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OUTCOME AESOP $\mathbf{\hat{1}7}$ round table : the impact of Airbnb in European cities

OUTCOME AESOP '17 ROUND TABLE : THE IMPACT OF AIRBNB IN EUROPEAN CITIES



AFSOR



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The 2017 AESOP congress was a joint event organised by three schools of the University of Lisbon, and the University of Aveiro. This year, IFHP organized a roundtable event under the topic "The Impacts of Airbnb in European Cities".

This joint event, with a record number of participants, was both a good opportunity for finding new experts who can potentially contribute to IFHP's ongoing programme of activities and to debate one of the most relevant topics amongst urban professionals nowadays.

In the summer of 2016, IFHP started an investigation on the "Airbnb Impact on Housing and Tourism". This year, IFHP is taking the discussion further, to identify the "actual impacts" of Airbnb in European cities and to discuss potential solutions to tackle the challenges it has been creating. This is why IFHP brought the issue to a roundtable at the 2017 AESOP Congress. In the context of an international conference for planners, the aim was to raise social awareness, share data and experiences related specifically to the impacts of Airbnb.

The Airbnb Case as Discussed

Local governments all over Europe are trying to assess the impact of this relatively new urban economic player on the tourism and housing markets. But what is happening exactly? What are the impacts on the city? And is it even possible to measure them? We invited 4 representatives from 4 European cities: Amsterdam, Brussels, Copenhagen, and Lisbon to this discussion. These cities are sharing problems which can be related to Airbnb, either through tourist-booming or lacking housing supply. With the number of listings growing rapidly, a notable impact by Airbnb is inevitable, and it has been predicted that a significant percentage of the housing stock will change function towards financial investments and short-term rentals. This roundtable was the opportunity, not only to exchange knowledge and to reflect on problems, regulatory measures and strategies, but also to find a common ground on how to address the Airbnb problematic.

Roundtable Speakers & Presentation download:

You can check their presentation by following the hyperlinks:

- Albert Eefting, Senior Policy Advisor, Housing Affairs, City of Amsterdam, NL
- Pierre Laconte, President of the Foundation for the Urban Environment, BELG
- Lars Pico Geerdsen, Director of The Institute for Urban Economic Research, DK
- João Manuel Pereira Teixeira, President of Lisbon Regional Coordination and Development Commission, PORT

Conclusions and outcome:

All the speakers agreed that the impact housing platforms have on the city is not only a matter of facts and figures; it is also (or mostly?) a matter of opinion. This happens because the data from Airbnb are restricted and bound by privacy protection regulations. Nevertheless, the generalized feeling is that Airbnb, and the like, are causing pressures on the housing market, due to the increasing demand for short-term rentals, leading to an increase in housing prices and tourism. However, as Albert Eefting pointed, Amsterdam has been successful in negotiating with Airbnb towards, e.g. more and better communication regarding the city rules on Airbnb website; providing individual data when the city asks for it to complete an investigation report; providing aggregated data about their activities; working on preventing people to evade the rules and abuse Airbnb system; and payment of the tourist tax via Airbnb. These measures have helped Amsterdam in creating regulations and sanctions for the ones that do not comply with the rules. But, although this is true for Amsterdam, it is not the case for most European cities, which are trying to navigate under a regulation void and without knowledge of the true numbers behind the Airbnb reality in their cities, and with difficulties in creating new regulations and rules over existing ones, as mentioned during the discussion by some in the audience.

As mentioned by Pierre Laconte, it is interesting to compare Brussels to the other cities, as Amsterdam. Amsterdam is "one city" whereas Brussels consists of several municipalities. How to regulate when the governmental structure is so dispersed? Pierre, also mentioned the sense of loyalty to the city. In cities with big percentages of immigrant and transient population, as Brussels, the sense of loyalty and care for the city is lesser, which makes it more difficult to control the use of short-term rentals, misuse of residents' buildings, and compliance with the existing rules and laws. In Brussels (as in most European cities), Airbnb has become a highly attractive investment. The reaction to this attractiveness, in Brussel's case, has been to overregulate it but without the necessary monitoring, especially due to the lack of concrete data.

During the discussion the displacement of residents was mentioned. Owners move from their houses in the city to elsewhere, to let their centre apartments through Airbnb, either because the increase in housing prices becomes too high for them to be able to pay, or because Airbnb becomes an important source of income. As mentioned by Lars Geerdsen, "making an extra buck is a people's sport in Denmark". There has been an ongoing shift in demographics in Copenhagen, which is becoming "younger" every year, with a population age average of 38 years old. This, together with an increase in tourism, has been the "right" recipe for Airbnb's success, with an increasing number of listings every year. Starting by being a trend confined to Copenhagen city centre, Airbnb is now spread throughout the city and its suburbs.

This is also a reality in Lisbon, that has been experiencing a very demarked increase in tourism, with the number of passengers landed in Lisbon airport from 6,1M in 2006 to 11,3M in 2016, and the number of nights spent from 8.2M in 2006 to 13.1M in 2016. Interesting to link these with the fact that for the same 10 years period (2006-2016) the population (number of local residents) of Lisbon decreased 9%, only having a positive growth rate during the past year, as João Teixeira mentioned. This happened, not only due to the economic crisis, but also because the residents could not compete with the increasing housing and living costs in Lisbon, caused in part by the increase in tourism. However, some of the positive outcomes relate to an increase of employment, increase in commercial and services activity, physical rehabilitation of buildings, amongst others, which are drivers of local and national economic growth. We face the guestion whether Airbnb itself really is the problem. Should we instead be talking about the growing impact tourism has on cities, a process that Airbnb simply facilitates and possibly accelerates, in part by cutting the costs of experience the city as a tourist. and thus leading to increasing tourist rates?

The roundtable generated a very interesting debate regarding the impacts of Airbnb in the different cities, with active participation from the audience, referring examples e.g. from Florence, Italy, where housing build for students is getting rented out on Airbnb instead of fulfilling its primary purpose; or Vienna, Austria, where the rent legislation is very protective towards the tenants, thereby making it difficult to control or regulate the Airbnb-related challenges. Finally, some possible solutions were debated, reaching the conclusion that it is very important for European cities to work together in order to exchange their knowledge and experiences to learn how to deal with the disruptive aspects of the 'sharing economy' platforms.

If you are interested in this topic and want to share your knowledge with us and be part of a community of urban professionals working for sustainable cities you can sign up for our newsletter or become a member. For more information or to be part of the next events, related to this topic and other, please check our webpage.

For more information about our roundtable at the AESOP congress, please contact program manager Andreia Fidalgo via a.fidalgo[@]ifhp.org.