

National Participant Responses Summary Table of Primary and Secondary Questions

<u>Name of Participant</u>	<u>Question 1: The competing interest of multi-stakeholders</u>	<u>Question 2: The ethical dilemmas confronting municipalities with SAEs</u>	<u>Question 3: How the municipality manage the ethical dilemmas of SAEs</u>
Tinyiko	<ul style="list-style-type: none"> • The SAEs compete for clients with the unregistered and unlicensed operators mainly private homes. • These operators are illegal as they don't pay the rates and taxes applicable to BnBs and Guesthouses for instance, as they are in the same space • They operate as pop-ups, which means they switch their operations as and when it suits them, which means that they cannot be counted as part of the accommodation offerings of most municipalities(not reliable) • They also compete for municipal service and infrastructure like water, energy and infrastructure as the yare delivered to all whereas it is the established operators who pay higher rates and taxes • The Airbnb type operators/private homes don't have to abide by various municipal regulations such as health insurances, food security measures and liquor licenses, which operators such as BnBs and 	<p><u>Economical concerns of SAEs:</u></p> <ul style="list-style-type: none"> • No employment creation by SAEs, owners often doing the cleaning and/or using their domestic helpers without added costs (not according to labour laws) • Municipalities not supporting existing operators versus SAEs in a balanced manner especially those paying rates and taxes – when business is available, they favour big hotels/ establishments(not giving business in a balanced manner) <p><u>Social concerns of SAEs:</u></p> <ul style="list-style-type: none"> • Safety and security concerns of guests and operators because there is no support systems, especially when problems arises • SAEs treated as private residential properties and when problems emerge, they are treated as civil issues/domestic issues by authorities/police 	<ul style="list-style-type: none"> • Municipalities don't know and they don't have the records of SAEs and have no measures/tools to monitor their activities mainly because there is no provision for them to register or be licensed • Municipalities not doing their work – no longer enforcing registration even of B&Bs and the erections of Brown Signage, etc. • City of Cape Town regarded as an exception with the tax/levy rebates to B&Bs to encourage them to comply but there are challenges there as well of enforcement of the bylaws • Political fighting in various municipalities prohibiting municipalities from delivering consistent service to citizens and businesses (a real issue in South Africa)

	Guesthouses have to acquire at huge costs and abide by them	<u>Environmental concerns of SAEs:</u> <ul style="list-style-type: none"> • The main concern is the added pressure of traffic and competition for parking spaces in residential areas • Increased pressure on scarce resources such as water and electricity 	
Makhazi	<ul style="list-style-type: none"> • SAEs receiving revenue and their clients using public services/infrastructure but not contributing to municipality revenue such as levies and taxes (economic growth and income generation) • Competition for access to infrastructure which SAEs to which SAEs don't make contribution such as good roads, health services, water, energy, etc • Other stakeholders in the sector feel hopeless competing with unregulated, unregistered and unlicensed SAE operators. The authorities target them for enforcement of the bylaws because they know about them and are registered 	<u>Economical concerns of SAEs:</u> <ul style="list-style-type: none"> • Since they operate under the radar without following any regulations, their economic contribution is unknown and their actual size/capacity as an industry • SAEs, don't want to register as many do not host guests for more than 30 days annually (How to regulate SAEs without stifling innovation and ability for people to leverage their idle/extra properties) • Municipalities face ethical dilemmas of wanting SAEs to grow and contribute to economic growth but they have the challenge of them refusing to be registered and licensed (to operate unregulated and under the radar) <u>Social concerns of SAEs:</u> <ul style="list-style-type: none"> • The safety and security of clients and operators especially those operating under the radar with no recourse/redress 	<ul style="list-style-type: none"> • Municipalities do want all businesses to comply with some rules and regulations at some point but the challenge is what system to be used, that is not onerous • Municipalities find themselves in a catch22 situation with SAEs: the posture is Welcoming of SAEs but wanting to put a measure to regulate their activities and to record them (database) • Municipalities are failing to manage SAEs because they don't have a record of them (database of SAEs), they don't know where they are located since they are not registered with them or any other entity except those affiliated to Airbnb – these can at least be tracked by municipal inspectors • Most role players not aware of municipal governance measures/tools of SAEs – they are poorly communicate if they exist • No specific bylaws /regulations for SAEs anywhere in South Africa – existing regulations are utilised

		<u>Environmental concerns of SAEs:</u> <ul style="list-style-type: none"> • Pressure of scarce resources such as water, energy since SAEs and their guests don't contribute their fair share • Increased traffic leads to air pollution due to increased Co2 emissions in residential areas 	<ul style="list-style-type: none"> • SAEs operating under the radar are a challenge to municipalities forcing municipalities to rely on measures such as whistleblowing, etc.
<u>Name of Participant</u>	<u>Question 1: What constitutes Shared Accommodation/SAEs and their Stakeholders</u>	<u>Question 2: The Participants in the SAEs and Value of SAEs</u>	<u>Question 3: Suggestions for managing and regulating SAEs</u>
Tinyiko	<u>Understanding and definition of SAEs/SAI:</u> <ul style="list-style-type: none"> • The short term rentals that they are is like most of the people prefer self-catering units for short term rentals because now they want to cook or you need to share your kitchen • Guest houses that are doing short term rentals without declaring it, especially also when it comes to our insurance • Post covid19, office space, and malls are closing and they developing that in short term rental <u>The role players and participants:</u> <ul style="list-style-type: none"> • We noticed that they are going now for cheaper accommodation and they don't care about the quality anymore. 	<u>The Value and benefits of SAEs/SAI:</u> <ul style="list-style-type: none"> • Like other operators in the accommodation industry, the SAEs contribute to local economic development although the municipality can't verify their contribution • The benefits of SAEs include spreading their reach and contribution to other sectors including retail, restaurants, etc • SAEs are good for allowing ordinary citizens to earn a living, they just need to play by the same rules like other operators such as BnBs, Guesthouses. <u>The Challenges of SAEs/SAI:</u> <ul style="list-style-type: none"> • SAE operators, don't create employment as many owners do the work of cleaning for instance 	<u>Suggestion to manage and regulate:</u> <ul style="list-style-type: none"> • They municipalities don't even know about Airbnb let alone manage them. They don't even know where they are not any records • So the municipalities should have somebody who do impact studies and see, and there's no legislation, so you don't have to register to own a guest house • The municipality needs to perform their duties which include monitoring, inspections and enforce the bylaws and policies • The municipalities don't even have proper ambulances. They don't have water taps, they don't have fire hoses. They need to go and sit with industry, sit around a table with guest house owners and work on strategies to save and protect the licensed and legitimate operators

		<p>by themselves without employees (no employees)</p> <ul style="list-style-type: none"> • Not following legal procedures such as licensing, health and safety, etc • SAEs able to charge cheaper prices because their costs factors are low or negligible • SAEs not bound by laws for host countries which can be problem and municipalities have no remedy for this aspects • So all of a sudden hygiene is becoming a big issue, because now you need to employ more staff. Because when somebody's cooking in your apartment, you need more cleaning • So, it cost you actually more to have a long term guest then a short term • The other concern withs short term rental is that the people become very much into your space unlike a regular client who has become like a family 	
Makhazi	<p><u>Understanding and definition of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • What shared accommodation is that other guests, or the renters will live in the same property and share specific spaces or facilities with either other guests or with the hosts and we look at shared 	<p><u>The Value and benefits of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • There are pros and cons with the SAI and SAEs • The value is that you are now having people staying longer in a particular area, or region or province, which leads to an increase in spent and it will then 	<p><u>Suggestion to manage and regulate:</u></p> <ul style="list-style-type: none"> • It will help us now to start talking about how do we ensure we have them to comply with the established or repurposed regulations to ensure balance in the sector and economy, within cities and municipalities. • The issues of client and host safety

	<p>accommodation as Airbnb</p> <ul style="list-style-type: none"> • And within the grading system we have it as well and actually call it Shared accommodation, which Backpacking lodges and hostels and we also speaking about your B&Bs and Guesthouses and Homestays • They form part and parcel of the definition of a B&B, which is that the host will share the facilities with the traveller or the guest • We also have a category that is big in self-catering but it is still fit in the category of shared accommodation • And that then speaks to your likes of your Forever resorts and Sanparks because within this particular space, you're only just sharing the facilities in the public areas • The types include apartment hotels which is driven by the trend of business travellers wanting to have longer stays, but with their own freedom of movement, while not moving away from the traditional services of having to eat at a dining room or restaurant • People want the freedom to be able to prepare their own meals and lounge or bar to wherever they want. • So as the grading council, we made provision for a category called 	<p>speak to the economic growth that it will contribute to the local economy</p> <ul style="list-style-type: none"> • And it speaks to people getting to actually see the relevance of the municipality in terms of tourism growth, because more people will be coming there and engaging in tourism and trading activities • If the visitors have a great time, they can contribute to improved destination reputation as they write reviews and speak good about their experiences <p><u>The Challenges of SAEs/SAI:</u></p> <ul style="list-style-type: none"> • The lack of compliance to established rules and regulations such as zoning, occupational health & safety and building bylaws, public liability insurances, etc • Many operating under the radar especially those using their private homes (little required for one to operate) and municipalities don't get to know about their contribution to the economy(their contribution is not accounted for) • SAE guests contribute to the depletion of resources and municipal infrastructure but not the fixing of these infrastructure they use) 	<p>are critical, and that if you are an enterprises/business and have employees (staff), there are issues of compliance with labour laws and one can access support from the Department of Labour, etc</p> <ul style="list-style-type: none"> • It will then speak to supporting the actual businesses themselves, in terms of any policies that incentivize them even if its through some developmental initiatives that the municipalities might have • We must come up with solutions of how we address the shared economy or shared accommodation enterprises at government and private sector levels as well. It's the future
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	<p>apartment hotels, where the average length of stay can range from four to even a whole month, which is also considered short term rentals in terms of that definition</p> <p><u>The role players and participants:</u></p> <ul style="list-style-type: none"> • it's both business as well as your leisure travellers • And its both domestic as well as international travellers, because with the trend of people wanting even longer stays. • The other side of the coin is also your business travellers, mainly the remote workers who want a home away from home experience • The private home owners who are regarded as passive participants in the SAI 	<ul style="list-style-type: none"> • 	
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