

EU Intelligence Report

March 2014



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Events

Institutional Changes

Political groups appoint candidates for Commission President European Parliament

On 5th May, the nomination of [Jean-Claude Juncker](#) as the official centre-right EPP candidate for the post of Commission President completed the line-up of political group nominees to succeed two-time President José Manuel Barroso. The initiative of each of the main political parties, putting forward their own candidates for the office of Commission President, sets them on a collision course with the 28 national governments who jealously guard their right to nominate their preferred candidate, as defined in the EU treaties.

The Socialists have chosen the current EP President, [Martin Schulz](#), the candidate for the Liberals is former Belgian Prime Minister [Guy Verhofstadt](#), while the Greens used an on-line primary process to select their joint candidates, electing French anti-GM campaigner, [José Bové](#) and the only female candidate, the youthful [Ska Keller](#) from Germany. Completing the list for the far left is Greek firebrand [Alexis Tsipras](#). The two Eurosceptic parties led by the British Conservatives and anti-EU UKIP decided not to proposed a candidate.

Tourism Policy

IAAPA contributes to the European Commission's Consultation on the Future of European Tourism European Commission

On the 15th March the [EU public consultation on a European Tourism of the Future](#) closed. The aim of this consultation was to gather interested stakeholders' views on how to build the future of European tourism. Contributions will feed into new policy initiatives and/ or revision of the [2010 action plan on tourism](#): Europe, the World's no. 1 Destination.

The questionnaire asks stakeholders to give their opinion on the actions that the EU should undertake to support tourism competitiveness and to assess the future challenges in the sector. Challenges like accessibility, the ageing populations, or the increasing digitalization of services are mentioned in the text as potential key issues.

As a key tourism stakeholder IAAPA submitted a contribution to the European Commission and outlined the challenges and opportunities faced by its industry sector in a letter addressed to Pedro Ortún, Director General for DG Enterprise and Industry.

In the letter, IAAPA stressed the challenge posed by seasonality and taxation, in particular the uneven application of reduced rates of VAT. Other key challenges identified included the increasing digitalization of the sector and the investments needed to keep safety as a number 1 priority for the industry such as training, technology and better consumer information. IAAPA also highlighted some opportunities for the sector, in particular growth in senior, youth and overseas markets.

Greek Presidency holds conference on maritime tourism and high level B2B meeting

On 10 March, on the back of the newly released [Communication aimed at promoting maritime tourism](#), the Greek Presidency held a [conference](#) around the same theme followed by a high level B2B meeting. The conference discussed the challenges, problems and opportunities of the maritime tourism sector. In particular, the meeting served as a platform to share ideas and practices related to issues including coastal tourism, cruise tourism, yachting, coastal management, maritime clusters, maritime cultural heritage, and exchanged ideas on possible cooperation between the public and the private sector to strengthen the promotion of sustainable maritime and coastal tourism in the EU.

At the conference the Commissioner for Fisheries stressed the economic value of the enhancement of the tourism sector in maritime regions. According to the Commissioner, coastal and maritime tourism is a pillar of the overarching "Blue Growth" strategy and has the potential to create growth and new jobs, particularly in areas with high unemployment. It is considered as the largest maritime economic activity and the main economic driver in many coastal regions. It employs almost 3.2 million people, generating a total of € 183 billion in gross value added and representing over one third of the maritime economy.

She also highlighted the challenge brought by seasonality, the lack of adequate skills and expertise, the environmental challenge and limited access to funds.

Alongside the conference an Informal Ministerial Meeting for Tourism was also held. A business to business event followed on 11 March to promote business partnerships between Greek and European SMEs.

New European rules for airport safety European Commission

On the 6 March, the European Commission published new rules providing common standards for safe design, operation and maintenance for more than 700 of the

largest EU and EEA airports. The [new rules](#). The new Commission's regulation ensures continuity with international aviation safety standards set by the International Civil Aviation Organisation (ICAO). With its entry into force, the European Aviation Safety Agency (EASA) has issued a package of accompanying material which will assist Member States in their application of the rules.

Taxation/ VAT

EP opinion on Common system of taxation applicable in the case of parent companies and subsidiaries of different Member States European Parliament

On March 18, the ECON committee debated and adopted the [draft report on Common system of taxation applicable in the case of parent companies and subsidiaries of different Member States](#).

During the debate, the rapporteur, Mojca Kleva Kekuš (S&D, Slovenia) highlighted that the Commission has made a good proposal as it called for hybrid mis-matches and anti-abuse rules. The Parliament has called for this in the past. The anti-abuse rules should prevent tax benefits that derive from arrangements that have no real commercial basis. She emphasised that

the discussion on the Common Consolidated Corporate Tax Base (CCCTB) is currently frozen in the Council and thus as much as possible needs to be done elsewhere on corporate tax. According to her corporate tax rates should not be lower than 75 percent of the EU average. In addition she proposed to modify the definition of a parent company by increasing the threshold of holding in a company from 10 to 15 percent. However, these two proposals, setting corporate tax rates at 75 percent and increasing threshold of holding, have been rejected by the EPP and the ALDE= political groups.

On the other side, amendment 19 tabled by Jean-Pierre Audy (EPP, France) was adopted. This amendment foresees the possibility for Member States to tax production or consumption activities at the place where the activity is carried out.

The draft report was adopted with 34 votes in favour, 1 against and 5 abstentions. The vote in plenary on this issue should take place in Strasbourg between 14 and 17 April.

The European Parliament has only a consultative role on this issue. The Council is obliged to take its position into account but not to follow it.

Employment Law/ Training/ Skills

Council Conclusion on Quality Framework for Traineeships

Council of the EU

On 10 March the [Council adopted a recommendation on a quality framework for traineeships](#) which addresses two shortcomings: insufficient learning content and inadequate working conditions.

The recommendation provides guidelines and tools to member states, trainees, traineeship providers, and all other stakeholders in order to ensure that traineeships are a beneficial tool to help in transitions from training or inactivity to employment. This recommendation, together with other initiatives - such as the youth employment initiative and the youth guarantee – intends to contribute to wider efforts for the social and professional integration of young people.

By setting common quality standards for traineeships, the Quality Framework for Traineeships will support the implementation of Youth Guarantee schemes by Member States. It will also encourage more transnational traineeships and help the extension of [EURES](#) to traineeships, as requested by the European Council in its [June 2012 Conclusions](#).

The Commission [welcomed](#) the adoption of the framework by the Council.

Consumer Issues

European Parliament adopts first reading position on the Package Travel Directive

European Parliament

On 11 March, the European Parliament Plenary considered the Internal Market and Consumer Protection Committee's report on the Package Travel Directive. The Parliament subsequently adopted the [legislative resolution](#) with 610 votes in favour and 58 against.

The Directive will now enter a second reading in Q3 of 2014 following the European elections.

The Parliament's first reading text increases the scope of the directive to include combinations of accommodation with other travel services like park passes.

The Parliament's proposed text states that a combination of a park pass and accommodation will not be considered a package only if the latter does not constitute a 'significant proportion of the overall value of the package'. The Parliament's text defines a 'significant proportion' to be greater than 25% of the overall value.

This would be a change from the existing rules which do not consider a combination of accommodation and several types of 'other tourist services' to be a package, unless the other services constitute a 'significant proportion of the overall value of the package'; it leaves it open to interpretation as to what 'significant value' should mean in practice.

IAAPA presents to the Commission's Consumer Safety network Meeting

European Commission

On the 11th March, IAAPA Europe was invited to present to the [Consumer Safety Network](#), a Commission advisory group on safety policy comprised of national experts on safety from the 28 Member States.

Karen Staley, Vice President of IAAPA Europe gave a presentation highlighting the importance of safety to the industry and sharing the latest results from the European Ride Safety Reporting System. The presentation highlighted that there were only 8.7 injuries per million visits in 2012 and less than 5% of these were serious. It also set out some of the steps that parks take to maintain a strong safety record i.e. training and better information, up-to-date operational procedures and the application of new technology.

MEP Questions

EP Question for written answer on studies on the seasonal variations in tourism

European Parliament

On 25 March, MEP Estaràs Ferragut (PPE, ES) tabled an [EP Question](#) on Studies on the seasonal variations in tourism.

In her question she highlights the role of tourism as the third largest socioeconomic activity in the European Union and as a principal resource for many regions of the EU. However, MEP Ferragut stressed that tourism is not immune to serious problems, chiefly the seasonal nature of the industry.

The MEP asks the commission whether it has carried out any study on the problems associated with seasonal variations in demand and if note whether the EU intends to finance or provide financial aid to carry out studies on this subject.

The EP question will be answered by the Commission within 6 weeks.

Funding

EU Commission holds event on EU funding for Tourism

European Commission

On 20 March, the European Commission organised a conference on funding

instruments dedicated to tourism. At the conference particular attention was paid to the COSME programme. Francesca Tudini Head of Unit for Tourism Policy at the Directorate General for Enterprise in the European Commission, explained that with a planned budget of € 2.5 billion COSME is designed to enhance the competitiveness of SMEs, particularly those in the the tourism sector. Numerous calls for proposals are expected in the following weeks including the following:

- **Increasing tourism flows in low/medium seasons:** This call for proposal aims at facilitating the increase of tourism flows during the low and medium seasons through transnational public and private partnerships. The call for proposal is expected in June and will have a budget of 1.650.000.000 euros.
- **Synergies between tourism high end and creative industries.** This call for proposal is for a pilot project to increase tourism flows around niche products and exploit synergies between tourism and the creative industries at European Level. It will support the development and promotion of a new European Route around high-end products. The call will be launched in April with a total budget of 533.333 euros.

- **Fostering Accessible Tourism entrepreneurship and management.** This Call for proposal will help to build capacity in the tourism sector by giving managers and entrepreneurs an opportunity to learn about accessibility from experienced and successful operators. The call for proposal will be published in June with a budget of 650.000 euros.

Ms. Tudini stated that as Tourism is of strategic importance for the EU, the Commission intends to release a guide on tourism related funding opportunities in the coming months. The guide will cover the most important EU programmes for the tourism sector and will focus on practical questions such as the type of actions and actors eligible for funding.

Erasmus+

Council/ European Commission

The Council adopted on 3rd December a regulation establishing "[ERASMUS +](#)", the Union Programme for Education, Training, Youth and Sport for the period 2014-2020. It brings together in a single programme activities previously covered by a number of separate programmes (including the Lifelong Learning Programme, Erasmus Mundus and Youth in Action) and it also covers activities in the new area of European competence, sport.

The new programme has a total budget of about €14.7 billion which represents an increase of 40% compared to the precedent budget - and can also benefit for

Any additional funding from external action instruments (such as the Instrument for Pre-Accession Assistance, the Development Cooperation Instrument, the European Neighbourhood Instrument, as well as the European Development Fund).

Its main operational priorities are simplification of procedures and a performance-based allocation of funds, as well as closer links between the formal, informal and non-formal education and learning sectors.

COSME - Programme for the Competitiveness of Enterprises and SMEs

European Commission

For the period 2014-2020, the European Commission has published a proposal for a [Programme for the Competitiveness of Enterprises and SMEs](#) (COSME) with a planned budget of € 2.5 billion.

The Programme has the following general objectives: 1) improve access to finance for SMEs in the form of equity and debt: 2) improve access to markets inside the Union and globally through Enterprise Europe Network that will facilitate

expansion of businesses beyond the borders; 3) promote entrepreneurship by developing entrepreneurial skills and attitudes, especially among new entrepreneurs, young people and women.

The Commission proposal includes a reference to specific objectives to improve the competitiveness of enterprises in the tourism sector. The Commission intends to ensure coherence and consistency implementation, as well as informed policy-making at Union level. Benchmarking, the exchange of best practices and sectorial initiatives in particular will be encouraged. The main beneficiaries will include existing entrepreneurs (small businesses in particular), future entrepreneurs (including young people) as well as national, regional and local authorities. On this basis, eligible tourism partners could include: Accommodation providers, Transport providers, Restaurants/ Cafés, **Attractions**, Public Authorities

Consumer Programme 2014-2020

European Commission

The new consumer programme was adopted last 23 October and [proposed](#) by the Commission in November 2011. Although ensuring continuity with the previous one, the new initiative aims to better serve consumers' interests by enhancing product safety through effective market surveillance, improving consumers'

information, education and awareness of their rights, consolidating consumer rights and strengthening effective redress, especially through alternative dispute resolution.

This programme sets financial framework for many actions that aim to improve consumer protection throughout the EU. These actions include financing of joint cooperation actions between Member States market surveillance authorities and supporting Union level consumer organizations.

European Regional Development Fund 2014 - 2020

European Commission

[The European Regional Development Fund](#) (ERDF) aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions. For the next period (2014 – 2020), the ERDF focuses its investments on several key priority areas namely Innovation and research, the digital agenda, support for small and medium-sized enterprises (SMEs) and the low-carbon economy.

The ERDF resources allocated to these priorities will depend on the category of region.



Upcoming Events

- 3-6 April: [GITANDO.ALL](#) Italy – Fair on Accessible Tourism, Venice
- 17-20 June 2014: [5th European Conference of Industrial Tourism](#)
- November 2014: [UNTWO event on Accessible Tourism](#) in San Marino.