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CIVIL LIABILITY OF SHARING ECONOMY OPERATORS: OPPORTUNITIES AND CHALLENGES FOR THE APPLICATION OF TORT LIABILITY

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Abstract
The sharing economy platforms, such as Uber, Bolt, and Airbnb, often limit liability by claiming intermediary status between service providers and users. However, in Lithuania and other jurisdictions, such limitations may be invalid if they attempt to disclaim liability for gross negligence or intent. The study explores challenges in applying tort liability to these platforms, focusing on the nature of platform-provider relationships and vicarious liability under employment or control frameworks. Using comparative and systematic analysis methods, the article identifies gaps in regulation and proposes solutions such as "respondeat superior" and independent contractor liability theories. Legislative recommendations include prohibiting excessive liability disclaimers, defining criteria for employment and contractor relationships, and promoting stricter provider oversight.

Keywords*: platform economy, sharing economy, tort law, vicarious liability, respondeat superior.*
JEL Codes*: D16, K12, K13, K31, K42.*

Introduction

When we hear the terms sharing economy, platform economy, collaborative economy, we think of complex and incomprehensible technological processes, but at the mention of *Bolt* or *Airbnb*, without thinking, we reply that this is part of most of our daily lives. The development of the sharing economy is linked to the economic crisis of 2008, when people started looking for an additional source of income. The creation of the *Uber* platform in that year and the *Airbnb* platform in 2009 made them a tool for people to earn money from their property or services. Over time, the use of platforms has spread to such an extent that, according to the European Parliament, "more than 28.3 million people were working on digital labour platforms in the EU in 2022, and this figure is expected to rise to 43 million by 2025". (European Parliament Topics, 2019).

While the concept of the sharing economy encompasses a variety of business models based on contractual remuneration (sometimes gratuitously), with or without the transfer of ownership (Diaz-Granados & Sheehy, 2022, p. 241, companies such as *Uber, Bolt* or *Airbnb* are often classified in the sharing economy, even though they do not actually share anything, but simply provide services for a fee (Diaz-Granados & Sheehy, 2022, p. 241). Recent research has identified the sharing economy as a tripartite legal structure in which two parties (service provider and recipient) enter into binding contracts for the provision of goods (partial transfer of ownership) or services in exchange for a monetary consideration through an online platform operated by a third party (the platform operator), who is actively involved in defining and developing the legal conditions

under which the services and goods are provided (Diaz-Granados & Sheehy, 2021, p. 1038).

The attitude towards people providing services through platforms has also changed over the last few years. In the past, it was argued that they are independent service providers (European Commission, 2016), who use the platform only as an intermediary to connect them to the client. Over time, this prevailing view has started to change, given the degree of control that platforms have over service providers and the huge profits that the transactions bring (the company was valued at $150 billion in 2023) (Jolly&Wearden, 2024). For example, in 2016, the London Employment Tribunal ruled that Uber drivers must be considered employees and must be guaranteed at least a minimum wage and paid annual leave. This was based on the fact that Uber sets fares and routes, manages customer information that it does not disclose to drivers, and monitors compliance with regulations and other similar factors (Dara, 2021). This decision has led to Uber drivers in the UK being paid at least the UK minimum wage, paid holiday pay, and offered the option of a pension plan (Uber, n.d.). On 13 September 2021 the District Court of Amsterdam finds that the legal relationship between Uber and its drivers meets all the elements of an employment contract. Therefore, Uber drivers are covered by a collective agreement, which means that they can be paid an hourly wage in accordance with the contract, including holiday pay, premium pay for untaken holidays and overtime (Gesley, 2021). There have also been significant developments at European Union level: on 24 April 2024, the European Parliament adopted a legislative resolution on the proposal for a Directive of the European Parliament and of the Council on improving the working conditions of workers on digital platforms, which establishes the minimum rights applicable to all persons working on digital platforms within the Union, whether under an employment contract or an employment relationship <...>. (European Parliament, 2024a), and already on 23 October 2024 the Directive of the European Parliament and of the Council of 23 October 2024 on the improvement of the conditions of work on the platform No 2024/2831 (European Parliament, 2024b) was adopted. All this shows that the role of sharing platforms, which used to be seen as mere intermediaries and shielded from any liability arising from the inadequate provision of services by service providers, is changing.

These developments mean that if the legal relationship between the sharing platform and the service provider is treated as an employment relationship, this raises questions about the application of civil liability to the platform. In general, there is a presumption that the employer is liable for damage caused by the employee. To date, there has been a large body of research on how the sharing economy should be regulated (J. Schor, A. Sundararajan, V. Katz et al.), but few have addressed the issue of platform liability. No such studies have been carried out in Lithuania. As regards foreign practice, one of the few scholars, A. McPeak, has carried out a review of the application of tort liability in the sharing economy, focusing on transport network companies operating in the United States of America, and an assessment of the legal framework in the United States. Researchers J. J. Diaz-Granados and B. Sheehy analysed the jurisdictions of Australia, the United States of America, the United Kingdom and Canada, focusing on the problems of applying liability by classifying service providers through platforms as employees, independent service providers or mixed workers respectively.

This article addresses the **scientific problem of** whether sharing platforms can be subject to tort liability for the unlawful acts of service providers under the current legal framework in Lithuania.

The aim of this article is to investigate the application of tort liability to sharing economy platforms in Lithuania. In order to fully understand the application of tort liability in the sharing economy, an overview of the sharing economy platforms operating in Lithuania and the provisions of their rules on the application of

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liability is provided. The article also examines the application of civil liability in the sharing economy, using as comparative sources the laws and regulations of Lithuania, the European Union and the United States of America, as well as case law. In addition to identifying problem areas, the study provides insights into the practical application of civil liability in the sharing economy. The study applies comparative and systemic analysis methods.

The subject of the study is the legal relations between the participants in the sharing economy and its consequences.

This research will not only be of academic benefit by filling a gap in the Lithuanian academic literature on the application of tort liability in the sharing economy, but also of practical benefit by providing insights to legislators on the application and improvement of legal regulation.

Development of the sharing economy in Lithuania and changes in legal regulation in Lithuania and the European Union

In Lithuania, the use of sharing platforms has developed somewhat later than in the rest of the world. Although major sharing platforms such as Airbnb, Uber and Bolt started operating in Lithuania in 2015, there were signs of the sharing economy developing even earlier. For example, UAB Vinted, an online marketplace where users can sell or buy certain goods from each other, was established in 2012, and UAB Dalinuosi.lt was established in 2012, whose website states that it is a community of responsible people where registered members rent valuable items to each other. As mentioned earlier, Uber Lithuania was established in 2015, Bolt Services LT (former Taxify Lithuania) entered the Lithuanian market in 2018, Sigvi was established in 2023 as a car-sharing platform, etc.

While sharing platforms have had many positive effects, such as creating jobs and boosting small businesses, traditional businesses have complained about the difficulty of competing. “Andrius Pacevičius, Head of Bolt Lithuania has noted that “increased competition has not only created additional mobility alternatives but has also contributed to an overall reduction in prices” (Mikoliūnaitė, 2019). In the long term, the issue of unequal business conditions in the field of transport has been addressed, with amendments to the Road Transport Code coming into force on 1 January 2020, which require both taxi drivers and drivers of passenger platforms to be licensed (Article 8^2 (1) of the Road Transport Code). At the European Union level, there were also significant changes, with the adoption on 22 March 2021 of Council of the European Union Directive 2021/514 amending Directive 2011/16/EU on administrative cooperation in taxation (hereinafter “Directive 2021/514”). The Directive was adopted due to the increased incidence of tax evasion and avoidance through the provision of services through platform operators, as well as the high value of undeclared income and the lack of sufficient information available to the tax administrations of the Member States in order to properly calculate and manage the gross income generated in their country from activities carried out through digital platform intermediation (European Parliament & Council, 2021, Directive (EU) 2021/514, point 6). The Directive states that it is therefore appropriate to provide that the provision of information on commercial activities should cover the letting of immovable property, personal services, trading in goods and the letting of any type of vehicle (European Parliament & Council, 2021, Directive (EU) 2021/514, point 18). and that such information should relate to tax periods starting on or after 1 January 2025 (European Parliament & Council, 2021, Directive (EU) 2021/514, point 6). In accordance with the Directive, the State Tax Inspectorate adopted in 2022 a new version of the rules on Mutual Assistance and Exchange of

Tax Information, according to which the State Tax Inspectorate provides the competent authorities of other EU Member States with information on specific categories of income and capital, including employment income, directors' remuneration, immovable property income, etc., by means of an automated exchange of information (Order of the Head of the State Tax Inspectorate, 2022, Article 13).

It is important to note that over the last decade, there has been an intense debate in both the political arena and among academics about the rights of platform workers. A European Commission study conducted in 2021 showed that there are more than 500 digital work platforms in operation and that the sector employs more than 28 million people, a figure that is expected to reach 43 million by 2025, of whom around 5.5 million may be misclassified as self-employed (European Parliament, 2024c). Both the emerging case law of the European Union (Netherlands, United Kingdom) and the judgments of the Court of Justice of the EU have laid the foundations for the drafting and adoption of the Directive of the European Parliament and of the Council of 23 October 2024 on the improvement of the conditions of platform work (European Union, 2024b). The Directive defines the concepts of platform work[1]: platform worker:[2], and so forth. The Directive also establishes a legal presumption that the relationship between the digital work platform and the person performing work on the platform using the platform is an employment relationship if, in accordance with the national law, collective agreements or practices in force in the Member States and in the light of the case-law of the Court of Justice, there is a finding of facts indicating direction and control (Article 5(1) of the Directive). This presumption may be rebutted if the digital work platform proves that the contractual relationship in question is not an employment relationship within the meaning of the national law, collective agreements or practice in force in the Member States, in the light of the case law of the Court of Justice (Article 5(1) of the Directive).

The Directive imposes an obligation on Member States to take measures to put in place appropriate mechanisms, including, where appropriate, joint and several liability schemes (Article 3 of the Directive). This is a particularly important aspect, as previously persons providing services through platforms were considered as self-employed and fully liable for their activities, but now there are also prerequisites for the application of joint and several liability

Opportunities and challenges for tort liability.

Aspects of the application of vicarious liability in the economy.

When you start using a ride-sharing app such as Uber or Bolt, there is often no doubt about who you are dealing with - once you have entered your desired address in the app, agreed to the fare offered, the app provides you with a driver who will carry out the service you have requested. This assumes that in the event of any problems, the administrator of the app will be responsible for resolving them. However, an analysis of the rules of use of these platforms reveals the opposite: the platforms disclaim any liability, except in the case of a finding of intention on the part of the platform. In this case, the platforms limit their liability to a relatively small amount, e.g. EUR 500. To this end, the contracts with passengers include provisions for exemption from liability (Macmurdo, 2015, p.

[1] Directive (EU) 2024/2831. 'Platform work' means work organised through a digital work platform and carried out in the Union by a natural person on the basis of a contractual relationship between the digital work platform or an intermediary and the natural person, irrespective of whether there is a contractual relationship between the natural person or the intermediary and the recipient of the service (Article 2(1)(b) of the Directive).

[2] Directive (EU) 2024/2831. *'Platform worker*' means a person performing work on a platform who has concluded or is deemed to have concluded an employment contract or has or is deemed to have an employment relationship as defined by the law, collective agreements or practices in force in the Member States in the light of the case-law of the Court of Justice; (Article 2(1)(d) of the Directive).

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344). For example, Bolt's terms of use explicitly state that the platform does not guarantee or accept any liability for the quality of the transfer service or the absence of defects (Bolt, 2024, p. 7.1), for any loss or damage that may be caused by the use of the app (Bolt, 2024, p. 7.5); the financial liability for breach of the General Terms and Conditions is limited to a sum of EUR 500, which can only be claimed if the Platform intentionally breaches the aforementioned provisions (Bolt, 2024, p. 7.6); it also states that the Platform is not liable for the acts/omissions of the Driver or the Taxi Company/Taxi Driver, nor for any damage caused by the latter to the Passengers (Bolt, 2024, p. 7.6). The Uber Terms of Use contain substantially identical terms, stating that the platform is not liable for damages or losses arising from transactions between [the customer] and a third-party service provider, etc., and limiting its overall liability to EUR 500 (Uber, clauses 14.2, 14.3, 14.5). The terms of use of the platform "Dalinuosi.lt" also stipulate that the platform is only an intermediary and facilitates but does not undertake to ensure the successful execution of the rental contract and is not liable for any consequences arising (Dalinuosi.lt, n.d., clauses 5.3, 5.4, 5.5). This limitation of liability is based on the fact that the platform acts only as an intermediary and the transaction is between the service provider and the recipient. However, this is seen as a clear attempt to limit the liability of companies for accidents (Macmurdo, 2015, p. 310), which is completely contrary to the public interest. However, there are other examples that contradict the established practice: the Vinted rules state that the platform is liable for damages to life, body or health and where there is a legal obligation, whereas in the case of non-performance of contractual obligations that are essential for the performance of the contract, liability is limited to the foreseeable damages inherent in the contract (Vinted, n.d.). Scholars have repeatedly pointed out that, according to well-established principles of law, a person cannot waive claims for intentional or negligent torts (Macmurdo, 2015, p. 343). Most States do not allow any liability to be waived where the party has negligently breached it (Macmurdo, 2015, p. 343), so it is likely that waivers of liability are void in many States. In Lithuania, there is also a provision that "an agreement between the parties on the exclusion or limitation of the amount of civil liability for loss/damage caused by the debtor's intent or gross negligence shall not be valid. It shall be prohibited to limit or exclude civil liability for personal injury, loss of life or non-pecuniary damage." (Article 6.252(1) of the Civil Code). Research shows that sharing platforms may be liable for their own negligence, e.g. inadequate supervision, selection, training (e.g. knowledge of the employee's propensity to harm) (Macmurdo, 2015, p. 340). In conclusion, if the disclaimers were invalidated, this would increase transparency and ensure that platforms are held accountable for their actions (Macmurdo, 2015, p. 344). Moreover, according to the researchers, an employer cannot avoid liability to third parties for damage caused by an employee's actions by stating in the job description that the employee must exercise due care and diligence in the performance of his or her duties, otherwise the institution of vicarious liability of the employer would be rendered meaningless in practice (Balčiūtė, 2005, p. 119).

Scholars have also seen that the platform is not a party to the transaction, but that the legal relationship is not only between the provider and the recipient, but between the platform and the customer and the platform and the service provider (Bush, 2016). Recent developments (the adoption of the Directive on improving the conditions of work on a platform and case law) have brought some changes which may have an impact on the application of civil liability of sharing platforms. If an employment relationship exists between digital work platforms and service providers, it may be possible to consider imposing

tort liability on the platform for damages caused by service providers with a presumed employment relationship. The issue of tort liability is also relevant because drivers who are covered by third party liability insurance may suffer damages in excess of (or not covered by) the insurance cover.

The concept and application of tort liability in the sharing economy.

Although the sharing economy is a relatively new phenomenon, which creates the presumption that disputes arising should be dealt with according to new rules and standards (McPeak, 2016, p. 178), it is often sufficient to assess the existing regulatory framework in order to deal effectively with civil liability issues under the current legal framework. According to A. McPeak, tort law has faced many challenges in its development and is therefore well equipped to deal with the seemingly complex liability scenarios that arise today (McPeak, 2016, p. 178). Moreover, a large part of tort law concerns accidents, which have been extensively analysed in theory and practice, so that the determination of breach of the standard of care, of causation, of damages, does not raise new issues in the context of the sharing economy, but rather the bulk of the disputes will be about who is liable for the damage and in what circumstances: the sharing platforms or drivers (Macmurdo, 2015). Scholars also see the role of tort law in the sharing economy as important because it can act as a safeguard against over-regulation, as these remedies deter [wrong] behaviour (McPeak, 2016, p. 188) by compensating for damages after they have been caused (Macmurdo, 2015, p. 345). Standards, prohibitions, regulations can affect behaviour in that they operate independently of and before the actual occurrence of harm (Macmurdo, 2015, p. 345). As regards the application of civil liability, tort rather than contractual liability provisions are more often discussed, as in many cases liability is claimed against persons between whom no contract exists.

The Civil Code of the Republic of Lithuania defines tort civil liability as a property obligation arising from damage which is not related to contractual relations, except in cases provided for by law (Article 6.245(4) of the Civil Code). Although an action for the imposition of tort liability in the case of intent or negligent conduct requires proof of fault, wrongful acts, causation and culpability, tort liability may be imposed without fault. The Civil Code also defines that the law may provide that a person who did not cause the damage but who is responsible for the actions of the person who caused the damage (vicarious liability) is liable to compensate for the damage (Article 6.246(2) of the CC). In general, vicarious liability means that a third party who did not personally cause the damage is liable for the unlawful acts of a person, and in many cases this party is a company or other entity that has a business relationship with the offender (McPeak, 2016, p. 191). In employment relations, vicarious liability is based on the fact that the employee is only following the instructions of another person, the employer.

When analysing the application of vicarious liability in the sharing economy, legal doctrine identifies 3 theories (McPeak, 2016, p. 191), the analysis of which can be useful in resolving dilemmas in the application of liability:

1) **the so-called 'respondeat superior' theory**;

Broadly speaking, under the theory of 'respondeat superior' in tort law, the employer is liable for the employee's wrongful acts when the employee performs his/her duties (Cornell Law School Legal Information Institute, n.d.). In Lithuania, the Civil Code of the Republic of Lithuania provides that indirect civil liability applies to the employer for damages caused by the fault of its employees performing their professional (official) duties, if the work was performed by persons performing the work on the basis of an employment contract or a civil contract, provided that they are acting on the instructions and under the control of the relevant legal or natural person (Art.6.264 (1) and (2) of

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the Civil Code of the Republic of Lithuania). In order for vicarious liability to apply under the theory of 'respondeat superior', the claimant must prove the existence of an employment relationship and that the negligent act or omission was committed in the course and scope of the employee's employment (Macmurdo, 2015, p. 326). This theory is widely applied in United States law (Balčiūtė, 2005, p. 98). US courts also use control and organisation tests to decide whether a person is an employee or an independent contractor and "whether the employee's acts sufficiently related to the enterprise are in fact considered to be acts of the enterprise itself" (Balčiūtė, 2005, p. 101). Since the correct classification of legal relationships is crucial, researchers have carried out a number of studies which have addressed the issue of determining the status of employees on the basis of various criteria. According to the researchers, although the analysis of the contract should be given priority when considering whether the parties have an employment or an independent contractor relationship, the contract itself is not fully determinative of the legal relationship (Diaz-Granados & Sheehy, 2022, p. 248). According to Loewenstein, the classification of workers as employees or independent contractors should be based on whether, in a given case, the workers are more akin to the paradigmatic employee (a factory worker) or the paradigmatic independent contractor (a plumber) (Loewenstein, 2017, as cited in Diaz, 2022, p. 254). According to Loewenstein, Uber drivers are more similar to a paradigmatic worker than to an independent contractor because Uber drivers do not have an independent business with their customers (Loewenstein, 2017, as cited in Diaz, 2022, p. 255). A good example is the case of the dispute before the Australian Fair Work Commission on unfair dismissal (Franco v Deliveroo Australia Pty Ltd (2021)), presented by the researchers Diaz-Granados and Sheehy (Diaz-Granados & Sheehy, 2022, p. 249). In the case, Mr Franco challenged his dismissal from Deliveroo, a company that operates an online food delivery platform, because he had been dismissed because of delays in delivery. The case established that Mr Franco was an employee because of the degree of control exercised by Deliveroo: the platform obliged him to work at certain times, to report to work regularly, not to cancel booked tasks, and the conditions of Deliveroo's access to the platform were set unilaterally by the platform (Diaz-Granados & Sheehy, 2022, p. 249).

It should be noted that the defining characteristics of the employment relationship have evolved over the years and the theory of vicarious liability has expanded (Marcmurdo, 2015, p. 327). This theory now extends not only to persons who are bound by the employment relationship, but also to those who perform work under the control of another person. According to Marcumurdo, although the control factor is not decisive in determining the existence of an employment relationship, it remains the most important factor (Marcmurdo, 2015, p. 328). According to Mr Marcmurdo, in most cases the law does not require the employer to actually direct or control the person, but it is sufficient that the employer has the ability to do so (Marcmurdo, 2015, p. 328). It should be noted that, in determining whether an employment relationship exists, the courts also look at other elements, such as: whether the economic activity is presented or represented as a quasi-business or quasi-employer's business, the extent to which the person carrying out the economic activity carries it out using his own tools and equipment, etc. (Diaz-Granados & Sheehy, 2022, p. 246-247), whether the person providing the service is engaged in a separate occupation or business, whether the method of payment is time-based or work-based, whether the service provided is an integral part of the alleged employer's business, etc.) (Diaz-Granados & Sheehy, 2022, p. 247).

Another important aspect of liability issues is whether the employee's conduct is

consistent with his or her job duties (Marcmurdo, 2015, p. 331). This could include cases where an employee, for personal reasons, performs certain acts that are not related to his or her job duties. One example is a case where a driver got out of his car and hit another driver with a pipe for blocking his way (Marcmurdo, 2015, p. 331). The taxi company was dismissed from the case after it was found that the punch was not intended to protect the taxi company's property and that the punch would not have made the journey any faster (Marcmurdo, 2015, p. 332).

It should be stressed that, in most cases, employees do not act in their own interests and do not act on their own behalf, but only in accordance with their employer's instructions and in return for remuneration, and that the theory of *'respondeat superior'* therefore suggests that employers are liable for the damage caused by their employees when they are carrying out their duties (Diaz-Granados & Sheehy, 2022, p. 245). This theory can also be applied in the sharing economy, as drivers usually act under the direction of platforms.

However, it is also important to note that an employer's vicarious liability cannot be unlimited. M. Antanaitis, analysing the cases of the direct tort liability of the employee, has concluded that "the indirect tort liability of the employer is interpreted as nullifying the employee's tort liability, as long as the employer is a proper defendant (not extinguished) in the compensation case" and gave examples that such cases could be when the employee causes the damage by criminal act, intoxication, intentional intent, and in other cases provided for by law, where the employee is obliged to pay the full amount of the damage to the employer in the event of a recourse (e.g., in the cases provided for in Article 154 of the LC) (Antanaitis, 2018, p. 495-496).

2) The theory of **independent contractor liability**;

As mentioned above, the Civil Code provides for the imposition of indirect civil liability on the employer not only for the acts of employees but also for the acts of persons who perform work on the basis of a civil contract, provided that they are acting under the direction and control of the employer (Art.6.264 (1) and (2) of the CC). In foreign literature and legislation, these persons are commonly referred to as independent contractors. In the US case of Lawson v Grubhub Inc, Mr Lawson, a parcel delivery worker, was found to be an independent employee of the platform operator - the court assessed the degree of control and found that Grubhub had little control over Lawson's work. The court found that the following factors supported independent contractor status: whether the work was carried out under the direction or supervision of a director (Mr. Lawson was not supervised in the provision of the service); the provision of tools and equipment: Mr. Lawson provided the tools and equipment necessary to provide the delivery service, i.e. The duration of the service: The relationship between the parties was not continuous, as evidenced by the fact that the agreement between the parties was for a period of 60 days and was not continuous, and that Mr. Lawson had the right to terminate the delivery service at any time (Diaz-Granados & Sheehy, 2022, p. 257-258).

As regards the application of vicarious liability under the theory of independent contractor liability, the employer is liable for the independent contractor's unlawful conduct in the context of an apparent delegation of authority (McPeak, 2016, p. 193). A person hiring an independent contractor may still be held liable in certain cases, such as when the work is inherently dangerous, when there is a duty to ensure public safety, or when the business involves a high risk of harm to others. For example, the need for taxi service providers to ensure public safety is demonstrated by the extensive rules governing conduct on the roads and the fact that the provision of services is subject to authorisation (Macmurdo, 2015, p. 337). The theory that the person who hires an independent contractor is exempt from liability is based on a lack of

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control (Macmurdo, 2015, p. 336). Thus, the extent of the control and authority conferred on the person who hired the independent contractor is important in determining whether indirect civil liability arises.

The literature also refers to **the theory of joint enterprise liability (JEL).** In Lithuanian law, the equivalent of the joint enterprise liability theory could be the liability for damage caused by other persons, which is enshrined in the Civil Code of the Republic of Lithuania. Pursuant to Article 6.265(1) of the Civil Code, if a person who is not an employee causes damage by carrying out an instruction given by another person who is not his employer, the liability of both such persons shall be joint and several. Liability shall also arise in the performance of an assignment (Article 6.265(2) CC). It should be appreciated that this is the case where persons are liable for each other's negligence in the course of a joint activity (McPeak, 2016, p. 195). Although the principles of the theory of joint venture liability are established in Lithuanian civil law, their practical application in the sharing economy is limited.

The application of vicarious liability goes beyond the application of these theories. It should be noted that the more one goes on, the more one speaks of a **mixed category of employee**, which does not include the concept of employment or of services under a civil contract. This intermediate category reflects the view that workers, being independent of their employer, are entitled to certain benefits that the independent contractor category is not (Diaz-Granados and Sheehy, 2022, p. 260). Workers in the mixed category are generally independent entrepreneurs, but do not have the freedom to negotiate their own remuneration or terms of service (Diaz-Granados and Sheehy, 2022, p. 263). However, in terms of the application of liability, it would be disproportionate to ask intermediaries to take responsibility for all aspects of the economic security of these independent workers, as their relationships with intermediaries are not sufficiently deep and long-lasting (Diaz-Granados and Sheehy, 2022, p. 263).

The issue of responsibility allocation is quite complex when it comes to the operation of platforms like Airbnb. Hosts (a host is a person who uses the Airbnb platform and hosts people for temporary accommodation) have a duty to guests to ensure that the property is protected from known hazards and to regularly check for hidden dangerous conditions that need to be addressed (Marzen, Prum, & Aalberts, 2017, p. 305-306). Liability for hosts may also arise from the actions of third parties, for example, when a guest is harmed by another guest or an intruder (Marzen, Prum, & Aalberts, 2017, p. 305-306). Hosts may also face complaints from neighbours if guests cause a nuisance to the community or to an individual (Marzen, Prum, & Aalberts, 2017, p. 307) - according to the researchers, these complaints can reduce the value of the property (Marzen, Prum, & Aalberts, 2017, p. 310). Guests can be held liable for damaging the host's property through negligence (Marzen, Prum, & Aalberts, 2017, p. 315). The theory of vicarious liability, derived from the theory of "respondeat superior", holds the employer liable for the employee's wrongful acts, but in the context of the sharing economy this theory can be applied to Airbnb (Loucks, 2015, p. 333). On the grounds set out earlier in the article, the Airbnb platform may be a kind of employer, and the hosts may be employees for whose acts or omissions the platform may be liable and have a duty to protect guests from harm under the theory of vicarious liability (Loucks, 2015, p. 333). Airbnb's liability could also be based on its failure to ensure the reliability of hosts and premises.

In principle, by qualifying service providers as employees in the sharing economy, victims would be in a better position to recover damages from the platform for services not provided to them. According to Ms Balčiūtė, since the employer is running an economic activity, it is

likely that the employer will have sufficient financial resources to compensate for the damage caused by the employee's actions (Balčiūtė, 2005, p. 97). The institute of vicarious liability "serves as a kind of incident prevention measure, encouraging the employer or principal not only to organise his business properly but also to supervise his employees properly" (Balčiūtė, 2005, p. 98). Thus, qualifying service providers as employees ensures greater responsibility of platforms and promotes incident prevention.

Conclusions and recommendations

Sharing platforms such as Uber, Bolt and Airbnb limit their liability for damages by relying on contractual provisions and claiming that they are only intermediaries between the service providers and the recipients of the service, even though in Lithuania and other countries around the world, it is illegal to completely disclaim liability for damages caused by intentional intent or gross negligence. Such limitations of liability may be invalidated. Platforms may be subject to vicarious liability for damage caused by service providers if it is recognised that there is an employment relationship, or a legal relationship based on a high degree of control over the activities between the platforms and the service providers. There are challenges in the application of tort liability as it is difficult to determine the scope of the platform's liability. This problem arises because of the difficulty in determining the degree of control or employment relationship of the platform. Tort law is ready to address the challenges arising in the sharing economy. The application of the theories of respondeat superior, vicarious liability and independent contractor liability can help to address the application of tort liability in the sharing economy.

In the light of the above, it is recommended that the legislator should clearly regulate the liability of platforms by stipulating that platforms may not impose a limitation of liability, thereby protecting the public interest. The criteria for employment relationships and independent contractor relationships should also be defined, so as not to complicate the application of vicarious liability. Also encourage platforms to apply stricter mechanisms for the selection, training and control of service providers.

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