



European
Holiday Home
Association

EHHA Statement

IMCO Committee draft report on the Proposal for a Regulation on data collection and sharing relating to short-term accommodation rental services (2022/0358 (COD))

23 May 2023

The European Holiday Home Association ([EHHA](#)), the united voice for short-term rentals in Europe, has welcomed the European Commission's Proposal for a regulation on data collection and sharing relating to short-term rental (STR) services ("the STR Regulation"). Following the publication of the draft report from the European Parliament's Committee on Internal Market and Consumer Protection (IMCO) by rapporteur Kim van Sparrentak, we would like to address some areas of concern. Drawing on our long-standing experience of working together with authorities, we welcome the opportunity to engage with Members of the European Parliament on these points, with a view to achieving a balanced outcome that delivers for all stakeholders.

IMCO DRAFT REPORT - OUR KEY CONCERNS

The EHHA believes that the IMCO Committee's draft report could be improved upon by:

Refocusing on the Single Market

STRs constitute almost one quarter of EU tourism accommodation, representing a crucial contribution to the European tourism industry. Yet, regulatory fragmentation remains a pressing issue, creating legal uncertainty and barriers to entry to the Single Market for STR accommodation providers. With this in mind, the STR Regulation should remain above all a tool to improve the functioning of the EU Single Market (as per its legal basis under Article 114 TFEU). Aspects of the IMCO draft report undermine this objective, most notably by:

- Creating conflicts with existing EU law (e.g. DSA, GDPR);
- Removing references to the EU Services Directive, as the main EU law obliging Member States to follow principles of non-discrimination, proportionality and justification when legislating at local level (the Cali Apartments ruling reiterates this);
- Laying the groundwork for further regulatory fragmentation by promoting differential approaches to data collection by local authorities;
- Expanding the flexibility of local authorities beyond what subsidiarity permits.

With a refocus on the Single Market, the transparency that this EU regulation shall provide will arm competent authorities with all necessary tools they need to effectively enforce local rules and legislate in a targeted manner, including on matters like housing scarcity. It is crucial, however, that this Regulation leads to more proportionate rule-making at local level, not less. With this in mind, EU lawmakers must avoid redesigning the scope of the instrument as a "quick fix" for what are often complex and diverging local realities on the ground.

Providing a pragmatic path towards implementation

In order to be successful, the STR Regulation must reflect the diverse nature of [the STR ecosystem](#) and provide both public and private stakeholders with the means to cooperate towards better,



European
Holiday Home
Association

EHHA Statement

IMCO Committee draft report on the Proposal for a Regulation on data collection and sharing relating to short-term accommodation rental services (2022/0358 (COD))

23 May 2023

evidence-based policymaking. This can be achieved by balancing the responsibilities of all players, and by providing government authorities with a workable framework to gather data. The current draft report undermines these objectives in the following ways:

- Conducting an overhaul of the Compliance By Design framework, which was designed by the European Commission in order to achieve the balance mentioned above;
- In particular, by removing the core concept of host self-declaration, legitimising authorisation as a first step, increasing random checks, and obliging platforms to conduct far-reaching and ill-defined ex-ante verification controls, the proposed amendments risk undermining the ability for governments and platforms to work together, and for competent authorities to set up workable and balanced registration systems – even disincentivising them from doing so;
- Reducing implementation timelines, which risks creating rushed registration schemes that neither reflect local needs nor the capacities of hosts and platforms.

The EHHA calls upon Members of the European Parliament to engage proactively with all stakeholders across the STR ecosystem during the coming weeks and months in order to ensure a final STR Regulation that can deliver on its regulatory aims while allowing our sector and the broader EU tourism industry to flourish.