

**EU Intelligence Report**  
**February 2016**



## **KEY HIGHLIGHTS**

### **Tourism Policy**

[EU Industry Commissioner talks about tourism priorities](#)

### **Taxation/VAT**

[EU Institutions push for VAT simplification](#)

### **Employment Law/ Labour skills**

[Council discusses New Skills Agenda for Europe](#)

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### Tourism Policy

#### Industry Commissioner talks about tourism priorities

##### EUROPEAN PARLIAMENT EUROPEAN COMMISSION

On the 16<sup>th</sup> of February, the European Parliament Transport and Tourism Committee (TRAN) held an exchange of views with the EU Industry Commissioner Elzbieta Bienkowska, in the framework of the European Parliament's Tourism Task Force.

The Commissioner renewed her commitment to the sector and her optimism on its prospects, although she reiterated that in practice the EU has no legal competence in tourism and that funding has been cut in 2016. Regardless of these limited tools, she promised to come up with a new tourism initiative in the next 18 months, which will focus on a few key areas and deliverables, and announced that she will consult stakeholders in the coming months.

The Commissioner stated that both skills and digitalization are on top of the key areas for action. This confirms the importance of initiatives like the IAAPA Digital Skills

Network, which contribute to positioning the amusement park industry at the forefront of EU tourism developments.

#### Committee of the Regions adopts opinion on age-friendly tourism

##### COMMITTEE OF REGIONS

The Committee of the Regions (CoR) adopted its own-initiative [opinion](#) on the 10<sup>th</sup> of February on age-friendly tourism.

The opinion suggests that the growing population of retired people in Europe can act as a lever in promoting and developing out-of-season tourism. In its opinion the CoR calls on the Commission to make senior tourism central to the Digital Agenda for Europe, as a mechanism for bridging the digital divide, and to consider declaring a European Year of Tourism, which would help to promote the diversity of European tourism and raise the profile of the various stakeholders active in the tourism sector.

The opinion also calls on the European Commission to earmark a greater share of the European Structural and Investment Funds (ESIF) for tourism development after evaluating the needs of local and regional authorities.

As the CoR has a consultative role, its opinion will feed into the European Commission's report on Low-season tourism.

#### Talks of suspending free movement in Europe and potential impact on the tourism industry

##### EUROPEAN PARLIAMENT

Following the refugee crisis and the increasing security threats, Europe's leaders are now questioning the continued right of free movement within the Schengen area. In response to these talks, the European Parliament adopted in February a resolution calling on the Commission to consider the impact on tourism of a potential suspension of the Schengen Agreement, and "assess the potential damage of this unfortunate possibility".

### Taxation/VAT

#### EU Institutions push for VAT simplification

##### COUNCIL OF THE EU EUROPEAN PARLIAMENT

On the 29<sup>th</sup> of February, the Council of the EU adopted [draft conclusions](#) on the Single Market Strategy, published by the Commission in October 2015. On the issue of VAT, the conclusions welcome the VAT simplification measures included in the Digital Single Market and Single Market Strategy, particularly for the benefit of SMEs.

As the Council calls on the Commission to adopt these measures as quickly as possible, the Internal Market Committee in the European Parliament is also working on a [non-binding report](#) on the Single Market Strategy. The first draft of the document declares full support for the VAT reform and calls on the Commission to assess the feasibility of further coordination and, in particular, to assess the possibility of a single tax in the e-commerce sector.

The Parliament is expected to adopt the report in plenary in May, while the Commission should publish a VAT Action Plan in spring 2016.

## **EU consultation on improving double taxation dispute resolution mechanisms**

### EUROPEAN COMMISSION

The [consultation](#) is part of the work on implementing the June 2015 Action Plan for a Fair and efficient Corporate tax system in the European Union and focuses on improving the double taxation dispute resolution mechanism.

The general objective of the initiative is to create a more attractive investment and business environment and to achieve greater legal certainty at a time where recent significant changes to increase tax transparency and fight against tax fraud and tax evasion may contribute to an exponential increase of disputes.

This consultation aims at gathering all stakeholders' views in particular on:

- The relevance of removing double taxation for enterprises operating cross border
- The impact and effectiveness of the above-mentioned double taxation dispute resolution mechanisms for business and enterprises established in the European Union

- How these mechanisms can be improved
- The solutions which are discussed

The consultation is open until the 10<sup>th</sup> of May 2015.

### **Employment Law/ Labour Skills**

## **Council discusses New Skills Agenda for Europe**

### COUNCIL OF THE EU

On the 24<sup>th</sup> of February, the Education Council discussed with the European Commission the upcoming New Skills Agenda for Europe, which aims to address skills development and the skills gap with a focus on employability, mobility, competitiveness and fair and balanced growth.

The debate focused in particular on the connection between the labour market and the education system, and confirmed that digital skills will be one of the key priorities. The Commission also clarified the main objectives of the New Skills Agenda:

- Increase the level of skills in the EU
- Promote vocational training
- Make qualifications easily comparable

- Promote entrepreneurial skills

The Employment Council will debate the topic in March, while the New Skills Agenda for Europe is expected by the end of May.

### MEP Questions and Answers

#### [MEP question on Tourism industry after Paris Attacks](#)

[MEP István Ujhelyi](#) (socialist) observed that the recent terrorist attacks will have negative consequences on tourism, as they impact the confidence in Europe as a destination. He asked the Commission if they had any concrete experiences and ideas to help deal with these changes and alleviate their negative impact.

#### [MEP question on tourism cooperation between UNWTO and the EU](#)

[MEP Cláudia Monteiro de Aguiar](#) (conservative) asked the European Commission what future cooperation initiatives the Commission intended to pursue with UNWTO and what the ongoing projects involving UNWTO are. She further asked what was the state of play in the project entitled 'social empowerment to improve socioeconomic knowledge of the sector'.

#### [Commission answers EP question on potential for matching tourism and cultural and creative industries](#)

[MEP Cláudia Tapardel](#) (socialist) [asked](#) whether the Commission envisaged matching tourism policy with its priorities in promoting cultural and creative industries (CCIs) and if so, what measures the Commission believed are appropriate to achieve this goal.

Commissioner Bienkowska answered that under the Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME), the Commission will implement one action aimed at helping the EU tourism industry, including selected CCIs, to better promote their offer to the relevant source markets' tourists. The action will focus, amongst others, on specific thematic offers, such as trans-national cultural routes. It will include support to the internationalisation of enterprises from these sectors and their participation in major international tourism fairs, both in Europe and in the source-markets' countries, as well as the organisation of business-to-business matching events.

The Commission will also continue to promote the European cultural and creative touristic offer online, through the VisitEurope [website](#).

#### [Commission answers EP question on measures to minimize the digital skill gap](#)

[MEP Victor Negrescu](#) (socialist) [asked](#) the Commission what measures were being undertaken by the Commission to minimise this skills gap as only half of Europe's workforce is 'digitally skilled'.

Commissioner Oettinger replied that in 2016 a new working group will start working, including ministries of education, social partners and other stakeholders to exchange knowledge and good practice on digital skills development. It will take a more comprehensive approach to digital competences.

Besides, the Commission will launch a New Skills Agenda for Europe in 2016 in which digital skills will have a strong focus. The Digital Single Market communication made an explicit reference to the skills agenda on digital skills that the forthcoming skills agenda will tackle.

### [Commission answers EP question on Implementation of the Employment Equality Directive](#)

[MEP Eduard Kukan](#) (conservative) asked the Commission how the Commission intended to enforce the implementation of Council Directive establishing a general framework for equal treatment in employment and occupation, in order to fight against persisting age discrimination in the labour market. He also wanted to know what specific action the Commission intended to take in order to encourage the employment of older women.

Commissioner Thyssen replied on behalf of the Commission that they were monitoring the situation in Member States. Gender gap aspects are also part of the monitoring done in the context of the European Semester. She clarified that it is for the competent national authorities to apply and enforce the directive, as transposed in the Member States, in individual cases.

She concluded by saying that the Annual Growth Survey 2016 calls upon Member States to improve the work-life balance including through care facilities, leave and flexible working arrangements and by removing disincentives for second earners.

These measures are expected to reduce the gender gaps significantly in the medium and long term.

### Events

#### *April*

- 4 April 2016: [Sustainable management and accessible tourism: Awards ceremony](#), Brussels, Belgium
- 5 April 2016: [High Level Conference on attracting investment in tourism](#), Brussels, Belgium