

Press statement

September 19th, 2023

EUROPEAN CITIES ALLIANCE ON SHORT TERM RENTAL¹ WELCOMES EUROPEAN PARLIAMENT POSITION ON EU-REGULATION

European cities, in particular those that are key-tourist destinations in Europe, have been demanding for several years European legislative action to be taken for curbing the impact of illegal Short Term Rentals (STR) in their areas. Action was urgently needed - in the light of the exponential growing numbers of STR-tourism over the last decade, in combination with the unwillingness of the main STR-platforms to cooperate with us. We need relevant data to enable a balanced and orderly development of this relatively new phenomenon in the tourism industry.

We are pleased to see that the European Parliament fully recognises the urgency to act and that it endorses precise data-sharing obligations imposed on STR-platforms, which is the essence of the proposed single market regulation. Equally important is that this regulation offers a better European framework for the removal of illegal STR-offers from online platforms in our cities and for cross-border enforcement.

The European Cities Alliance on Short Term Rental is of the opinion that only at local level it is possible to find a reasonable regulatory balance ensuring:

- a sufficient supply of decent and affordable long-term rental housing for all who wish to live and work in our cities,
- high quality standards in tourist accommodation taking into account the related economic interests,
- acceptance in tourism activities among the inhabitants of our cities and towns,
- help for consumers to find only legal offers on STR-platforms and
- liveability and public safety in our cities.

According to the latest figures, tourism is fully back in Europe after Covid, despite inflation and increasing travel costs. European travel recovery continued well in the second quarter of 2023.²

¹ The EU Cities Alliance on STR are: *Amsterdam, Arezzo, Barcelona, Berlin, Bologna, Brussels, Budapest, Florence, Krakow, Lyon, Madrid, Munich, Paris, Prague, Porto, Utrecht, Valencia, Vienna, Warsaw and EUROCITIES*

We are open cities aiming for quality tourism, welcoming travelers to be inspired by the dynamic and unique experiences we have to offer. Tourism is an important source of income and employment for many people and we acknowledge STR is an established part of today's tourism sector.

However, it is also our responsibility to ensure that the limited house stock in our cities is primarily used for those who wish to live, work or study in our cities. It is well known that housing markets in most EU cities are under constant pressure, even more so in times of high inflation rates. What we do not want is that residential house-stock is illegally exploited via illegal listings on STR-platforms, especially not when it comes to social housing paid for taxpayers' money!

In addition, we bear a responsibility towards our citizens, because the downside of over-tourism is that it touches the liveability of our districts. It is our experience that STR-tourism unfortunately tends to negatively affect locals' everyday lives considerably.

Therefore we cannot allow an unlimited growth of STR-activities. Proportionate national, regional and local regulations apply, including often authorisation-schemes. These are tuned to the local circumstances in each of our cities and regions. The fact that some important STR-platforms do not share the data we need to ensure compliance with our regulations for STR has been over many years a big burden. Fortunately, this will change, as an EU-directive on data collection and sharing relating to STR will be soon applicable in the EU member states. This has actually been our Alliance's goal for a long time!

We congratulate the European Parliament on its firm position on the draft-regulation for the STR sector and forward to a fruitful exchange of views in the tripartite meetings ('trilogues') between Parliament, the Council and the Commission, and hope that negotiations will be concluded swiftly during the Spanish EU Presidency by the end of 2023.

The European Cities Alliance on Short Term Rental expects to be closely involved in the evaluation of this regulation. On the basis of a strong and efficient regulation for STR, we look forward to cooperate with the European Commission, the European Parliament, with our colleagues at national level, with the STR-platforms, organizations representing hosts' interests and with other stakeholders.

² European Travel Commission (ETC); "European Tourism: Trends & Prospects" report for the second quarter of 2023