





PRESS RELEASE

27 October 2016

Major home-sharing platform finally acknowledges the registration of activity as the step forward to enforce housing rules

<u>Brussels, 27 October 2016</u> – Just before a bill punishing hosts who use online 'home-sharing' platforms to post listings that violate New York laws on short-term rentals was finally adopted, the biggest 'home-sharing' platform proposed measures in line with the <u>European hospitality industry's demands on collaborative economy.</u>

To prevent the new bill from being adopted, AirBnB itself proposed to further regulate the situation in New York. The company suggested measures, which can be adopted universally and had been called for by HOTREC already. One of the measures proposed by the platform was to establish a registry of hosts to make it easier for the state to enforce housing rules. The registration of the short term rental activity has been a key demand of HOTREC for more than two years. Moreover, the platform also proposed to crackdown on hosts having multiple listings, being a clear case of a professional business activity. HOTREC has been calling for a clear differentiation between private and professional activity, the most obvious form of which is to have multiple listings. However, in line with the recent European Commission guidelines, regular rentals shall also be considered as professional activity, which is to be acknowledged as such, disallowing professionals to escape European regulations protecting consumers. The attempt of the platform came too late, the city of New York has just passed the bill in order to better enforce the local Multiple Dwelling Law of 2010. However, the offer is a clear sign that platforms are able to contribute much more to a responsible collaborative economy.

"HOTREC sees with satisfaction that its major demands for a responsible collaborative economy are approved by one of the biggest player on the market" - says Christian de Barrin, CEO of HOTREC. "Platforms have a clear responsibility in keeping markets and the economy clean, thereafter fair for all stakeholders alike" - added Mr. de Barrin.

"The mandatory registration of the activity with the local municipalities, as hosts are registered with the platforms anyway, is the only way forward to crack down on illegal activities and thus on the black economy" - concluded Ramón Estalella, Chair of the HOTREC Task Force dealing with collaborative economy.

What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. The sector counts in total around 1.8 million businesses, being 99,5% small and medium sized enterprises (91% are micro enterprises, i.e. employing less than 10 people). These businesses make up some 60% of value added. The industry provides some 10 million jobs in the EU alone. Together with the other tourism industries, the sector is the 3rd largest industry in Europe. HOTREC brings together 43 national associations representing the interest of this industry in 29 different European countries.

For further information: www.hotrec.eu

PRESS CONTACT: Daniel Makay +32(0)2 504 78 42, daniel.makay@hotrec.eu