



## THE CITY IS OURS!

HOW TO REGULATE AIRBNB IN THE FACE  
OF A HOUSING CRISIS

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Over the last few years, local and national authorities, researchers, activists, and NGOs have been united in criticising the role of short-term rental platforms,<sup>1</sup> their growth and their impact on the housing sector.

Central to the debate is the contribution of these platforms to increased rental prices, particularly in large cities. The increased supply of holiday rentals is directly linked to fewer homes being available on the long-term rental market. Long-term rentals have also become unaffordable to residents, particularly 'essential workers' such as nurses, care workers, supermarket employees, etc.<sup>2</sup>

This paper gives the state of play of the problem in Europe and the legislative battles being fought at local, national and European level, and goes on to analyse the changes in the short-term rental sector in light of the coronavirus pandemic and its impact on the housing market.

## FROM THE MYTH OF THE COLLABORATIVE ECONOMY TO FINANCIALISATION

### Airbnb and the boom in holiday rentals

Since 2007, holiday rental platforms, which put homeowners in contact with holiday-makers, have grown exponentially, riding the wave of several new trends. The first being technology obviously, from the moment AirBnB founders Joe Gebbia and Brian Chesky called on the skills of software engineer Nathan Blecharczyk to develop an online, intuitive, and secure platform.

Secondly, the collaborative economy platforms have benefitted from growth in the tourism industry (tourism revenue increased 8% per year in 2010 and 2015<sup>3</sup>), bolstered by the expansion of low-cost airlines: arrivals of international tourists globally has increased, reaching 1.5 billion in 2019.<sup>4</sup> According to a Eurostat survey,<sup>5</sup> 21% of European citizens used a website or app to organise accommodation at another person's property in 2019.<sup>6</sup>

The worldwide growth in online accommodation reservations is ever-increasing<sup>7</sup> led by Expedia, Booking.com and Trip.com (considered online travel agencies) as well as by accommodation sharing platforms. At the top of the list is Airbnb with a turnover of USD 4.7 billion in 2019.<sup>8</sup>

In the eyes of the short-term rental 'industry', under the *European Holiday Home Association*, these developments are all positive as they contribute to the tourism industry and therefore to economic growth at local level.

Airbnb claims that in 2018 for example, according to its own calculations, it generated over USD 100 billion globally in direct economic impact with 16 million holiday-makers, of which USD 9.2 billion was generated in the French economy alone.<sup>9</sup>

### The professionalisation of hosts and the increased scarcity of long-term rental properties

The basic idea behind the model for short-term rental platforms is putting tourists in contact with private local property owners, who would occasionally rent out their spare room. The reality however is a long way from this and the growth in this area has gone hand-in-hand with the 'professionalisation' of hosts: a significant proportion of listings are for entire properties and not for a room in the host's home. What's more, several university studies and investigative reports have shown that a large proportion of listings are not being made by individual property owners but by companies with many properties on their books.

The article 'Airbnb, buy-to-let investment and tourism-driven displacement: A case study in Lisbon'<sup>10</sup> concluded, 'our research did not find evidence of a sharing economy' in Lisbon but rather a process whereby 'investors replace local property owners and pursue higher returns by replacing long-term tenants with tourists'.



The raw data provided by InsideAirbnb confirms this analysis in several cities. In London for example, in March 2020, there were more than 87,000 Airbnb listings of which almost half (43,112) were from hosts who had at least one other listing. The Guardian<sup>11</sup> analysed the InsideAirbnb data and estimates that in some regions of the UK, there is one listing for every four homes, confirming how far the model has come from the idea of a quid pro quo between individuals.

In their article, 'The professionalization of Airbnb in Madrid: far from a collaborative economy', Javier Gil and Jorge Sequera<sup>12</sup> demonstrate how Airbnb has become professionalised giving an example of a transnational company offering 211 Airbnb properties in Madrid alone.

Kristóf Gyódi of Warsaw University came to the same conclusion in 2019.<sup>13</sup> His analysis of data provided by Airbnb (particularly) in Paris, Barcelona, Berlin and Warsaw reveal that only a minority of Airbnb listings could be classed as belonging to the 'sharing economy' while commercial listings make up a significant proportion of the platform's listings.

This analysis is nothing new; as far back as 2014 author Tom Slee analysed about 90,000 Airbnb 'hosts' and

125,000 listings in 18 cities across the world, and showed that 40% of the listings were by hosts with several properties and offering rentals of entire properties.<sup>14</sup>

It is clear therefore that there is a growing gap between the original idea of collaborative economy platforms and what they have subsequently become: multinational service providers on a massive scale. The resulting transformation of available housing into short-term rentals has led to a reduction in the number of long-term rental units available. This is further confirmed by Joan Sales, Paolo Chevalier and Juan A. Módenes<sup>15</sup> who have shown a link in Barcelona between the increased number of tourist rentals and the reduction in the number of permanent residences. This link appears to be particularly strong in Barcelona's historic centre and surrounding areas.

This increased scarcity of the traditional housing supply has caused rent price increases and the further exclusion of working-class and middle-class people from city centres to the benefit of private investors.

### Gentrification and increased rent prices, the consequences of the financialisation of housing

This is what Ismael Yrigoy's research demonstrated in his 2016 article 'The impact of Airbnb in the urban arena: towards a tourism-led gentrification?'<sup>16</sup> The study focuses on the case of Palma's historic old quarter (Mallorca) and concluded that the emergence of Airbnb led to a wave of gentrification, a result of tourism which has taken the place of residential rentals.

More recently, Alberto Amore, Cecilia de Bernardi & Pavlos Arvanitis (2020)<sup>17</sup> have stated that Airbnb has brought about a new form of urban displacement – 'tourism gentrification' – in Athens, Lisbon, and Milan and note that the rise of Airbnb has contributed to low-income renters being displaced outside of city centres.

Even local businesses are under threat. Some websites are now offering to help transform commercial



property into short-term rental properties in Paris, in order to 'maximise profitability through short-term rentals'. 'These rentals bring much greater revenue than the traditional renting out of office space [...]: holiday rentals are two to three times more profitable than long-term rentals (furnished or unfurnished) due to an 85% occupancy rate for the 365 days of the year.'<sup>18</sup>

Several cities and citizen groups are thus critical of these platforms that contribute to increased property prices (both for renters and buyers) particularly in touristy areas and Europe's large cities (Barcelona, Amsterdam, Paris).

Several studies<sup>19</sup> have aimed to demonstrate this fact. Barron, Kung and Proserpio led one of the most well-known studies on the impact of Airbnb on house prices, based on an analysis of Airbnb listings in the United States over a six-year period (2011-2016).<sup>20</sup> The results show that Airbnb both increases the rental rates and reduces supply of existing long-term rentals, but also affects the purchase price of housing by increasing the profitability of the asset.<sup>21</sup>

In their 2020 article on Barcelona, Miquel-Àngel Garcia-López, Jordi Jofre-Monseny, Rodrigo Martínez-Mazza, and Mariona Segú reported that the impact on areas with strong Airbnb activity was considerable. For areas with the highest number of Airbnb rentals, they estimate that rents have increased by 7% and that purchases prices have increased by 17%.<sup>22</sup>

In 2018, Ismael Yrigoy again studied changing house prices in the old quarter of Palma, Mallorca (Spain). His analysis of the changes in housing stock, prices and residential rental income compared to holiday rentals shows a correlation between the number of apartments listed on Airbnb and the inaccessibility of house prices for local residents.<sup>23</sup>

Ayouba et al.<sup>24</sup> noted that the density of Airbnb rentals is linked to increased rent prices in Lyon, Montpellier and Paris (while there was no significant effect in the other cities studied). The study goes further in analysing the impact of professionalisation. According to the authors, when they restrict the analysis to 'professional' Airbnb rentals, an even greater effect was noted on rents in Marseille and Paris.<sup>25</sup>

For many, the founding ideals have been clearly corrupted: the Airbnb model is now part of the financialisation of housing<sup>26</sup> through facilitating the use of housing as a financial asset. It encourages landlords to rent their property in the short term to maximise their asset. This 'rent gap' – i.e. the gap between the actual rental value of a property and its potential rental value – is the main factor contributing to gentrification, according to Neil Smith.<sup>27</sup> In light of this statement, it is necessary to establish regulation taking into account what these platforms have become, in order to counter their harmful consequences on the housing market.

## MANAGING THE PLATFORMS: A POLITICAL AND LEGAL BATTLE

To address the increase of property prices in large cities and in an attempt to contain the problem, cities started to limit short-term rentals from 2010. To this end, they put in place a swathe of local initiatives. In response to these local actions, the platforms turned to the European Union to ensure their booming market would be protected.

### Cities' actions: a limited offensive

Cities' resistance and their attempts to regulate the issue started in the United States from 2010 (particularly in New York<sup>28</sup>) and rapidly spread to European capitals, powerless in the face of this growing issue. European cities, in their turn, established regulations to counter the phenomenon of short-term rental platforms. However, each attempt was systematically contested in court, either by property owners or the platforms themselves.

In France, the city of Paris, alert to the problem since 2015, is trying to introduce restrictions to avoid displacing residents, and prevent entire districts being

altered.<sup>29</sup> At the same time in Barcelona, Ada Colau, an activist with the PAH (*Plataformade Afectados por la Hipoteca*, a Spanish organisation created in 2009 to fight evictions) was elected mayor of Barcelona. The main focus of her policy is mass tourism and the right to housing. Permits for holiday rentals are no longer granted in the city centre. In 2016, Ms Colau, as mayor, set up an inspection team to find illegal rental properties in the city. A website was also created to enable residents to report illegal rental properties that they are aware of.

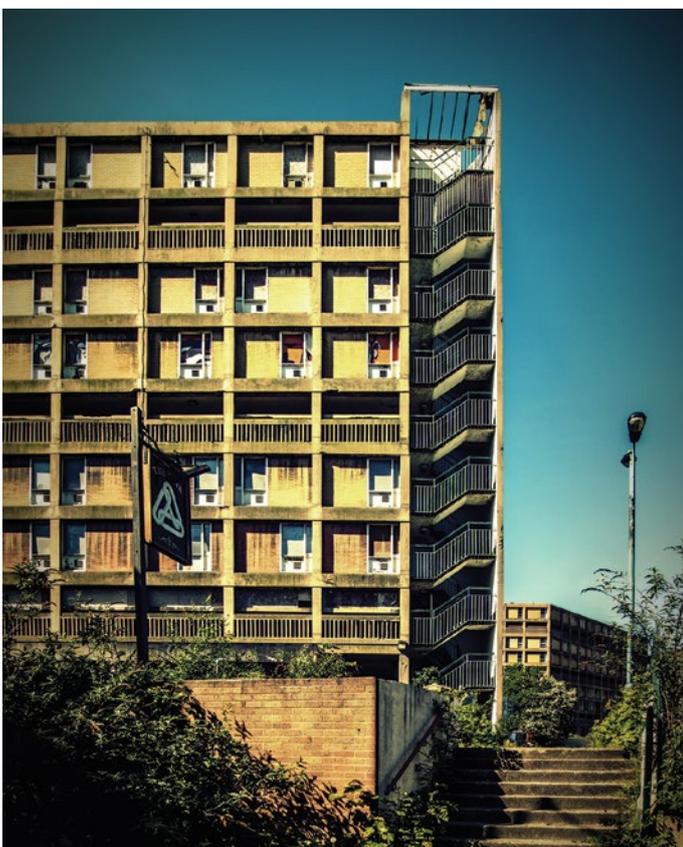
The issue of short-term rentals is now high on the political agendas of major capital cities as well as in a growing number of smaller cities in Europe. In 2018, cities started to organise at European level. Of these, representatives of 14 cities met the European Commissioner for the Internal Market, Elzbieta Bienkowska, to demand an interpretation of European law on the issue of data, which the platforms refuse to share.<sup>30</sup>

In March 2020, 22 cities (Amsterdam, Athens, Barcelona, Berlin, Bologna, Bordeaux, Brussels, Cologne, Florence, Frankfurt, Helsinki, Krakow, London, Milan, Munich, Paris, Porto, Prague, Utrecht, Valencia, Vienna and Warsaw) took a unified position through a declaration calling for stronger European regulation of holiday rental platforms.<sup>31</sup>

Their claim is based on the fact that the 2000 e-Commerce Directive was adopted before the development of online platforms and is therefore unsuited to addressing their impact on local markets. The cities called for data to be shared, listings to be registered with the authorities, and local regulations to be respected.<sup>32</sup>

The cities' proposals to the European Union are a continuation of the measures already taken at local level over the last number of years to regulate these platforms.

One of the first actions taken by cities is to try restrict rental of entire properties to a limited number of nights per year. In France, the Alur law (2014), and the Elan law (2018) set a limit of 120 nights' rental per year for the owner's primary residence. Renting out secondary residences is not subject to the same



limit, but the change in use of these properties must be declared with the authorities. The property is thus categorised as holiday accommodation. This is also the system chosen by Amsterdam, Barcelona and even Brussels. This change in status leads to extra obligations, particularly in terms of taxation. In Paris, property owners must also compensate for the loss of permanent living spaces by transforming commercial spaces into housing.<sup>33</sup>

In France, at national level, since 1 December 2019, Airbnb, Booking.com, and their competitors must provide the authorities with a list of their hosts once per year (owners offering their property for rental).<sup>34</sup>

In Berlin since May 2014, a law requires owners, who wish to make their (entire) property available for short-term rental, to get a permit from the local authority (at district level). According to a study by the German Institute for Economic Research,<sup>35</sup> these policy changes have slowed the number of new listings on Airbnb and the number of available nights per listing.

Amsterdam opted for a more direct and radical approach: banning holiday rentals in three city centre zones (around the Amsterdam canal) and, as of 1 July 2020 in the surrounding areas, a permit is required with a limit of 30 nights per year per rental and a limit on groups to four people maximum.<sup>36</sup> However, by 27 August 2020, Amsterdam's municipal council had issued just 1,250 permits despite thousands of listings being online.<sup>37</sup> The website DutchNews.nl reported that only six property owners have been convicted of illegal renting (fine of EUR 20,750) since 1 July 2020, which calls into question how the permit regulations are being implemented, not to mention the legality of the listings that are not in compliance.

These local and even national initiatives remain complicated to implement given the insufficient resources allocated to inspections and, additionally, the reluctance of platforms to share data on their hosts. Nevertheless, the proliferation of these initiatives and the tenacity of cities have pushed the platforms to look for support with the European Commission, if only 'to solve their problems once and for all'.<sup>38</sup>



## Inadequate European regulation

'For us, this economy is positive, it is an opportunity for consumers, entrepreneurs, unemployed people and even professional players. It is an innovation we need.' These are the words of Lucia Caudet, then European Commission spokesperson, when launching their 'guidelines for EU countries' on the 'collaborative economy'.<sup>39</sup>

The European institutions looked at the situation of short-term rental platforms as part of their work on the 'collaborative economy', encouraged by companies such as Uber and Airbnb who lobbied the institutions relentlessly.<sup>40</sup>

The European Agenda for the Collaborative Economy, the European Parliament resolution (11 May 2017)<sup>41</sup> and the European Committee of the Regions opinion on the collaborative economy,<sup>42</sup> have in their calls to clarify the laws applicable to this issue, contributed to liberalising the market for this new economy, hailing its economic added value while also stressing the need for consumer protection.

The European Commission decided that Member States cannot limit the activity of collaborative economy services. They should only intervene as a last resort, and prohibiting new stakeholders from entering the market risks creating a monopoly. The Commission made governments wary of creating national legislation that is too restrictive and that would thus create conflict with the European treaties.

Any restriction of economic activity must henceforth be justified, must have a direct link to the desired impact and must be proportional. Any deviation from this would be an obstruction of European Union law. As we will see, it is the element of proportionality between restricting the service and its aims that will be a key factor in the European Court of Justice's case law.

An agreement was reached in March 2020 between the European Commission and Airbnb, Booking, Expedia Group and Tripadvisor regarding sharing data on short-term accommodation.<sup>43</sup> This data is intended to enable more complete statistics and better management of the industry.

Under the agreement, Eurostat will publish analysis by Member State, and also by region and by city. The first statistics were due to be released in Q2 2020. While the data transmitted does include the number of nights reserved and the number of guests, they are nonetheless anonymous.

For Ans Persoons, head of urban planning in Brussels, the agreement is far from adequate, 'it is in no way a significant step forward [...] What we really need is a course of action and a legal framework that is sufficiently restrictive. We need the names and addresses of property owners operating along with the number of nights. Yet, with this agreement, the data are anonymous. These platforms are not prepared to hand over this information.'<sup>44</sup>

Enabling national and local authorities to access identifying data would aid understanding and analysis of the 'Airbnb phenomenon', but more particularly would enable the existing regulations be applied in terms of taxation and limiting rentals.

In June 2020, the European Commission announced a new initiative - the Digital Services Act - which could be an opportunity for the European Union to legislate the activity of these platforms more effectively. The Commission should seize this opportunity to force the platforms to give data to the public authorities, in particular the exact addresses of the properties for rent. The new legislation should include the possibility

for local authorities to hold the platforms responsible for publishing illegal listings. Respect for the rule of law cannot be based on the goodwill of the companies concerned, as is currently the case. The proposal is due to be published before the end of 2020.

### **The legal battle between platforms and municipalities: between opening up the market and housing rights**

The task of definitively settling the status of the collaborative economy for housing and the legality of local regulations has fallen to the Court of Justice of the European Union (CJEU).

The CJEU was first called on by a French jurisdiction<sup>45</sup> for a preliminary ruling on the interpretation of article 3 of the e-Commerce Directive 2000/31/CE.<sup>46</sup> The question is whether the services offered by Airbnb fall under the Directive or not, i.e. whether they simply put property owners and renters in contact, or if they should be considered real estate agents and therefore should comply with the national regulations governing the real estate sector. The Court judged on 19 December 2019 (decision C-390/19) that the 'intermediation service provided by Airbnb satisfies the criteria set by Directive 2000/31, and thus constitutes information society services.'<sup>47</sup> This decision seemed to mark a decisive victory for the short-term rental platforms. It categorises them as being an e-service, thus national supervision is impossible under European law, rather than a real estate service which would fall under the competence of individual Member States. Furthermore, the qualification of 'information society service', in the sense of article 2 of the Directive, enables the short-term rental platforms to expand their services in all Member States of the EU, without requiring prior authorisation at national level.<sup>48</sup> The CJEU justified this decision by the fact that being categorised as an 'information society service' depends on the degree of control that the platform has on the service provided. The weaker the control, the greater the likelihood of being categorised as an 'information society service'.<sup>49</sup> What applied to the decision on Uber in 2017,<sup>50</sup> does not therefore apply to short-term rental platforms.

The CJEU was also called upon in 2018 for several preliminary rulings, this time on whether a French national regulation complies with European law. It was mainly about ruling on whether French regulations complied with European law<sup>51</sup> regarding restrictions imposed by the City of Paris on landlords renting out their properties in the short term.<sup>52</sup> The judgement, delivered 22 September 2020,<sup>53</sup> confirmed that it is possible to impose a permit system (such as the one defined by article 631-7 of the French Construction and Housing Code) on property owners (and not on the platforms) on condition that this is justified by an overriding reason relating to the public interest, which is transparent, accessible, and proportional to the

objective pursued. In this case, the Court recognised that ‘combating the long-term rental housing shortage constitutes an overriding reason relating to the public interest justifying such legislation’.<sup>54</sup> This decision is in line with the conclusions of the Advocate General in April 2020.<sup>55</sup>

It does however leave it up to the national judge to decide on the facts and proportionality of measures regarding the local context. It is therefore the remit of the French Cour de Cassation to *ultimately* determine if the regime applicable in Paris is proportional to the objective pursued.

### SOME QUESTIONS FOR RESEARCHERS MIGUEL ÀNGEL GARCIA LÓPEZ (University of Barcelona) AND MARIONA SEGU (RITM, Université Paris Saclay)

#### What do you think of the agreement reached between the European Commission and the short-term rental platforms?

**Miguel:** It’s a good initiative but it doesn’t go far enough. With regard to aggregating data from a geographical perspective, it is problematic because the definition of a municipality varies from country to country. For example, there are 35,000 communes in France and only 8,000 in Spain, and French communes are much smaller than Spanish ones.

Furthermore, our results show that having more detailed data is vital to properly analyse the issue. If we look at the data for all of Barcelona, Airbnb’s effect on the housing market is, on average, weak.... But when we focus on certain specific districts, the effects are greater.

#### What do you suggest to improve data collection and the application of current regulations?

**Mariona:** Ideally, we would like the platforms to be responsible for all wrongful acts to encourage them to ensure that all of their listings comply with regulations. This means that they must be responsible for verifying the listings they publish and removing those that do not comply with the regulations in force.

**Miguel:** When it comes to aggregating the data geographically, the two key problems can be resolved by defining the geographical space, and having more detailed data (though still anonymous). It would require using the 1km<sup>2</sup> population grid that has been used by Eurostat to study population characteristics. This grill is made up of cells of 1km<sup>2</sup> (each the same size in each European country) that are stable over time.

## CORONAVIRUS, AN OPPORTUNITY FOR CITIES TO TAKE BACK CONTROL?

With the pandemic that started in early 2020, Europe is now preparing to deal with the next stage – the economic consequences of the virus. It is too early to see the impact of this new reality on the collaborative economy, but some trends have emerged.

The World Tourism Organization has described the massive consequences of coronavirus on the sector: travel restrictions led to a 97% decrease in international arrivals in April 2020. Europe has not escaped this trend which has had direct consequences on the activity of short-term rental platforms. An early academic (pre-) study<sup>56</sup> has evaluated the financial loss suffered by Airbnb hosts in Sydney between January and March 2020 at 70%, eight times higher than the losses suffered by the platform itself.

Alongside this reduction, another trend is emerging: the recent return of properties to the traditional rental market. The media<sup>57</sup> have reported, for example, on the ‘dramatic plunge in reservations’ in Greece and cite a study by Spitogatos (a Greek property listing platform) that confirms the trend of rental properties being returned to the traditional market – a trend that became well-established within a matter of weeks.

In England, the British property website Rightmove has seen listings for (traditional) rentals increase by 45% in the centre of London.<sup>58</sup> The trend is the same in Dublin where the number of properties for long-term rent in the city centre was up 64% in March 2020, according to website Daft.ie. In France, and particularly in Paris, the website SeLoger has seen a significant increase in

Percentage difference between 2019 and 2020 in weekly reservations by country

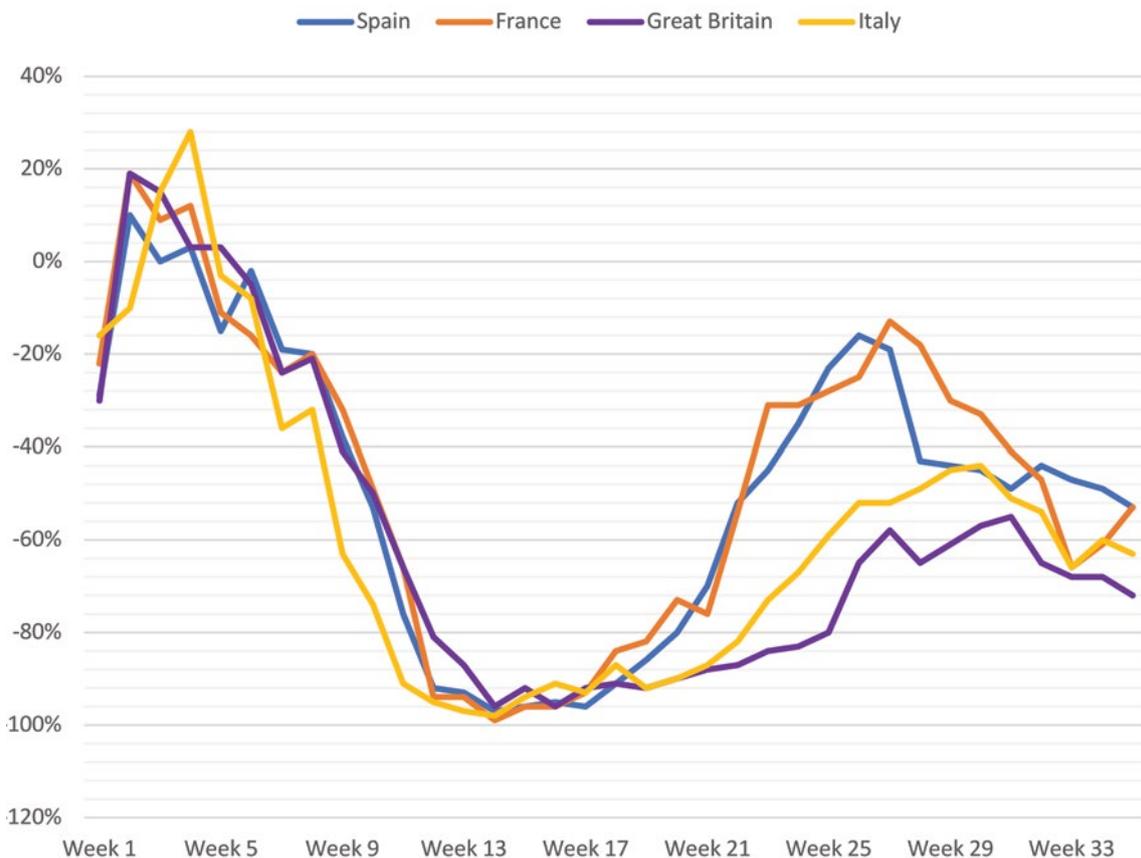


Figure 1: <https://www.seetransparent.com/coronavirus-impact/impact-in-global-demand.html>

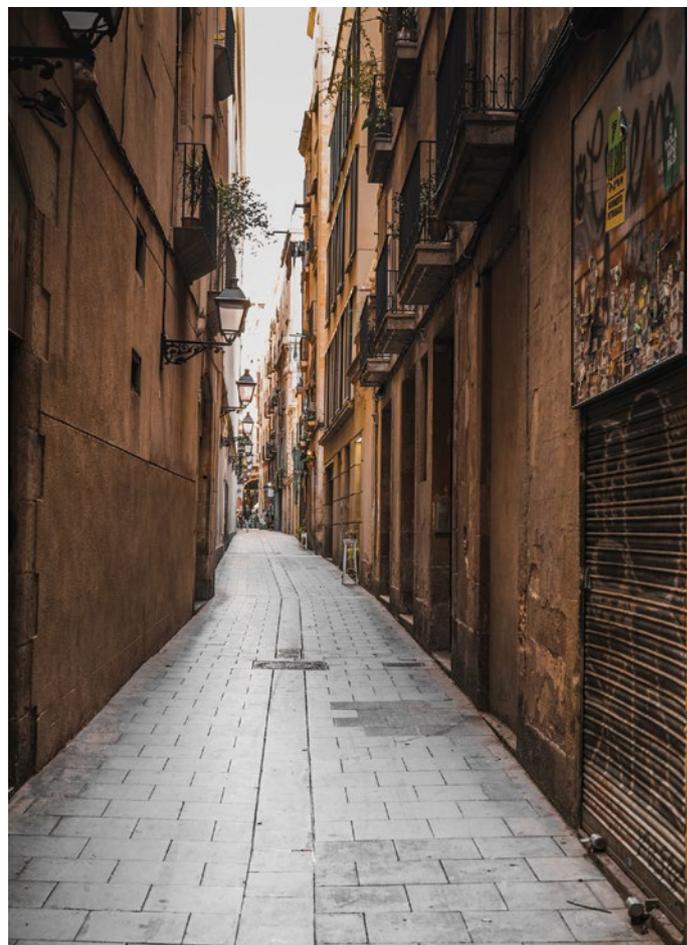
the number of housing units for long-term rent: +7% for empty apartments and +67% for furnished apartments between June and August 2020.<sup>59</sup> A study by website pap.fr confirms that the pandemic has encouraged property owners to abandon Airbnb-type platforms and return to long-term renting.<sup>60</sup>

Airbnb, for its part, the symbol and leader in the sector, announced that they were 'pausing investments'. To survive 2020, the multinational also made 1,900 employees redundant in the middle of the crisis (about 25% of its staff), reduced its marketing budget by one billion dollars and announced a 'recentering' of its business strategy.<sup>61</sup>

The outlook up to spring 2021 remains uncertain to say the least for the tourism industry, but even if growth resumes, the pandemic could be an opportunity for cities to adopt new measures to encourage property owners into long-term renting.

The municipality of Lisbon for example has stated its desire to 'bring Lisbon's inhabitants back to the city centre'. The programme called 'Renda Segura' ['secure income'], offers property owners up to three months' rent in advance (guaranteed income) if they transfer their property from short-term to long-term rental.<sup>62</sup> So far, the mayor of Lisbon has approved 177 requests from property owners interested in the programme.<sup>63</sup>

The City of Paris announced its intention to buy back properties from owners in difficulty (who had invested for short-term rental). The proposal, launched in May 2020, is to create a semi-public company<sup>64</sup> that would buy back these properties and offer them for rent at 20% below market price. The conditions for purchase have not yet been defined and the project has not yet been put into operation.<sup>65</sup> The City of Paris also announced its plan to organise a consultative referendum by summer 2021 on the issue of the maximum number of rental nights allowable.<sup>66</sup>



These buyback programmes are testament to the difficulties municipalities face in finding solutions and containing the problem. Municipalities are obliged to use public money to buy or rent these housing units, as a result of their lack of power in effectively supervising use of the platforms.

In Prague, the coronavirus crisis meant the Czech parliament's lower chamber could use its powers under the state of emergency established during the pandemic to accelerate deployment of a plan to permit collection of data and taxes on short-term rentals. Property owners from now on have to provide information on the location of the property being rented, how often the apartment is being rented, the rent paid, and which online service is being used to put owners in contact with clients.<sup>67</sup>

## RECOMMENDATIONS

### Allow the supervision of short-term rental platforms

Access to affordable housing has become a major issue in Europe and the exponential development of short-term rental platforms has played a part in the increasingly tight housing market, especially in large cities. The European Union must therefore establish that Member States and local administrations have the possibility to legislate to protect the public interest, by effectively fighting the housing shortage.



Member States must be able to take action in each of the European Union's intervention areas, when the activity of collaborative platforms for short-term rentals is implicated.

It should be part of a revision of the e-Commerce Directive, which has become obsolete given the changes in the market for information society services and their impact on local markets. The potential to limit the platforms should also be included in the Digital Services Act, under ongoing discussion, and also in the field of competition law.

European, national and local law must have the power to:

- ban short-term rental in zones where the housing market is extremely tight and is preventing residents from finding housing at an affordable price, similar to what has been decided in Barcelona and Amsterdam;
- limit the number of nights that entire properties can be rented like in London;
- limit the number of permits in certain zones and/or over a defined time period like in Barcelona;
- allow obligatory declarations to the local administration like in Berlin;
- impose taxes on owners, but also on clients via a high tourist tax like in Rome;<sup>68</sup>
- take into account the professionalisation of Airbnb hosts by demanding that the properties rented out comply with health and safety standards, as is the case in Brussels with regard to fire regulations.

### Give local authorities the resources to apply the current regulations

- The European Commission should include in its Digital Services Package an obligation on collaborative economy platforms to share information. This access to information is essential in order for the authorities to apply the law and thus ensure the

availability of affordable housing. It will enable permits to be issued, but also taxation measures to be established that benefit the wider community and serve the public interest. In refusing to provide the addresses of properties for rent, the platforms prevent fair regulation of the market through taxation. Furthermore, the platforms pay little tax in the countries where they operate. For example, in 2019, Airbnb paid the French state less than EUR 200,000 in corporation tax<sup>69</sup> yet the platform was used by 8.5 million French people in summer 2019 alone.<sup>70</sup> The company, which has about 700,000 listings in France, profits from a highly lucrative market without any real *quid pro quo*. Let's not forget that Airbnb offers hosts in some countries the possibility to pay them via a prepaid credit card issued in Gibraltar...<sup>71</sup>

- It is thus vital that the platforms transfer data to the authorities, so that they can properly enforce the current regulations. The platforms must respect the regulations in force and be responsible for the content of the listings they host and for ensuring that listings that do not comply with the regulations are removed. This can be done, for example, by checking that the municipal registration number is displayed. This step cannot be left to the goodwill of platforms that may or may not respect the rule of law.

### Policymaking to combat the financialisation of housing

Finally, the coronavirus crisis should be an opportunity to rethink the role of housing as a social right. The European Commission has a part to play in this, by rallying stakeholders around this common goal. These stakeholders could, in turn, promote initiatives to facilitate the taking back of city centres for their residents, as modelled by Lisbon and Paris. The European Union should facilitate the process through legislation but also by financing research, cooperation and exchange of best practices between municipalities on the matter.

As proposed by MEP Kim van Sparrentak, the European Commission should also evaluate how EU policies are contributing to the financialisation of the housing market and to local and national authorities' capacity to guarantee the right to housing and, if needs be, the Commission should present legislative proposals to fight financialisation of the housing market.

## Information sources

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