

# FEDHASA calls for intervention in non-compliance of Airbnb

Speaking at the Indaba Ministerial Session at the Tourism Indaba in Durban, The Federated Hospitality Association of South Africa's (FEDHASA) CEO, Tshifhiwa Tshivhengwa, expressed concern regarding Airbnb's "non-compliance" and called on the government to intervene in order to ensure the online platform becomes industry compliant and regulated to safeguard the tourism sector. Tshivhengwa stressed the importance and need for all accommodation providers to abide by the same set of rules and regulations at all times.



FEDHASA CEO Tshifhiwa Tshivhengwa

"The hospitality industry as a whole has an obligation to adhere to these various guidelines, they have been created for a reason and it's vital that they are upheld," Tshivhengwa said.

Airbnb is an online booking platform that enables homeowners to rent space in their homes to guests for short-term stays. The concept has grown in popularity as travellers seek cost-effective alternatives to hotels. "We are not concerned about competition if we are all playing on an equal field. What concerns us are new industry players that are listed on Airbnb that doesn't follow any regulation, some are not even registered as businesses," he said.

## Rules of engagement

According to Tshivhengwa, Airbnb would be a 'valid segment' of the country's tourism industry, provided the hospitality platform abide by a strict set of industry rules and regulations.

One of the issues that demonstrate the hospitality platform's non-compliance, said Tshivhengwa, is its failure to verify compliance with the South African Liquor Act, leaving it open for an informal landlord to supply a complimentary bottle of wine which, slight as it may seem, can unfairly tip the scales in Airbnb's favour. "This is just one example of a myriad of ways that the formal sector can be disadvantaged by those operating outside of the regulation."

## Sharing economy

“There are rules of engagement and Airbnb needs to adhere to these rules. There can’t be a different set of rules to benefit only them. I know many will say it’s different, it’s a sharing economy and not part of the industry, well if you provide a short term accommodation for gain, it’s not sharing” he said.

Tshivhengwa explained that in the tourism industry, sharing usually happens when people are visiting friends or relatives (VFR), a visitor doesn’t have to pay to stay at friend or relative’s house, that’s sharing, he said.

To address the matter, Tshivhengwa recommended that FEDHASA, along with key industry role players and the Department of Tourism partner during the Shared Economy Conference to discuss the best way forward to ensure the hospitality platform becomes compliant.

“We need to escalate this matter, we need to have the necessary discussions with stakeholders. It’s at a point where it’s now serious and we need to address it as a matter of urgency,” he said.

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