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THE COLLABORATIVE ECONOMY: A RICH STORE OF INNOVATIONS

THANKS TO THE DEVELOPMENT OF DIGITAL NETWORKS AND THIRD PLACES, MILLIONS OF PEOPLE CAN NOW SHARE AND MUTUALISE THEIR COMMUNICATION AND HELP EACH OTHER. THIS HAS FAVOURED THE EMERGENCE OF THE COLLABORATIVE ECONOMY, A WAY OF WORKING, CONSUMING AND PRODUCING THAT HAS REVEALED NEW ASPIRATIONS, NAMELY: THE SEARCH FOR MEANING AND A DESIRE TO OVERCOME CONSTRAINTS SUCH AS ECONOMIC INSTABILITY, CLIMATE CHANGE AND THE LOOSENING OF SOCIAL TIES. FRANCE HAS NOW BECOME ONE OF THE LEADING PLAYERS IN THIS ECONOMY.

270

COLLABORATIVE PLATFORMS EXISTED WORLDWIDE IN 2015, 70% OF WHICH WITH THEIR HEADQUARTERS IN FRANCE.

The collaborative economy represents a new economic paradigm of significant importance to urban planning and development. By putting citizens at the heart of the issues, this model seems innovative in several ways, namely: by favouring usage over ownership, by advocating peer-to-peer ways of working, by basing relationships on sharing and by fostering participatory forms of project financing. Its success has been driven by economic, societal and sometimes environmental aspirations and made possible thanks to the development of digital intermediation platforms.

THE COLLABORATIVE ECONOMY: UNDER DEVELOPMENT

Today, this emerging economy brings together a variety of stakeholders: cooperatives, start-ups, non-profit organisations and even large global corporations. There is also a great diversity of economic models. The trading may be market-driven, based on financial compensation (a percentage of the transaction, subscriptions, advertising, sponsoring, etc.), or driven by non-market transactions (gifts, loans, bartering or swapping), both online or offline, involving a transfer of ownership or not. All these models are based on networking and/or on communities of users capable of acting both as producers and as consumers. Thus, the collaborative economy gives more power back to citizens by reducing the number of intermediaries. As such, it is a considerable driver of territorial development. Driven by an empowerment rationale (see glossary p.6), it favours collective action based on projects that may serve the common good (see glossary p.6) by improving access to good food and knowledge or by stimulating more participation in civic life.

Altogether, 270 collaborative platforms [see Pipame, 2015] were identified worldwide in 2015, 70% of which had their headquarters in France. However, the leaders (Airbnb, Wikipedia, Tripadvisor) are often American and mostly business-orientated. An analysis of all known initiatives illustrates

PARIS REGION
SOURCE OF INSPIRATION

SURFACE AREA: **12,012 KM²**
12 MILLION INHABITANTS
18% FRANCE'S POPULATION
6.2 MILLION JOBS

IAU
ouishare

INSTITUT
D'AMÉNAGEMENT
ET D'URBANISME
îledeFrance

Cover page photo
The Fab House was entirely built in the Barcelona Fab Lab and designed by Advanced Architecture of Catalonia (IAAC). This prototype of a solar house that is independent in terms of energy was developed by an international team of architects.

> **The collaborative economy is a model that favours usage over ownership. It optimises the use of resources via sharing, bartering, reselling, renting, lending or gifting of goods and services.**
>
> **Rachel Botsman**
> Saïd Business School,
> Oxford University

What's Mine Is Yours.
The Rise of Collaborative Consumption,
by Rachel Botsman, Roo Rogers, HarperCollins, 2010.

the diversity of platforms active on the French market. Present in numerous sectors, they are structured around the five following pillars (see the infographics below).

Collaborative consumption
This favours usage over ownership and fluidifies exchanges of products and services between individuals through sharing, exchanging, selling[1], renting, borrowing or giving. Collaborative consumption is practised in a great variety of fields: mobility (car-sharing, car-rental between individuals), food (short supply chains, Amap networks, etc.), various services (neighbourhood platforms, socially responsible caretaker services, etc) or shared tourism (peer-to-peer home renting, house swaps, etc). International platforms such as BlaBlaCar and Airbnb collaborate with local platforms such as La Ruche qui dit Oui (a network for direct purchasing from local producers) or Smiile (exchanges of services between neighbours).

Education through knowledge sharing
Platforms for putting individuals in contact with each other also make it possible to share knowledge. This development was initiated by collaborative encyclopaedias such as Wikipedia, which collects knowledge thanks to its active community of volunteers. It is now one of the 10 most visited websites in the world. This open knowledge trend has also led to the emergence of free software programs, whose codes are available[2], and to open science, which favours collaborative search or Massive Online Open Courses (MOOCs), which are free online training modules accessible to everybody.

Relocated production
Relocated production covers all the services, spaces and tools that contribute to changes in working and production methods, such as third places (collaborative work spaces). As true laboratories

for new uses (collaborative consumption, new working methods, mutualisation of resources), they are drivers of innovation for the territories concerned and have been developing rapidly in the Paris Region. In 2017, there were 620 third places [Camors, Blein, 2017], fulfilling various often hybrid functions: co-working spaces (shared work spaces mostly used by business starters, self-employed workers and SMEs); fab labs (laboratories for making objects or applications open to the public and focused on prototyping); but also, repair cafés, etc. These new spaces make it possible to retain self-employed workers wherever they work and to reduce people's dependence on urban centres and commuting. They also favour the development of the "in-place" or "face to face" economy.
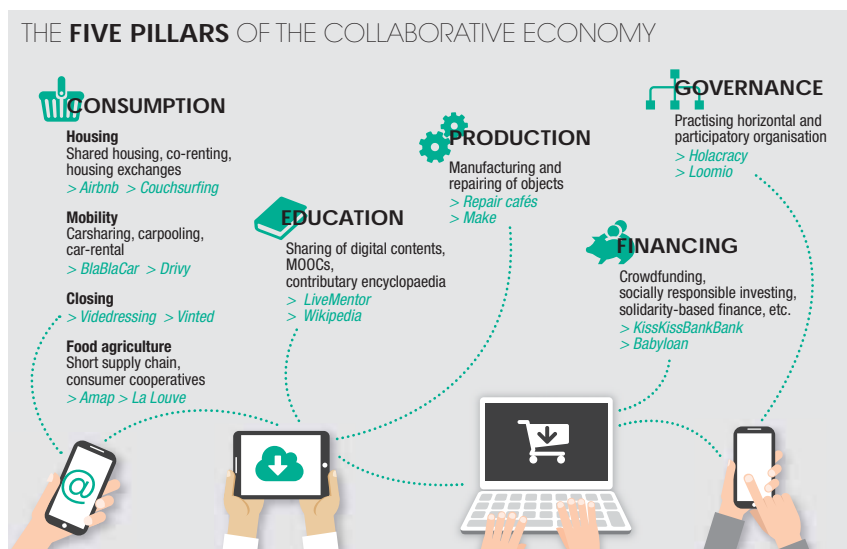
Crowdfunding
Thanks to the platforms, projects can now turn to many sources of financing. These appeals for funding are sometimes initiated by local government authorities, but also by individuals or businesses in several ways, namely: crowdfunding, crowd lending or crowd equity. In France, generalist platforms such as Ulule or KissKissBankBank work side-by-side with specialised players such as Lumo in renewables or Lendopolis for SMEs. Soon, the ability to implement secure decentralised micro-payment systems via blockchains (see glossary p. 6) will boost project and corporate financing, but also the entire collaborative economy.

Shared governance
Finally, shared governance covers all the tools and practices that make it possible to integrate citizens (permanent inhabitants as well as passing visitors) into a territory's decision-making processes and territorial governance. This is part of a trend towards the redistribution of empowerment from institutions to individuals or communities, featuring: transparency and data-sharing policies as well as citizens' involvement in public policy-making (information, consultation, deliberation, co-decision-making, evaluation). This governance method is also reflected in crowdsourcing, which recognises citizens' expertise and collects their knowledge to enhance the understanding of towns and cities through the joint construction and design of urban projects. These citizen participation platforms form part of what is called civic technology.

A YOUNG ECONOMY, IN FULL DEVELOPMENT…
The development of the collaborative economy has been driven mainly by young, high-growth businesses. Among the 270 platforms listed in 2015[3], 79% where established after 2008 and 49% are less than three years old. Relying on recent technological innovations, they took off when households began to equip themselves with connected objects (tablets, smartphones, etc.): 85% of French people were connected to the internet in 2016 and the average age of users of

THE **FIVE PILLARS** OF THE COLLABORATIVE ECONOMY

CONSUMPTION

Housing
Shared housing, co-renting, housing exchanges
> *Airbnb* > *Couchsurfing*

Mobility
Carsharing, carpooling, car-rental
> *BlaBlaCar* > *Drivy*

Closing
> *Videdressing* > *Vinted*

Food agriculture
Short supply chain, consumer cooperatives
> *Amap* > *La Louve*

EDUCATION
Sharing of digital contents, MOOCs, contributary encyclopaedia
> *LiveMentor*
> *Wikipedia*

PRODUCTION
Manufacturing and repairing of objects
> *Repair cafés*
> *Make*

GOVERNANCE
Practising horizontal and participatory organisation
> *Holacracy*
> *Loomio*

FINANCING
Crowdfunding, socially responsible investing, solidarity-based finance, etc.
> *KissKissBankBank*
> *Babyloan*

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Sources: IAU îdF from OuiShare, Fing, Pipame

Fred Romero/Flickr

The Buiksloterham neighbourhood in Amsterdam: a laboratory for a sustainable city

Deserted for about 20 years, Buiksloterham, a port wasteland north of Amsterdam, has now become an iconic district. The inhabitants have turned it into an urban laboratory and an eco-technological village in which to test new ways of building homes and of consuming or sharing resources. A new way of life has been emerging, which is decentralised and freed from municipal water and energy infrastructures by developing ultra-local mechanisms based on the principles of the circular economy, *i.e.* recycling, resource recovery and self-production. Its headquarters, the De Ceuvel village for start-ups and self-employed workers, has been set up in a former shipyard. Buiksloterham has now become an international benchmark in the field of so-called "resilient" urban development.
http://deceuvel.nl/en

Republic of Korea/Flickr

Seoul: the model of a Sharing City

Seoul's ambition is to become the "sharing city" and to restore its sense of humanity lost because of hyper-consumption. It has a project based on the Sharing City concept, which promotes the spirit of sharing unused resources and aims to restore the sense of belonging to a community. The Sharing City concept advocates an economic model with a strong social dimension, while at the same time enabling institutions to cut their spending. It seeks to set up a favourable legal framework and to implement policies that favour the emergence of collaborative economy businesses, which aim to consume without owning and to share workspaces, parking lots and other assets. Thus, the city has launched around 20 programmes, including notably the Sharehub platform, which brings together collaborative economy stakeholders and businesses. New technologies are at the heart of the project: 97% of the population have access to broadband internet connections.
http://english.sharehub.kr

Forgemind_ArchiMedia/Flickr

Poblenou in Barcelona: a locally self-sufficient and globally connected Fab City

Poblenou is a former industrial neighbourhood which was regenerated in the 1990s by means of the knowledge economy, ICTs, etc. Project 22@ has attracted 1,500 companies, including large industrial businesses, which saw it as a testing ground for smart grid technologies. However, this technocratic vision of the city has become contentious. Recent exchanges of thoughts between the municipality, the Institute for Advanced Architecture of Catalonia (IAAC) and the Barcelona Fab Lab have enshrined the principles of a new model, that of the Fab City. The idea is to rely on the potential of the Fab Labs for creating local micro-plants self-managed by the inhabitants and capable of ensuring industrial, food and energy production and of recycling goods and mutualising services in line with the specific needs of each neighbourhood.
https://fablabbcn.org

Smiile

Smiile in Lorient: a local mutual aid platform at the service of the collaborative city

Set up in 2014 in Saint-Malo, Smiile is a mutual aid and sharing social network for neighbours (car-pooling, bulk purchasing, exchanges of services). The platform has quickly become a hyper-local medium of communication, facilitating contacts between inhabitants, retailers, non-profit organisations, local authorities, etc. for local collaborative services. Today, 11 local start-ups in and around Lorient (Koolicar, La Ruche qui dit oui, Karos, Tudigo, etc.) use the Smiile application to offer their car-pooling, storage and crowd-funding, etc. services. The local inhabitants can buy services such as gardening, house-keeping, repairing of objects or well-being, etc.
The economic model is based on an offering aimed at local authorities and social landlords, who may subscribe and deploy collaborative services within their territories.
https://www.smiile.com/

TUBA, Lyon Urban Data

The TUBÀ in Lyon: a unique living lab to build the city of tomorrow

Located in the Part-Dieu business district, the Tube à expérimentations urbaines (TUBÀ) is a "data warehouse" unique in France developed by four categories of stakeholders: large companies and local authorities, who have data they sometimes do not know how to exploit; start-ups, who want to experiment with their innovations; and citizens keen to test the relevance of these new services created for them. At the heart of these synergies there is a large quantity of data relating to transport, public services, the environment, etc. The experiments form part of an innovation process centred on the user. The TUBÀ is structured by spaces reserved for companies and start-ups and a place open to the public.
It is currently financed by the Rhône-Alpes region, Greater Lyon and six private sector partners including Veolia, SFR and Sopra.
http://www.tuba-lyon.com

E. Gabily

Darwin in Bordeaux: a laboratory for economic, ecological and socially responsible transitions

This former military barracks located on the right bank of the Garonne river is home to Darwin, an ecosystem made up of non-profit organisations engaged in a variety of economic and socially responsible initiatives in the fields of culture, ecology and urban sports. Through its Evolution business incubator, Darwin finances projects developed by the 20 resident non-profit organisations and organises around 100 events per year. Today, more than 220 entities and 600 people work mainly in the green and creative economies, generating cumulative revenues in excess of 70 million euros. Darwin has become an iconic image of the 21st century's heritage by being economically innovative and ecologically responsible, thanks to its negaWatt strategy combining low energy consumption, energy efficiency and renewables.
http://darwin.camp/

collaborative practices was 26 [ING, 2015]. These platforms are very different in terms of structure, market share and competitive intensity: half of them operate on mature markets (consumption, financing) while the others operate on oligopolistic markets (Leboncoin, La Ruche qui dit Oui) or on almost emerging markets.

... which is shaking up the job market...

Work organisation and working methods have been shaken up. The labour force is as heterogenous as the platforms: it is made up of salaried employees, self-employed workers, micro-entrepreneurs, side jobbers and private individuals involved in a form of leisure activity. People who base their activities on collaborative platforms become more flexible and mobile, but also more insecure. Policies supporting the rights of these new workers are eagerly expected, as are the fair local regulations to deal with the upheavals in certain sectors (notably regulations relating to Airbnb in several Europeans cities). The collaborative economy ought to receive great attention from the public authorities because it is developing rapidly and could have a great impact on the entire economy.

... and could increase inequalities

This economy is generally driven by the younger generations and by creative people in the cultural sector [Dagnaud, 2018]. These entrepreneurs are often graduates of the best elite schools and universities. Part of the population still seems to be excluded from the benefits of these new services. The older generations and low-income groups benefit very little from collaborative consumption, because it implies a certain relationship with the world and adherence to a certain cultural model, which they cannot identify with. Moreover, access to digital technology has become a factor of inequality which aggravates existing educational and generational inequalities.

NECESSARY LINKAGE WITH THE CHALLENGES OF THE ECOLOGICAL TRANSITION

The collaborative economy can transform the development of a territory. But this alone cannot have any overall impact on the social, cultural and environmental dimensions of collaborative practices. The development of collaborative territories implies the existence of a social and ecological vision and of a political will.
For example, the development of the collaborative economy can be an important driver of the ecological transition thanks to the circular economy (see glossary p.6). Indeed, this model facilitates the mutualisation of resources between peers, the primacy of usage over ownership and local manufacturing (renewables, short food supply chains, fab labs, etc.). However, the environmental balance of these new consumption and production practices is still a limited success [Pico, 2016]. To trade goods, individuals may have to drive over many kilometres, as shown by certain practices of

buyers on Leboncoin. Furthermore, the possibility of reselling or buying second-hand goods can intensify hyper-consumption [Ademe *et al,* 2016].

THE COLLABORATIVE TOWN OR CITY: AN INSPIRING MODEL FOR TERRITORIES

The rapid development of this disruptive economy also provides new opportunities for job creation, innovation and positive externalities for local areas [Terrasse, 2016]. Conversely, local areas have greatly contributed to this development by welcoming and fostering practices, projects and dedicated spaces aimed at implementing their vision of the development of their territory.
The dynamics created by theses economic initiatives and innovations have favoured the emergence of new places (fab labs, third places), new practices (exchanges, bartering, gifting, direct selling, etc.) and new modes of transport (carpooling, bicycle sharing, etc.). The individual is no longer simply a consumer but can become an active participant in the process of producing goods and services.

Thus, the sharing economy calls for greater citizen involvement and the will to foster social bonding. It therefore plays a major role in enabling citizens to retake ownership of their territories. Faced with the complexity of the sharing economy, which is based on many different models, the challenge facing local decision-makers is to capitalise on the initiatives taken by citizens and economic agents by favouring mutually beneficial actions based on the development of trusting partnerships. To enable local leaders and elected officials to play this role of facilitator, it is first necessary to identify which initiatives to take within these territories to maximise support and encouragement.
Currently, the models of collaborative towns and cities apply mainly to metropolitan areas because the population density makes it possible to capitalise on the economic models of platforms and sometimes to restore closer links between inhabitants.

Several concepts and models can be sources of inspiration for territories [Le Lab OuiShare, Chronos, 2017].

• The **Sharing City** model relies on the support provided by the local authority to local players in the collaborative economy designed to be sustainable and inclusive. It is based on the diversity of both stakeholders (businesses, start-ups, cooperatives, associations, etc.) and sectors (food, mobility, tourism, etc). Seoul and Amsterdam have been pioneering this model (Seoul Sharing City, p.3).
• The **city as a Commons** model recognises the role played by citizens in city governance and uses similar mechanisms and technologies to the Sharing City to create "urban common goods" (see glossary below).

THE INDISPENSABLE OUISHARE

Born in Paris in 2012, OuiShare is now present in more than 20 countries. As both a think tank and a project incubator, it aims to lay the foundations for a new model of collaborative society. In 2014, the Sharitories project [The OuiShare Lab, Chronos, 2017] endeavoured to help local government authorities across Europe to advance towards the collaborative economy. It explored the collaborative processes in eight medium-sized cities and analysed to what extent new practices generated by the collaborative economy can act as drivers of the development of mid-sized cities in France and Europe. This project aims to provide the tools needed by any stakeholders who wish to act in their territories.

• The **Fab City** model, based on collaborative production, links free data with means of production accessible to citizens. It aims to achieve greater local self-sufficiency, notably regarding the production of energy, food and consumer goods based on the logic of the circular economy. Barcelona has been experimenting this approach in the Poblenou neighbourhood (see Barcelona Fab City on p.3).

With its many solutions to the challenges of today's economic and environmental crisis, the collaborative economy deserves to be supported. The role of the public authority varies according to the scale on which it is exercised: national platforms deal with regulations, taxation and labour law, whereas local platforms deal with the coordination of planning policies and their local challenges (social action, employment, energy, mobility, waste treatment, etc). Collaborative practices involving the inhabitants, cooperative supermarkets, neighbourhood networks, etc. impact on third places, local crowdfunding, fab labs, urban regeneration. All of this disturbs the existing territorial engineering and implies the introduction of more agility and flexibility in the models used to facilitate dialogue with all urban stakeholders and to assess the real impact of these practices on the territory concerned. ∎

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RESOURCES

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• ITW with Helen Goulden, executive director at NESTA: "NESTA a key player in the sharing economy https://youtu.be/peJpm_G3G5g
• ITW with Tomas Diez, urban planner and the co-founder of Fab Lab in Barcelona: "From a fab lab to a fab city" https://youtu.be/SZAoslgp1WA

GLOSSARY

Urban commons: natural, physical and intellectual resources shared by a community motivated by the same desire to take charge of these resources. This community organises itself in a democratic, user-friendly and responsible way to ensure access to, use of and the sustainability of these resources in the interests of the common good and of living well together, not only today, but also for future generations.

Blockchain: technology for storing and transmitting information without a supervisory body. It is composed of a chain of digital blocks of which all the exchanges are recorded in the form of digital fingerprints. It could revolutionise the methods of transaction between peers, which would enhance the economy (finance, real estate, insurance), democracy (voting, data protection, land register) and everyday life (sharing and renting objects and services). Heralded as a factor of disruption as great as the Internet, the blockchain's digital technology could transform towns, cities and territories.

Circular economy: aims to change the paradigm of the so-called «linear» economy by limiting the wastage of resources and negative environmental impacts, and by increasing product efficiency. The circular economy aims to achieve low consumption and cost-effective management of resources (source: Ademe).

Empowerment: or capacitation, is the process whereby individuals are encouraged to act responsibly and to develop greater social awareness, which may become collective, enabling them to gain more freedom and to develop their own capacity to act and to change their environment.

1. According to the Sharevolution study 2015, achieved by OuiShare and La Fing, 92% of French respondents are selling objects between private consumers.
2. One of the best-known free software is the Linux and OpenStreetMap operating system as an open source alternative to Google Maps.
3. Source: Pôle Interministériel de Prospective et d'Anticipation des Mutations Économiques (PIPAME). Interdepartmental Pole of Prospective and Anticipation of Economic Changes.