

PAS 202:2019

Sharing economy – Operation of an online platform – Specification



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Contents

Foreword	ii
0 Introduction	iii
1 Scope	1
2 Terms and definitions	2
3 Operation and management of the platform	3
4 Risks	5
5 Monitoring and evaluation	6
6 Review and improvement	7
Annexes	
Annex A (normative) Reference operational controls	8
Bibliography	12

Foreword

This PAS was sponsored by the Japanese Industrial Standards Committee and Japanese Standards Association. Its development was facilitated by BSI Standards Limited and it was published under licence from The British Standards Institution. It came into effect on 28 February 2019.

Acknowledgment is given to Tomoyuki Endo (JSA), as the Technical Author of this PAS, and the following organizations that were involved in the development of this PAS as members of the steering group:

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Use of this document

It has been assumed in the preparation of this PAS that the execution of its provisions will be entrusted to appropriately qualified and experienced people, for whose use it has been produced.

Presentational conventions

The provisions of this standard are presented in roman (i.e. upright) type. Its requirements are expressed in sentences in which the principal auxiliary verb is “shall”.

Commentary, explanation and general informative material is presented in smaller italic type, and does not constitute a normative element.

Where words have alternative spellings, the preferred spelling of the Shorter Oxford English Dictionary is used (e.g. “organization” rather than “organisation”).

Requirements in this standard are drafted in accordance with *Rules for the structure and drafting of UK standards*, subclause J.1.1, which states, “Requirements should be expressed using wording such as: ‘When tested as described in Annex A, the product shall ...’”. This means that only those products that are capable of passing the specified test will be deemed to conform to this standard.

Contractual and legal considerations

This publication does not purport to include all the necessary provisions of a contract. Users are responsible for its correct application.

Compliance with a British Standard cannot confer immunity from legal obligations.

0 Introduction

0.1 General

A combination of widespread internet use, technological developments, business model innovation and demographic shifts has led to the emergence of a new trading model often called the “sharing economy”. In addition, the rise in the global usage of mobile devices together with changing consumer behaviour is driving the growth of the sharing economy and encouraging new ways of connecting providers and customers.

This PAS provides principles for managing practical elements of the sharing economy and a framework for their implementation by platform operators. It is intended that the application of these principles and framework will:

- encourage participation in the sharing economy;
- make that participation an accessible and positive experience for all interested parties;
- encourage responsible, transparent transactions that respect people, property and the environment; and
- support the development of the sharing economy as an important component of a modern, healthy market.

To assist this development, it is important that those responsible for providing platforms for the sharing economy establish systems to ensure the safety and security of all interested parties, and the reliability of its infrastructure and associated processes. These systems should be regularly reviewed, independently verified where possible, and updated where necessary.

The sharing economy facilitates the matching of often-underused assets and skills of providers, who could be individuals, with the needs of customers who want access to those assets or skills. It creates a kind of community which can provide reserve capacity for managing impacts of unforeseen events, such as natural disasters or terrorism. Its transactions can be chargeable or offered free of charge.

The activities associated with the sharing economy, which have impact on consumer behaviour, can sometimes have the effect of challenging traditional business models. Providers and customers are typically unknown to one another and the degree of trust common to traditional business is often initially absent. In addition to traditional trust-building mechanisms, such as guarantees against defects or compensation, sharing economy participants often make use of reviews, usually involving mutual ratings of providers and customers.

The sharing economy presents both opportunities and challenges, for example:

- customers can find improved prices, options and social interaction, but question the safety and reliability of the services on offer and validity of online reviews;
- providers can welcome flexible work arrangements and access to new independent, micro-entrepreneurial income opportunities, but face challenges with respect to insurance, social security, stability of income and other economic and safety protections;
- platform operators can seek broader market access and economic opportunities, but can face challenges with respect to meeting legal requirements while assuring fairness, technological reliability, data integrity, securing customer privacy and safeguarding consumer rights;
- providers have access to a non-traditional route to the labour market but might rely upon mechanisms to build their reputation;
- governments can welcome the broader contributions to economic growth, innovation and improved social trust networks associated with the sharing economy, but might also need to formulate public policy that is responsive to the changes associated with it. Such policies might include developing new taxation mechanisms, and addressing collateral disruptions and transformations affecting traditional businesses; and
- other parties that are not directly involved in sharing economy activities can find the activities to be socially disruptive, but can also find new opportunities and positive environmental impacts as the sharing economy evolves.

This PAS is intended to define guiding principles and a framework for decision making and action. It specifies operational requirements to help platform operators provide services safely, reliably and widely. In doing so it will help to increase customer confidence and enhance the credibility of the new services being offered.

0.2 Principles

Basic principles of operating within the sharing economy are:

- a) make assets and services available to providers and customers without unfair discrimination. Unfair discrimination can be regarded as actions, processes or systems put in place by an online platform which could constitute bias, create burden or withhold benefits or opportunities from any persons because of a perceived characteristic. The following groups are considered “protected characteristics” under anti-discrimination legislation:
 - 1) age;
 - 2) disability;
 - 3) gender reassignment;
 - 4) marriage and civil partnership;
 - 5) pregnancy and maternity;
 - 6) race;
 - 7) religion or belief;
 - 8) sex; and
 - 9) sexual orientation.

Platform operators should be aware of their human rights obligations in the country in which they are operating. Platform operators should endeavour to make their platform available with as few technological restrictions as possible.

- b) respect each country’s culture in carrying out activities; and
- c) support and continuously look to enhance consumer protection and safety of all users.

1 Scope

This PAS specifies requirements for commercial platform operators providing a service within the sharing economy. It covers safety and consumer protection, management activities, resourcing, risk management and evaluation and continual improvement of the service.

It does not directly cover the technical aspects of cyber or information security with regards to managing an online platform but specifies requirements for a governance structure to manage associated risks.

This PAS may also be of interest to not-for-profit and charity platform operators, regulators and users of platforms within the sharing economy.