Reg. No: 2020/37/B/HS5/04212; Principal Investigator: dr Mateusz Fabian Grochowski

[General premises] The present-day market is based to a growing extent on transactions concluded online. This phenomenon, to an increasing degree, applies not only to transactions between business actors, but also to everyday contracts, especially to consumer agreements. The market in question is becoming increasingly transnational in nature, allowing for the conclusion of contracts between counterparties who differ in geographic and cultural terms, and who in the classic market situations would have low chances to encounter each other in the mutual economic space. The market which emerges in this way has a clear tendency to building structures that allow for connecting contractors and for enabling the conclusion of contracts within the economic "micro-environment" ("marketplace"), grouping transactions with particular characteristics.

[Importance of research] Online platforms are becoming an inseparable element of everyday life, which is treated with increasing frequency as an obvious element of the surrounding reality. This applies not only to platforms that intermediate primarily in concluding sales contracts (e.g. Amazon, eBay and Allegro), but also to platforms that offer various types of services: transport (e.g. Uber and Lyft), housing rental (e.g. Airbnb), loans (e.g. Kokos.pl) or intermediation in microinvestment activities (especially crowdfunding platforms, such as Patronite). These platforms usually create "microworlds" of varying degrees of consistency and structure. The distinctiveness of platforms is built not only upon economic, but also legal and organizational premises. By joining the platform, its members accept typically the internal rules created by the platform (which may be shaped as "regulations", "rules and principles", "policies" etc.). They usually encompass a number of different issues, related not only to the platform–participant relation (e.g., how an individual account on the platform should be maintained), but also tackle on many issues related to concluding "horizontal" contracts between platform participants. In this way, platforms create rule microsystems that, in terms of design and function, closely resemble general contract law regulations.

[Research problems] The Project aims to address four foundational issues: **(a)** To what extent does the self-regulatory activity carried out by the platforms create new sources of contract law? In particular, the Project attempts to understand more precisely to what degree the rule-setting patterns in platform economy lead to the creation of new types of contracts, thus expanding the actual range of choice available to contracting parties. **(b)** The project also seeks to define the specific values and goals underlying the rules created by the platforms. This mainly concerns the question of whether platforms can include in their regulation elements of common (social) objectives of contract law, such as consumer protection and non-discrimination. **(c)** As a part of the last question, the Project also tries to provide an in-depth analysis of the issue of legitimacy of regulatory actions taken by platforms. The research in this area will be based on the theoretical concept of regulation by private entities – especially the concept of "special-purpose sovereigns" by J. Balkin. On this basis, the Project will attempt to determine to what extent the rules created by platforms may enjoy legitimacy in a democratic state and what could be the specific sources of their legitimacy on the digital market. **(d)** Against this background, the Project will also attempt to analyze to what extent the phenomenon of self-regulation on the platform market can provide a pertinent response to regulatory problems occurring in this market sphere, and to what extent regulatory intervention by the state or supranational structures may be justifiable in this regard.

[Description of research] The project is based on two main components: **(a)** Firstly, it encompasses an in-depth analysis of the content of rules created by platforms in various market sectors. The data collected in this way will be subject to both qualitative and quantitative analysis. The research in this area will focus on understanding the content and objectives of individual rules and their groups, as well as on attempting to indicate more general tendencies and regularities in this respect (including the evolution of rules created by platforms over time and an attempt to identify its causes). **(b)** Secondly, based on the starting point thus created, the Project will adopt a more problem-focused approach to the content and mechanism of shaping the rules created by the platforms. The analysis conducted in this area will focus on the four basic problems mentioned above – trying to achieve a better understanding of the theoretical and practical implications that result from the phenomenon of self-regulation on the platform market.

[Results] The project will aim to an in-depth theoretical concept of problems that arise against the background of self-regulating platforms. It will focus in particular on answering the question whether – and to what extent – platforms are actually "special-purpose sovereigns", taking over some of the state's regulatory functions. The key element of this question will be the expanded answer to the question to what extent platforms can include in their rules systems goals that go beyond the simple pursuit of maximizing the economic efficiency of concluded transactions (e.g. consumer protection) – and as a consequence, to what extent they can effectively complement the state in market regulation. Project results will be included as part of book publication and in articles in scientific journals and collective publications, as well as in presentations at conferences.