

Short Term Holiday Rentals: European cities seek EU cooperation

The cities alliance engaged in regulating Short Term Holiday Rentals (STHR), met this Thursday 17 September with the European Commission Executive Vice-President, Margrethe Vestager. The mayors and representatives of cities want stronger regulations on the STHR market in order to counter the harmful impact of STHR on the housing market and make neighbourhoods more liveable.

Together with representatives of Paris, Amsterdam, Berlin and several other cities, I had a chance to discuss some of the main issues related to the short term holiday rentals with the Vice-President Margrethe Vestager. Cities need to have tools to reinforce that people obey the law. Cities also need to be able to regulate short term holiday rentals and need to be able to guarantee our citizens that their city will be safe and that the quality of life will be on a high level, even in the parts of the city which are popular amongst tourists.

The rise and high profitability of STHR has led to a widespread pattern of long term housing rentals being converted into STHR. The impact on prices and the supply of affordable housing is alarming, particularly in inner cities. European citizens are increasingly voicing their concerns about nuisances caused by STHR. In addition to the adverse effects on the liveability of certain neighbourhoods and soaring prices, they report: noise disturbance, health hazards, and even the slow disappearance of convenience stores.

Faced with increasing challenges, numerous cities have adopted local laws to better regulate the phenomenon. However, illegal STHR activities are difficult to counter as the platforms do not readily share their data with local authorities. Implicated leasers and platforms still benefit from a largely advantageous and outdated EU legal framework, established well before the boom of the digital economy.

Executive Vice-President of the European Commission Margrethe Vestager added: *Better cooperation between platforms and public authorities will be a prerequisite for a proper enforcement of the Digital Services Act. It will provide a modern and harmonised regulatory framework, and take account of the needs of national and local administrations and compliance with local rules, while providing a predictable environment for innovative digital services.*

Ahead of the announced Digital Services Act, and following the recent joint statement by [22 European cities](#) and key tourist destinations, the city representatives shared proposals with Executive Vice-President Vestager. The topics ranged from obliging platforms to share relevant data, key to any efficient controlling and enforcement system; to holding platforms liable for the content they display; to ensuring better cooperation and compliance with local rules.

The European Digital Services Act presents an unprecedented opportunity for the European Commission to tackle these challenges. Our cities acknowledge that tourism is an important source of income and employment for many people and they do not oppose this new form of rental. But touristic rental in private homes can only be done responsibly if the necessary regulation is in place. European cities are confident in Executive Vice-President Vestager's willingness to take their concerns into account and allow for a balanced European framework to emerge: one that is respectful of laws and adapted to the needs of citizens.

Notes to the Editors

1. The cities alliance that has so far been engaged on the issue of STHR regulation includes the following cities: Amsterdam, Athens, Barcelona, Berlin, Bologna, Bordeaux, Brussels, Cologne, Florence, Frankfurt, Helsinki, Krakow, London, Milan, Munich, Paris, Porto, Prague, Utrecht, Valencia, Vienna and Warsaw
2. The statement issued in March 2020 can be found here: <https://bit.ly/2GXTjxI>
3. [Eurocities](#), the network of larger European cities, supports the outreach of these cities. Its new position paper on the Digital Services Act explores how to make digital opportunities work for people and the public good: <https://bit.ly/2ZCPX9J>

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