

RT26 | THE IMPACTS OF AIRBNB IN EUROPEAN CITIES

Chairs:

- Andreia Fidalgo, IFHP Project Manager

Speakers

- Albert Eefting, Senior Policy Advisor, Housing Affairs, City of Amsterdam
- Pierre Laconte;
- Lars Pico Geerdsen, Director of The Institute for Urban Economic Research
- João Manuel Pereira Teixeira, President Lisbon and Tagus Valley Regional Development Commission

Description

Airbnb and similar sharing platforms have a huge impact on the way we live, travel and perceive our homes. As the popularity of home sharing platforms grows, their effects move well beyond the individual household, challenging city authorities, traditional housing policies, tourism boards, rental markets and wider housing perspectives.

Although primarily driven by economic benefits, new sharing economy platforms, as Airbnb, have brought disruptive innovations to the offer of traditional tourist accommodation and to how tourists/visitors experience their stay in different destinations. These innovations became possible thanks to the creation of online platforms, which enabled the sharing of goods that were not previously available or were underutilized.

Airbnb competes with traditional forms of tourism, but it also has an experimental value, since it encouraged many tourists to experience travelling in different ways, through the diversification of offers, the contact with locals, making them feel part of a community and experience traditionally residential neighborhoods. And despite the fact that the digitalization of the tourism marketplace allowed for an exponential (and on-going) growth, this growth is now threatening the market of traditional accommodations, and pressuring the housing markets.

Airbnb has grown within a regulation void, leading to different issues that cities and other local governments are now seeking to address. These issues relate mainly to:

1. **Taxation:** can unregistered Airbnb visitors be taxed just as registered hotel guests? Can Airbnb income be established and taxed?
2. **Visitor streams:** How can cities measure the number of visitors in order to manage tourist streams?

3. **Fair competition:** the traditional hospitality industry calls for a level playing field by enforcing the same type of regulation to Airbnb hosts and hotels.
4. **Housing market:** Airbnb gives residential properties a partial or full commercial use. What will be the effects on housing availability and pricing?
5. **Information ownership:** the fact that Airbnb does not disclose visitor and host information, gives the company leverage in negotiating regulation issues with cities.
6. **Safety:** traditional hospitality companies are subject to regulations to ensure the safety of guests, employees and residents. How can these be enforced for Airbnb properties?
7. **Consumer protection:** besides safety concerns, are consumers entitled to the same kind of protection in transactions with private hosts as with commercial organizations?

As a result of the exponential growth and the legal void, some cities have adopted policies for a controlled expansion of short-term rentals, while others have sought to restrict the phenomenon. The adopted policies towards Airbnb and short-term rental in general, will determine its future evolution. However, in order to promote targeted regulations transparency about operated properties and visitors is essential. Besides taxation and safety issues, regulations and other policy measures should be designed to counter the repurposing of residential housing as tourist accommodation.

The aim of this roundtable is to discuss the impacts that Airbnb has on housing and tourism in three different European cities – with representatives from Copenhagen, Amsterdam and Lisbon discussing and exchanging knowledge on the impacts of Airbnb, the general status quo, and what is being done in their cities.