

Agreement has been reached on the regulation of short-term tourist rentals

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The Council of the European Union and the European Parliament have reached a long-awaited consensus. This is a landmark decision, made possible thanks to the long-standing efforts of the Alliance of European Cities, of which Krakow is also a member. The new regulations will allow local governments to more effectively combat the phenomenon of illegal renting, a problem that has been affecting European cities, including the capital of Małopolska, for years.

Renting private flats and houses is a popular alternative to hotels and B&Bs among tourists. The prevalence of this phenomenon is growing, which has been exploited by commercial online platforms for many years. The lack of adequate regulations has contributed to an increase in negative phenomena affecting both residents and tourists. A preliminary agreement between the Council of the EU and the European Parliament, reached on Wednesday, 15 November 2023, lays out the rules on the collection and sharing of relevant data related to short-term tourist rental services.

The rapporteur on the rules, Kim Van Sparrentak (Green Party – European Free Alliance), explained that: “Until now, rental platforms refused to share information, making it difficult to enforce local regulations. Fortunately, the regulation puts an end to this and give cities back more control.”

The agreement aims to promote responsible and transparent practices of online rental platforms within the EU. In particular, it provides for common rules on the registration and identification of hosts and their properties, resulting in the necessary data thus obtained enabling better law enforcement and legalisation of the short-term tourist rental phenomenon.

The agreement will still have to be adopted by the Council of the EU and the European Parliament before it comes in force, but once it does, Member States will have 24 months to implement the provisions into national law and adapt their registration systems and set up the necessary IT infrastructure.

Among others, the new regulations will introduce a unique registration number for each venue, which will have to be included in the rental offer. Online platforms will not only have to post the registration numbers next to the offer, but will also have to randomly verify that the hosts of these facilities complete the necessary registration and post the correct numbers. Platforms will also be obliged to provide local authorities with data on the hosts of the facilities, as well as statistics such as the number of nights rented or the number of guests served. Hefty sanctions for non-compliance are also envisaged for both platforms and venue hosts.

The committee is expected to vote in favour of the agreement at its meeting in January 2024, and the final content of the regulation on short-term tourist rentals should be known in February 2024.

As a reminder, Krakow was the first city in Poland to provide a modern tool for keeping records of accommodation in non-categorised facilities, such as hostels, flats and guest rooms. Krakowskie Obiekty Noclegowe (eKON) is an accessible web application available at ekon.um.krakow.pl, and



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access to the data collected therein is possible from the level of any web browser. The app works on all operating systems used by Internet browsers.

The main function of the app is to search for facilities according to extensive filters (e.g. by district, street, type or number of beds), making it a source of information for people looking for places to stay and entrepreneurs running short-term tourist accommodation. Students and researchers can use it as a collection of relevant statistical data for their research. The app also includes practical information and a list of legal regulations in the field of this activity.