

Online lodging service Airbnb opens Cuba listings to world

March 20 2016, by Michael Weissenstein



Starwood Hotels and Resorts Chief of Latin American Operations Jorge Giannattasio speaks to reporters, in Havana, Cuba, Saturday, March 19, 2016. Starwood says it has signed a deal to renovate and run three Cuban hotels, returning U.S. chains to the island more than 50 years after American hotels were taken over by Fidel Castro's socialist revolution. (AP Photo/Desmond Boylan)

Online lodging service Airbnb is allowing travelers from around the world to book stays in private homes in Cuba after the San Francisco-

based company received a special authorization from the Obama administration, Airbnb announced Sunday.

Airbnb was the first major American company to enter Cuba after Presidents Barack Obama and Raul Castro declared detente on Dec. 17, 2014. The service handles online listing, booking and payments for people looking to stay in private homes instead of hotels. Cuba has become its fastest-growing market, with about 4,000 homes added over the last year.

Airbnb had only been allowed to let U.S. travelers use its services in Cuba under a relatively limited Obama administration exception to the half-century old US trade embargo on the island. The expansion of that license gives Airbnb the ability to become a one-stop shop for travelers seeking lodging in private homes, which have seen a flood of demand from travelers seeking an alternative to state-run hotels.

Airbnb's new authorization was announced on the morning of an historic three-day trip by Obama to Cuba and a day after Starwood Hotels announced that it had signed a deal to run three Cuban hotels, becoming the first U.S. hotel company in Cuba since Fidel Castro took power in 1959 and took over the island's hotels. Airbnb said world travelers could begin booking in Cuba in April 2, the anniversary of the country's start of operations on the island.

Also on Sunday, Marriott International Inc. said it had gained Treasury Department authorization to pursue a deal in Cuba. The hotel company, which is based in Bethesda, Maryland, said it is in talks with potential partners on the island. Its CEO, Arne Sorenson, is in Cuba with Obama's delegation.

All hotels in Cuba are now owned by government agencies and many are known for poor service and decrepit infrastructure. Foreign hotel chains

operate some of the island's larger and more luxurious hotels, which are running at full capacity thanks to a post-detente boom in tourism that saw visitor numbers surge nearly 20 percent last year.

One of the first openings in Cuba's centrally planned economy came when the government allowed families to rent rooms in their homes for a few dollars a night, starting in the 1990s. That has become a full-blown private hospitality industry, with many Cubans using capital from relatives abroad and even foreign investors to transform crumbling homes into the equivalents of small boutique hotels.

Many websites allow foreigners to book Cuban private homes, known as "casas particulares," but none has emerged as a dominant player. Many travelers still find it hard to guarantee bookings and make electronic or [credit card payments](#). Airbnb is promoting its service as a solution to those problems in Cuba.

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