through the sharing of city assets

⁵⁰ Kassam, A. 13 October, 2017. “Uber backtracks on threat to leave Quebec and says it will stay for now.” The Guardian. <https://www.theguardian.com/technology/2017/oct/13/uber-quebec-threat-leave>

⁵¹ CC KOREA and Bo-ra Jung. 25 December, 2015. “Seoul draws a city through sharing.” pg. 128.

⁵² CC KOREA and Bo-ra Jung. 25 December, 2015. “Seoul draws a city through sharing.” pg. 129.

⁵³ IWA 27:2017 “Guiding Principles and Framework for the Sharing Economy.” ISO, pg. 6.

⁵⁴ Cooper, R et al. October 2015. “Local Governments and the Sharing Economy.” pg. 199.

3. Taking steps to ensure social inclusion
 4. Progressively regulating where necessary
 5. Taking a global approach, i.e. exchanging best practices with other cities⁵⁵
- In South Korea, the **Seoul Metropolitan Government** (SMG) has taken four critical steps to ensure that the sharing economy continues to evolve in a productive direction. These include:
 1. Enacting an Ordinance on the Promotion of Sharing, aimed at helping organizations that provide sharing economy services sustain their work⁵⁶
 2. Identifying the support of sharing as one of the responsibilities of the Mayor⁵⁷
 3. Establishing a Sharing Promotion Committee to advise the government on its support and promotion of the sharing economy. The committee provides expert advice to the SMG on the sharing economy, and performs a number of functions aimed at promoting and ensuring quality in the sharing economy of Seoul.⁵⁸
 4. Creating an Advisory Committee on the Improvement of Sharing Institutions. This expert committee identifies existing laws and institutions that can present obstacles to sharing, proposes ways to overcome these obstacles, and devises ways to improve the operation of the sharing economy.⁵⁹

These steps establish a legal obligation for the SMG to nurture the development of the sharing economy, ensure that there is clear accountability with the Office of the Mayor for its improvement, provide the Mayor and the government with expert advice, proactively identify potential barriers to its development, and devise ways to avoid them.

Best Practice (Proactive Approach): Instead of ignoring the sharing economy until a crisis erupts, governments and regulators can foster a more productive and beneficial sharing economy by adopting a flexible and proactive approach to the sharing economy.

Common Challenge 2: Limited use of valuable data

The inability to make full productive use of the exponentially increasing amount of data that digitization and sharing economy services are making available, is a key barrier for governments in ensuring continual improvement of services, both within the sharing economy and in the wider context.

Responses by Jurisdictions:

- The **City of Montevideo** in Uruguay created an open data portal in 2010 and made all data processed by the city, not subject to privacy concerns, publicly available. Currently, over 50 datasets are available, and have been used to develop new apps. These include a map facilitating bicycle commutes, an app for finding recycling bins, an app showing what tax money is spent on, transit timetables, and an innovative map indicating that only 10% of the city streets are named after women.⁶⁰
- The **City of Rotterdam** has used open data in land policy to promote collaboration amongst various city agencies. More than 500 geospatial datasets are open to the public. These include aerial photos, 3D city models, and underground infrastructure, such as cables and pipelines.⁶¹
- In 2012, the **Seoul Metropolitan Government** (SMG) created the Seoul Open Data Plaza, an online platform to share Seoul's public data with citizens. The goal of this project is to enable citizens and the private sector to use socially and economically valuable data to develop relevant business and community initiatives.⁶²

⁵⁵ City of Amsterdam. 2014. "Action Plan Sharing Economy." <https://www.slideshare.net/shareNL/amsterdam-actionplan-sharing-economy>

⁵⁶ CC KOREA and Bo-ra Jung. 25 December, 2015. "Seoul draws a city through sharing." pg. 13.

⁵⁷ CC KOREA and Bo-ra Jung. 25 December, 2015. "Seoul draws a city through sharing." pg. 35.

⁵⁸ CC KOREA and Bo-ra Jung. 25 December, 2015. "Seoul draws a city through sharing." pg. 56-57.

⁵⁹ CC KOREA and Bo-ra Jung. 25 December, 2015. "Seoul draws a city through sharing." pg. 59.

⁶⁰ Collins, L. 2017. "Bike Sharing for All!" 76. in (ed) Shareable. *Sharing Cities: Activating the Urban Commons. Shareable*. pg. 220. <https://www.shareable.net/sharing-cities>

⁶¹ Collins, L. 2017. "Bike Sharing for All!" 76. in (ed) Shareable. *Sharing Cities: Activating the Urban Commons. Shareable*. pg. 159. <https://www.shareable.net/sharing-cities>

⁶² <http://english.seoul.go.kr/policy-information/key-policies/informatization/seoul-open-data-plaza/>

Best Practice (Modelling Sharing Through Openness):

Governments should model positive approaches to participation in the sharing economy by practicing openness in those of their own activities that have the potential to enable productive sharing. This can be done through sharing of resources and data for the public to promote social and policy innovation.

New Insights

This section presents insights on successful governance measures that do not fit neatly under the existing IWA principles, but provide valuable ideas for governments to engage more positively with the sharing economy.

COLLABORATION AND KNOWLEDGE-SHARING

The rapid rise of the sharing economy has disrupted longstanding systems and policies around the world. Governments have been forced to respond to novel challenges in a variety of areas, ranging from taxation to customer safety to labour laws. Though each jurisdiction has its unique needs and cultural context, they can all benefit from sharing their respective experiences, best practices and the steps they have taken to regulate the sharing economy. By working collectively, they can also anticipate future challenges and help each other respond effectively to their evolving needs.

To facilitate this sort of sharing and collaboration, ShareNL, an organization based in Amsterdam, launched the global Sharing Cities Alliance. This was a response to interest from cities across the world after the success of 'Sharing City Amsterdam'. The initiative was formally launched in May 2017 at the Sharing Cities Summit in New York City. Many cities including New York, Amsterdam, Copenhagen, Seoul, Washington D.C., Dallas, and Toronto have joined the alliance.⁶³

Recommendation 1: Jurisdictions should join the Sharing Cities Alliance, or other similar organizations, and participate actively in the sharing of information about their approaches to the sharing economy, best practices and other lessons learned.

INNOVATION AND INCUBATION

Cities that have been successful in creating an inclusive and thriving sharing economy environment have one feature in common – they encourage innovation, often providing city resources for sharing and incubating pilot projects. For example, the City of Seoul supports private sector projects seeking to solve social problems through sharing by providing assistance with administration and finance. Cities such as Seoul and Amsterdam also provide access to idle city-owned spaces for use by social organizations. In Canada, the City of Vancouver has supported sharing economy start-ups through grants, and also funded research to understand the potential benefits of the sharing economy in the city.

Recommendation 2: Governments should identify which of their objectives can be productively advanced by the sharing economy and then proactively seek to foster the emergence of local sharing economy organizations to help advance these objectives. This can be best accomplished by providing incubation and acceleration support for innovators working in these areas as well as by seeking out partnerships with existing sharing economy organizations.

PROACTIVE ENGAGEMENT

Some jurisdictions have recognized the immense potential of the sharing economy in promoting social inclusion, innovation, entrepreneurship, sustainability, and the optimal use of valuable resources. The British government has set a goal of making the United Kingdom the global centre for the sharing economy. For this purpose, the government funded an independent review to gain insight into the sharing economy landscape in the country, and how it can position itself to become a global leader in this arena by effectively managing risks and leveraging opportunities.⁶⁴ Sharing Economy UK, a trade body championing the UK's sharing economy industry, was launched following this review.⁶⁵ Similarly, the City of Amsterdam created its Action Plan for the Sharing Economy in 2015. The city

⁶³ Sharing Cities Alliance. 2017. "Sharing Cities Alliance: This is How it All Began." <https://sharingcitiesalliance.com/the-story/>

⁶⁴ Woskwo, D. 2014. "Unlocking the Sharing Economy: An Independent Review." UK Government. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/378291/bis-14-1227-unlocking-the-sharing-economy-an-independent-review.pdf

⁶⁵ Sharing Economy UK. No Date. "About Us." <http://www.sharingeconomyuk.com/about-us>



believes that though global platforms are disruptive, they can also provide increased convenience and connections. Hence, it is important to build progressive public-private partnerships that are in the best interests of all stakeholders.

Recommendation 3: Jurisdictions should increase their own in-house capacity and expertise in the sharing economy so that they can integrate sharing economy considerations into their own policy- and decision-making. In so doing, they will also be able to work with sharing economy organizations proactively as they emerge, thereby avoiding sub-optimal reactions to crisis sparked by the unexpected emergence or rapid growth of sharing economy services.

GOVERNMENT AS A PLATFORM

Another way that governments can optimize resource utilization is through the integration of different sharing services. This not only creates cost efficiencies, but also provides increased convenience to citizens.⁶⁶ Governments can do this in a number of ways. On

the one hand, it can put in place legal or regulatory frameworks that encourage integration. One example of this would be to require comparable services to enable the porting of providers' peer review histories from one platform (e.g. Uber) to another (e.g. Lyft). This would both increase competition between platforms in a healthy way, it would also empower sharing economy users *vis-à-vis* global platforms and it would also improve the experience of participating in the sharing economy by making such participation more seamless.

A more direct way in which government – an important platform itself – can help to support improved integration of the sharing economy is by working to integrate its own services better through creative partnerships. In Canada, a unique example of such sharing innovation is the City of Montreal's integrated mobility system. The Société de Transport de Montréal (STM) is currently experimenting with integrated mobility by integrating bus, bicycle, metro, taxi, shared taxibus, carpooling, and car sharing services to promote a "smart combination of individual means of transportation".

⁶⁶ Cooper, R et al. October 2015. "Local Governments and the Sharing Economy." One Earth. pg. 94. http://www.localgovsharingecon.com/uploads/2/1/3/3/21333498/localgovsharingecon_report_full_oct2015.pdf

This has allowed the city to expand its transit coverage to 99.5% of the city and improve services in low-density areas. This initiative has also led to cost savings, as operating traditional bus services is more expensive in low-density neighbourhoods. Such integrated transportation initiatives, often referred to as Mobility as a Service (MaaS),⁶⁷ are likely to prove especially fruitful areas for delivering increased resident benefits and satisfaction through the integration of sharing economy approaches with existing government services.

Recommendation 4: Governments should actively seek out potential partnerships and pilot projects through which they can integrate existing government services, traditional private and not-for-profit services, and emerging sharing economy services so as to improve services for their residents.

CONCLUSION

The emergence of the sharing economy has produced a series of exciting opportunities for governments around the world, as well as a number of difficult challenges. In this guide, we have sought to showcase not only the best practices that have been developed for seizing these opportunities and overcoming these challenges for the benefit of residents, but also those opportunities and challenges that require further attention.

For governments across the board, some of the most important common challenges include creating a level playing field for traditional and new operators, safeguarding privacy, health and safety concerns and promoting inclusion. In particular, greater consideration is required to develop adequate measures to prevent discrimination on the basis of race, ethnicity, and gender in sharing economy services. There is significant potential for governments and sharing economy organizations to innovate in this area.

From a process perspective, the jurisdictional scan undertaken as research for this guide found that in order to create a healthy sharing economy, all stakeholders including governments, businesses, and non-profits must work together to develop relevant and timely systems of governance. This research also found that the inclusion of all citizens in policy development processes and the creation of transparent feedback mechanisms, are essential to driving continuous improvement and increase acceptance of sharing economy initiatives.

Unfortunately, substantial barriers in terms of maximizing the benefits of sharing remain, often due to policymakers' reactive approaches to global commercial platforms. As is demonstrated in many of the best practices discussed here, however, proactive approaches to sharing can help to create a sharing ecosystem that works in the best interests of all stakeholders. This is not to say that global platforms need not also take more meaningful steps to exercise responsible corporate behaviour. But the existence of these practices does mean that, by fostering collaboration through a cooperative approach, better solutions are at least possible.

Another key finding worth emphasizing is that policymakers can benefit greatly by sharing knowledge with one another. The Sharing Cities Alliance is an example of such an endeavour. One of the most striking patterns that emerges from the best practices presented here is that by actively working to promote a culture of innovation and by modeling responsible sharing themselves, some cities have been able to build robust local sharing ecosystems that do a wonderful job of serving the needs of their residents in new and exciting ways. Cities such as Seoul and Amsterdam serve as the premier models in this respect having successfully fostered sharing economies that keep innovation, inclusion, sustainability, and collaboration at the heart of sharing.

⁶⁷ Ditta, S. Urban, M. and Johal, W. 19 August, 2016. "Sharing the Road." Mowat Centre.

CSA Group Research

In order to encourage the use of consensus-based standards solutions to promote safety and encourage innovation, CSA Group supports and conducts research in areas that address new or emerging industries, as well as topics and issues that impact a broad base of current and potential stakeholders. The output of our research programs will support the development of future standards solutions, provide interim guidance to industries on the development and adoption of new technologies, and help to demonstrate our on-going commitment to building a better, safer, more sustainable world.

