



HOTREC PRESS RELEASE

HOTREC urges collaborative economy platforms and policy makers to assume their proper liability following recent UK and European Commission actions

Brussels, 26 March 2018 – HOTREC, the European umbrella association of hotels, restaurants and cafés urges policy makers and especially online platforms to assume their liabilities towards consumers and society regarding so-called ‘collaborative’ economy activities. While the European Commission and the UK, during the past days, set clear signs that platforms have to take their responsibilities, the Spanish competition authority still shows unaccountable tendency towards liberating such platforms from their liabilities.

The UK ‘All Party Parliamentary Group for Tourism’ issued its interim report on 22 March, highlighting the urgent need for better enforcement of legislation and the creation for a level playing field between the rapidly emerging activities of short term rental of properties and the regulated tourist accommodation provision. The report stresses that despite in many occasions activities are comparable, collaborative type of activities are exposing society to higher risks when it comes e.g. to safety or fiscal compliance. The text calls for platforms to accept their responsibilities.

On the opposite, on the same day, the Madrid National Commission on Markets and Competition (CNMC) appealed a new Spanish law which is obliging online platforms to closer cooperate with authorities when it comes to compliance with fiscal obligations.

Still on taxation, on 21 March the European Commission made a right step towards more balanced competition, when proposing legislation to have online platforms paying their taxes where they create value, independently whether they have physical presence in the country or not.

“More and more politicians recognise the need to step up against the current unfair market conditions on the ‘collaborative’ economy related markets, which affect both consumers and society. Registration of the activities, direct tax collection by online platforms based on the individuals’ activities are becoming standard procedures in several countries around Europe” – said Christian de Barrin, CEO of HOTREC.

“It is time to stop overprotecting both unregulated business activities as well as giant online platforms facilitating such activities. They are integral part of the European economy and should be treated accordingly both regarding compliance with basic sector specific regulations as well as fiscal obligations applicable to all economic players” – concluded Ramon Estalella, Chair of HOTREC’s ‘Collaborative’ Economy Task Force.

HOTREC will support all European Commission initiatives in this direction and encourages all Member States and regional/local authorities to move ahead on this path creating fairness and reassurance for consumers across Europe.

What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. The sector counts in total around 1.8 million businesses, being 99,5% small and medium sized enterprises (91% are micro enterprises, i.e. employing less than 10 people). These businesses make up some 60% of value added. The industry provides some 10 million jobs in the EU alone. Together with the other tourism industries, the sector is the 3rd largest industry in Europe. HOTREC brings together 40 national associations representing the interest of this industry in 29 different European countries.

For further information: www.hotrec.eu

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