European Commission - Press release





Antitrust: Commission adopts Guidelines on collective agreements by solo self-employed people

Brussels, 29 September 2022

The European Commission has adopted today its Guidelines on the application of EU competition law to collective agreements ('Guidelines') regarding the working conditions of solo self-employed people. The Guidelines clarify when certain self-employed people can get together to negotiate collectively better working conditions without breaching EU competition rules.

Executive Vice-President for a Europe Fit for the Digital Age and Commissioner for Competition, Margrethe **Vestager**, said: "Solo self-employed people in the digital economy and beyond may not be able to individually negotiate good working terms and therefore may face difficult working conditions. Getting together to collectively negotiate can be a powerful tool to improve such conditions. The new Guidelines aim to provide legal certainty to the solo self-employed people by clarifying when competition law does not stand in the way of their efforts to negotiate collectively for a better deal."

The Guidelines on collective agreements

Article 101 of the Treaty on the Functioning of the EU ('TFEU') prohibits agreements between undertakings that restrict competition. While collective agreements between employer and workers are not subject to EU competition rules, self-employed people are considered "undertakings" and thus risk infringing competition rules when negotiating collectively on their fees or other trading conditions. As a result, self-employed people are often uncertain whether they can collectively negotiate their working conditions.

The Guidelines apply to solo self-employed people who work completely on their own and do not employ others.

The Guidelines clarify the circumstances in which certain solo self-employed people, can negotiate collectively to improve their working conditions without breaching EU competition rules. In particular, the Guidelines clarify that:

- Competition law does not apply to solo self-employed people that are in a **situation comparable to workers.** These include solo self-employed people who: (i) provide services exclusively or predominantly to one undertaking; (ii) work side-by-side with workers; and (iii) provide services to or through a digital labour platform.
- The Commission will not enforce EU competition rules against collective agreements made by solo self-employed people who are in a **weak negotiating position**. This is for instance, when solo self-employed people face an imbalance in bargaining power due to negotiations with economically stronger companies or when they bargain collectively pursuant to national or EU legislation.

The Commission will monitor how these Guidelines are reflected at national level through the European Competition Network and dedicated meetings with European Social Partners. The Commission will review its Guidelines by 2030.

The Guidelines form part of the actions seeking to ensure that the working conditions of platform workers are adequately addressed, including the <u>Commission's proposal for a Directive</u> and the <u>Communication on improving working conditions in platform work</u>. However, the scope of the Guidelines is not limited to solo self-employed people working through digital labour platforms and covers also situations of solo self-employed people active in the offline economy.

Background

In <u>June 2020</u>, the Commission launched an initiative to ensure that EU competition rules do not stand on the way of collective agreements aimed at improving the working conditions of self-employed people.

In January 2021, the Commission launched an inception impact assessment, during which it

gathered further evidence, including through an open public consultation and a external study.

In <u>December 2021</u>, the Commission published a <u>public consultation</u> inviting comments from stakeholders on the draft Guidelines.

The final <u>impact assessment report of this initiative</u> and the <u>external study</u> to support it are published today with the Guidelines.

For More Information

<u>Guidelines on the application of EU competition law to collective agreements regarding the working conditions of solo self-employed persons</u>

Questions and answers: Guidelines on collective agreements of self-employed people

Questions and answers: improving working conditions in platform work

Press release: improving working conditions in platform work

Factsheet: improving working conditions in platform work

Proposal for a Directive on improving the working conditions in platform work

<u>Communication on Better Working Conditions for a Stronger Social Europe: harnessing the full benefits of digitalisation for the future of work</u>

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