

HOTREC final response to Inception Impact Assessment legislative initiative for on STR Services

Following a consultation of HOTREC Members, HOTREC has fine-tuned its messages to provide to the [European Commission's Inception Impact Assessment on a legislative initiative for STR Services](#).

We will provide the feedback outlined here below to [the consultation feedback form](#).

Please note:

- *that responses are limited to 4000 characters; the text below respects this limit (3978 characters).*
- *Should you have any final comments, please send them by midday on Wednesday 13 October. Concrete drafting suggestions would be particularly welcome; the deadline to provide comments is Thursday 14 October.*
- *The document "[5 Pillars to Foster a Responsible and Fair Collaborative Economy](#)" will be included as an annex to HOTREC's response.*

HOTREC response:

- **HOTREC welcomes the intention to create new legislation establishing an Internal Market framework for the provision of STR services in the EU.** HOTREC agrees with the Inception Impact Assessment document's proposals, including the scope, covering both (i) access to data and (ii) market access conditions. HOTREC also agrees **that the initiative should not address urban planning rules and zoning requirements**, in line with the principle of subsidiarity.
- **HOTREC however questions some assertions made in the document** regarding the contribution of STR to jobs, SME activity and the recovery of tourism. The contribution of STR to jobs and outsourced activities for SMEs is marginal, especially when compared to traditional accommodation service providers. Where STR hosts do create jobs and outsource activities, they will typically be providing a 'professional service' which is particularly unfairly underregulated compared to the traditional accommodation services. We consider that a level playing field between STR and traditional accommodation is an essential element to support the recovery of the tourism ecosystem and boost its major contribution to jobs and growth in the EU.
- Furthermore, while we recognise that this initiative would address the fragmentation of rules applicable to STR, **a level playing field implies that STR must be exposed to what STR market players may consider as "burdensome and restrictive rules"**. STR rules are necessary to i.a. protect the health and safety of guests, ensure liability and the collection of due taxes, avoid pressure on housing markets and nuisances for local residents.
- The legislative initiative should provide **a clear framework for local, regional and national authorities addressing how** regulatory schemes can be elaborated, managed and enforced, and how STR activities in their jurisdiction can be overseen. **Local, regional and national**

authorities should be empowered to determine which type of rules need to be elaborated and applied, in line with the principle of subsidiarity.

- **Registration and prior authorisation schemes for STR run by public authorities are essential and should be mandatory across the EU.** The registration and authorisation process should cover all required verifications and background checks (e.g. consultation of immediate neighbours, compliance with health and safety requirements, fiscal status and information). STR properties and hosts need to be properly recognised and accounted for through an official, publicly available register.
- The legislative initiative should not prevent public authorities, should they see the need to do so, from significantly restricting or limiting STR activities.
- The initiative should **clarify which type of data should be provided by STR platforms and hosts to public authorities and how the data should be provided.** Data exchange requirements should be clearly explained to STR hosts as part of the registration and authorisation process. Public authorities may also require additional training and skills to use data provided. Intermediary platforms should play a central role as facilitators by providing all necessary data, backed by stringent data exchange rules if necessary.
- **Data should be provided to tax authorities** to ensure that STR-generated income is appropriately scrutinised and taxes are paid in a timely and efficient manner.
- HOTREC considers that differentiating hosts offering STR on an occasional basis from hosts offering services on a professional or quasi-professional basis is necessary.
- Caps can be of particular importance in high-density areas to limit the negative impacts of STR on the housing market. However, caps tend to be easy to circumvent and difficult to monitor for authorities.
- The **Digital Services Act should put public authorities in a key position to identify and flag STR offers which do not meet regulatory requirements**, and intermediary platforms should remove such offers diligently and swiftly.
