

January 2014



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Tourism Policy

[Greek presidency outlines priorities in the field of tourism](#)

Taxation

[European Travel Agents Fight Back Over VAT](#)

Employment Law/ Labour Skills

[ERASMUS + launched in Athens](#)

Consumer Issues

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Greek Presidency outlines priorities in the field of tourism

Greek Presidency

On 1st January Greece took over the [Presidency of the European Union](#) until 31st June.

On 15 January, the Greek Prime Minister Antonis Samaras presented to MEPs his country's [priorities](#) for the coming six months. The presidency will focus on boosting growth and jobs, the banking union and an immigration policy based on more solidarity.

The main principles which will guide the work of the Presidency include: the enhancement of civic and society engagement in the European Parliament; deepening the Union, especially the European Monetary Union, by promoting policies and actions to preserve the integrity of the common currency and reinforcing EU democratic legitimacy and accountability along with building solid links between Member States

In tourism, the Greek Presidency will focus on the EU Strategy on the '[Challenges and Opportunities for Maritime and Coastal Tourism in the EU](#)' which will be published by the Commission in the first quarter of this year. The initiative aims to promote sustainable economic growth and enhance the overall competitiveness of the maritime and coastal tourism sector. In this context and in view of the upcoming Commission Communication, the presidency will be organizing a **High level Conference on the subject in Athens**. The Presidency also highlighted the **European Tourism Quality Label Scheme** as another tourism file that it intends to work on before the summer.

As of the 1st of July, Italy will take over the Presidency until 31st December.

Record level of 2.6 bn nights spent in tourist accommodation in the EU28 in 2013

Eurostat

A Eurostat [report](#) released on 29 January 2014 shows that in 2013, the number of nights spent in tourist accommodation establishments in the EU28 reached a peak of 2.6 billion nights, up by 1.6%

compared with 2012. Following a decrease due to the effect of 11 September 2001, there has been a steady increase in the number of nights spent in tourist accommodation establishments in the EU28 since 2003, only interrupted in 2008 and 2009, coinciding with the beginning of the financial crisis. Each year since 2010 has seen new record levels.

Among the Member States for which data are available, the highest number of nights spent in tourist accommodation establishments in 2013 were recorded in France, Italy, Germany and the UK

These five Member States accounted for 70% of the total number of nights spent in tourist accommodation establishments in the EU28

Taxation/ VAT

European Travel Agents Fight Back Over VAT

ETOA

The [European Tour Operators Association \(ETOA\)](#) has called for a prompt review of the EU's special VAT margin scheme for travel agents following a landmark ruling from the European Court of Justice (ECJ)

on 26 September, 2013. In its ruling the ECJ called on numerous member states to amend their national legislation to align their provisions on the margin scheme for travel agents with EU law. The scheme aims to level the playing field between those entities registered for VAT purposes and non-VAT registered entities, including businesses that re-sell package holidays that are not "traditional" tour operators. Without an arrangement such as the margin scheme, a travel agent or tour operator putting together a holiday or travel package within the European Union would be liable for output VAT on the whole price of the package in his home country. ETOA pointed out that, as a result of the ruling, its members must now apply VAT under the special scheme to business-to-business (B2B) transactions as well as business-to-consumer (B2C) transactions. This will require that wholesalers of travel packages reveal their gross margins to their clients, and also account for taxation on a transaction-by-transaction basis. ETOA has argued that these two measures place a competitive and bureaucratic burden on travel agents.

Employment Law/ Training/ Skills

ERASMUS + launched in Athens [Greek Presidency](#) [European Commission](#)

On Thursday, 16 January 2014, the new European Programme for education, training, youth and sport, 'Erasmus+', was launched in Athens. The event was organized by the Ministry of Education and Religious Affairs in the context of the Hellenic Presidency of the Council of the EU during the first half of 2014. The Minister of Education, Prof. Konstantinos Arvanitopoulos addressed the event recognizing the new [Erasmus+](#) programme as an important instrument for the reinforcement of education and training, aimed at upgrading individual skills, tackling high rates of youth unemployment, as well as at addressing skills mismatches. He noted that the rationale of the new programme and the increase of the relevant budget to approximately € 15 billion, offer many opportunities to students, pupils, young people, teachers and youth organizations, to improve their skills, their professional prospects as well as their personal development. The minister also pointed out that the new programme will provide incentives for the development of partnerships among Higher Education Institutions and enterprises. Knowledge

alliances aim at the promotion of excellence and innovation as well as the development of new multi-disciplinary curricula for the enhancement of skills, such as entrepreneurship.

The event was also addressed by European Commissioner for Education, Culture, Multilingualism and Youth, Ms Androulla Vassiliou.

Commission proposes to improve **EURES job search network** [European Commission](#)

The pan-European job search network [EURES](#) will be strengthened to provide more job offers, increase the likelihood of job matches and help employers, notably small and medium-sized businesses, to fill job vacancies faster and better, under a proposal just presented by the European Commission. The proposal is supposed to maximise the exchange of available job vacancies throughout the EU and ensure a more accurate match between job vacancies and job seekers. Commissioner for Employment, Social Affairs and Inclusion, László Andor stressed that the reformed EURES is intended to help labour

mobility and contribute to achieving a truly integrated EU labour market.

The proposed changes to the existing EURES system include: a wider job offering available on the website coupled by a mechanism for matching CVs and vacancies.

Consumer Issues

European parliament backs new Consumer Program European Parliament

On 14 January the European Parliament approved the EU funded [Consumer Programme 2014-2020](#) with an overwhelming majority.

The EPP Group Shadow Rapporteur, Roberta Metsola MEP welcomed the vote saying that this programme will see €189m dedicated to improving consumer protection., José Manuel Fernandes MEP, giving his Opinion from the Budget Committee, said that this programme places the full usage of consumers' rights into the core of the Single Market and linked the fact of being informed with the opportunity to boost the economy,

consumers' health, and save economic interests.

The programme focuses on the funding of actions in four different categories:

- Monitoring and enforcing safety through EU-wide systems such as RAPEX, the EU rapid alert system for dangerous consumer products.
- Information and education initiatives to make consumers, particularly young consumers, aware of their rights. One example is the Consumer Markets Scoreboard which maps out the markets that fail consumers in Europe.
- Enhancing consumer rights, for example the Consumer Credit Directive ensures that consumers across Europe enjoy a common set of core rights. It also includes the electronic translation tool of the online dispute resolution platform. This will help consumers resolve online cross-border disputes with traders in other Member States where there are linguistic barriers.
- Enforcement action through 'sweeps' operations, which are co-ordinated by the European Commission to see where consumer rights are being compromised or denied.

With a share of 56% of economic activity, consumer expenditure is the biggest economic driver in the European Union.

IMCO Committee discusses travel package Directive in the European parliament European Parliament

On January 22 2014, the IMCO Committee met to discuss the Package Travel Directive.

The rapporteur, MEP Hans Peter Mayer (German, EPP), started discussions by stressing the time pressure that MEPs are under in relation to this dossier. He listed the key areas where he would like to agree compromise amendments:

1. **Level of harmonisation:** the rapporteur explained that the wording he used for his draft report comes from the Consumer Rights Directive (CRD). There is a need of consistency, he said, and there is no need to invent "new" wording. He further stressed the importance of having a true Single Market, where consumers are able to book their travel in any country. Fragmentation should be avoided, especially in the case of online contracts. Member States (MS) can keep their own

legislative provision if this is set out in the Directive.

2. **Scope:** He suggests to exclude business travel from the scope. He appealed to his shadows on the dossier to consider how they could limit the scope. With particular reference to package travel and assisted travel arrangements, he said that a compromise amendment on this should provide for a clear distinction. Assisted travel arrangements should not be deleted from the scope. As regards the amendments proposed to introduce a binding element with transportation, he said that further consideration is necessary.

3. **Percentage of price increase before the option for cancellation of contract is triggered:** the rapporteur called for further discussion on this point since it is not clear what is going to happen if the threshold is exceeded or if there is a price reduction;

4. **Liability:** on the number of hotel nights and on the flat rate, he suggested to take the wording from the air passenger rights directive and the CRD;

5. **Relationship between organisers and traders:** the rapporteur called for clear rules as the operators involved are different

entities and there is a need for a sensible distinguishing threshold.

The shadow rapporteur MEP Sergio Cofferati (Italian, S&D) agreed that harmonization and scope are two difficult areas for compromise. In particular, on the level of harmonization he said that it should be a floor and not a ceiling; thus meaning that if there are additional rules to protect consumers at national level, they should be maintained. The approach should be to give MS the possibility to do more and better, where possible. On contractual information and change of prices, he generally said that more certainty is needed as well as an increased consumer awareness. In particular, MEP Cofferati made reference to the possibility to develop new tools to help increase consumer awareness; for example he mentioned that he had discussed a traffic light system with MEP Tarabella to help consumers understand the difference between packages and assisted travel arrangements.

MEP Heidi Rühle (Greens, Germany) also stressed the need for further discussion on the level of harmonization (minimum or maximum harmonization) and on the scope, where transparency is needed. She

agreed to look at the Consumer Rights Directive (CRD).

MEP Emma McClarkin (ECR, UK) reminded MEPs that consumers must be the beneficiaries of the Directive. She explained that linked travel arrangements should not be deleted from the scope and that package should include the carriage of passengers (it is a package travel directive, so it means there is a transfer, she said). She added that an automatic right to withdraw would be difficult to implement and could create burdens for businesses. By referring to amendments 151-152, she said that further consideration is needed; on amendment 398 on insolvency, she said that the double protection it offers is not necessary;

R. Mathiak, Legal Officer, Consumer and marketing law, DG JUST said that the Commission proposal was the result of an extensive consultation process with stakeholders. The distinction between package travel and assisted travel arrangements was an effort by the Commission to respond to points raised in that consultation so in principle they should remain in place. Transparency is essential: no overregulation, but the right information at the right time. Mr Mathiak

expressed his scepticism about the traffic light system proposed by MEP Cofferati; what is more important he said is to have “positive” and “negative” information like “you are not buying a package”. On harmonization, the Commission supports the rapporteur and is therefore not in favour of targeted or minimum harmonisation. On liability, Mr Mathiak did not understand why there should be a departure from the Commission proposal.

As regards the timetable, the shadows will take into account the opinion provided by the Transport and tourism Committee.

The following next steps were confirmed:

- 10 February: consideration of compromise amendments
- 11 February: vote in IMCO
- March vote in plenary in for 1st reading

MEP Questions

EP Question on Action plan on the fight against tax fraud, tax evasion and tax havens

Key Actor: MEP Sirpa Pietikainen (FI, EPP)

On 16 December 2013 MEP Sirpa Pietikainen (EPP, FI) tabled a

parliamentary [Question](#) on the Action plan on the fight against tax fraud, tax evasion and tax havens. The MEP recalls that in Spring 2013, the Parliament adopted a resolution on the Commission action plan on the fight against tax fraud, tax evasion and tax havens. Among the main points in the Parliament’s report was the requirement that EU countries should have a common definition of the term ‘tax haven’, with reference to which areas so classified would be placed on a common EU blacklist. One result of being blacklisted would be that Member States would have to refrain from granting any state aid to companies operating from tax havens and deny them access to public procurement. In addition, Parliament called for the speedy introduction of a pan-European Taxpayer Identification Number (TIN) in order to facilitate the identification of taxpayers. In this context the MEP asks whether the Commission made any progress in the fight against tax fraud, tax evasion and tax havens in the priority areas highlighted by Parliament, and particularly those mentioned above.

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 first calls for proposals have been published already in December to allow a smooth implementation of the programme. The calls for proposal are aligned to the three key actions of the scheme: Key Action 1: *Learning Mobility of Individuals*;- Key Action 2: *Co-operation for Innovation and Good Practices*; Key Action 3: *Support for Policy Reform*

IAAPA relevant [calls for proposal](#) would fall under the first and second key action: a) Mobility of individuals in the field of education, training and youth (Deadline ,17 March); Mobility of individuals in the field of youth only (Deadline, 30 April and 1st October).

Under the second key action, Co-operation in innovation and Good Practices, relevant calls for proposal refer to the following

themes: Strategic partnerships in the field of education, training and youth (deadline 30th April), Strategic Partnership in the field of youth only (Deadline 1st October 2014), Knowledge alliances , sector skills alliances (Deadline 3rd April) and capacity Building in the field of youth (Deadline 3rd April and 2nd September)

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

Events

February

- 5th February: European Parliament Plenary Vote on Air Passenger Rights Directive.
- 20th February: Bringing people with the right skills to the tourism sector

March

- 10.03: High Level Conference on maritime and Coastal Tourism
- 11.03: Plenary Vote on the Travel Package Directive
- Deadline for Submitting Responses to the Public Consultations on Tourism

April

- 3-6 April: [GITANDO.ALL](#) Italy – fair on Accessible Tourism, Venice