

EU Intelligence Report

April 2015



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Consumer Issues

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European Parliament's Transport and Tourism Committee (TRAN) hold public hearing on European tourism's challenges and responses

EUROPEAN PARLIAMENT

On the 14th of April, the EP TRAN Committee held a hearing entitled 'European tourism's challenges and responses, how to keep Europe number one?'. MEPs discussed the digitalization of SMEs and implications on the tourism industry of the emerging sharing economy. The organisations *Digital Tourism Think Tank*, *Amadeus* and the *European Sharing Economy Coalition* gave presentations. Discussion then moved on to the branding of Europe as a high quality destination. On that issue, the *European Travel Commission*, the *European Tour Operators Association* as well as the *Italian Association of Travel* gave presentations. Next, the committee addressed issues on sustainable and responsible tourism, with interventions from the *European Network for Sustainable Tourism Development*, the *Danube Competence Center* and from the Editor in chief of *Travel Magazine*. The final

panel discussion focused on growth and jobs in the coastal and maritime tourism industry. The Portuguese Secretary of State of the Sea and *Cruise Lines International Association* gave presentations on this issue.

Commission Directorate responsible for tourism set for an internal shake up

As of 1st June, the Directorate General for Internal Market, Industry, Entrepreneurship and SME's (DG Grow) will be subject to a restructure. The Tourism policy unit will be merged with textiles and creative industries which many tourism stakeholders view as a downgrading of tourism's political importance within the Commission. The restructure will also lead to personnel changes with Francesca Tudini and Pedro Ortun, currently Head of Unit and Director for tourism respectively likely to move on.

Transport and Tourism Committee (TRAN) appoint rapporteurs for opinion on visas

EUROPEAN PARLIAMENT

The Bulgarian Socialist MEP [István Ujhelyi](#) has been appointed rapporteur on a TRAN Committee opinion on proposals for the reform of Europe's visa system. Tourists

from outside the EU currently face vastly different processing times depending on where their port of entry is in Europe. The reforms will attempt to harmonise this and simplify the application procedure for tourists.

The opinion is expected to be published within 2 months. Meanwhile, Mr István Ujhelyi will undertake consultations with tourism-related associations.

Taxation/ VAT

EC VAT Expert Group adopts an opinion on cross-border tax rulings

EUROPEAN COMMISSION

On the 31st of March, the EC VAT Expert Group adopted an [Opinion](#) on Cross-Border Rulings. In June 2013, 15 Member states agreed to take part in a test case for private VAT ruling requests related to cross-border situations. The test case will be extended to 2018, as it has already identified several examples of double taxation. The VAT Expert Group has welcomed this decision and calls for:

- Business to make use of the test case and support its development.

- The 13 Member States who are not participating to join.
- Member States to engage in open and constructive discussions to achieve agreement on the VAT treatment of cross-border situations.
- Commission to publicise Cross-Border Rulings on an anonymous basis (fact pattern, the Member States involved) to provide clarity and transparency for business and allow Member States to recognise and apply them.
- Commission, Member States and business to explore the use of the VAT FORUM or VAT Committee as means to reach agreement on contentious issues.

Employment Law/ Training/ Skills

European Parliament's Employment Committee adopt report on EU funding

EUROPEAN PARLIAMENT

On the 16th of April, members of the Parliament's Employment Committee adopted a [draft report](#) from the French Rapporteur [Elisabeth Morin-Chartier](#) (EPP) on the European Social Fund. The report asks for an increase of the initial pre-financing paid to funding programmes supported by the Youth Employment

Initiative. The report was adopted by 50 votes to 2, without abstentions. The aim is to cover the lack of available funding and to allow an immediate implementation.

The Report highlights that unemployment in the EU has been rising and has been alarmingly high for several years, reaching up to 25% in several Member States. A number of tools exist for Member States to address this issue, such as the Commission's Youth Employment Initiative, but Member States have failed to take full advantage of the available funding. The Commission has proposed a rise in the pre-financing rate from 1 % to 30 % to promote jobs and training.

European Parliament publishes study on skills shortages

EUROPEAN PARLIAMENT

On the 13th of April, the Department for Economic and Scientific Policy [published](#) a document on evidence of skills shortages in STEM (Science, Technology, Engineering and Mathematics) fields at the request of the Parliament's Employment Committee. This document intends to provide an up-to-date overview of the labour market situation in STEM occupations. It also seeks to analyse European and national approaches to

encourage STEM uptake in relation to these labour market needs. The aim is to identify practices which help to increase the supply of STEM skilled labour.

Consumer Issues

Negotiations on the Package Travel Directive blocked

EUROPEAN PARLIAMENT

COUNCIL

EUROPEAN COMMISSION

On the 17th of April EU Ambassadors rejected the latest text of the Package Travel Directive put forward by the Latvian Presidency. The latest trilogue discussions between the Latvian Presidency, the European Parliament and the European Commission failed to strike a deal.

Parks and attractions are concerned that the definition of assisted travel arrangements would make it difficult to cross-promote other tourism products or services to customers via direct email marketing or by carrying links on their web site. This could be particularly problematic for smaller parks who will often market hotel accommodation in the local area to encourage guests to stay longer than a day. Under the current proposals if a park was to do this then

should a guest then book a hotel then the park would find itself part of an assisted travel arrangement and be liable for insolvency protection. This would be the case irrespective of whether the park is aware that a transaction has taken place.

The trilogue parties are divided on the different elements of information that would need be exchanged between parties to be considered a package.

Another round of three-way talks is scheduled on the 19th of May. Should agreement prove impossible then it will be left to the incoming Luxembourg Presidency to try and broker a deal later this year.

European Parliament's Internal Market (IMCO) Committee votes on the Personal Protective Equipment Directive

EUROPEAN PARLIAMENT

The European Parliament's IMCO committee has prepared a draft report on a simplification of the Personal Protective Equipment Directive which applies to products that users wear or hold to protect themselves from hazards either at home, at work or whilst engaging in leisure activities. A proposal for a new Regulation on PPE to simplify the directive ([PPE\) 89/686/EEC](#) was

adopted by the European Commission on the 27th of March 2014.

On the 23rd of April, members of the IMCO Committee adopted the draft report from Rapporteur [Vicky Ford](#) (GB/ECR) and the mandate to enter into first reading negotiations. The Rapporteurs from the Committee will now enter into three-way trilogue talks with the European Parliament, Council and Commission. These will also focus on a linked proposal on Cableway Installations, which are present in many amusement parks and attractions. Parks and fairs were excluded from the Commission's proposal; however, we will have to monitor the development of this proposal to ensure that this remains the case.

MEP Questions

EUROPEAN PARLIAMENT

MEP question on EU funding for the tourism industry

In February, MEP [Fulvio Martusciello](#) (PPE) [tabled](#) two questions about EU funding for tourism: What support does the Commission intend to provide for the tourism industry and those working in it? What funding is

available for the tourism industry in the 2014-2020 programming period?

Internal Market Commissioner Bieńkowska [replied](#) that in 2014, the Commission published a [Guide](#) to EU financial instruments that can be used for tourism development purposes in order to help tourism businesses. She added that for the period 2014-2020, tourism stakeholders could access funds from the various Union programmes according to the specific scope and focus of their projects. For example, tourism-related initiatives at local and/or regional level are eligible for funding, as part of a territorial strategy, under the European Structural and Investment Funds, provided they contribute to the thematic priorities and objectives of the funds. This includes, in particular, support for the competitiveness of SMEs.

She also highlighted that the Programme for the Competitiveness of Enterprises and SMEs (COSME) also provides support to small businesses in the tourism sector. The focus will be on increasing demand for EU tourism services, in particular during the low/medium seasons, diversifying the EU tourism offer and products, enhancing tourism quality, sustainability, accessibility, skills and ICT use, enhancing the

socioeconomic knowledge of the sector and promoting Europe as a unique, sustainable and high-quality destination.

Commission responds to MEP questions on safety of amusement park equipment

On the 16th April the European Commission responded to two questions on the safety of amusement park rides and equipment posed by the Italian MEP [Patrizia Toia](#) and the German MEP [David McAllister](#).

In a question [tabled](#) in February MEP Patrizia Toia asked the Commission whether it has plans to harmonise the certification process for amusement park rides and equipment.

In its [response](#), the Commission ruled out the possibility of a legislative proposal in this area on the basis that it is not aware of sufficient evidence of restrictions on the free movement of equipment between Member States.

In January, MEP David McAllister [tabled](#) a question asking the Commission whether it considers it possible to apply a standard retroactively, this refers to the current situation in Germany whereby fairground operators and amusement parks are being asked to apply EN-13814 to old equipment.

The Commission's [response](#) confirms that Member States, can allow this under certain conditions, if it is specified in national legislation.

MEP question on the introduction of a new tax in Greece on companies operating in countries with tax regimes considered to be preferential

On 8 April, MEP [Georgi Pirinski](#) (BG, S&D) [tabled](#) a question on the introduction of a new tax in Greece on companies operating in countries with tax regimes considered to be preferential. He wanted to know what the Commission's position on the new taxation measures introduced by Greece was, and what action it considered appropriate in order to ensure the proper functioning of the Single Market.

MEP question on Tax evasion by multinational companies

On 27 March, MEP [Kostas Chrysogonos](#) (GR, GUE) [tabled](#) a question on tax evasion by multinational companies. He wanted to know what measures the Commission intended to take to stamp out the problem of tax evasion frequently seen among multinational companies. He also asked what transparency rules multinational

companies should comply with when invoicing their products.

MEP question on support for tourism industry in Cyprus

On 27 March, MEP [Lefteris Christoforou](#) (CY, EPP) [tabled](#) a question on medical tourism in Cyprus. He wanted to know whether the Commission was planning to adopt measures, incentives and projects to develop and promote medical tourism, either within the framework of policy to improve the health of European citizens or, more broadly, within a framework to develop medical tourism in Europe.

MEP question on minimum wage in the transport sector

On 25 March, MEP [Valentinas Mazuronis](#) (LT, EFDD) [tabled](#) a question on minimum wage in the transport sector. He wanted to know whether Member States had a right to impose national administrative requirements (control/monitoring measures such as a prior simple declaration of activity) or minimum wages on the foreign road transport sector which do not fall under the scope of the [Posting of Workers Directive](#), such as international transport operations.

Call to Tender

Invitation to Tender - ETC Study on Consumer Trends & Tourism

EUROPEAN TRAVEL COMMISSION

On 15 April, The European Travel Commission (ETC) launched an [invitation](#) to Tender. It intends to commission a study on consumer trends, focusing on shifts in consumer lifestyles and resulting opportunities for the European tourism sector. The project is intended to deliver a full report, including accompanying deliverables, for the benefit of the members of the [European Travel Commission](#). Results will also feed into the ETC long-term strategy '[Destination Europe 2020](#)' and contribute to the further development and promotion of its Visit.com Internet portal.

The rationale for this study is the increasing impact that changing consumer behaviours have on global commerce. This particularly affect the tourism industry, where shifts in consumers' travel attitudes and behaviour in terms of experiences sought for example will impact their travel product and destination choices. Therefore, ETC envisages to address three objectives:

- Take stock of existing long-term consumer lifestyle trends that impact travel attitudes and behaviours
- Provide a portfolio of case studies outlining select trends' impact on the tourism sector
- Outline opportunities and provide strategic recommendations for marketing tourism products, themes and destinations in the most promising emerging market segments.

Proposals should be submitted in electronic format, not exceeding 20 pages, to the project leader by 14:00 (CET) on 18 May 2015 at the latest.

Events

May

- 6 May: IAAPA Europe meets with EU Commissioner Bienkowska to discuss tourism policy.
- 7 May: [Delivering a successful Tourism Economy for Europe](#), Brussels, Belgium
- 14-15 May: [2nd European Sport Tourism Summit](#), Limerick, Ireland
- 20- 21 May: [European Travel Agents' and Tour Operators'](#)

[Associations Semi Annual Conference](#), Budva, Montenegro

- 27 May: Free Movement and Social Security Coordination [seminar "Benefit tourism: myth or reality?"](#), Qawra, Malta
- 27-29 May: [Transport, Trade and Tourism](#), Leipzig, Germany
- 29- 31 May: [Portuguese association of travel and tourism agencies bi-annual meeting](#), Porto, Portugal

June

- 8-11 June: [11th Annual International Conference on Tourism](#), Athens, Greece
- 22-24 June: [2nd Conference on Destination Management in the Mediterranean](#), Budva, Montenegro

July

- 13 July: [Local Regulation and Tourism](#), Venice, Italy

September

- 17-18 September: [European Tourism Forum 2015](#), Luxembourg
- 24 September: [6th International Workshop on Human-Computer](#)

[Interaction, Tourism and Cultural Heritage](#), Ravenna, Italy

- 28 Sept- 1 October: [Food-tourism week at EXPO Milan 2015](#), Milan, Italy

October

- 6 October: [5th Annual Tourism Summit in the Alps](#), Lucerne, Switzerland

November

- 16-17 November: [European Tourism Indicators System conference and Accessible Tourism workshop](#), Brussels, Belgium

December

- 16 December: [European Tourism Day 2015](#), Brussels, Belgium

January

- 14 January 2016: [Sustainable Management and Accessible Tourism award ceremony](#), Brussels, Belgium