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Velma Corcoran, country manager for Sub-Saharan Africa at Airbnb.

Regulation in offing for Airbnb as it grows in SA

By KATHARINE CHILD

● Tourism minister Derek Hanekom has asked Airbnb to ensure its booking system can limit the number of nights landlords make their homes available on the short-term rental platform.

Hanekom's spokesperson, Blessing Manale, confirmed Hanekom met company representatives in Pretoria on Wednesday and asked them to "ensure their IT systems are aligned with the national rules or thresholds, to ensure and enable compliance by hosts".

In April, the tourism department gazetted proposed regulations that would bring short-term rentals under its authority.

It wants to limit the number of nights Airbnb owners can rent out their properties. Annual thresholds under consideration are 30, 60, 90 or 120 nights.

If home owners exceed the limit, they would be subject to the same laws as accommodation businesses, such as the need to zone guesthouses as commercial property, corporate rates and taxes and municipal laws relating to commercial guesthouses.

The public has until mid-July to comment on the proposals, and Manale said landlords who fell under the "probable threshold" should not be concerned. "Airbnb's typical South African host rents out 19 nights a year and earns some R25,000 to R27,000 in income. So it is expected that by far the majority of Airbnb hosts will carry on operating on an amateur level with no impact from the likely thresholds," he said.

Hanekom said the department welcomed Airbnbs as an inexpensive accommodation alternative for tourists, and Manale acknowledged that calls for restrictions had come mainly from the regulated small accommodation business sector.

The new proposal does not sit well with Anthony Barker, who runs an Airbnb guesthouse in Gordon's Bay in the Western Cape. "The big guys hate it when new guys come along. Large corporates then say, 'we need protection'," he said.

But Tourism Business Council of SA CEO Tshifhiwa Tshivhengwa said: "We are not trying to close Airbnbs. We have met with them many times. They are not against being regulated. If you operate in this space, you need to follow rules that exist."

The MD of Capital Hotels and Apartments, Marc Wachsberger, estimated that the leisure accommodation market had lost about 30% of its business to Airbnb. He suggested a tax for each guest-night as a way of levelling the playing field. "At present, there is no way for Sars (the South African Revenue Service) to collect any form of taxation from homeowners that list their properties on platforms like Airbnb," he said.

Margaret Stoop McAvoy, who owns an Airbnb management company, said she was working with about 40 hosts in Durban and focus groups in Johannesburg to respond to the proposed regulations.

"There is a need for regulation in the market, but we don't want to do it in a way that it kills the economy," she said. "Airbnb and short-term rentals are not going to go away."

Velma Corcoran, country manager for Sub-Saharan Africa at Airbnb, said Airbnb was delighted to have had the chance to engage with the tourism department about the proposed amendments. "Airbnb supports fair and proportional rules that are evidence-based, benefit local people, and distinguish between professional and nonprofessional activity, taking into account local conditions."

The majority of Airbnb hosts will carry on operating on an amateur level with no impact from the likely thresholds

Blessing Manale
Derek Hanekom's spokesman

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