

# Live from Brussels Newsletter

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**HOTREC**

MEMBERS ONLY

Key EU developments  
and positions of the  
hospitality sector

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## Interview

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### Interview with MEP Isabella De Monte, Member of the European Parliament Committee on Transport & Tourism



MEP Isabella De Monte (S&D, Italy) is member of the Transport & Tourism (TRAN) Committee and substitute member of the Committee on Industry, Research and Energy. She was also the main rapporteur on the European Parliament report on new challenges and concepts for the promotion of tourism in Europe, as well as shadow opinion rapporteur on a European agenda for the collaborative economy. HOTREC asked MEP De Monte's views about the main achievements of the current European Parliament for tourism and hospitality, the place of tourism in the next European Parliament, and HOTREC's policy priorities for the next EU mandate in favour of sustainable tourism development and job creation.

**1) In 2015, the European Parliament adopted your report on new concept and challenges for the promotion of tourism in Europe. As we are approaching the end of this European Parliament term, can you please tell us what are the main achievements of the current European Parliament for tourism and hospitality?**

One of the main achievements is the budget of 300 million euro for the sustainable tourism promoted by the European Parliament. I strongly believe in digitalisation, including augmented reality and the availability of information on internet and social media. In my report I have emphasized the role of digitalisation for accessing data and facilitating the tourist's journey. The diversification and improvement of hospitality infrastructure are another essential advantage for youth, families and elderly. Opportunities should comprise the most luxurious resorts and services affordable to all tourist demands. Last but not least, the importance of SMEs should not be dismissed, especially through the promotion of smart cities and smart development for the future.

**2) Based on your assessment, what should be in your opinion the areas where the European Parliament should focus its efforts to sustain European tourism development for the next EU mandate?**

I would like to remind you that tourism is the 3rd most important sector in Europe, generating 10% of the EU's GDP and providing employment for up to 15% of the population, including a large proportion of young people and women.

As member of the Tourism Task Force in the European Parliament I have pushed several times - with other colleagues - for a separate budget line and more engagement into tourism. Other relevant proposals are the establishments of an Agency, and a Sub-committee on Tourism in the next mandate in the European Parliament. For this purpose we need more engagement with the European Commission. One of my accomplishments is addressing the European Commission's President Juncker with a letter, initiated by me, on the promotion of tourism, co-signed by Members of the Tourism Task Force including István Ujhelyi, Claudia Țapardel, Claudia Monteiro de Aguiar, and Nino Jakovčić.

Sustainability is another important field for tourism, including diversification of destinations and seasonality, while avoiding overtourism. An uncontrolled tourist development can in fact cause significant damage to the territorial and marine ecosystem. In addition, it can jeopardize the living conditions of the residents, as well as the pleasure of the tourist's holiday, causing economic inequalities and social exclusion. The respect for the environment must be a priority for a smart development tourism, including educative initiatives.

3) You recently hosted in the European Parliament an event where HOTREC presented its White Paper for the EU elections and its 5 priorities for the next EU mandate. According to your opinion, how the HOTREC's priorities do fit the goal to achieve sustainable tourism development in Europe and how the EU Institutions should support the European hospitality industry in creating more jobs and growth, as the European hospitality industry represents over 80% of the total EU tourism workforce.

Constant attention and support by the EU Institutions to tourism including hospitality industry, are crucial for the future of European citizens. I believe that strengthening social efforts is beneficial for providing jobs and skills. Moreover, a responsible food policy can improve well-being and health for costumers, such as promoting quality nutrition, local foods and healthy habits including recreation and sport activities. Many current integrated services are combining local gastronomy and winery with cultural and religious tourism, visits of historical monuments, entertainment, spa industry, hiking, biking and trekking. A better regulation is an advantage for rethinking subsidiarity while promoting a European Agenda of tourism with a special focus on cross-border issues. In fact, tourism shouldn't only be limited to fragmented decisions by Member States. More European competences and unified action are needed for quality services. For instance, the European Parliament has held more than 200 initiatives on Tourism in the current Mandate. In conclusion, digitalization, as already mentioned in my report, must remain high on European agenda as fundamental tool in the distribution of services. Technology is of great help in the promotion of smart tourism. The objective is to create smart cities that can offer sustainable solutions and avoid tourist overcrowding.

## Interview with MEP Sean Kelly, Member of the European Parliament Committee on Industry, Research and Energy



MEP Sean Kelly (EPP, Ireland) was first elected to the European Parliament in June 2009. He is a member of the committee on Industry, Research and Energy (ITRE), where he focuses on renewable energy, energy efficiency and the digital agenda. He has been honoured on 2012 MEP of the Year for Research and Innovation and 2014 MEP of the Year for the Digital Agenda.

HOTREC asked MEP Kelly his opinion about skills shortage problems in the hospitality sector, especially with regard to the new digital skills, EU funding possibilities to overcome this challenge and what can the sector do to continue attracting and retaining workers.

**1) Despite the fact of representing 2 million businesses, 91% of which are microenterprises and 11,9 million jobs, the hospitality sector strives to attract and retain workers. Societal and technological change drive new demands, for instance in terms of digital skills or specialized chefs. Taking into account the up-coming EU mandate, what do you think are the measures that the EU could implement in order to help the sector overcome this challenge?**

The EU plays a huge role in helping to overcome some of the challenges faced by this sector. The EU should implement Horizon Europe efficiently and strategically so that research can be done in this area to see exactly what is lacking and how we can effectively tackle the problems with skills. EU officials should work on and publish guidelines on digital skills and effectively outline what the means to achieve these skills are. There is a real need to upgrade the status of chefs within the European Union and give greater status to tourism courses/schools etc. so that individuals can travel on these qualifications and so that institutions can receive funding to further improve their courses. We can work together to ensure that these things come to fruition.

**2) From your perspective what are the funding possibilities you would recommend the hospitality sector to apply for to help the sector tackle the skills shortage?**

Horizon Europe is a great tool for funding. The European structural and investment funds are also an excellent resource, these include: European regional development fund, European social fund, Cohesion fund, European agricultural fund for rural development, European maritime and fisheries fund. Pilot Projects funded by the European Parliament are also extremely useful.

**3) In your opinion, what would be the actions the sector could take to continue attracting and retaining workers?**

The sector can ensure there are pathways to progress i.e. promotions for workers who have put in the time and who are actively improving their skills. "Holidays" as part of pay is also an excellent way of attracting and retaining workers. Upskilling and more collaboration with universities to achieve same e.g. more qualifications in tech will help strengthen the sector and improve the overall perception of the sector by potential workers.



## Interview of Mr. Jean-Marc Banquet D'Orx, Chair of HOTREC's Sectoral Social Dialogue Committee



Jean Marc Banquet D'Orx is the Chair of the Sectoral Social Dialogue Committee of HOTREC, which mandate was renewed for a period of two years effective 1 January 2019, as per HOTREC's 2018 elections. Mr. Banquet d'Orx is General Treasurer of UMIH, the Union des Métiers et des Industries de l'Hôtellerie.

Besides his role for HOTREC and UMIH, he leads ELYSEES HOTEL CONSULTANT, a Hotel marketing and management company, operating currently 12 hotels in Paris and in France, including 5 hotels member of BEST WESTERN. He is also the founder and chairman of the LONGITUDE HOTELS group ([www.Longitudehotels.com](http://www.Longitudehotels.com)).

**1) As Chair of the Sectoral Social Dialogue (SSD) Committee, can you let us know which were the biggest achievements of the social dialogue between HOTREC and its trade union counterpart EFFAT (The European Federation of Food, Agriculture and Tourism Trade) in the last two years?**

In the last two years, the social partners (both HOTREC and EFFAT) focused in reaching a level playing field and fair competition in hospitality and tourism, by advocating its joint pledge on the so-called collaborative economy. In this sense, we attended all workshops organised by DG GROW (which counted with the presence of all Member States) in order to push forward guiding policy principles for short-term accommodation rental services in the collaborative economy. The same message was disseminated with regard to restaurants, where HOTREC's brochure on "Shedding light on the meal-sharing platform economy" has been widely disseminated and discussed during meetings attended by different EU representatives. On the other hand, we have also reached good results when exchanging best practices with regard to the integration of refugees at the workplace. For instance, in Italy, during 2017, almost 8000 people with refugee status attended a training course to acquire/ improve working skills and competences (96,2% of the vocational training set up refers to hospitality skills and competences). As a result, more than 4000 refugees got a job (77,4% of which in the hospitality sector). This is very encouraging example that we will continue promoting in our social dialogue. Furthermore, as Chair of the SSD, I would like to conclude by saying that we should put always human beings at the center of our businesses in our future activities.

**2) The new Work-Programme 2019-2020 was approved in the last plenary meeting of the SSD, which took place on 30 November 2018. Can you tell us what are the main priorities of the Work-Programme?**

HOTREC and EFFAT will continue striving to reach a level playing field in the collaborative economy, both for accommodation and for restaurants. Moreover, the topic of qualification, training and skills will continue to be placed high in the agenda. In this sense, social partners will follow-up implementing the joint pledge to enhance the quality and attractiveness of apprenticeships schemes in the hospitality sector. We think this is key, in order to attract and retain people in the sector. In addition, we will finalise the Online Interactive Risk Assessment (OIRA) tool. The project is being developed under the umbrella of OSHA (The European Agency for Safety and Health at Work) and aims at creating an online tool that allows companies to check if they are compatible with all EU legislation on health and safety at work. The tool will be free of charge and will just need to be adapted to the national legislation in place in the different Member States. This will help all employers to be compliant with legislation. Finally, we will also collect information on digitalization and technology developed at national level focusing on working labour.



**3) What actions do you think the sector could do in order to overcome the challenge of attracting and retaining workers in the sector and how shall the EU institutions support the sector during the next mandate?**

I personally think that a lot should be done in terms of education and training. To start with, schools and training centers should be directly connected with hospitality sector representatives, in order to be well informed of the skill needs of the employers. On the other hand, the promotion of apprenticeship schemes at national level, is also key to help employees integrate a career in the sector. We think this provides apprentices with the required experience, and would allow young people to enter for the first time the labour market industry. In addition, funding (both from the EU and provided at national level) should be used in order to promote massive trainings. Sometimes trainings need to be done “in loco” (e.g. specialized chef who needs to practice how to cook a certain dish). But HOTREC also welcomes the promotion of online (off-line) trainings, as they can reach a much wider audience (anyone who has access to internet connection) and expenses are reduced (e.g. transport of the trainees). In this context, we welcome the results of the App Tour You project, an EU funded project, where HOTREC participated as a partner. As a result, companies can quickly access through an app if they are accessible towards people with disabilities or not. We think this is example should be largely disseminated. Finally, the sector should as well work on its image. For instance, it should be seen as an opportunity that the sector provides 11,9 million jobs, 20% of which employ young people aged below 25 years old. Moreover, students are also able to combine their studies with a first working experience. Overall, I believe a lot needs to be done to attract and retain personnel. But we believe that a good outcome should involve all interested parties: employers, employees, training schools, national authorities, the EU institutions. A good dialogue will bring a good solution to this challenge. To conclude, we look forward to the support of the EU institutions both to contribute to the funding of massive trainings and also to improve through a multitasker approach the image of the sector.



# General Policy Issues

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## HOTREC presents its White Paper for the 2019 EU Elections



On 20 February 2019, the President of HOTREC, Mr. Jens Zimmer Christensen presented in the European Parliament HOTREC's White Paper for the upcoming EU elections (23-26 May 2019). The event was hosted by MEP Isabella De Monte, the rapporteur on the European Parliament own initiative report on tourism and counted with the participation of several MEPs, Commission officials and other tourism related stakeholders. HOTREC called upon a continued partnership with the European Institutions and shared its vision of a European agenda for an innovative and sustainable tourism sector.

The President of HOTREC unveiled the following 5 key industry priorities for the new EU mandate between 2019-2024:

- Further levelling the playing field in the accommodation and food service market in light of the fast professionalisation of providers using 'collaborative' economy platforms.
- Revise the EU framework regulating online platforms' liability to reflect their increased role on the markets, namely the E-commerce directive.
- A Better Regulation agenda which ensures that the EU focuses primarily on large cross-border issues and better takes into account sector-specific concerns.
- Foster voluntary initiatives on nutrition & healthy lifestyles for local food services instead of horizontal EU legislation.
- Make the fight against skills shortage a truly EU case supported by concrete policy actions.

Mr. Christensen also thanked the European Parliament, the European Commission and the Council for an excellent cooperation with HOTREC over the last 5 years, which resulted in some constructive policies in support of the tourism sector (e.g. first steps on the collaborative economy and towards a more transparent and fair digital market, the reform of the VAT scheme, a modernisation of consumer law in light of the platform economy, a reasonable adjustment of the new data protection requirements to SMEs, etc.).

During the event, MEPs Istvan Ujhelyi, Claudia Tapardel, Claudia Monteiro de Aguiar, Eva Kaili, Sean Kelly, Fabio Castado (EP Vice-President) as well as Mr Antti Peltomäki, Deputy Director General of DG Grow and Mr Carlo Corazza, Spokesperson of EP President Antonio Tajani promoted their vision on the future of Europe in which tourism shall play an even greater role for the benefit of society.

HOTREC encourages candidates to the European Parliament elections and European political groups to include the hospitality industry's priorities in their programme.





## HOTREC President Mr. Jens Zimmer Christensen speaks at the 6th Mediterranean Tourism Forum in Malta

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On 15 February 2019, the 6th Mediterranean Tourism Forum was held in Malta, at the initiative of Mr. Andrews Agius Muscat, its Secretary General, and CEO of the Malta Hotels and Restaurants Association (MHRA). The Mediterranean Tourism Forum aims at bringing together world experts to discuss how to even more elevate tourism in the region for the benefit of its citizens, by providing jobs, growth, prosperity, stability and peace. The President of HOTREC, Mr. Jens Zimmer Christensen was invited to speak at the panel session entitled “A Global Tourism Outlook & the Mediterranean Region”.

In this panel session, speakers were invited to present a general outlook of global tourism trends and realities with a special focus on the Mediterranean region, how to promote sustainable tourism and how tourism can help addressing inequalities.

The President of HOTREC, Mr. Christensen, explained that tourism has become a major component of the European Economy, as the European hospitality industry created 1,6 million new jobs between 2013 and 2016, reaching a total of 11,9 million jobs in Europe. Moreover, tourism is growing constantly, with an estimated 4,4% growth in international tourists arrival in the EU in 2018, and an even stronger growth of 7% in the Mediterranean region, making the region a strong driver of Europe's tourism. Mr. Christensen stated that this success generates major challenges, one of the most important being sustainability. He stressed that the European hospitality sector is fully committed to propose sustainable tourism solutions, as shown by the guidance and recommendations developed in 2017 and 2018 by HOTREC to help businesses reduce food waste, raise energy efficiency and decrease their carbon footprint.

Mr. Christensen also raised the issue of the management of ever-increasing tourism flows and the perception of “over-tourism”. More and more destinations in Europe and in the Mediterranean region are facing increasing tourism flows, which can lead to tensions with locals as well as increasing pressure on the destinations' environment. The President stated that we live in a world of fragmentation and polarized politics, which calls for clear values including respect for minorities, and in which we must foster dialogue, because this is the only way to address conflict and differences of opinion.

## Modernisation of consumer law and transparency obligations for platforms: Council adopts position for trilogue



On 1 March 2019, the Council's Committee of Permanent Representatives (COREPER) agreed to give a detailed mandate to the EU Presidency to negotiate a trilogue agreement with the European Parliament on the Directive on the modernisation of consumer law (REFIT). The mandate supports the Commission's proposals to introduce new consumer law obligations for online marketplaces, although the Council's text is on this aspect less stringent than the European Parliament's position adopted last 22 January 2019.

In particular, the Council's text supports the following aspects of the Commission's proposal:

- Mandatory consumer information by online marketplaces and online review sites of the main parameters determining the ranking of products;
- Mandatory information of whether a product offered on an online marketplace is sold by a trader or not;
- Mandatory information to consumers that consumer law protections apply exclusively to products sold by traders;
- Ban on hidden paid placement on online marketplaces;
- Minimum harmonisation clause for transparency requirements for online marketplaces.

However, by opposition to the European Parliament's position, the Council mandate does not include specific requirements about the transparency of online reviews.

### Next steps:

The Council, European Parliament and Commission just started trilogue negotiations, with the view to complete negotiations in time for the European Parliament plenary session to adopt a deal before the end of its term.

### HOTREC position:

- *HOTREC strongly welcomes the introduction of transparency requirements for online market places, as, often, consumers do not have any idea about what criteria are behind rankings, who is behind an offer and whether they are protected by consumer laws when choosing an offer. This situation benefits to rogue traders only. These proposals will help tackling this issue and building trust in online markets. They should be supported.*
- *HOTREC particularly applauds the provisions which makes mandatory for collaborative economy platforms to identify if an offer is made by a trader or not. This will bring fairness and transparency to collaborative economy platforms.*
- *HOTREC calls on the Council to support the European Parliament's proposal to include transparency requirements for online reviews of products.*
- *HOTREC calls on the three main institutions to adopt these proposals under the current European Parliament term.*

## UK authorities force booking platforms to more transparency



On 6 February 2019, the UK Competition and Market Authority (CMA) closed investigations in the hotel booking market, which was launched in October 2017. The CMA accepted commitments from the largest players in the online hotel booking market, among them Booking.com, Expedia and Trivago.

The commitments of these booking platforms include actions towards the consumers on the aspects of:

- Search results: platforms have to make clearer how hotels are ranked and telling when search results have been affected by payment;
- Pressure selling: to make it clear, when indicating that other customers are looking at the same hotel, that those customers may search for a different date;
- Sold out hotels: not to put pressure on customers to book more quickly by putting sold-out hotels in the search results;
- Discount claims: to promote only deals which are available at that time;
- Hidden charges: to display all charges (taxes, fees, etc.) in the headline price.

The platforms will have to make adjustments according to their commitments by 1 September 2019 and report back to the CMA by 1 March 2020 on the implementation. The commitments have to be implemented in the UK market by the affected platforms.

A similar investigation has been launched recently against Booking.com in Hungary.

### HOTREC position:

- *The outcome of the investigations confirms the relevance of HOTREC's call for more transparency and fairness in the online distribution market.*
- *HOTREC encourages decision makers in the rest of the European Union to step up similarly against the unfair practices applied by the dominant platforms in the tourism sector, allowing consumers to make purchase decisions in a fair environment.*

# CONSUMER

## EU and national consumer protection authorities warn of widespread irregularities on prices and promotions displayed online



On 22 February 2019, the European Commission published the results of an EU-wide screening of 560 e-commerce sites offering a variety of goods, services and digital content (e.g. clothing, computer software, entertainment tickets, travel services, audio and video, etc) which took place in November 2018. The screening showed EU consumer law irregularities mostly concerning prices display and promotional offers on 60% of the websites screened.

For more than 31% of the websites offering discounts, consumer authorities suspected that the special offers are not authentic or they found the way the discounted price was calculated unclear. On 27% of the websites, final price at payment was higher than the initial price offered, while 39% of those traders did not include proper information on extra unavoidable fees on delivery, payment methods, booking fees and other similar surcharges, which is contrary to EU consumer law. Moreover, in 59% of the websites inspected, traders failed to respect their obligation to provide an easily accessible link to the Online Dispute Resolution (ODR) platform.

### Next steps:

The national consumer protection authorities will ensure full compliance of the traders concerned by activating their national enforcement procedures where necessary.

## FOOD

### New report on the business case for reducing food losses and waste in restaurants



On 13 February 2019, Champions 12.3 (a coalition of executives from governments, businesses, international organizations, research institutions and civil society dedicated to accelerating progress to achieve the UN Sustainable Development Goal 12.3 of halving food waste by 2030) published a new report showing a strong business case for restaurants to engage in food waste reduction/prevention programmes.

The report was shared within the EU platform on food losses and food waste and was dedicated a specific seminar within this framework.

The report is based on the analysis of the results of food waste prevention programme implemented in 114 restaurants located in 12 different countries. It shows a strong financial business case for restaurants to engage in such programme, with a very fast Return on Investment: 76 percent of the sites had recouped their investment within one year, while 89 percent of the sites obtained a positive financial benefit within 2 years. A similar report with similar conclusions focusing on the hotel sector had already been published in April 2018 by Champions 12.3 and shared within the EU platform on food losses and food waste.

#### HOTREC position:

- *The hospitality industry is a small waster (compared to other segments of the food chain), but is nonetheless acting in a responsible manner by promoting best practices to reduce food waste.*
- *HOTREC stresses that hospitality businesses are mostly micro-enterprises (i.e. employing less than 10 persons) operating on low profit-margins. Therefore, it is in every hospitality establishment's interest to reduce to the minimum food waste throughout their internal processes, and therefore save costs.*
- *With the view to help hospitality businesses reducing food waste, HOTREC published in January 2017 a set of guidelines and recommendations which any hospitality business can implement. It follows a series of initiatives already engaged by many hospitality associations members of HOTREC across Europe.*
- *HOTREC considers that the hospitality industry's voluntary actions will contribute to achieve the UN Sustainable Development Goal 12.3 of halving food waste by 2030, while ensuring the necessary flexibility to adapt to national/local circumstances.*



## Social Affairs

### Directive on Work-Life Balance: negotiation agreement reached



On 24th January 2019, both the Council and the European Parliament (EP) reached a political agreement on the proposal for a Directive on Work-Life Balance. On 6th February 2019, a slightly amended text was voted by the Council's Committee of Permanent Representatives, and supported on 26th February by the EMPL committee (Committee of Social Affairs) of the European Parliament.

The main outcome of the negotiations is the following:

- Paternity leave: fathers or second parents will have the right to a 10 days leave, with a payment equivalent to sick pay leave. The ceiling is left to the Member States to decide. The right of payment might be subject to a previous employment requirement of up to six months;
- Parental leave: parents have the right to four months parental leave (two months cannot be transferred between parents). The payment of the two months non-transferable is to be defined by Member States / social partners. The leave can be taken up to the age of eight years old;
- Carer's leave: workers have 5 days carer's leave, per year, per worker, in order to provide support to a relative, or a person leaving in the same household, in need of care due to serious medical reasons. The use of this right might be better defined at national level;
- Flexible Working Arrangements: Member States shall ensure that workers with children up to a given age (8 years old) and carers have the right to flexible working arrangements for caring purposes (e.g. reduction working hours, use of remote working arrangements, flexible working schedules).

#### Next steps:

The agreed text needs to be formally adopted by the Council and the plenary meeting of the European Parliament.

#### HOTREC position:

- HOTREC supports a good balance between work and family lives and encourages sharing of caring responsibilities between women and men;
- HOTREC welcomes the fact that the ceiling of payment for parental leave, paternity leave and carer's leave is left to Member States to decide;
- HOTREC is in favour of the two months non-transferable leave (parental leave) as a result of a compromise to be found amongst the institutions;
- Eight years old seems to be a reasonable age for paternity leave to be taken and for flexible working arrangements to be used, as it goes in line with the recommendation of the social partners (Council Directive 2010/18/EC);
- It is positive that the reversal of the burden of proof does not include flexible working arrangements.

## Directive on Transparent and Predictable Working Conditions in the EU



On 7th February 2019, a political agreement was reached between the Council and the European Parliament's negotiators. The agreement was validated by the Council, at the Coreper (Committee of Representatives) on 15th February 2019 and by the EMPL Committee (Committee of Social Affairs) of the European Parliament on 19th February 2019.

The main outcome of the agreement was the following:

- Exception regime: the regime applies to contracts of at least 12 hours per month. But all clauses apply to on-demand work or zero-hour contract;
- Definition of worker: applicable to every worker who has an employment contract or employment relationship as defined by law, collective agreements or practice in force in each Member State (but within the framework of the case law of the Court of Justice of the EU);
- Information to be provided to employees: basic information (e.g. remuneration, place of work) to be provided between the 1st day and the 7th day of work. The rest of the information to be provided within one month (e.g. method to determine notice periods, if the length of the notice periods cannot be indicated when the information is given);
- Minimum predictability of work: if the work pattern is not predictable, the worker shall not be required to work, except if the following conditions are fulfilled: the work takes place within predetermined reference hours and reference days and the worker is informed by the employer of a work assignment within a reasonable period in advance established in accordance with national law, collective agreements or practices;
- On-demand contracts: in order to prevent abuse, Member States shall take one of the following measures: limitations to the use and duration of on-demand or rebuttable presumption on the existence of an employment contract with a minimum amount of paid hours based on the average hours worked during a given period;
- Transition to another form of employment: A worker who has completed probationary period, if any, with at least six month's service may request a form of employment with more predictable working conditions. A written reply needs to be provided within one month (3 months for micro-enterprises). Member States may limit the frequency of these requests.

### Next steps:

The agreed text will be formally endorsed by the Council and the plenary session the European Parliament.

### HOTREC position:

- *HOTREC defends that each worker should know about their rights and working conditions. It is also very positive that workers benefit from clarity and predictability as regards their working conditions;*
- *Nevertheless, given its working type (seasonality; open 7 days a week/24hrs a day) HOTREC thinks that the sector might face difficulties in the organisation of the work, as the exception regime has been extremely reduced and the minimum predictability of work reinforced. This leaves little room for small establishments to adapt to unpredictable working conditions.*
- *It is positive that collective agreements can be different from the ones presented in section III of the Directive, as long as they respect the overall protection of workers;*
- *It is also positive that training is only mandatory when legally required, and that the definition of worker shall be left to each Member States decision – subsidiarity shall prevail.*

## European Labour Authority: agreement reached

On 14th March 2019 the European Parliament and the Council negotiators reached an agreement on the Regulation establishing a European Labour Authority.

The main tasks of the Authority, according to the agreement will be the following:

- Facilitate access to information: rights and obligations of individuals with regard to cross-border mobility will be included in the website; a single union website will be created;
- Facilitate cooperation between Member States in the enforcement of relevant Union Law across the Union;
- Facilitate joint inspections: to be done on the request of one Member State or the Authority itself. In case one Member State decides not to participate in the concerted inspection, the inspection should only be carried out in participating Member States;
- Mediate disputes between Member States in the application of Union Law –the Authority might adopt a non-binding opinion;
- Support cooperation between Member States in tackling undeclared work.

### Next steps:

The file shall be formally adopted by the Council and the plenary session of the European Parliament (date to be confirmed)

### HOTREC position:

- *HOTREC supports an Agency focusing on improving information for individual and employers regarding rights and obligations in order to facilitate mobility (within a single Union website);*
- *HOTREC welcomes the fact that the Authority respects Member States' competences and decisions in key labour market and industrial relations areas.*
- *Nevertheless, HOTREC has doubts about the real value added of the platform.*

# Tourism

## Visa Code agreed!



On 29th January 2019, the European Parliament and the Council reached a political agreement on the Visa Code. The main objective is to facilitate visa procedures to third country nationals willing to enter Schengen for a short stay (3 months) and also to encourage non-EU countries to cooperate on migration. The text was approved by the Council's COREPER meeting (Committee of Permanent Representatives) on 20th February 2019 and by the LIBE Committee (Committee of Civil Liberties, Justice and Home Affairs) of the European Parliament on 26th February 2019.

The main outcome of the agreement is the following:

- Applications can be lodged six months before the travel;
- The application form can be signed manually or electronically;
- An harmonised approach was setup for issuing multiple entry visas to regular travellers with a positive visa history for a period which increases gradually from 1 to 5 years;
- Consular cooperation and the use of external service providers is reinforced in case a consulate is not officially represented in a third country;
- When applying for a visa, applicants shall present documents in relation to accommodation or proof of sufficient means to cover the accommodation;
- Application shall be decided in 15 calendar days;
- Visas cannot be applied for at the external border;
- The travel medical insurance is necessary for visas applicants.

### Next steps:

The agreement now needs to be formally adopted by the plenary session of the European Parliament and by the Council.

### HOTREC position:

- *HOTREC welcomes any visa facilitation procedure that is compatible with security measures;*
- *Visa facilitation will mean more travellers willing to enter Schengen, a boost in tourism activities and the creation of more jobs in the tourism sector;*
- *HOTREC regrets the fact that the multiple-entry visa system is difficult to understand and that very few tourists would be included in the criteria: applicant who has obtained three visas in the previous two years;*
- *HOTREC welcomes the fact that the Commission shall access one year after the entry into force of the Regulation the costs incurred by national authorities or providers of medical services for visa holders and the use of the medical insurance.*



## Visa-free regimes for the UK being discussed



On 13th November 2018, the European Commission proposed to grant UK citizens visa-free travel to the EU after the UK's withdrawal from the EU (COM (2018) 745 final). This would mean that the UK citizens would not need a visa when travelling to the Schengen area for short stays up to 90 days in any 180 day period.

In the scenario where the UK leaves the EU without a deal, this would apply as of 30 March 2019. If a deal with the UK is reached, it would apply as of the end of the transition period, as outlined in the Withdrawal Agreement.

The proposal is conditional upon the UK also granting reciprocal and non-discriminatory visa-free travel for all EU Member States, in line with the principle of reciprocity. EU rules on non-EU nationals travelling to the EU, such as border control or the ETIAS system (where travellers will need to apply for a travel authorisation online and pay a 7 euro fee), would, nevertheless, apply to UK citizens once they are no longer EU citizens. After the LIBE Committee (Committee of Civil Liberties, Justice and Home Affairs) of the European Parliament has voted on the file (29th January 2019) and after the Justice and Home Affairs Council has also voted on the file on 1st February 2019, the text is now being agreed upon in trilogue negotiations.

### Next steps:

The text needs to be agreed in trilogue negotiations between the European Parliament and the Council. Text to be formally voted by the Council and by the European Parliament.

### HOTREC position:

- *HOTREC welcomes a visa-free regime system between the UK and the EU, on a reciprocal basis;*
- *This will motivate British citizens to continue travelling to the EU, and will also motivate EU citizens to travel to the UK without more administrative burdens;*
- *It is to note that, according to Eurostat, there were 83 million tourist arrivals from the UK in hotels and similar accommodation in the EU in 2016. This is around 13% of the 644 million arrivals in hotels and similar accommodation coming from the intra EU 28 countries. Therefore, British travellers are an important segment for tourism growth in Europe.*



# HEALTH

## Outcome of the Health Equity Pilot project



The report “Inequalities in alcohol consumption and harms in EU countries using a multi-national study”, issued under the project “Health Equity Project”, was launched in December 2018. The project was developed under the umbrella of the European Commission. The analysis suggests that across EU countries, there are variations in the frequency of alcohol consumption, binge drinking and harm by level of education attainment.

Whilst in general drinkers in lower educational experience present higher levels of harms associated with their drinking, these relationships can differ at country level. There is also a need to consider and interpret inequalities within the specific drinking cultures of each country. The analysis also shows that inequalities in alcohol-related harm, extend past individual drinkers to others around them, such as family members, co-workers or strangers. Interventions and policies that aim to reduce inequalities in alcohol-related harms should consider the wider effects of alcohol not just on the consumer but on those who may suffer due to alcohol consumption of someone else.

### HOTREC position:

- *HOTREC encourages members to implement measures that enforce age limits when serving and selling alcohol and develop information programmes on responsible drinking as part of its commitment to the European Alcohol and Health Forum;*
- *HOTREC believes on the advantages of the Alcohol Forum, as a platform of exchange of good practices.*



## Online Distribution

### Platform to Business Regulation – Agreement reached



On 14 February 2019, the negotiators of the Council's Presidency, European Commission and European Parliament reached an agreement on the European Commission's proposal for a Regulation for more transparency and fairness for business users in online intermediated services. The agreement was supported by the Council's COREPER (where seats Member States Permanent Representatives to the EU) on 20 February, and by the European Parliament IMCO Committee the day after.

According to the agreed text, online intermediation services (like Booking.com or Expedia) will have to be clear in their terms and conditions on several aspects including, inter alia:

- The grounds for decisions to suspend or terminate the provision of their services, but also regarding decisions to impose any kind of restrictions on business users;
- Information on additional distribution channels and potential affiliate programmes through which business users' products are further distributed;
- General information regarding the effects on the ownership and control of intellectual property rights of the business users;
- Main parameters determining ranking, including the effects of influencing the ranking via direct or indirect remuneration;
- Whether business users have access to personal or non-personal data and under what conditions;
- The economic, commercial and legal grounds for any restrictions to business users to offer different conditions on their own distribution channels. The ban of parity clauses remains possible for Member States.

Besides the aspects above, changes to terms and conditions will be more predictable, as such changes will have to be announced at least 15 days in advance. When a platform takes a decision to sanction a business user, it has to send to the latter a notification clearly describing the grounds for that decision, based on the terms and conditions. This and the mandatory internal complaint handling system, as well as the possibility to engage a neutral mediator, shall enhance businesses' rights and possibilities to step up against platforms decisions, which are considered unjustified.

Although the Regulation aims at maximum harmonisation, meaning that Member States may not have regulations in place covering the aspects of the Regulation, the existing bans of parity clauses in some EU Member States are not affected. Other countries are also free to put in place bans of parity clauses with this new Regulation.

This EU legislation also grants rights to business associations to initiate judicial proceedings against platforms in the name of the businesses they represent, giving a further opportunity to enforce platforms to comply with the Regulation. HOTREC considers that this is a recognition of the role of small and microenterprises in the EU economy and the way to give them a voice through their business associations against online giants' practices when there are unfair.



Next steps:

The plenary of the European Parliament and the Council will have to formally adopt the agreed text. It shall be applicable 12 months after its publication in the EU Official Journal. A first evaluation of the Regulation is foreseen after 18 months of its application.

HOTREC position:

- *HOTREC welcomes the interinstitutional agreement on this legislation and hopes for a soon adoption and entry into force of the Regulation.*
- *As the online hotel intermediary market is dominated by 2 players in Europe, vis-à-vis around 200.000 hotels and similar establishments, the Regulation shall bring more fairness in this imbalanced relationship.*
- *HOTREC will closely monitor the implementation of the new rules and will contribute to the work of the EU Online Platform Observatory and of the European Commission related to this Regulation.*



## DIGITAL

### Commission issues study on digitisation in tourism



The European Commission recently issued a study evaluating the state of digitisation in the tourism sector. The report analyses the challenges and opportunities in this field, how different stakeholder groups are affected, and make proposals to address some of the issues.

The main expectations identified by tourism SMEs were related to customer acquisition, improving the brand's visibility and increasing international reach.

On the other hand, lack of finance was identified as one of the main obstacle for tourism SMEs to get more engaged in digitising their businesses. Another obstacle is related to the lack of knowledge and skills in the workforce, not knowing about the different possibilities and also lacking knowledge of applying the available solutions.

The study proposes to the public and private entities to further engage in network development, technical assistance (specifically education and training), financial assistance and research & development in order to overcome the main obstacles for digitisation of tourism SMEs.

## SUSTAINABILITY

### Access to tap water in restaurants: Council agrees on a general approach with flexible encouragements



On 5 March 2019, the Environment Council reached an agreement on a general approach on the Commission proposal to revise the drinking water Directive, including on its provisions on access to water (article 13). On this specific aspect, the text supports a flexible approach that gives a large degree of flexibility to Member States to take the necessary measure to improve access to water and to promote the use of tap water by choosing the most appropriate measures, taking into account local circumstances.

In particular, the Council's text sets a list of indicative measures which Member States may take to achieve this goal, including encouraging the free provision of such water in restaurants, canteens, and catering services.

#### Next steps:

The adoption of the Council's general approach follows the adoption last October of the European Parliament's report on the Commission's proposal. It will allow the EU Presidency to start negotiating with the European Parliament in trilogue, with the view to possibly reach an agreement before the end of the European Parliament's term.

#### HOTREC position:

- *HOTREC strongly supports the flexibility adopted by the Council and the European Parliament concerning the list of possible measures which Member States can adopt to improve access to water to all.*
- *HOTREC supports a combination of the Council's flexible position with the European Parliament's position concerning access to tap-water in restaurants, which would allow to improve access to water in European countries where tap-water is not customarily served in restaurants, while preserving small businesses from disproportionate burdens given local circumstances.*



## INTERNAL MARKET

### New EU rules to decrease the costs of cross-border payments in euro across the EU



Following a trilogue agreement reached with the European Parliament, the Council definitively adopted on 4 March 2019 a revision of the Regulation “on cross-border payments in the Union and currency conversion charges” to align the costs of cross-border payments in euros between euro and non-euro countries and increase the transparency of charges related to currency conversion services across the EU.

The revised Regulation foresees that all payments in euro made from non-euro EU countries will be priced the same as domestic payments in the local currency. Moreover, merchants from the Eurozone offering a transaction in the consumer's home currency will have to inform the consumer of the currency conversion charges before the transaction takes place.

The alignment of costs for cross-border payments in euro between euro and non-euro countries was made to ensure that consumers from the 9 non-Eurozone countries (e.g. Bulgaria, Croatia, the Czech Republic, Denmark, Hungary, Poland, Romania, Sweden and the United Kingdom) do not have to pay important extra fees when paying in Euros. It shall result in substantial savings for consumers from these countries when paying in Euros.

#### Next steps:

The revised Regulation will apply as of 15 December 2019.

## STATISTICS

### 2017 figures on tourism trends are published



Eurostat recently published figures on number of nights spent in the EU, which reached around 3,1 billion on 2018. According to the publication, recent years' increases are driven mainly by the increasing number of nights spent by non-residents.

The highest growth were reported in Latvia and Lithuania, while the strongest decrease in Luxembourg and Ireland. Spain is the country with the most nights registered amounting to 467 million, followed by France (444 million) and Italy (429 million).

UNWTO's latest World Tourism Barometer revealed first results for global tourism in 2018. International tourist arrivals around the world were growing by 6% compared to 2017, with the strongest growth in the Middle East and Africa, while Europe and the Asia and Pacific region grew at the world average of 6%. Half of the 1,4 billion international arrivals were in Europe, reaching 713 million arrivals.

# HOTREC GENERAL ACTIVITIES

## Next Meetings and General Assemblies

In the coming months, HOTREC will organise and/or participate to the following meetings.

- 18 March 2019 (Brussels, Belgium): Launch of the EU Digital Tourism Network
- 18 March 2019 (Brussels, Belgium): EU platform on food losses and food waste – sub-group meeting on action/implementation
- 19 March 2019 (Brussels, Belgium): EU Showcase conference on Tourism – Discussions will focus on the added-value of EU support for tourism projects under the COSME and how to stimulate reflection on future EU support for tourism projects.
- 21-21 March 2019 (Brussels, Belgium): EU Conference on Mobility of Apprentices. It will focus on the mobility of apprentices in Europe and on how it contributes to increasing youth employment and to the competitiveness of businesses.
- 27 March 2019 (Brussels, Belgium): European Consumer Day conference. It will discuss the trends in consumption patterns driven by technology in three sectors (mobility, food, clothing), the role played by young people in this change and potential regulatory developments.
- 3 & 4 April 2019 (Bucharest, Romania): EU conference “Sustainable Tourism - Common Policies of EU Member States” organised by the Romanian Presidency of the Council. The conference will discuss the role of the private sector of the tourist industry for the 2030 Agenda, as well as digitalization of tourism services for sustainable development.
- 8 April 2019 (Brussels, Belgium): EU conference “Sustainable Europe 2030 - From Goals to Delivery”. It will gather leading world experts to discuss how to best translate the UN Sustainable Development Goals at EU level.
- 9 April 2019 (Brussels, Belgium): EU High level conference “The future of Work”

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