



## For a level playing field and fair competition in hospitality and tourism

## Joint EFFAT-HOTREC Statement on the Commission's Short-Term Rental Initiative

## October 2022

EFFAT and HOTREC, the European social partners for the hotel, restaurant, bar and café sector are welcoming the European Commission's intention to present a <u>legislative initiative</u> on short-term accommodation rental services (STR) by the end of 2022.

Since 2014, HOTREC and EFFAT have regularly exchanged views on the impact of the so-called 'sharing' or 'platform' economy on the European hospitality industry during their sectoral social dialogue meetings, and signed joint statements on the topic in 2015 and 2019, showing that social partners in the European hotel and restaurant sector share many concerns.

In fact, short-term accommodation rentals have become a fast-growing element in the tourism sector and are, despite growing professionalism, still largely uncontrolled and unregulated. This new accommodation phenomenon has brought forward many risks and challenges, such as unfair competition, safety hazards, unreported income taxes and pressure on affordable housing.

Based on the evaluation of the impact of STRs on business and employment in the hospitality sector<sup>1</sup>, social partners agree that specific actions are **required to overcome these challenges and to guarantee a level playing field and fair competition.** The upcoming Commission initiative should:

- Establish a mandatory host registration system and mandatory data-sharing obligations for STR platforms that will provide authorities with relevant data.
- Introduce measures that will aim to reach a comparable level of health, safety and security for guests and employees as those already well-established for regulated tourism accommodation services.
- Ensure that basic rules apply to all STR hosts (professionals and peer).
- When adopted, guarantee that legislation is fully respected by all providers of hospitality and tourism services, through effective enforcement, supported by resources and legal power for public authorities to do their job correctly, so that:
  - Customers are protected,
  - Employees are treated fairly and entitled to their rights, and
  - Responsible businesses enjoy a fair competitive environment / level playing field.

We strongly believe that incorporating these tasks in the upcoming legislative proposal would safeguard the competitiveness of hospitality businesses, the majority of which are microenterprises, protect the jobs of thousands of employees working in the sector, and promote consumer trust.

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<sup>&</sup>lt;sup>1</sup> See HOTREC Position Paper on EU-wide Regulation of Short-term Rentals LINK