

EU warns Airbnb to obey rules or risk fines

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The European Union on Monday warned holiday rental site Airbnb to bring consumer terms in line with the bloc's rules or risk financial penalties.

The European Commission, the executive arm of the 28-nation EU, said it found that some of Airbnb's pricing and other terms failed to meet EU

guidelines.

"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 said.

Brussels said the firm failed to meet EU guidelines on price transparency, with some prospective customers seeing prices increase as they proceeded with making a reservation.

It also said the terms did not give [consumers](#) adequate protection in the event of a booking cancellation by the property owner.

The European Commission and EU national consumer authorities would meet with Airbnb in September if needed to tackle any remaining concerns, it said.

"If the company's proposals are not considered satisfactory, consumer authorities could decide to resort to enforcement measures," it said.

EU Justice and Consumer Affairs commissioner Vera Jourova told a press conference the action might result "in different sanctions" by the national consumer authorities.

In a decade, San Francisco-based Airbnb has grown into a multi-billion dollar firm competing with hotels by linking online consumers with property owners offering attractive prices.

"Popularity cannot be an excuse for not complying with EU consumer rules," Jourova added.

The commission has been cracking down on what it sees as risks for European consumers using the services of US internet giants like

Facebook, Google, Amazon, Uber and others.

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