

EU consumer rules: The European Commission and EU consumer authorities push Airbnb to comply

Commissioner **Jourová**, Commissioner for Justice, Consumers and Gender Equality said: *"More and more consumers book their holiday accommodation online and this sector has brought many new opportunities to holidaymakers. But popularity cannot be an excuse for not complying with EU consumer rules. Consumers must easily understand what for and how much they are expected to pay for the services and have fair rules e.g. on cancellation of the accommodation by the owner. I expect Airbnb to follow up swiftly with the right solutions."*

Airbnb's current pricing presentation and a number of its terms do not comply with the [Unfair Commercial Practices Directive](#), the [Unfair Contract Terms Directive](#), and the [Regulation](#) on the jurisdiction in civil and commercial matters. Therefore the European consumer authorities and the Commission have demanded from Airbnb a number of changes. The company has until the end of August to present their proposals. Once Airbnb proposes solutions to rectify this, the Commission and the EU consumer authorities will review the proposed changes. If they are not considered satisfactory, Airbnb could face an enforcement action.

Price transparency and other unfair commercial practices

The presentation of Airbnb's pricing, as well as the distinction between private and professional hosts currently does not comply with the requirements of EU law, in particular the [Unfair Commercial Practices Directive](#).

Airbnb should:

- modify the way it presents information on pricing from the initial search on their website, in order to ensure that, whenever properties are offered, the consumer is provided with the total price inclusive of all the applicable mandatory charges and fees, such as service and cleaning charges, or, when it is not possible to calculate the final price in advance, clearly inform the consumer that additional fees might apply;
- clearly identify if the offer is made by a private host or a professional, as the consumer protection rules differ.

Clarification of terms or removal of illegal terms

Airbnb's terms of services should be brought into conformity with European consumer law. The [Unfair Contract Terms Directive](#) requires that standard terms and conditions do not create a significant imbalance between the parties' rights and obligations, to the detriment of the consumer. The

Directive also requires that terms are drafted in plain and intelligible language so that consumers are informed in a clear and understandable manner about their rights.

With regards to Airbnb, this means, for example:

- that the company should not mislead consumers by going to a court in a country different from the one in their Member State of residence;
- Airbnb cannot decide unilaterally and without justification which terms may remain in effect in case of termination of a contract;
- Airbnb cannot deprive consumers from their basic legal rights to sue a host in case of personal harm or other damages;
- Airbnb cannot unilaterally change the terms and conditions without clearly informing consumers in advance and without giving them the possibility to cancel the contract;
- Terms of services cannot confer unlimited and discretionary power to Airbnb on the removal of content;
- Termination or suspension of a contract by Airbnb should be explained to consumers, governed by clear rules and it should not deprive the consumer from the right to adequate compensation or the right to appeal;
- Airbnb's policy on refunds, compensation and the collection of damage claims should be clearly defined and should not deprive consumers from their right to activate the available legal remedies.

Finally, Airbnb should provide an easily accessible link to the Online Dispute Resolution (ODR) platform on its website and all the necessary information related to dispute resolution, pursuant to [the ODR Regulation](#).

Next steps

Airbnb has now until the end of August to propose detailed solutions on how to bring its conduct in compliance with EU consumer legislation. The Commission and the consumer authorities will meet, if needed, with Airbnb in September to solve any outstanding concern. If the company's proposals are not considered satisfactory, consumer authorities could decide to resort to enforcement measures.

Background

The EU Consumer Protection Cooperation (CPC) [Regulation](#) links national consumer authorities in a pan-European enforcement network. Based on this framework, a national authority in one EU country can request the assistance of their counterpart in another EU country to stop a cross-border infringement of EU consumer law.

The cooperation can be activated to enforce various bodies of EU consumer legislation, such as for instance the [Unfair Commercial Practices Directive](#), the [Consumer Rights Directive](#) or the [Unfair Contract Terms Directive](#).

The Consumer Protection Cooperation (CPC) Network has carried out a joint assessment (common position) of Airbnb business practices under the coordination of the Norwegian Consumer Authority ([Forbrukertilsynet](#)) in June

2018. This action has been facilitated by the European Commission.

For more information

[CPC Network Authorities common position letter](#)

[More information on consumer enforcement actions](#)