



European Court of Justice (ECJ) decision on Airbnb exemplifies need to review existing rules on information society services



Brussels, 19 December 2019 – Today's [verdict](#) by the European Court of Justice (ECJ) on Case C-390/18 opposing the City of Paris with Airbnb weakens the powers at the disposal of national and local authorities to regulate the short-term rental accommodation market. Furthermore, it is a clear sign that EU e-commerce rules are not adapted to today's market reality.

The reasoning behind the verdict – whereby Airbnb is considered as a mere information society service provider because it is deemed not to exercise a 'decisive influence' over the accommodation services to which its activities relates – clearly indicates that current EU rules on e-commerce, dating from 2001, are not adapted anymore to business models enhanced by digital platforms which have rapidly developed over the past decade.

Mr. Ramón Estalella, Chair of HOTREC's 'Collaborative' Economy Working Group said: "Today's verdict will undermine the powers at the disposal of local authorities to regulate the short-term rental sector, including measures aiming to support sustainable tourism, affordable access to accommodation and a level-playing field."

He added: "I hope that the European Commission takes note of this judgment as a case-in-point that the E-commerce Directive in its current form has outlived its purpose and I look forward to seeing this addressed in the upcoming Digital Services Act. EU legislation should not act as a barrier to the pursuit of public interest objectives by local authorities."

Hoteliers around Europe support measures to ensure the sustainable and responsible development of short-term rental activities and the establishment of a level playing field. In this light, HOTREC believes that ensuring consumer safety and security as well as tax income from short term rental activities should be strongly considered by policy makers. Establishing registration or licensing systems for short-term rental landlords and properties in Europe is a basic prerequisite to achieve these public policy objectives.

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What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. The sector counts in total around 2 million businesses, being 99,5% small and medium sized enterprises (90% are micro enterprises, i.e. employing less than 10 people). These businesses make up some 60% of value added. The industry provides almost 12,5 million jobs in the EU alone (2017). Together with the other tourism industries, the sector is the 3rd largest industry in Europe. HOTREC brings together 44 national associations representing the interest of this industry in 32 different European countries.