

# Cities press EU for tougher laws governing Airbnb rentals

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European cities accuse Airbnb of taking advantage of outdated EU laws on e-commerce operations.

An alliance of 22 European cities urged the EU on Thursday to enact tougher rules on Airbnb and other short-term holiday rental platforms,

accusing them of driving up property prices and squeezing out locals.

Representatives from Amsterdam, Barcelona, Florence and other tourist hotspots met with EU competition commissioner Margrethe Vestager in Paris to denounce an "outdated" [legal framework](#) that prevents officials from cracking down on the web platforms.

Airbnb, which dominates the home-sharing market, has increasingly clashed with municipalities trying to balance much-wanted tourism revenue against growing resentment from residents.

Several cities have imposed restrictions, in particular to combat illicit rentals that they say are siphoning off homes from the affordable housing market.

But officials say that without an EU framework, Airbnb can effectively operate with only minimal oversight, by claiming it is simply a [platform](#) to put people in touch with renters.

That stance was bolstered by a European Court of Justice ruling last December, which rejected a bid by Paris to force Airbnb to register as a traditional property rental firm.

"It is time for a new European regulatory approach that serves first and foremost the general interest, which is for us accessibility of housing and the liveability in our cities," Paris Mayor Anne Hidalgo said in a statement.

## **Foundation of trust?**

The Eurocities alliance wants the EU to force platforms to share their rental data with local authorities as part of the Digital Services Act being prepared by Vestager's office.

They also want Airbnb and other platforms to be held liable when renters fail to abide by local rules, such as caps on the number of overnight stays per year or the required registration of rentals with [local authorities](#).

"Better cooperation between platforms and public authorities will be a prerequisite for a proper enforcement of the Digital Services Act," Vestager said in a statement after the meeting.

The pressure on Airbnb comes as it grapples with a dramatic plunge in bookings due to the coronavirus travel restrictions, which prompted it to cut one-fourth of the workforce—1,900 jobs—last May.

Chief executive Brian Chesky, who is hoping to pursue a long-expected [initial public offering](#) for the home-sharing giant, has said his company is built on "a foundation of trust."

But authorities worldwide have been pressing the company to take more responsibility and Airbnb has vowed to verify the accuracy of listings and set tougher rules to prevent abuses—such as [racial discrimination](#) or rowdy parties by young renters—and ensure safety.

On Thursday, the company voiced supported for the creation of "a more coherent and efficient framework for digital service providers."

"We are already working with several government and public authorities in Europe to share data that demonstrate the positive impacts of short-term vacation rentals," it added.

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