

# EU PARLIAMENT MOVES FORWARD ON SHORT-TERM RENTAL REGULATION



In many European cities, there is a heated political debate surrounding the impact of short-term rentals on the real estate market. The EU Parliament's Committee dealing with the Internal Market and Consumer Protection took a positive step forward by adopting an opinion proposing a European regulation to address short-term rentals. This realistic and non-ideological approach acknowledges the challenges posed by short-term rental platforms' expansion.

Airbnb, a company that handles over 6.5 million rental offers globally, was established fifteen years ago. Therefore, it is justifiable to approach the various "innovative" regulations cautiously, as they may attempt to impose outdated urban planning tools on novel and often ambiguous situations.

**Attempts to regulate short-term rentals locally and nationally, even outside Europe, have faced the challenge of defining legally sound and practical rules.** In recent weeks, much discussion has been about New York's situation. However, it should be noted that short-term rental constraints have been in place in the city for a decade but with unsatisfactory results. The new proposals appear invasive, and their feasibility is questionable.

In brief, poorly timed and inadequate regulation may have the opposite effect of its intended purpose by creating opportunities for irregular situations.

It is important to note that short-term rentals are a crucial part of the European tourism industry, accounting for approximately 25% of the overall hospitality offerings. They have become an essential and irreversible element significantly impacting tourism and related economic activities.

It is worth remembering that many properties are owned by families who view them as an additional source of income and a valuable outlet for their savings.

Europe is taking an approach that aims to balance the interests of all parties involved. The objective is to establish a consistent system for gathering and sharing data on a European level, promoting transparency. This is an essential first step in addressing the many local regulations that fragment the internal market and contribute to its lack of clarity.

Europe has a long way to go in transparency. Despite the current limitations of Community tourism, it is crucial to keep up with the latest developments. **This not only presents challenges but also provides significant opportunities for sustainable tourism.** Such opportunities should be harnessed and managed adequately while acknowledging that tourist rentals can provide a solid basis for developing tourism in peripheral inland villages and peri-urban areas. New market segments, such as "digital nomads," should also be considered.

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