

## European cities welcome EU legislation to stop illegal short-term rentals

By Femke Halsema, Mayor of Amsterdam.

Yesterday, the European Parliament passed a regulation concerning the sharing and collection of data for Short-Term accommodation Rental services (STR). This piece of legislation is crucial for many European cities, in particular those facing housing shortages and challenges related to tourism.

The main benefit for cities is that the regulation imposes data-sharing obligations on short-term rental platforms - data we have been demanding for years, but never received.

These new obligations, including the mandatory removal of illegal advertisements, will help us enforce existing regulations. Local rules ensure a balanced development of short-term rentals in our society, protect the liveability of our neighbourhoods and prevent residential housing from being withdrawn from the market. As online servicing of short-term rentals is by nature transnational, an EU legislative initiative was imperative.

We welcome this EU regulation, which marks the end of a process that started in 2018. Back then, the European Cities Alliance on Short Term Holiday Rentals, led by my own city Amsterdam, shared its concerns with the European Commission on the impact of short-term rentals on cities.

These temporary online-serviced accommodations had seen an impressive growth in the previous years, leading local governments to implement rules to protect public interests. However, city administrations had no information about where the accommodation was located, for how many nights it was available, or how many guests were involved.

We do not oppose short-term rentals. That said, there must be a balanced regulatory approach to the subject. For enforcement of these rules, such as limiting the maximum number of rentals allowed per year in an accommodation, access to data is essential.

To ensure a broader understanding of this issue, there are three dimensions that are important to highlight.

Firstly, European cities offer some of the most beautiful historical centres in the world and play a key role in making Europe the top destination in a growing tourism industry. The European Travel Commission expects international tourist arrivals to Europe to reach pre-pandemic levels this year, which is a year earlier than expected. In short, tourism is on the rise.

While cities will continue to be open and welcoming, there is a risk that imbalances will occur between the growing numbers of visitors and our local population. Curbing illegal short-term rentals is one of the keys we have for restoring and maintaining this balance.

Secondly, many European cities face a persistent and increasing lack of affordable and decent housing. In Amsterdam, for example, there is currently a waiting list of approximately 13 years for social housing for those with modest incomes.

Meanwhile, on the private rental market, prices are prohibitively high, far beyond what average households can afford. Limits on short-term rentals are needed to ensure our housing stock remains available for residential use, to be able to accommodate all the students, teachers, police, healthcare

workers, shop retailers, taxi drivers, and many other residents that contribute to the social fabric of our cities.

Lastly, local governments have an important responsibility for safeguarding liveability in their cities. Short term rentals require regulation, as the anonymous nature of these temporary stays, which are usually based in residential areas, tend to correlate with local disturbances, such as litter and noise.

Our cities' alliance is grateful to the European Commission for proposing legislation aligned with our objectives. This regulation not only serves the public interests I have already mentioned, but also benefits consumers by promoting transparency and preventing tourists from staying in illegal accommodations.

We hope the new regulation will close the long chapter of litigations in which our local rules have been disputed by the online platforms. May it mark a new beginning for cooperation between public authorities and the sector.

The regulation is a promising step forward in achieving a balanced ecosystem for short-term rentals, serving the interests of both the public and consumers in our cities. Our alliance will closely monitor its implementation and aims to be involved as key-stakeholder in its evaluation.

Femke Halsema.

*On behalf of the European Cities Alliance on Short Term Holiday Rentals: Amsterdam, Arezzo, Barcelona, Berlin, Bologna, Brussels, Budapest, Florence, Krakow, Lyon, Madrid, Munich, Paris, Prague, Porto, Utrecht, Valencia, Vienna, Warsaw and Eurocities*