



Brussels
GROW.G.3/CD

Developing a responsible, fair and trusted single market for short-term rental services

Workshop 1: Enhancing transparency on short-term accommodation rentals in the EU.

Online, 22 October 2021 - Conclusions

On 22 October 2021, DG GROW organised the first of two workshops asking stakeholders for input in relation to the short-term accommodation rental initiative. The workshop focussed on enhancing transparency on short-term rentals (STR) in the EU.

Over 160 people registered for the workshop, with 140 participants on the day, from the Member States (national, regional and local level, including regulatory authorities, relevant tourism authorities, cities and their representatives), online intermediaries and their representatives, association of hotels, representatives of citizens and businesses, academics, non-governmental organisations and journalists. The participants came from 24 EU Member States.

The Commission, represented by DG GROW, introduced the workshop by explaining the background and process of the work on the STR initiative, noting the steps taken including the publication of the Inception Impact Assessment and research done, and the further and ongoing consultation with stakeholders.

This report sets out a summary of the presentations and the main conclusions drawn by participants. It does not represent an official position of the Commission.

The presentations given by participants have been published.

Part 1: Short-term rentals in the EU

- **Citizens perceptions of short-term accommodation rentals: Highlights from Eurobarometer 495, IPSOS**

IPSOS provided an overview of citizens perceptions of short-term accommodation rentals following the Eurobarometer survey carried out in September 2021.¹

- **Popular destinations: experimental statistics on short term rentals**

EUROSTAT provided an overview of the statistics on STR obtained from the voluntary agreement with Airbnb, Booking.com, Expedia and Tripadvisor in 2019,

¹ <https://europa.eu/eurobarometer/surveys/detail/2279>

showing the most popular destinations that had the highest number of stays in STR in the EU.²

- **How has COVID 19 affected short-term rentals?**

DG GROW provided an overview of how STR mitigated the impact of the COVID crisis on tourism, presenting an analysis of data obtained by DG ECFIN and AirDNA.

Part 2: Improving transparency on short term rentals in the EU: identifying data needs

- **The added value of registration schemes: How do they help cities collect data and how**

DG GROW provided an overview of registration schemes that provide the procedure in some parts of the EU for service providers to access the STR market and give public authorities some means to identify market operators for the purposes of transparency and compliance of wider rules (e.g. consumer safety). The information was based on a forthcoming study from Oxford Research S/A and highlighted good practices such as the Flemish and Portuguese scheme.³

- **Panel Discussion**

A panel composed of: (1) a representative from the Department for Economic Affairs, Labour and Statistics in the City of Vienna, Austria and a member of the Cities Alliance engaged in regulating short-term holiday rental; (2) the Head of the Tourism Board and a representative from the Office for Restauration from Trogir, Croatia; and (3) Gutes Gastgeben GutesGastgeben e.V., an association from hosts, for hosts in Germany, Austria and Switzerland, discussed the following questions:

- What information or data do you need from online platforms on short-term rentals, in particular, to help you enforce the rules you have or want to put in place in your city?
- Is a registration scheme the right tool to get that data? Does this give you the information as frequently as you need it?
- What could help make registration schemes work better?
- Going beyond what may be needed for enforcement of rules, what particular categories of data are needed for policy making?

What information or data do you need from online platforms on short-term rentals, in particular, to help you enforce the rules you have or want to put in place in your city?

- Online platforms have boosted STRs to new levels and created new challenges for public authorities in particular in terms of identification of STRs. Public authorities have always needed data for policy making, to balance public and private interests, in particular for availability of housing, health and safety regulation, taxation and statistics and for developing tourism.

²https://ec.europa.eu/growth/news/commission-eurostat-publishes-first-statistics-short-stay-accommodation-booked-collaborative_en

³ The presentation was based on the finding of the ‘Study on national regulatory approaches to short-term accommodation services’, conducted by Oxford Research S/A. The Study has been prepared for the European Commission and shall be published soon.

- Public authorities need data on who, where, what and why. In particular, who is offering the service (identification and category of service provider) and where the accommodation is located so they can check whether requirements are met (e.g. health and safety) and address increasing disharmony. The type of accommodation, reason for travel, legal status, income and occupancy (number of nights) are also needed. Occupancy and frequency data are needed where thresholds exist (e.g. maximum number of nights) and for taxation purposes (particularly to understand income). All these data types are also necessary for statistical purposes.
- Only two actors could provide such data: the hosts or the platforms. Enforcement – and the monitoring of compliance – relies on the practical capacity to have a full view of the offer of services (location and provider). This means that non-anonymised data listings with exact location are needed from platforms. EU intervention could help obtain data from platforms in a simple and clear way.
- Data is already shared on the basis of DAC7 however, there may be issues of data quality (platforms can only deliver the data they have but they cannot check the quality of the data). There is also an issue of frequency of data (public authorities need real-time data). There should be a national system with a national delivery point for data, which cities and specific authorities could then access.

Is a registration scheme the right tool to get that data? Does this give you the information as frequently as you need it?

- Registration schemes help increase transparency and in theory, can provide the answer to the need for data. They also help monitoring of the market and address the challenge of double counting of listings for statistical purposes. They should be simple, clear, online, automatic and free of charge. Such registration schemes already exist in Europe, for example in Portugal.
- The main challenge is the enforcement of a registration scheme. A solution can be to introduce a labelling requirement, meaning that when a dwelling is advertised it has a code or identification number that identifies the host and accommodation. Then platforms need to be obliged to enforce the labelling requirement, only permitting those that have a valid label to advertise their offer. Alternatively, public authorities need a quick way to check the lawfulness of listings and the validity of the labelling. They also need an effective notice and take down mechanism.
- A regular update of the data submitted through the registration scheme are needed, as regulations on STRs change often. Certain data is also needed on a more regular basis (more often than once a year like tax data). Cities need good / 'real time' data to manage the public domain.
- Registration schemes also help improve the image and reputation of hosts. Hosts are in favour of registration schemes but registration schemes need to be simpler and easier for hosts to complete and be managed by the public authority. The hosts want the legal certainty that what they are doing is correct. Where registration schemes are complicated and burdensome (not online, expensive and take time to complete) can discourage compliance.

What could help make registration schemes work better?

- The role of the EU should be to provide standards for templates (for a registration scheme, data sharing, etc.) and guidance/the framework. An EU registration scheme could be a solution in the long term, but at this stage, the EU should provide guidance for public authorities to design registration schemes.
- An EU framework could give national and local authorities legal security, which reduces the administration burden for all actors. This should clarify the obligations for all actors at EU level, but leave implementation to public authorities.
- The fragmentation of rules is justified by the different situations at local level. There must be a variation of regulation in response to the variation of housing market. National authorities should provide the legal framework and local authorities should provide specific ordinances to address local issues of zoning, urban planning etc.
- Fragmentation and the multitude of registration requirements is a major problem, in particular for hosts operating multiple properties in different Member States and for private individuals. For individuals, guidelines and legal security is key. Many actors are insecure as they struggle to understand and comply with the rules (e.g. in several cities, regulations change on a regular basis). One set of rules across the EU would ease the activity of hosts, both individuals and more professional actors and guidance from the EU would be welcome. This would also help public administrations understand the rules, which could help keep the rules simple. A poll of the hosting community of Berlin showed widespread support for EU intervention (75%), while 25% favour local regulation. Hosts look at best practices in other German and EU cities to share feedback for policy making at local level and this could be facilitated by opening that dialogue further/connecting cities.

Going beyond what may be needed for enforcement of rules, what particular categories of data are needed for policy making?

- The data needed for policy making and enforcement is the same: who is offering what, when, income, the number of listings, number of nights rented out, the location of the dwellings. A registration scheme can help getting some of this data. However, often the characteristics of hosts are not properly reflected in the data gathered. The hosts can be divided between professional operators (e.g. companies) and private individuals. SMEs are often not captured by statistics.
- Data collected could for example, be used for statistical purposes, to help city management, to quantify what income should flow back into conservation and restoration of historic and cultural towns as there is lack of data to quantify this impact, or to take steps to maintain an authentic experience for tourists for example by permitting STR only for primary residences where locals also stay in the property. It can also help ensure that the proper infrastructure is in place to support tourism and plan activities/events.

Part 3: The role of platforms

A panel composed of: (1) a representative of the European Holiday Home Association; (2) the Head of the Autonomous Department of Reform Action, Coordination and Communication and IT Counsellor of Independent Authority for Public Revenue,

Greece; (3) a representation of the city of Wroclaw, Poland; and (4) a representative of Hostpiuhost, discussed the following questions:

- What should be the role of the platform in relation to registration schemes?
- What should be the role of platforms in encouraging compliance with STR rules?
- For platforms, what additional obligations should there be to share data that can help policy making?
- When data is received from platforms, how do you manage the data flow?

What should be the role of the platform in relation to registration schemes?

- Registration schemes are an important tool to increase transparency. Hosts must comply with the rules and register. Platforms should require that a host enters the registration number during the on-boarding process in order to ensure that only legal offers are presented on platforms. Platforms are willing to do this and have committed, for example through the European Holiday Homes Association Roadmap to display the registration number.
- Platforms should share information with public authorities for public authorities to check the legality of offers (e.g. to verify whether the registration number is valid). Public authorities should be in charge of checking compliance with the rules; this should not be a burden on private actors (e.g. platforms). A public database should be accessible for anyone to check whether a host is registered and operating lawfully. National governments should implement consistent sets of registration rules and put in place the overall technical infrastructure to manage them. A notice system should be in place for anyone to signal illegal listings to public authorities. It could also lead to hosts that provide fake registration numbers being banned.
- In Greece, an STR law in 2016, introduced a registration scheme. This enabled cooperation with Booking and Expedia to create a specific field for the registration number and was further developed, through a 2020 Memorandum of Understanding with Airbnb, Booking and Homeaway that leads to the delisting of properties without registration numbers from 2022. This will make registration scheme efficient and enforceable.

What should be the role of platforms in encouraging compliance with STR rules?

- STRs operate in a highly complex and fragmented landscape of rules. Thousands of rules are put in place across the EU. Certain cities even have different rules within the same city. These rules also change on a constant basis. The rules affecting hosts also directly affect all the other actors of the STR sector (e.g. non-professional and professional service providers, entrepreneurs, property managers (acting on behalf of owners), other businesses (catering, etc.)). Hence, any new rule should assess the impact of the rules on all the actors.
- Platforms have committed to voluntarily facilitating compliance with local rules, for example, the European Holiday Homes Association roadmap contains voluntary commitments to inform STR providers about local rules.
- While platforms can assist hosts in understanding local rules, the actual compliance with local rules should lie with hosts. Local rules should be designed in a way that would encourage hosts to be compliant (simple, easy, proportionate rules) instead

of threatening hosts with fines for non-compliance (of often burdensome and complex rules). Portugal was proposed as a best practice that could be followed.

- A legal obligation or legal framework can be preferential to ensure cooperation, rather than guidelines that were perceived by some, as not often followed. These should be coupled with a notice and take down mechanism under the e-Commerce Directive, so public authorities can flag illegal listings and platforms be then required to take them down and be in line with its requirements.
- Requiring platforms to give information to authorities regarding the publication of the offer, dates of stay and who is staying are the same requirements that every hotel is compelled to provide, with less resources than platforms.

For platforms, what additional obligations should there be to share data that can help policy making?

- Data requests should have a legal base, be proportionate and justified to achieve a specific objective. A number of instruments already or will set additional rules on data sharing for platforms (e.g. DAC7, DSA, Data Act, EUROSTAT voluntary agreement). Therefore, data requests should be organised and simplified to avoid burden on online platforms who currently receive data requests from all levels of administrative across the EU frequently.
- Platforms cannot provide data they do not have. In addition, extracting data is costly and not easy. Experience from Spain and France showed that data requests were not always efficient therefore, requests should be based on descriptions of datasets that properly target what minimum data is necessary for what purposes (i.e. limiting it to what is needed/sufficient for the purpose).

When data is received from platforms, how do you manage the data flow?

Identifying the minimum dataset needed, helps keep the technical requirements simpler and easier plus also less costly and easier to verify. Considerations such as building on what already exists and using encrypted file exchange on a secured FTP server are also necessary. The procedure could be improved with the use of an API.