X City of X Amsterdam

AMSTERDAM THE SHARING

ECONOMY ACTION PLAN

Shaping a sharing economy that works for businesses and citizens alike



AT A GLANCE

THE INITIATIVE

Amsterdam city has developed a proactive approach to the sharing economy to support the goals of its 'living' <u>Sharing Economy Action Plan</u> which is designed to enable the city, businesses and residents to reap the benefits from sharing platforms, while also identifying and mitigating unintended risks.

The plan sits alongside the city's circular economy activities, recognising that the sharing economy opens up opportunities to make better use of materials and resources. Multiple innovations have sprung from it that increase access to and use of public and private assets, including the sharing of household items, space, modes of transport, and even food. Several of these activities have also led to closer connections forming between residents.

TIME FRAME

The plan was first developed by the 2014-2018 City Board and continues to evolve to take account of new developments and administration changes.

FOCUS AREAS

The Action Plan looks into multiple activities including housing, office space and product sharing opportunities and individual and integrated sharing-mobility modes.

CORE TEAM & EXTERNAL PARTICIPANTS

The Action Plan was developed and stewarded by a strategy and coordination team of five people within Amsterdam city government. In keeping with the original idea of mainstreaming the plan across city departments, the strategy team has reduced to two people as relevant departments take on ownership.

FINANCE

Individual initiatives and pilots are funded by the relevant city department from existing budgets.

OUTCOMES TO DATE

The city's Sharing Economy Action Plan sits alongside other city initiatives, such as <u>StartupAmsterdam</u>, that are designed to grow and improve the startup and business environment in Amsterdam. There are currently over 150 sharing economy platforms active in Amsterdam. Local platforms include, for example:

- <u>Peerby</u> an app that connects people who need to borrow or rent an item
- <u>MotoShare</u> an app that connects motorbike and car owners to those in need of temporary use of one
- <u>LENA</u> a 'fashion library' where customers can rent high quality fashion items on a one-off basis or gain access to the clothing offered via a subscription service



For more see Policy Levers



Amsterdam's sharing platforms offer many advantages to the city and its residents, including: making use of public and private assets that would otherwise be underused; opening up new business opportunities and revenue streams for individuals and businesses; and creating connections between residents and visitors that may not otherwise arise.

Addressing lower participation amongst the elderly and low-income groups, Amsterdam continues to test the potential of the sharing economy to bring benefits to more people. In 2017, the city government ran a three month pilot, linking the Stadspas discount pass to <u>Thuisafgehaald</u>, a sharing platform that supports meal sharing, eliminates food waste and connects local communities. During the trial, more than 900 meals were collected by Stadspas holders through the platform, helping to meet nutritional needs, build local community connections and identify new opportunities to scale the service.

Encompassing and reflecting different city and citizen priorities has become a strong focus of the city's work. To develop this further, Amsterdam is applying for <u>EU</u> research funding to build a framework of governmental interventions focused on how cities can work to make the sharing economy more inclusive, benefitting society more broadly.

THE JOURNEY

ORIGINS

Amsterdam city government was mindful of the unintended consequences arising from the sharing movement such as a reduction of long-term rental accommodation, or the emergence of unregulated activity such as illegal hotels. They were also aware of the potential opportunities, ranging from business innovations, more effective use of goods, reduction in municipal and structural waste, and the increase in community connections that can arise from sharing economy activities. The city government was keen to find a constructive response, particularly as momentum was growing and by 2015 organisations such as <u>ShareNL</u> had declared Amsterdam Europe's leading sharing city.

In 2015, Amsterdam's College of Mayor and Alderpersons (the municipal executive board) sanctioned a small team, formed from the Economic Affairs and the Innovation Office, to create a sharing economy vision and action plan to guide developments. Using a mixture of face-to-face interviews and questionnaires, the team collaboratively explored policy opportunities, innovations and responses with other city departments, businesses, sharing economy platforms, and residents.



Photo credit: Dirk Kruyder

DESIGNING THE ACTION PLAN

From the start, the coordinating team and relevant city departments have reached out to sharing economy platforms. Working closely with them has helped to create an environment that allows for the growth of sharing economy innovations, while remaining alert and responsive to risks.

Any adjustments to regulations that impact sharing activities may come from a city, national or European level, which further informs who is involved. Relevant city departments maintain responsibility for policy responses in their areas, for example, the Housing Department liaised directly with Airbnb to reach consensus on a Memorandum of Understanding (MoU), which in turn also helped inform the overall Action Plan. This MoU works to ensure local holiday let rules are upheld. It limits home sharing activities to a maximum of 60 days until 2018, reducing to 30 days in 2019. These responses work to mitigate against adverse impacts on the long-term rental market while Airbnb can still offer sharing services to homeowners and short-term visitors.

Under the Action Plan, different departments may work together to develop integrated solutions. For example, a bike sharing scheme brings together the Smart Mobility Department with the Planning and Tourism Department as they consider the needs of both residents and tourists alike, and seek to address challenges such as 'rogue bike sharing' that clogs up local parking spaces instead of utilising dedicated docks. Collaborating in this way has been key to enabling each department to support sharing platforms, while identifying risks and maintaining a level playing field amongst businesses.

© ELLEN MACARTHUR FOUNDATION, MARCH 2019 http://www.ellenmacarthurfoundation.org/our-work/activities/circular-economy-in-cities Deepening its understanding and to complement delivery of the Action Plan, the city government decided to acquire hands-on operational experience by running a sharing economy pilot within its own offices. It involved sharing meeting rooms that stood empty at the weekend with social impact organisations running coding lessons for refugees. This proactive approach exposed several practical issues - such as who should take responsibility for locking up the building - that have helped the city further understand sharing platforms.

The new city board and council, elected in 2018, is yet to confirm or revise the current vision of the Action Plan as they continue to explore the movement.



MEASURING PROGRESS

The lack of a universal definition of the sharing economy makes measuring and comparing the progress of different initiatives challenging. Sharing economy activities involve opening up access to owned assets or services, and this can be at a cost or for free. And while many transactions take place via online platforms, not all do. Terms and references also vary widely, and can include collaborative consumption, platform economy, on-demand economy, renting economy, and peer2peer economy amongst others.

Shaping a sharing economy that benefits different sectors of society, supports economic activities and protects natural resources is a priority for the city. By establishing appropriate measurements that reflect these considerations Amsterdam is able to track progress.

Key measurement areas include:

- Awareness of sharing economy platforms as a way to increase access to goods and services without the need for individual ownership
- Participation of low-income and hard to reach groups who particularly stand to benefit from affordability benefits
- Resultant economic, environmental and social benefits

Photo credit: Dirk Kruyder

REFLECTIONS

Creating an Action Plan that benefits residents, businesses and visitors alike. By listening to citizens and businesses, Amsterdam is working to ensure i) this new market has the freedom to innovate and grow, ii) the city, citizens and visitors, and businesses, can increase their access to and use of resources in the city iii) unintended adverse effects are mitigated.

Leveraging departmental expertise and accountability to embed sharing economy

practices. By convening and partnering with other departments, the small coordinating team have been able to leverage departmental expertise, and embed a common approach amongst policymakers engaging with the sharing economy. Collaborating in this way creates opportunities for more rounded schemes to emerge, even while it comes with certain coordination challenges, such as maintaining momentum and keeping track of new developments.

Raising the profile of sharing economy opportunities via mayoral and external

endorsement. Endorsement from the vice-mayor in 2015 has helped to develop and deliver the Action Plan. Amsterdam city's connections to ShareNL has also helped to promote the benefits. ShareNL provides advice, webinars and meet-ups for sharing platforms, policymakers, start-ups and researchers. ShareNL also manages the <u>Sharing</u> <u>Cities Alliance</u>, an organisation that works with startups, corporates, governments, research institutions, and individuals from around the world. This gives cities, including Amsterdam, the opportunity to share their achievements with a broader audience and benefit from peer-to-peer learning.

FOR MORE INFORMATION

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