

Explanatory notes to the various parts

1. Digital platforms

1.1 Towards a cohesive analysis framework for digital platforms

Successful internet companies often fulfil a platform function in the digital economy. They provide the infrastructure that facilitates the transactions and interactions between parties. Examples include Booking.com, which operates as an agency for hotels; Marktplaats, a site through which private individuals can offer second-hand items for sale; and the app stores of Apple and Google that facilitate contact between the app makers and their customers. However, Facebook and other social media also operate as platforms bringing users together. The role of the middleman and intermediary is nothing new, but the opportunities these platforms offer in terms of scalability and the number of potential customers that can be reached gives the role a new dimension.

The rise of digital platforms creates many new opportunities. Businesses can easily offer products to a potential buying public of millions via digital platforms such as Marktplaats or Alibaba, and consumers have access to a huge range of products. Digital platforms create new markets and they change the dynamics in existing markets. They also make prices and the quality of products and services more transparent, resulting in more competition. This leads to a greater and more diverse range of products, at more competitive prices and with better quality. For example, Booking.com offers an overview of hotel prices and customer reviews. Thus digital platforms are a source of innovation that is bringing about many changes in the economy and in society, and so I support this development wholeheartedly.

Digital platforms and the sharing economy: definitions

The terms 'digital platforms' and 'sharing economy' are frequently used together. That is understandable because they fit together very well. Digital platforms play a role in all kinds of economic sectors, e.g. media (Netflix), eCommerce (bol.com) and social media (Facebook). Within the sharing economy specifically, the emergence of digital platforms such as Peerby, Marktplaats and Snappcar has made sure that sharing really has taken off in a big way. This is because digital platforms have made it much easier to bring supply and demand together. Furthermore, as the parties build up their online reputations, trust between parties who previously did not know each other is strengthened.

Both developments raise their own issues for policy. In the case of digital platforms, there are many questions about dominant positions (including those due to network effects), use of data and the reliability of reputation mechanisms. In the case of the sharing economy, there are questions about whether and to what extent consumers who offer products and services for sale should be subject to the regulations designed for professional sellers and about how regulation can deal with the shift from ownership to use.

Both types of question come into play in the case of digital platforms operating in the sharing economy, but for other digital platforms that do not operate in the sharing economy – e.g. Netflix, Facebook or Google Search – only the first set of policy questions are relevant.

However, the advance of digital platforms is also accompanied by challenges. There are risks from so-called network effects, which can create barriers to switching to another provider. This can lead to positions of economic dominance which can exclude competitors and newcomers. Large-scale use of data, including personal details, also has its risks, for example in the area of privacy. Finally, we see that digital platforms shake up existing - usually regulated - markets, which leads to a new set of questions. Airbnb is a good example of this. This platform has given a new impetus to the short-term letting of private homes but, at the same time, it raises new questions such as possible unfair competition with existing providers and the impact on public interests such as safety and quality of life.

The emergence of digital platforms and the issues involved raise the question of whether the range of policy instruments currently at the government's disposal still suffice. This is not only being discussed on the national policy agenda but also on the European policy agenda. In order to make a thorough

Summary of the analysis framework

Each digital platform is different and comes with its own issues. The starting point for the analysis framework is therefore to identify the different characteristics of the digital platforms, including the earnings model used, potential economies of scale, network effects and the integration of different services. To bring some kind of order to this, the analysis framework uses four types of platforms: reseller/distributor (e.g. Zalando), market place (e.g. Speurders), social network (e.g. Facebook), and platform to platform (e.g. Google).

The next step is to look at the impact these aspects have on public interests. The framework works with four public interests: competition and innovation, consumer interests, freedom from improper influence, and integrity and continuity.

Based on the characteristics identified and their impact on public interests, an analysis can then be performed to ascertain whether there is any reason for government intervention. If so, the framework identifies a number of options by which public interests can be safeguarded, for example: the introduction of new legislation and regulations, the removal of obstructive rules, or the stricter application of rules. The conclusion could also be that the present framework does not need to be changed but that it would be desirable to clarify the scope that exists for innovation.

The research also provides insight into the various rules and regulations that already apply to digital platforms. The conclusion on this is that the current range of instruments often offers enough tools to mitigate any problems. If the government does intervene, the dynamic effects also need to be taken into consideration: digital platforms are highly mobile and over-detailed regulations can impede their development and capacity for innovation unnecessarily.

analysis of this, I have asked a consortium made up of TNO, Ecorys and the Institute for Information Law (IViR) to draw up a cohesive analysis framework for issues relating to digital platforms. This analysis framework should enable the government to make better use of the opportunities that platforms offer, to be better able to appreciate and mitigate the risks, and also to get an idea of the right instruments that can be used. The results of the research offer good points of reference for analysing platform issues in a systematic way and for a balanced discussion of the issues with the different stakeholders. In this context, I will therefore engage in dialogue with national and international stakeholders on this issue.

1.2 Conclusions for policy

Based on the report, I have come to the following conclusions for policy.

Generic digital platform regulation is not necessary; we should on the contrary have a tailored approach

Despite repeated calls for more general rules, the findings of the research do not suggest that additional generic rules should be drawn up for digital platforms, with respect to platform neutrality for example. The current instruments usually provide sufficient guidance. Although certain characteristics, such as network effects and large-scale use of data and personal details, are more of an issue with digital platforms than with traditional businesses, they are not unique to digital platforms. Furthermore, there are already plenty of instruments available with which to tackle potential problems, such as generic consumer protection instruments to safeguard consumers' interests and competition law to assess abuse of a position of economic dominance.

However, deciding that no additional generic regulations are necessary does not mean that no rules are necessary. It means that we need a tailored approach. The characteristics and relevant public interests will have to be assessed on their own merits in each case, looking at whether additional or indeed fewer rules are needed. The public interests that come into play in the letting of private homes to tourists are different from those in the taxi market, for example. The administrative level at which public interests can best be safeguarded also differs from one case to another. Concerns about quality of life are probably best addressed at local level, while concerns about positions of economic dominance can best be acted on at national or even European level.

Dynamic regulation

The context in which digital platforms operate is constantly changing. In dynamic sectors like this, the authorities should be cautious about intervening because of the major consequences this could have for innovation and dynamics. If the authorities do decide to intervene, the challenge is to apply the existing instruments in the right way. It is important when doing so to not only look at the present

situation. For example, Hyves was once a dominant player in the Dutch market for social networks but was overshadowed by Facebook in the space of just a few years. These dynamics demand legislation that can keep pace with developments. As announced earlier in the letter 'Scope for innovation through future-proof legislation and regulations,' goal-based regulation is one instrument that can be used for this. By making clear what purpose a law is intended to serve and what public interests it is intended to protect, and by working with goals instead of provisions setting out the measures to be taken to achieve this objective, the government will indicate how to respond rapidly to future developments.

If the objective is clearly defined, it is possible to give national and other supervisory authorities more freedom to allow people to reach that objective in different ways. This makes it possible to have a more flexible and tailored approach. It is important in this context that national supervisory authorities in the different Member States cooperate more, for instance through the BEREC, the Body of European Regulators for Electronic Communications. Looking together at how goal-based regulation can best be interpreted will bring about greater uniformity in the interpretation of the rules. This should prevent the possible spread of legal uncertainty.

Better regulation due to digital platforms

Finally, it is good to note that digital platforms also create opportunities to safeguard public interests better. This is because they usually lead to improved operation of markets, by making quality and prices more transparent for example, and reputation mechanisms work better. This strengthens the position of consumers. As a result, legislation and regulations could be designed differently in the future and they could be less burdensome. There is a direct role reserved for consumers in this. They can pass on information to digital platforms as a result of which public interests can be better protected. Marktplaats, for example, works closely with users, supervisory authorities and government bodies to combat illegal practices on its platform.

1.3 Europe

The issue of digital platforms is also on the European agenda. The European Commission is conducting its own research into the economic and social effects of platforms. The results are expected to be published next year. As announced, I will facilitate the debate on platforms during the Dutch Presidency. In addition to that, I plan to draw attention to the analysis framework in European circles in order to approach the topic in an open and thorough manner.

2. The sharing economy

2.1 Developments in the sharing economy

We are seeing more and more initiatives in the sharing economy, due in part to the rise of digital platforms and their increasing acceptance in society. These initiatives cover a broad range of products and services and can be observed in many forms such as sharing, renting and giving. It usually involves durable goods such as cars, houses, tools and furniture, but we are increasingly seeing people offering their services to do all kinds of jobs. Given the diversity of products and services involved, it is difficult to come up with a clear definition of the sharing economy. While such a definition is, perhaps, less relevant, the underlying core of the development which is demonstrated by the shift from ownership to use, is significant, as it enables a more sustainable form of consumption that offers an alternative to the purchase of new goods. This development is not new but the emergence of digital platforms means that it can now take place on a much larger scale. I heartily applaud this trend because of its advantages in terms of the efficient and sustainable use of goods.

Yet, the growth of the sharing economy does raise certain questions for policy. In some cases there are still obstacles to the further development of initiatives in the sharing economy. In addition, initiatives do not always fit into existing regulatory frameworks. This need not mean that interests such as safety, quality and reliability come into play at the same time, but it does mean that we need to think about the detailed interpretation of laws and regulations and that we sometimes even need to amend rules. The challenge is to arrive at a new balance in which the potential of the sharing economy is exploited but not at the expense of the safeguarding of public interests. Existing interests can no longer always be taken as the guiding principles here as an important aspect of the new balance starts with the fact that relationships in the economy are constantly shifting.

To get a better view of the opportunities and obstacles for the sharing economy, I commissioned two studies in conjunction with the State Secretary for Infrastructure and the Environment: one on the environmental impact of the sharing economy, and the other on the opportunities for and obstacles to innovative investment. The studies provide an interpretation of the concept of the sharing economy and outline a perspective for government action in order to better utilise its potential.

2.2 Conclusions for policy

A number of conclusions for policy can be drawn from this research.

Creating scope through the clarification and modernisation of existing frameworks

The general conclusion that can be drawn from the studies is that the developments in the sharing economy at this point in time still do not indicate that there is a critical need for new generic regulations, but rather that we need to clarify and modernise existing frameworks. They also call for the sharing economy to be allowed to develop further and for the government to facilitate this as much as possible by giving businesses the scope by allowing room for experimentation and goal-based regulation.

I want to respond to the conclusions of both studies by working to find solutions where there are impediments or ambiguities in the legislation and regulations. As announced earlier in the letter 'Scope for innovation through future-proof legislation and regulations', the Dutch Government is also working hard to further develop instruments such as room for experimentation and goal-based regulation and to apply them where possible. The European Commission recently announced a similar commitment in its strategy for the Internal Market.

In addition to this general conclusion, the research has revealed a number of specific themes within the sharing economy that require further attention.

The consumer as producer

The rise of the sharing economy is characterised by the increasing participation of citizens as providers of goods and services, for example, by helping someone in the neighbourhood with a job or lending a drill. Sometimes people do this for nothing, sometimes a small payment exchanges hands. The more often consumers do this and for higher payments, the more blurred becomes the boundary between consumer and producer/business person. The question that then arises is whether current laws and regulations that apply to professional sellers and providers should also apply to private individuals. On the one hand, there has to be a level playing field between these new providers and existing providers; on the other hand, I do not want to immediately stifle new initiatives with a heavy burden of regulations.

I would like to stress that a level playing field implies that the same rules apply to similar parties. The question of whether providers, products or services really are similar is relevant here. If they are, then the same rules must apply. If they are of a different nature, for example because they involve different risks, then the rules can also vary. After all, you have to have a different type of driving licence to drive a lorry or a car.

Given the variety of sharing economy initiatives and their corresponding characteristics, it is difficult to make general statements about what is or is not permitted: it requires more of a case-by-case approach. After all, the market for letting accommodation to tourists is a different kind of market and has different laws and regulations from, for instance, the taxi market. The administrative level at which public interests can best be safeguarded also differs from one case to another.

I can already see examples of this kind of tailored approach in practice. For example, the Municipality of Amsterdam has already drawn a boundary to enable it to assess whether something can be seen as a sharing economy initiative or a more professional letting scenario. In the taxi market, UberPOP has been declared illegal, because this service can be considered to be a taxi service but it does not comply with all the rules that apply to taxi services. Uber has now stopped offering this service in the Netherlands. In cases where the level playing field issue arises, the Dutch Government will work to

find an appropriate solution. In the next section I will examine the case of private letting of accommodation to tourists.

Another important issue with the sharing economy is what rules apply with regard to taxation. Providers of sharing economy initiatives often do not know precisely when they will be seen as entrepreneurs and when, for example, they will become liable for VAT. For people on benefits, there is the question of how far they are allowed to participate on sharing platforms and generate an income from this. The Dutch Tax and Customs Administration is working hard on these matters: firstly, by providing information on the tax implications of participating in the sharing economy and, secondly, by cooperating with platforms to find the target group of interest to them.

From ownership to use

Another important theme of the sharing economy is the shift from possession (ownership) to use. It is not necessary to possess a car or a tool to be able to use it, as they can be borrowed or rented when you need them. Users attach increasingly less importance to owning things and it is easier for them to borrow or hire them. This makes it more efficient to own something with number of other people and to share it instead of everyone buying the item for themselves. However, the current regulatory system tends to assume that property has one owner. This can lead to a lack of clarity at various levels. Who, for instance, is liable if something goes wrong? Will the insurance cover the damage if someone who is not the owner of the insured products damages them? Can you lease a car jointly with another person? These are questions that neither the Dutch Government nor the market have an answer to yet. If, based on the inventory drawn up, it appears that there is a role for the Dutch Government here, for example regarding ambiguity in legislation and regulations, I will look into this. The consequences for liability, insurance, ownership, and loan for use agreements are possible subjects to be explored further, as are the opportunities, in cooperation with sharing platforms, to clarify these issues and inform users about this.

Making greater use of the sustainable potential of the sharing economy

Sharing economy initiatives make a relevant contribution to sustainability and green growth, especially by making greater use of existing and idle capacity. There is a strong environmental benefit to be gained from using existing capacity to meet others' consumption needs. It has been calculated, for example, that in an efficient but realistic sharing model, one drill could supply the needs of seven households. This would mean that six fewer drills need to be produced.

At the moment only a limited amount of the sustainable potential of the sharing economy is being utilised. This is partly because the phenomenon that is the sharing economy and the different sharing economy initiatives are still relatively unknown. The total number of transactions on sharing platforms is still modest, certainly when compared with other forms of consumption. In the first instance it is up to the sharing economy initiatives themselves to advertise their added value. At the same time, the Dutch Government can also encourage this trend as it has a lot of capital goods of its own. I will therefore enter into discussions with State executive organisations and with local authorities to see how we can make better use of and provide access to existing facilities.

3 Private letting to tourists

3.1 Safeguarding public interests

The emergence of platforms for letting accommodation to tourists, such as Airbnb and Wimdu, is an example where the questions concerning digital platforms and the sharing economy come together. Platforms like this have significantly boosted the renting out of private homes to tourists, especially since they have made it easier and cheaper for private individuals to do this. This is clearly reflected in practice. Letting of properties via platforms such as Airbnb and Wimdu has grown exponentially in recent years. Although the Dutch Government can see the opportunities offered by this new form of letting, the question arises as to how this fits in with current legislation and regulations. Are public interests such as safety, quality of life, availability of homes and right of ownership sufficiently protected?

To obtain more clarity on this, I have discussed the issue with Airbnb, the Dutch Tax and Customs Administration, the Association of (Prospective) Home owners (VEH), the Association of Institutional

Property Investors in the Netherlands (IVBN), the trade association for investors in private property (Vastgoed Belang), Aedes, the Netherlands Union of Tenants (Woonbond) and the Municipality of Amsterdam. This Municipality has devised a policy on tourist lettings in order to create a level playing field with the regular hotel sector and to prevent nuisance. An agreement on tourist tax has been concluded with the biggest supplier, Airbnb, for example. I note that Amsterdam has adopted a constructive attitude toward tourist lettings and has formulated a policy that serves the interests of all parties involved. My discussions with the various parties led to the analysis below, which makes as much use as possible of the analysis framework for digital platforms which was outlined earlier.

Safety

In the case of private lettings, it is important to ascertain whether there are any safety risks that require the authorities to intervene. The Buildings Decree addresses these risks and lays down requirements according to whether a property is being used as a residence or as accommodation for letting. If the property is being let out, then because of the increased safety risks, there are additional requirements on top of what would be required for a home, such as fire alarm systems, signs indicating escape routes and fire compartmentalisation. A property can only be classed as a residence if the landlord also lives in the property. Where a property is being permanently let to tourists it is no longer a residence, and it must meet the requirements for accommodation for letting.

Landlords must, however, be aware that if the property is let as temporary or holiday accommodation, stricter requirements may apply. This is because in the case of multiple use, where the safety level can vary for the different uses, the stricter requirements have to be met on that aspect. If a landlord who also lives in the house lets no more than two rooms, there are no additional fire safety requirements above what is required for a residence. The same applies if an owner rents out his/her single family home to another family in his/her absence. The rules in that case are no different. The requirements are also no different, in principle, in the case of renting out an individual apartment in an apartment block. However, the situation is different if separate rooms are let. That is treated as a building for letting, and additional requirements such as fire alarm systems, signs indicating escape routes and fire compartmentalisation are required.

Quality of life

A much-heard complaint about letting via platforms such as Airbnb and Wimdu is about the nuisance to neighbours (noisy guests coming back late after being out partying or the noise of luggage being rolled out early in the morning). These are the kind of things that can also be a nuisance in normal life but then neighbours can usually speak to each other about this and, if necessary, take legal action. If the letting is on a more long-term basis, it can become problematic. It has emerged from the interviews conducted that homes that are permanently rented out cause more nuisance. That is not surprising, as the owner of the property is not there for the neighbours to challenge and the long-term letting arrangement potentially leads to more frequent nuisance.

Level playing field

A much-heard complaint is that private landlords are competing unfairly with existing providers such as hotels and guest houses, because they do not have to comply with the same laws and regulations. Insofar as the situations are similar, similar laws and regulations apply. For letting on a limited scale by private individuals, the standards that have to be met are interpreted at the local level. In Amsterdam, for example, a private home may not be rented out for more than 60 days, because exceeding this length of time means that the home owner is encroaching on the territory of the hotels. Policies like this take into account factors such as safety risks and potential threats to quality of life. However, these risks are not comparable with the risks associated with professional letting. This is why other, often stricter, rules apply to professional letting. There are also rules on income tax and tourist tax that apply to private individuals. The essence of the complaint is far more about the fact that in some cases private letting can assume the character of professional letting, while the provider of private accommodation to rent is not complying with the rules that apply to that type of letting.

Housing allocation

As well as private home owners who rent out their own homes, the possibility also exists that tenants will sublet their home, for example to tourists on Airbnb. In practice, subletting by tenants is almost always contractually ruled out. A housing corporation, for example, may find it undesirable for social

housing to be sublet, because this would reduce its supply and have a negative impact on the turnover of homes. This can lead to problems, especially in municipalities with a shortage of social housing. Furthermore, if the properties are rented out permanently, this means they are no longer fulfilling their intended function as homes. This can put pressure on the distinction municipalities make in their spatial planning between a dwelling function and a hotel function.

3.2 Conclusions for policy

Letting to tourists by private individuals creates economic opportunities

The Dutch Government notes that the emergence of letting to tourists by private individuals has created a more diverse tourist offering that increasingly meets tourists' needs ('to live like a local'). It enriches the fairly homogeneous offering provided by hotels, making the Netherlands more attractive as a tourist destination. It allows our country to participate in this global trend and is a boost to the hospitality economy, from which other parties such as museums and restaurants also benefit. Letting to tourists also enables private individuals to earn a bit of extra money. In addition, the tourism sector can offer a more flexible range of accommodation. At the start of the Tour de France in Utrecht, this was one of the ways that the Municipality of Utrecht was able to cater for the enormous demand for temporary accommodation.

Safeguarding public interests while allowing private letting of accommodation to tourists

In view of the opportunities outlined above, the Dutch Government does not wish to impede this development unnecessarily. Based on the discussions we have had and our own enquiries, the Minister for Housing and the Central Government Sector and I have concluded that public interests such as safety, quality of life, fair competition and proper housing allocation are not generally at issue. The legislation and regulations are usually adequate for situations where homes are rented out temporarily and for short periods. Problems arise when the duration and scale of letting increases, and homes that should not be sublet are sublet, contrary to the applicable rules. It is not surprising that more stringent laws and regulations apply in these cases, in relation to issues such as safety, quality of life and change of use of residential property.

Current legislation and regulations provide a basis for addressing problems

Current legislation and regulations contain instruments that make clear to citizens whether a home can be used for a certain purpose, in this case whether the home can be rented out occasionally and what limits and conditions apply. These rules also give local authorities the opportunity to take enforcement action in the event of a change of use. The instruments in question are the zoning plan and the housing regulations under the 2014 Housing Allocation Act. Other rules, originating from both the Dutch Government (legislation and regulations) and the private sector (agreements), may also apply. The Buildings Decree, for instance, can stipulate conditions for fire safety and the rules of an owners' association or a tenancy agreement can prohibit holiday letting.

In the majority of cases, housing corporations prohibit subletting in the tenancy agreement. Once the owner or the housing corporation discovers that a property is being sublet improperly by the tenant, the law gives them a number of options including eviction. If housing corporations were to wish to assist with subletting, it would be reasonable for the municipality concerned to have an opinion on this on account of housing allocation. The tenant would have a financial advantage if he/she continued to rent a housing association home (probably cheaply) while subletting all or part of it. This could then impede the turnover of social housing and the municipality could then challenge the housing association through, for instance, its performance agreements.

Lack of clarity about the boundary between private and professional letting

Under current legislation and regulations, municipalities can decide on the concrete details of how to implement the conditions under which private letting to tourists is permitted. Although the Dutch Government has seen no problems with this as yet and does not believe that additional legislation is necessary, this does not mean that no problems occur, for instance in the areas of quality of life and safety. It should be noted that the picture is very diverse and is mainly concentrated in the Municipality of Amsterdam. From the discussions we have already had, the picture that has emerged is that these problems usually arise in cases where the person renting out the property is abusing the new trend of private letting to tourists to evade laws and regulations that do actually apply to them.

Drawing a clear line between private and professional letting will allow us to separate the wheat from the chaff and to take enforcement action against excess growth.

Municipal policy for private letting to tourists

The responsibility for clarifying this boundary lies with the municipalities for the most part. Given the fact that the problems mainly occur at the local level, we want to give municipalities the scope to also respond mainly at the local level. The rules for private letting to tourists drawn up by the Municipality of Amsterdam are an interesting example in this context. We think that it is worthwhile mentioning here that this framework does not offer a one-size-fits-all solution. Depending on the local situations, municipalities decide for themselves whether they wish to draw up a policy and what it would entail. Based on our analysis, we advise municipalities to include the following points in their policies on private letting to tourists:

- Duration of the letting. Long-term letting of private homes to tourists may be incompatible with the zoning plan and housing regulations. Another factor is that the longer a property is let, the greater the risks for quality of life, safety and change of use of a residential property. It makes sense from this perspective to put limits on the length of the letting. Amsterdam, for instance, has opted for a period of 60 days.
- The number of tenants in relation to the size of the property. If these are not in proportion to each other, this can lead to safety and quality of life problems, making the situation in breach of the Buildings Decree. Amsterdam, for instance, has opted for a maximum of four people.
- How tourist tax must be paid in accordance with the municipal tourist tax bye-law.

In addition to these points, it is a good idea if municipalities consider the following points in their policy:

- Whether the person letting the property lives in it. An indicator for establishing this is whether he or she is registered at the address which is to be rented out.
- If the resident is not the owner, the property may only be sublet with the owner's permission. The owner can rule out subletting in the tenancy agreement or permit it subject to conditions.
- The person letting the property is responsible for preventing nuisance to third parties, for example by challenging guests about their conduct and only accepting guests of good repute.
- Tax must be paid on the income from letting. The Dutch Tax and Customs Administration oversees this and has clarified its rules on letting private homes on its website.
- In addition, it is a good idea to point out to tenants that relevant insurance policies do not cover possible damage or liability in the event of private letting to tourists. It is also a good idea to point out the possible restrictions that mortgage providers impose upon renting out homes.

With respect to enforcement, the municipalities have enough legal means at their disposal to take local action against excesses. Cooperation with digital platforms offers good opportunities to combat any excesses and we therefore call upon municipalities to work actively on this. The cooperation between the Municipality of Amsterdam and Airbnb illustrates this. The Dutch Government will continue to actively follow developments in the sector. If at any point the current range of enforcement instruments available to municipalities turns out not to be effective enough, we will re-examine whether additional instruments need to be deployed.

4 Future-proof legislation and regulations

To summarise, I wholeheartedly support initiatives in the platform and sharing economies and also wish to give them as much scope as possible, including the public interests that need to be safeguarded. I conclude that there is no reason for additional generic legislation and regulations at the moment. At the same time I can see that it is important to examine on a case-by-case basis the limits within which an innovation can be given scope and whether, for instance, additional rules are needed or the problem is simply a matter of clarifying the current rules. I have given an example of this in this letter by clarifying the conditions in which scope can be created for private letting to tourists via digital platforms such as Airbnb and Wimdu.

The Dutch Government also wants future-proofing to be systematically built into the process of drafting legislation and regulations. An approach has been outlined for this that should avoid unnecessary rules. This is why the Dutch Government is looking into how to make this assessment a more important step in the policy and legislative process than it has been up to now. Use of the

questions from the Comprehensive assessment framework for policy and rule-making (IAK) help with this but this is still not living up to its promise in concrete files. In addition, the Dutch Government wishes to explore and test the potential for building greater flexibility into legislation and regulations, so that we are in a better position to respond to technological and social trends. The Dutch Government is also looking into the possibility of applying the 'right to challenge' concept; some countries (the United Kingdom and Denmark) have experience with this and now, to a lesser extent, so does the Netherlands. Finally, it is essential that all this is supported by an open, digital legislative process.

Legislative processes are at the heart of our state under the rule of law. Changes therefore demand great care. I will go into this in more detail in a later report. Nevertheless, actions have already been started that can be designated as an interim state of affairs.

In order to systematically avoid unnecessary rules, policy-makers and legislative draftspersons in government-wide dialogue sessions share how proposals can, with the assistance of the IAK, be prepared so as to promote comprehensive assessment. The outcomes of that process must above all be properly incorporated into the explanatory notes to legislation and regulations. A government-wide guide has been drawn up for this purpose, part of which is also accessible to the public via the website of the Centre of Expertise on Legislation and Legal Matters. Finally, based on good examples in various sectors, the Ministry of the Interior and Kingdom Relations has developed useful guidelines for responding to the so-called risk aversion reflex, in order to prevent unnecessary and undesirable rules where possible.

With various proposals for experimentation arrangements, departments have ensured that there is more scope to allow experimentation with good ideas and initiatives put forward by citizens, businesses, institutions and authorities. Information about how legislation and regulations work in practice is increasingly being obtained from experiments. Concrete initiatives are also being taken whereby social actors are subjected to fewer rules (for example the experiment with giving schools the freedom to depart from many of the normal rules schools are subject to, *regelluwe scholen* in Dutch). Experiences gained within different columns are shared. The Dutch Government is examining whether the existing frameworks for the legislation on experimentation should be expanded, partly in the light of experiences with the right to challenge. The Dutch Government is currently utilising experiences in this area at home and abroad to investigate in which fields more use could be made of this instrument.

In pursuit of an open and digital legislative process, the Dutch Government, together with other partners in the legislative process, such as your House and the Council of State, wants to look at which steps of the process that are still done on paper could from now on become digital. The opportunities offered by going online should be used to make the process of preparing legislation much more interactive. To this end the Dutch Government is, for instance, evaluating experiences with the website internetconsultatie.nl to see how this can be further improved, given the new technological developments. In conjunction with the Academy for Legislation, we are also looking at how more attention can be given to the subject of digitisation in the education of legislative draftspersons.

In order to be able to learn from the implementation of laws, the Dutch Government is examining how the evaluation of regulations can be designed so that better use can be made of it when new regulations are being drafted. The implementation of legislation is scarcely conceivable any more without ICT, so it is important to identify the impact of legislative choices on the provision of information at an early stage. To that end the Dutch Government is following the experiences in the proving grounds of a number of executive organisations (Immigration and Naturalisation Service, Tax and Customs Administration) to see how this can be expanded.