



HOTREC
MEMBERS ONLY

**Key EU developments
and positions of the
hospitality sector**

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INTERVIEWS

Interview with Mr. Gari Cappelli, Minister of Tourism of the Republic of Croatia



Picture by: Robert Anić

Mr. Gari Cappelli has been the Minister of Tourism of the Republic of Croatia since October 2016. HOTREC asked him to discuss Croatia's tourism industry, the collaborative economy's impact on the sector and Croatia's first Presidency of the EU Council.

1) Croatia is an important touristic country in Europe, where, according to Eurostat, the number of nights spent have increased by 40% over the past 5 years. What do you think are the secrets of the growth of tourism in Croatia?

Croatia has a multitude of natural, historical and economic predispositions for the development of tourism, including an indented coastline with more than 1200 islands, 1700 km long, or 6000 km if we count the islands, and an abundance of cultural heritage, including many sights featured in the UNESCO World Heritage List. Strategic orientation to special forms of tourism contributed to speeding up the development of Croatian tourism by helping to diversify the tourism offer and attract tourists with diverse interests throughout most of the year.

The Tourism Development Strategy, adopted in 2013, defined ten key tourism products whose development helps reduce seasonality and increase tourist spending. They are special forms of tourism, such as nautical tourism, health tourism, cultural tourism, business tourism, cycling tourism, eno- and gastro-tourism, rural tourism and so on. This year, we will start working on a new Tourism Development Plan, spanning a seven-year period, with emphasis on sustainable development and quality of offer.

In addition to attracting tourists, Croatia has been successful in attracting investments in the tourism sector in recent years, with investments in tourism increasing 55% in the past three years. More than EUR 1.05 billion has been invested in Croatian tourism in 2019 alone. Public- and private-sector investments strengthened the development of tourism in Croatia, allowing it to receive even more guests. However, there is always room for more investments, and the Croatian Government works continually on improving the legislative framework to attract even more investors by cutting the red tape and lowering the investment risk. The secret of success of Croatian tourism lies in joint and coordinated action of the public and private sectors on all levels: national, local and destination.

2) Croatia became a Member of the European Union in 2013 and its membership has come to an important new milestone as the country is now preparing for its first EU Council Presidency, which will start in January 2020. What are the key tourism related topics and priorities which will need to be addressed during Croatia's Presidency?

Tourism is one of the key sectors of the European economy that significantly impacts economic growth, regional development, and job generation. It was especially evident during the latest global economic crisis, when tourism turned out to be one of the crucial sectors for the recovery of a significant number of countries. The fact that European countries accounted for more than 40% of total tourism turnover in 2018 and that tourism accounts for 10% of the EU's GDP speaks volumes about the importance of tourism. For this reason, during Croatia's EU presidency,



we will work on raising awareness of the importance of tourism and its impact on international cooperation and connections between countries. As the most popular tourism destination, we must give thought to sustainable development of tourism, not just on local, regional or national level, but at EU level as well, to make tourism the generator of development and stable economic growth in the future.

The horizontal nature of tourism and its synergy with other industries such as transport, agriculture and others, are also worth mentioning here, since tourism can be an instrument of better economic connections and cooperation.

3) The so-called 'collaborative' economy type of activities have exploded over the past years all across Europe, and many destinations are struggling to find the appropriate answers to keep such developments under control, for example regarding housing, crowded destinations and other aspects. How much is the so-called 'collaborative' economy type of tourism growing in Croatia, and how is it handled in Croatia to direct those activities in regulated and accountable channels?

According to the data of the United Nations World Tourism Organisation (UNWTO), foreign arrivals rose 6% globally in 2018, which means that 1.4 billion people travelled. In Croatia, tourism accounts for 17% of GDP, and develops significantly from one year to the next. These numbers demonstrate the importance of tourism in the overall global economy, but they also warn about the importance of doing business responsibly and managing resources and the environment responsibly as well.

Local communities have been playing an increasingly important role in the development of tourism products in Croatia and in the rest of the world in recent years. Considering the complexity of the tourism system, in which the tourist is the one coming to a destination, the awareness of tourists' perception of the entire destination, and not only a specific tourism product, is on the rise. Destination management at local level is therefore a necessity in securing long-term sustainable tourism growth.

When it comes to sustainable management of tourism and tourism-related industries, the structuring of the key stakeholders in the entire value chain is important. Different stakeholders too often perceive one another as competitors and do not understand that they need to work together to raise the level of competitiveness in the market and thus stimulate the overall development of all stakeholders involved, and ultimately achieve better valuation of the heritage of a place or area.

The Ministry of Tourism, in cooperation with other institutions, is implementing a number of measures to promote sustainable development in tourism. For example, in cooperation with the Croatian Tourism Board (HTZ), the Ministry of Tourism works on providing incentives and technical aid, coordinating the activities of the destination management organisations (DMOs) and professional associations on monitoring, measuring and advancing the sustainability of tourism at the level of tourist destinations and various segments of the tourism offer.

The support programme for destination management companies (DMCs) promotes the development and marketing of innovative programmes designed by the DMCs for specific narrow market niches. Similarly, we are using the CROSTO observatory, active since 2016, to monitor the economic, environmental, spatial and social effects of the development of tourism, and our objective is to position Croatia as a sustainable tourist destination, where sustainability rests on clearly defined and measurable indicators. CROSTO is one of about twenty such observatories worldwide, which operate as members of the International



Network of Sustainable Tourism Operators under the auspices of the World Tourism Organisation. The CROSTO is recording good results and has received special commendation from the UNWTO as the best example of measuring sustainability.

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INTERVIEWS

Interview with MEP István Ujhelyi (S&D, Hungary), vice-chair of the European Parliament Committee on Transport & Tourism (TRAN)



MEP István Ujhelyi (S&D, Hungary) is vice-chair of the European Parliament Committee on Transport & Tourism (TRAN) and substitute member of the Committee on the Environment, Public Health and Food Safety. HOTREC asked MEP Ujhelyi his views on the future of tourism in the next EU legislative mandate, including which will be the main challenges to the European hospitality and tourism industry and how to tackle them.

1) MEP Ujhelyi, you have started your second term as a Member of the European Parliament in the current mandate 2019-2024, continuing as well your function as Vice-Chair of the TRAN Committee. You have been an Ambassador for tourism in the EP in the past period, which helped to increase the visibility of the industry. Regarding the future, what do you think can be done in the next EU legislative mandate in general to have tourism even better recognised by policy makers in the EU institutions?

Thanks a lot, I have just arrived back from the UNWTO General Assembly, where we discussed the latest results and challenges we faced on global level. During the past legislative term, we have maintained real strong relations with the tourism stakeholders, especially with HOTREC. Several pilot projects have passed successfully through the not so supportive EU institutions. I am believing in this, I am the lobbyist of the tourism industry in the institutions and I will be active in the future as well. One the best examples was the EU - China tourism year which will be followed by a EU - India Tourism year soon. And we will continue the European Capital of SMART tourism project, and the programme of the future tourists, the Discover EU programme.

The most important aim to maintain the results what we have reached in the past term. 60% of the MEPs are new colleagues, there are some dedicated MEPs related to tourism policy and understand it well, but we must keep tourism on the political agenda. That is why the role of Tourism Task Force and the Tourism Intergroup is crucial in this process. Among others Tourism policy is related in all transport policies, so we continue the legislative work to monitor and amend the Commission proposals. Concerning the institutional relations we maintain an extremely good cooperation with the Committee of Regions, and the Tourism Unit of the European Commission. We are fighting to name tourism in the new Commission structure, we were not delighted when we realised last week that the portfolios of Commissioners did not mention anything related tourism and culture. Last but not least the sole budget line for tourism in MFF is the main political aim for the coming year (the position of the European Parliament is 300 million euro for 7 years). And we need more budget for Invest EU and for the Structural and Cohesion Funds.

2) Tourism has gone through lots of changes over the past years, which have brought new opportunities but also challenges to the sector not only in Europe but also on a global level. In your views, what are the biggest challenges the European sector will have to address in the next 5 years?

We are living in a challenging area, the revolution in digitalisation, the availability of less expensive travel, not only at regions and country level, but in all the EU countries and at global level, the number of travellers have been increased exponentially. The trend is similar in the future, which is good for the industry, but many new difficulties and questions arise.



These are the problem of overtourism, the role and responsibilities of the online platforms, the ticket distribution system, the need of more and more skilled employees. I see much challenges and threats but we must act immediately. Europe should maintain its role as 1st tourism destination in the world, but the aim should be reached to become the best, sustainable destination.

3) Tourism is still an industry building bridges between cultures and continents, contributing to a peaceful mutual understanding and acceptance of different people around the world, which is especially important in times, when tensions at international level seem to be on the rise. How do you think the previously mentioned challenges may affect the European hospitality and tourism sector and what common responses could be given to them still allowing tourism to continue fulfilling its role of a global ambassador of peace and towards sustainable tourism, especially in Europe?

Personally I am a believer, that Tourism is the industry of Peace and helps to get mutual understanding among different cultures and people. I think when you deal with Tourism, you have to face with a global legislative and political work. If we find the proper and effective answers for the challenges in the EU, other parts of the world will follow. From VISA facilitation, through the challenges in digitalisation, keeping the traditional and cultural values, introducing less known destination with SMART transport facilities to be able to reach them and the new skills for those who would like to work in tourism. These are the elements, we need to develop to reach sustainability. Reaching the aims I would like to focus on the construction of a Tourism Academy network, and put much energy in the operation of them.

Programme of the Finnish Presidency of the EU



On 1 July 2019, Finland took over the rotating Presidency of the Council of the EU until 31 December 2019 and released its [Presidency programme](#).

The Finnish Presidency has put forward the following main general priorities:

- To strengthen common values and the rule of law;
- To make the EU more competitive and socially inclusive;
- To strengthen the EU's position as a global leader in climate action;
- To protect the security of citizens comprehensively;
- Other key issues: migration and EU's Multiannual Financial Framework.

As part of the heading 'Competitive and socially-inclusive EU', the Finnish Presidency considers that the EU's long-term objective is to make the EU the world's most competitive and socially inclusive low-carbon economy, an objective which is highly relevant for the hospitality sector. In particular, the following priorities seem relevant for the tourism and hospitality sector:

- To improve the single-market for services, by focusing in particular on promoting digital services and eliminating the barriers to cross-border trade in services;
- To boost the growth of the data economy and the utilisation of artificial intelligence as part of developing the European single market. For this purpose a high-level conference on the data economy will be organised on 25 November 2019;
- The continuation of the ongoing discussion in the OECD on digital taxation;
- To increase the availability of skilled labour and the mobility of workers through labour mobility within the EU and recruitment of top talents from third countries through EU actions;
- To draft Council conclusions on the inclusive labour market, including the labour market status of people with partial work ability;
- To reflect on a possible EU skills strategy. For this purpose, an EU conference on life-long learning and vocational guidance will be organised during the European Vocational Skills Week;
- Continue actions to promote gender equality in working life, reconciliation of work and family life, and equal pay. A high-level conference on gender equality will be organised in Helsinki from 30 September to 1 October 2019.

European Commissioners - What is next?



The European Commission President-elect, Ursula von der Leyen, announced on 10th September 2019 her proposed team of European Commissioners and a new structure for the European Commission.

Besides the European Commission President, the proposed team is composed of three Executive Vice-Presidents, 5 Vice Presidents and 18 Commissioners. The Vice-Presidents are responsible for the top priorities in the

Commission's Political Guidelines. The Executive Vice-President will be both Vice-President responsible for one of three core topics of the President-elect's agenda and Commissioners at the same time.

The attribution of portfolios is as follows:

- Executive Vice-President Frans Timmermans (Netherlands) – responsible for the European Green Deal and manage climate action policy;
- Executive Vice-President Margrethe Vestager (Denmark) – coordination of the whole agenda on a Europe fit for the digital age and be the Commissioner for Competition;
- Executive Vice-President Valdis Dombrovskis (Latvia) - coordination of the work on an 'Economy that Works for People' and be the Commissioner for financial services;
- Vice-President Josep Borrell (Spain): High Representative for Foreign Affairs and Security Policy;
- Vice-President Věra Jourová (Czech Republic): responsible for 'Values and Transparency';
- Vice-President Margaritis Schinas (Greece): responsible for 'Protecting our European Way of Life';
- Vice-President Maroš Šefčovič (Slovakia): responsible for Interinstitutional Relations and Foresight;
- Vice-President Dubravka Šuica (Croatia): responsible for Democracy and Demography;
- Johannes Hahn (Austria): Commissioner for 'Budget and Administration';
- Didier Reynders (Belgium): Commissioner for 'Justice' (including the topic of the rule of law);
- Mariya Gabriel (Bulgaria): Commissioner for 'Innovation and Youth';
- Stella Kyriakides (Cyprus): Commissioner for 'Health';
- Kadri Simson (Estonia): Commissioner for the 'Energy' portfolio;
- Jutta Urpilainen (Finland): Commissioner for 'International Partnerships';
- Sylvie Goulard (France): Commissioner for Internal Market' (including industrial policy, promotion of the Digital Single Market and responsible for new Directorate-General for Defence Industry and Space);
- László Trócsányi (Hungary) Commissioner for 'Neighbourhood and Enlargement';
- Phil Hogan (Ireland): Commissioner for 'Trade';
- Paolo Gentiloni (Italy): Commissioner for the 'Economy' portfolio;
- Virginijus Sinkevičius (Lithuania): Commissioner for 'Environment and Oceans';
- Nicolas Schmit (Luxembourg): Commissioner for the 'Jobs' portfolio;
- Helena Dalli (Malta): Commissioner for the 'Equality' portfolio;
- Janusz Wojciechowski (Poland): Commissioner for 'Agriculture';
- Elisa Ferreira (Portugal): Commissioner for the 'Cohesion and Reforms' portfolio;
- Rovana Plumb (Romania): Commissioner for 'Transport';
- Janez Lenarčič (Slovenia): Commissioner for the 'Crisis Management' portfolio;
- Ylva Johansson (Sweden): Commissioner for 'Home Affairs'.

During the first week of October, all commission nominees will be heard in the European Parliament committee responsible for their respective portfolio. After that, the evaluation of each committee will be sent to the President of the EU Parliament. A negative evaluation has prompted candidates to withdraw from the process. On the week of 23rd October, the new college of Commissioners, including the high representative, need to be approved by the EU Parliament and afterwards by the EU Council by qualified majority. On 1st November 2019, the new Commission is set to take office.

European Parliament - Ready for the work of the next 5 years



Following the European Parliament elections taking place on 23-26 May 2019, the European Parliament held its inaugural meeting on 2 July 2019. The election resulted in the cancellation of the absolute majority of the 2 biggest parties (European People's Party (EPP) and the Group of Progressive Alliance of Socialists and Democrats (S&D)). The current European Parliament consists of 7 Political Groups with the following number of Members:

- EPP: 182 seats (24.23%)
- S&D: 154 seats (20,51%)
- Renew Europe: 108 seats (14.38%)
- Greens / EFA: 74 seats (9,85%)
- Identity and Democracy: 73 seats (9,72%)
- European Conservatives and Reformists (ECR): 62 seats (8,26%)
- Confederal Group of the European United Left - Nordic Green Left (GUE): 41 seats (5,46%)

David Maria Sassoli (Italy, S&D) was elected President of the European Parliament and in the course of July also the Chairs and most Vice-Chairs of the various EP Committees were elected, thus the Parliament has restarted its work fully for the next 5 years.

Further activities related to the setting up of the full structure of the EP activities are still ongoing. What is related to tourism, HOTREC is strongly advocating for the setting-up, like in the previous EP mandates, of an Intergroup for tourism, giving the opportunity for MEPs from all the different Committees to discuss openly and freely about tourism related challenges and matters. The importance of the TRAN Committee and especially the renewal of its Tourism Task Force gathering the Members of that specific committee is of high importance as well.

European Commission accepts transparency commitments from Airbnb



On 11 July the European Commission announced having accepted commitments from Airbnb to be more transparent inter alia on price indication and the distinction between traders and private service providers. The announcement follows the investigations of the Consumer Protection Cooperation Network of 2018, where the CPC identified several issues of non-compliance of Airbnb with existing European consumer law.

According to the changes implemented by the platform, consumers would now see the final price of the accommodation, when searching with a preferred date, and would get clear information whether an offer is put on the platform by a professional or a private service provider. Commissioner Jourova said in the corresponding statement of the European Commission that the institution is expecting other platforms as well to follow suit.

HOTREC position:

- HOTREC welcomes this important step towards more transparency for consumers on this tourist accommodation market segment. HOTREC, together with the Commission, also considers it important that all platforms across Europe offering similar accommodation clearly distinguish between private and professional offers.
- HOTREC considers that information provision regarding the distinction between professional and private service providers should even be clearer, as several current examples on searches on the platform are still confusing for customers.

Enforcement of new EU requirement on Strong Customer Authentication for online payments delayed!



As the [new EU requirement to implement Strong Customer Authentication \(SCA\)](#) entered into force on 14 September 2019, the European Banking authority previously published on 21 June 2019 an [opinion advising national competent authorities not to enforce SCA for a short period of time](#), if certain conditions are met by payment service providers and merchants. SCA is a new way to reduce fraud and make online payments more secure, through an additional layer of authentication.

This opinion is the result of the discussions held between payment service providers, e-merchants and the various competent authorities across Europe, which showed clearly that most industry players were not ready yet to implement the new standards in their online purchase procedures by the deadline, as several major technical issues remained. The EBA opinion proposed the following course of actions:

- While EBA does not have the power to change the date of application of SCA (14 September), it offers to national competent authorities the possibility to offer a limited additional time to work with all relevant parties to migrate merchants from all sectors to SCA compliant payment solutions.
- This limited time flexibility without enforcement actions is conditional on the fact that payment service providers set up a detailed migration plan agreed with the national competent authority and that the plan is executed in an expedited manner to ensure swift compliance.
- EBA will explain before the end of 2019 what is exactly meant by “limited additional time” and when this flexibility will end and SCA be fully enforceable.

Following this opinion, several national competent authorities (e.g. Austria, Denmark, Germany, Italy, UK) have already opted to make use of this option. Moreover, the European Payment Institutions Federation gathered a group of trade associations and published beginning of August [a joint industry statement requesting the EU Commission, the EBA and the national competent authorities to agree on a harmonised pan-EU migration roadmap](#) to ensure a smooth transition across the EU (especially as many sectors rely on cross-border payments and payment solutions) and to give 18 months to the industry to migrate to SCA-compliant solutions.

Next steps:

National Competent Authorities must clarify before 14 September if they want to use this period of flexible supervision. The EBA will communicate before the end of 2019 the maximum length of this period of flexible supervision.

HOTREC position:

- *The hospitality sector is extremely dependent on the smooth processing of card non-present transactions. A smooth transition to SCA-compliant solutions for card transactions falling into the scope of the SCA requirement is therefore of the utmost importance for the sector.*

- *HOTREC stresses that SCA-compliant solutions are not yet available for hospitality/tourism businesses which need to process card non-present transactions for bookings made through various layers of intermediation. Time is therefore needed to ensure that payment service providers can identify workable technical solutions for the hospitality/tourism sector.*
- *HOTREC supports the joint industry statement in favour of a significant flexible supervision period and a harmonised pan-EU roadmap to ensure the migration to SCA-compliant solutions of all merchants.*

Platform to Business Relations: Regulation to be applied from July 2020



Following the formal adoption by the Council on 14 June 2019 of the new Regulation on Platform to Business relations, the text of the Regulation was published in the Official Journal of the European Union on 11 July 2019.

As all the formalities of the adoption are now done, online platforms will need now to make the necessary adjustments in their business models and terms and conditions to comply with the provisions of the new Regulation by 12 July 2020, the date from which it will be applicable.

The new Regulation shall bring more transparency and fairness into the relations of business users (e.g. hotels, restaurants) and online intermediaries inter alia on the following aspects:

- Clearer and more predictable terms and conditions;
- Ranking of businesses on the platforms;
- Internal dispute mechanisms to be more efficient and clearer.

Regarding rankings, the European Commission is in the process to develop additional guidelines for the platforms in order to allow for smoother and clearer application of the relevant provisions.

HOTREC position:

- *HOTREC welcomes the final adoption of the Regulation and expects a more balanced relationship between platforms and businesses;*
- *HOTREC considers the current Regulation as a good step into the right direction, however considers that still further steps are needed to further equilibrate the still unbalanced positions on the market.*

EU Emergency Travel Document approved



On 18th June 2019, the Council of the EU approved a Council Directive (([EU 2019/997](#))) establishing an EU Emergency Travel Document. Since 1996 EU citizens who have their passports stolen or lost while travelling abroad can obtain emergency travel documents at embassies or consulates of EU Member States other than their own. Lost or stolen passports make up more than 60% of the cases of consular assistance provided to EU citizens. However the old format did not meet modern security standards such as up to date

printing techniques or protection against copying by means of security holograms. As a result, some Member States stopped using them. The new EU Emergency Travel Document will be based on the format and security features of the Schengen visa sticker. Its user-friendly format will include a space for any necessary transit visa and they should be issued within seven working days (with some exceptions).

Next steps:

The Commission will need to adopt some remaining technical rules on design and security requirements. After that, the EU Emergency Travel Document will need to be published in the Official Journal of the EU and Members States will have to transpose the new rules.

HOTREC position:

- *HOTREC believes that the liberty of movement is one of the cornerstones of the EU. For this reason, measures that help to apply this principle are mostly welcome.*
- *It is very positive that travellers feel protected and have the possibility to use consular protection, when their travel documents are lost or stolen.*

Revised Visa Code shall apply in February 2020



On 12th July 2019, the revision of the Regulation of the Visa Code ([Regulation \(EU\) 2019/1155](#)) was published in the EU Official Journal of the EU. This means that Member States shall apply it from 2 February 2020. The main objective of the Visa Code 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.

HOTREC position:

- *HOTREC welcomes any visa facilitation procedure that goes hand in hand 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 (i.e. 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.*

MEP Roundtable discussion on Climate Friendly Travel



On 24 July 2019, an MEP discussion was organised by MEP Istvan Ujhelyi (S&D, Hungary), with the participation of the Maltese authorities, several MEPs, the European Commission and several European tourism stakeholders. The Maltese Minister of Tourism, Konrad Mizzi made reference to several actions promoted by his country to support sustainable tourism, while other actions initiated in Malta aim at better capturing initiatives and their effects related to climate friendly travel.

There was broad agreement on the need to take actions also in tourism to achieve the global sustainability targets. The European Commission also referred to the 'Green deal' announced by Commission President-elect Ursula von der Leyen, where all sectors would need to open-up and not lag behind. The CEO of HOTREC, Mr. Christian de Barrin, mentioned the examples of food waste reduction and energy efficiency of buildings and called for a strategic investment plan for SMEs towards sustainable tourism.

HOTREC position:

- *HOTREC and its Members are taking several measures towards limiting environmental impacts of tourism. A strategic investment plan for SMEs towards sustainable tourism would be needed to further boost sustainability actions in the sector dominated by micro-enterprises.*



New Commission guidance on unfair contract terms and Recommendations for a better presentation of consumer information



On 22 July 2019, the Commission adopted a [Guidance Notice](#) on the interpretation and application of Directive 93/13/EEC on unfair contract terms. It is meant to ensure a better understanding of the Directive and to facilitate its correct application. The guidance notice is based on the case law of the European Court of Justice. Besides, as a complement to the guidance, the Commission also published [recommendations on how mandatory consumer information as well as terms and conditions can be presented to](#)

[consumers](#). The (non-binding) recommendations were prepared with and agreed by [several European Trade associations](#) (e.g. Business Europe, SMEUnited, etc.).

The recommendations are meant to provide a voluntary tool for companies to better present and communicate to consumers online both mandatory consumer information (arising from general EU consumer law) and Terms & Conditions. They contain in annex a “Consumer Journey” which illustrates a recommended manner to present the information that must be communicated to the consumer at the different stage of purchase (e.g. ‘information to be permanently available throughout the ordering process’, information on the ‘offer’, information on the ‘product page’, information about the ‘verification of the order and checkout’, information at the stage of the ‘confirmation of the contract’).

Next steps:

The Commission encourages companies to use the recommendations to properly inform consumers about their rights.

Ministers call for a strategy for more equitable pay between men and women



On 13 June 2019, Ministers of Employment and Social Affairs adopted Council conclusions on the Gender Pay Gap ([9804/19](#)). Amongst others, it is to highlight that the Council called on Member States to:

- Improve existing measures to ensure implementation of the principle of equal pay for equal work or work of equal value, including pay transparency;
- Close the gender pay gap;
- Take measures to facilitate reconciliation of work, family and private life for both women and men.

Moreover, the Council called on Member States and the European Commission to increase efforts to ensure equal employment opportunities; develop a Commission Action Plan to improve the already mentioned principles; take measures to achieve the Barcelona objectives on quality and affordable childcare and consider introducing new targets focusing on other care needs (e.g. care for the elderly). Finally, the Council called on the European Commission to adopt a Commission Communication on gender equality strategy, to analyse the impact of gender equality and work-life balance in the context of the labour market and to follow-up on the evaluation of the provisions in the Directive 2006/54/EC implementing the principle of “equal pay” including considering amending the Directive.

HOTREC position:

- *HOTREC believes that there is enough legislation at EU and national level regarding the principle of “Equal pay for equal work or work for equal value”;*
- *Existing legislation should be enforced;*
- *54,1% of employees in the hospitality sector are women. Nevertheless, we recognise that the percentage of women in senior positions can improve substantially;*
- *EU funding, national funding and coordinated national policies should be set up to build up the necessary childcare infrastructures, after school hour programmes for children, as well as facilities for the elderly, affordable to all users, and with flexible opening schedules (that would encourage working citizens to combine work-life balance and career progression).*

Ministers reflect on new forms of work



On 13 June 2019, Ministers of Employment and Social Affairs adopted Council conclusions on the changing world of work ([9686/19](#)). In the conclusions, the Council calls for the need to ensure an effective implementation and enforcement of EU law on working conditions, safety and health, namely when workers are subject to atypical forms of work. The conclusions also invite Member States and the Commission to continue examining the impact of new forms of work on working conditions and workers health and safety and to explore how digital technology can better support employers, workers, SMEs, labour inspectorates in managing changes in work organisation (e.g. use of Online Risk Assessment tool).

HOTREC position:

- *HOTREC and its social partner counterpart EFFAT pay great attention to the way technology impacts different forms of work at the hospitality sector;*
- *The social partners will continue to monitor developments at national level based on the experience of their members.*

Social Affairs relevant legislation to enter into force in Member States



The European Pillar of Social Rights, proclaimed by the European Commission, European Parliament and the Council of the EU, on 17th November 2017, is about delivering new and more effective rights for citizens, especially in the fields of equal opportunities and access to the labour market; fair working conditions; social protection and inclusion. As a follow-up to the pillar, different pieces of legislation focusing on Social Affairs were proposed by the Commission and negotiated by the co-legislators (European Parliament and Council of the EU).

Here are the dates of the publication of relevant pieces of legislation in the Official Journal of the EU and the corresponding date of implementation at national level:

- Directive on Work-Life Balance Directive ([EU\) 2019/1158](#):
 - o Publication in the Official Journal of the EU: 12 July 2019;
 - o Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 2 August 2022;
 - o The payment or allowance corresponding to the last two weeks of parental leave need to be transposed by 2 August 2024.
- Directive on Transparent and Predictable Working Conditions in the EU ([2019/1152](#)):
 - o Publication in the Official Journal of the EU: 11 July 2019;
 - o Member States shall take the necessary measures to comply with this Directive by 1 August 2022.
- Regulation on the European Labour Authority (EU) 2019/1149:
 - o Publication in the Official Journal of the EU: 11 July 2019;
 - o The Authority shall become operational with the capacity to implement its own budget by 1 August 2021.

HOTREC position:

- *The Directives on Work-Life Balance and Transparent and Predictable Working Conditions shall be transposed at national level taking into account the specificities of the hospitality sector and the fact that 90% of the 2 million companies are micro-enterprises (therefore employing less than 10 people);*
- *Social partners shall be consulted in all stages of the procedure.*

VISA and MasterCard's commitments on interchange fees for non-EU cards made binding



On 29 April 2019, the European Commission decided to make Visa and MasterCard's proposed commitments to cap the interchange fees charged for inter-regional card transactions (i.e. transactions made within the EU/EEA with non-EU/EEA consumer debit and credit cards) binding. These commitments will result in the approximation of the costs of transactions with cards issued outside the EU/EEA with those of EU/EEA-issued cards, especially for card-present transactions.

In particular, VISA and MasterCard now committed to apply the following fees:

- For card-present transactions a maximum interchange fee of 0,2% for debit and 0,3% for credit;
- For card-non-present transactions a maximum interchange fee of 1,15% for debit and 1,50% for credit.

According to the European Commission, these commitments will reduce on average by around 40% the cost of multilateral interchange fees for payments in the EU/EEA with consumer cards issued elsewhere. These commitments are part of the EU competition case concerning interchange fees levels applied by MasterCard and Visa and which were found to be anti-competitive.

HOTREC position:

- *HOTREC welcomes the binding nature of Visa's and MasterCard's commitments on interchange fees for card-present transactions. This will result in the full alignment of such fees for non-EU/EEA cards on the regime applicable to EU/EEA cards and will result in important savings for European businesses and consumers.*
- *HOTREC however strongly questions the differentiation introduced between card present and card-non-present transactions concerning the cap on interchange fees. This differentiation does not have any objective basis and sets a dangerous and non-justified precedent, as the caps on fees for intra-EU/EEA card transactions are the same for card-present and card-non-present transactions.*

WHO's evaluation report on Action Plan on Youth Drinking and Heavy Episodic Drinking



On 27th June 2019, WHO published the 2019 [evaluation report](#) on progress made on the Action Plan on Youth Drinking and on Heavy Episodic Drinking (running until 2020). The report notes that it seems that the countries covered benefitted from the plan, as important efforts were done in the WHO European Region. But the report also mentions that better monitoring and support for implementing evidence-based policies are needed to accelerate progress. It adds that countries moved in the right direction, by increasing

regulation and establishing policies to discourage underage alcohol consumption and heavy episodic drinking. But it notes that the gains are modest.

Amongst the conclusions, it is to include:

- Reduction of heavy episodic drinking – slight increases observed in countries that used further policy options;
- Reduction of accessibility and availability of alcoholic beverages for youth – there have been increases in the legal age for purchasing spirits both on premises (from 16 to 18 years) and off-premises (both from 16 to 18 years and from 18 to 20 years) in a small number of countries. Awareness-raising activities on accessibility and availability increased slightly;
- Ensure a healthy and safe environment for youth – there has been a slight increase in community support for alcohol-free activities and settings. Regarding drink-driving, a clear majority of countries reported increase scope and intensity of activities in 2015 compared to 2010.

HOTREC position:

- *HOTREC is an active member of the Alcohol and Health Forum and continues encouraging its members to develop measures at national level to enforce age limits when serving and selling alcohol and to develop information programmes on responsible drinking;*
- *HOTREC believes that best practices sharing is a positive way to help curb alcohol related harm.*

EU celebrates 2 years anniversary of the Tartu Call for a healthy lifestyle



In an event held in Brussels on 19 June 2019, the European Commission celebrated the two years anniversary of the [Tartu Call for a healthy lifestyle](#). On this occasion, three European Commissioners took the floor, highlighting the excellent results achieved so far, which shows the Commission is using more funds, raises more awareness (e.g. €8 million have been dedicated specifically to supporting healthy eating campaigns, while the third EU Health Programme co-funds with €6 million a joint action to share best practices in

the field of nutrition between European countries) and gathers more knowledge to tackle unhealthy diets, obesity or physical inactivity (in particular through an enhanced cooperation with other EU institutions and continuous support to EU Member States and civil society), since the launch of the Tartu Call. On this occasion, Commissioners Navracsics, Andriukaitis and Hogan re-affirmed the Commission's commitment to promote healthy diet and lifestyles.

However, this two years anniversary comes at a moment when the future looks uncertain for the EU Platform on Diet, Physical Activity and Health, which is a cornerstone of the Commission's activities in favour healthy lifestyles and in which business organisations and NGOs took commitments to promote a balanced nutrition and reduce obesity. Indeed, 8 major NGOs representing the interests of consumers, patients, doctors and families announced their [resignation from the platform](#) in April 2019, considering it is not fit for purpose and calling on the European Commission to take on a more leading role to drive forward actions required to achieve the health objectives of the EU's strategy on healthy lifestyles and nutrition. Shortly after, [FoodDrinkEurope wrote to the Commission](#) to echo NGOs' worry about the diminishing political priority given to the platform by the Commission and to call for a major overhaul, although it regretted NGOs' resignation.

The European Commission acknowledged that the Platform is currently undergoing an independent assessment to see if its commitments are ambitious enough and have the potential to impact the health of EU citizens. This assessment goes hand in hand with the assessment of another similar body, the 'EU Alcohol and Health Forum'. Contrary to what was initially scheduled, the EU Platform on Diet, Physical Activity and Health has not organised yet a plenary meeting in 2019.

Next steps:

The European Commission' assessment of the Platform is currently ongoing. The next European Commission will decide on the next steps concerning the future of the Platform.

HOTREC position:

- *The European hospitality industry considers that voluntary initiatives and the sharing of best-practices are the most appropriate way forward to improve nutrition, while at the same time allowing hospitality businesses to fulfil the legitimate aspirations and expectations of their clients in terms of gastronomic diversity. HOTREC therefore supports and encourages Members' voluntary actions in favour of a balanced and healthy nutrition.*
- *HOTREC is also committed to the sharing of best-practices between stakeholders to raise knowledge about voluntary actions developed by the sector which contribute to the pursuit of a healthier nutrition and diet. HOTREC therefore regrets NGOs' decision to resign from the platform and calls on its continuation to allow an efficient multi-stakeholder dialogue on nutrition issues.*

European Commission issues a recommendation on building modernisation



On 7 June 2019, the European Commission published two Recommendation on [building modernisation](#) and [building renovation](#). The Recommendations are meant to assist Member States with the transposition of the revised [Energy Performance of Buildings Directive](#) and to provide for a uniform understanding across the EU.

Amongst others, the Energy Performance of Building Directive establishes a new obligation for new non-residential buildings and non-residential buildings undergoing major renovations with more than 10 parking spaces to install at least one recharging point for electric cars and ducting infrastructure for at least one 1 every 5 parking spaces if certain conditions are met. It also introduces a new obligation for existing non-residential buildings with more than 20 parking spaces to install by 2025 a minimum number of recharging points for electric cars. However, Member States have the option to exempt from such obligations building owned/occupied by SMEs.

Next steps:

The Energy Performance of Building Directive needs to be transposed into national law by 10 March 2021.

HOTREC position:

- *Many small hotels and restaurants do not have the financial capacities to install recharging points and ducting infrastructures in the car parks of the building they occupy. HOTREC therefore calls on the Member States to apply the optional SME exemption in their country.*

Three quarters of trips are domestic



On 27 June 2019 Eurostat published figures on tourism trips performed by EU citizens in 2017. 73% of the 1,3 billion trips were domestic, 21% to other EU countries and 6% to non-EU countries. The majority of trips were performed by car (64%) followed by airplane (17%) and train (11%). The total number of trips increased by 4% compared to 2016. Regarding the travel by air, 82% were for personal and 18% for professional reasons. 55% of the 6,4 billion nights spent were in rented accommodation, 58% of which in hotels and

similar establishments. See the [full publication](#) and [further details](#).

467 billion Euros spent by Europeans on trips in 2017

Recently, Eurostat also published figures on the spending of European during their trips in 2017. 78% of the 467 billion Euros spent on tourism trips in 2017 were spent within the EU, another 4% elsewhere in Europe and 18% outside Europe. 44% of this expenditure was made in the domestic markets. On average Europeans spent 377 Euro on the trips, with 223 Euro regarding domestic and 812 Euro regarding outbound trips. [Further details](#) on Europeans spending is available at Eurostat.



Is your country popular with tourists?



This is the title of a [new tool of Eurostat](#), where you may find information in an interactive way on the key inbound and outbound tourism figures for the EU and EFTA countries.



HOTREC GENERAL ACTIVITIES

25

Next meetings and General Assemblies

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

- 18 September (Brussels, Belgium): Launch event of the EFFAT-Food Service Europe guide for private and public client organisations on best value in contracting food services;
- 25-26 September (Skopje, Macedonia): European Alliance for Apprenticeships (EAFA). 4th regional seminar for candidate countries;
- 30 September (Brussels, Belgium): EU platform on food losses & food waste workshop on draft recommendations for actions in the food chain;
- 2 October (Brussels, Belgium): BEUC Conference: Protecting Customers' Freedom in the Digital Era;
- 9-10 October (Helsinki, Finland): European Tourism Forum: Digital Transformation as the engine of sustainable growth for the EU tourism sector;
- 17-18 October (Dubrovnik, Croatia): HOTREC's 79th General Assembly;
- 6-7 November (Zagreb, Croatia): 5th EFFAT Congress;
- 12 November (Brussels, Belgium): HOTREC event to present at the European Parliament its White Paper for hospitality in Europe;
- 12 December (Brussels, Belgium): Plenary session of the EU platform on food losses & food waste.



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