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Debate on Home Sharing Platforms: Challenges and Opportunities for Municipalities

26 October 2021

Dear colleagues,

On behalf of the former rapporteur and my predecessor Robert Gruman, I am pleased to present the report on Home-sharing platforms: challenges and opportunities for municipalities.

The importance of the sharing, or “peer-to-peer”, economy has increased in recent years, together with the growth of the information technology, notably its most common tools such as dedicated websites and mobile apps. This emerging sector of economy is involving both challenges and opportunities, particularly for local self-government bodies.

The report is aimed at promoting long-term balanced policies and legal and regulatory frameworks for home sharing platforms which foster sustainable development, fair play for all actors and improved protection of fundamental rights of both residents and tourists. It also includes best practices.

It is clear that the growth of home sharing platforms, such as Airbnb and Booking.com, brought opportunities to our cities, making tourist accommodations more accessible and affordable, bringing extra income for residents able to rent out their units and thus contributing to the regeneration of cities.

However, negative impacts of the overgrowth of home-sharing to the detriment of the residents in our cities became obvious. Those negative impacts include, in particular, higher prices of accommodation and less available affordable housing for city residents, especially in city centres and popular tourist destinations.

Therefore, the relevant policies need to be reviewed with appropriate political backing from different levels of governance, aiming at sustainable development of collaborative tourism accommodation sector, to respect rights of both residents and tourists.

Best practices such as registration and provision of data by platforms, as well as simplification of regulations and digitalisation of systems are promoted. The local and regional authorities are encouraged to have dialogue and partnership with platforms and with community stakeholders as well as to raise awareness about existing rules, to better enforce them. The support of platforms appears to be helpful when it comes to tax collection, sharing data with municipalities, enforcing limitations as well as to removing fraudulent listings. The report lists many of these good practices that have proved useful in regulating this domain.

Let me now move on to the draft Resolution and draft Recommendation included in this report.

The draft Resolution underlines on the need of a long-term policy vision focusing on sustainable development and defining or updating the most suitable regulatory instruments in the light of best practices. Partnership with platforms is important to ensure appropriate data-sharing and a better enforcement of rules. But is also important to have dialogue with community stakeholders such as landlord associations and community associations, to understand their concerns.

Digitalisation and simplification of rules applying to hosts, such as related to registration and tax declarations, contribute to improved enforcement of regulations. Finally, transparency, adequate access to information and raising of awareness as well as providing guidance - all that contributes to improved knowledge of rules by all actors and ultimately improves compliance.

The draft Recommendation asks national authorities to ensure legal certainty for local and regional authorities and for the home-sharing platforms, thus creating a safer digital space to protect human rights and establishing a level playing field to foster innovation and sustainable development.

The local and regional authorities should be given increased power and oversight over the collaborative economy accommodation sector. There should be a conducive legal framework to facilitate dialogue with platforms and establish mechanisms for data collection and sharing.

Availability of data and a functioning registration system are of key importance. The platforms should be required to remove non-compliant advertisements by hosts. National authorities should work with local and regional authorities to devise sustainable tourism strategies. The associations of local and regional authorities should be supported to share information on challenges and best practices.

Dear colleagues, both the draft resolution and recommendation have been approved by the Governance Committee this year.

These texts respond to some of our 2021-2026 priorities that we adopted this year. I am thinking in particular of priority 6 on Digital societies: Digitalisation and artificial intelligence in the local context. They are also in line with the United Nations Sustainable Development Goals, in particular Goal 11 on sustainable cities and communities. Finally, and this is not the least, these draft texts also offer a series of proposals to ensure compliance with Article 9 of the European Charter of Local Self-Government on the financial resources of local authorities.

As you can see, dear colleagues, this work takes into account major texts and concerns, which is why I would like to call you to proceed to their adoption.

I thank you for your attention and, of course, I am ready to answer your questions should you have any.