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# IUT World Conference 2023

International Union Of Tenants

## Discussion: Short-term rentals, IUT actions

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# Background

- Short-term rentals (STR) offer benefits for hosts and tourists
- concerns for certain local communities struggling (eg. lack of affordable housing, gentrification)
- STR are developing fast in the EU, largely boosted by the platform economy
- $\frac{1}{4}$  of all tourist accommodation in the EU and their number is increasing significantly across the EU
- STR have become critical for the EU tourism ecosystem: opportunities and challenges.

## Short-term accommodation rentals at a glance



Short-term rentals represent **one quarter** of tourist accommodation offers in the EU



Almost **200 million nights** spent in short-term rentals during the first half of 2022



**89% of EU citizens** who have booked short-term rentals would recommend it to others

## How will the framework work in practice?



## EU Commission publishes proposal for a **regulation on short term rentals** (November 2022)

Key features of the regulation according to the EC:

### **More transparency**

- Harmonised online procedure for registration of hosts and properties
- Unique identification number issued to identify hosts and properties

### **Better tracing**

- Hosts obliged to use their identification number and display it online
- Online platforms must facilitate display of identification numbers and perform certain checks

## **Simplified data sharing**

- Platforms obliged to share data monthly in automated way via single digital entry point
- Lighter requirements for small and micro online platforms

## **Encouraged publication of short-term rentals data**

- EU or national statistics offices can publish aggregated and anonymised data
- Respect and protection of personal data

# Who will benefit from the new rules?



## Public authorities

- Comprehensive and timely data supports policy-making and fight against illegal short-term rental offers
- Modernised data collection and sharing



## Hosts

- Online registration procedure
- Rules on short-term rentals are data driven and accessible online

## Online platforms

- Streamlined data sharing requirements across the EU
- Simplified data sharing via national single digital entry points



## Local communities

- Better quality of life for citizens, through decrease in illegal short-term rental properties
- Sustainable short-term rentals activity preserves economic benefits



## Tourists

- More safety due to reduction of illegal listings
- Better tourist services



## Tourism sector

- Guides, restaurants and other tourism services can exploit new datasets to improve their business
- Comparable level of transparency between short-term rentals and hotels

## **Next Steps**

The Commission's proposal will be discussed in view of adoption by the European Parliament and the Council.

After its adoption and entry into force, Member States will have a two-year period to establish the necessary mechanisms for data exchanges.

# What about IUT?

- City governments should have a right of access to relevant, accurate and individualised data on short-term rental units.
- This is absolutely central for public policy-making: such data is necessary for the justification of regulatory measures in the first place.
- That data is held by corporate digital platforms, who have generally not disclosed it in a systematic manner
- The EU has consequently become a key battleground for the future regulation of both short-term rentals as a service, and of platforms as online intermediaries of such services.
- The EU legal framework should therefore be revised to ensure platform accountability and data disclosure, which would allow city (and other tiers of) governments to effectively enforce the regulations that they deem appropriate.



- National and regional governments, who often control the legislative framework that defines particular types of short-term rentals, need to give local governments the necessary tools to be able to exercise their ‘right to regulate’ in the name of public interest objectives
- Broader debate on how to solve the housing crisis and housing inequalities and vulnerabilities
- Short-term rentals and overtourism are only a part of a wider set of dynamics and factors that impact housing markets and socio-spatial change in cities, e.g.
  - ✓ Gentrification
  - ✓ financialisation of real estate
  - ✓ demographic trends
  - ✓ the (de)regulation and neoliberalization of the private rental sector
  - ✓ land policies,
  - ✓ measures affecting the supply of affordable and social housing (national, regional and local public housing policies).