



Live from Brussels - Issue 71 - 16 July 2015

TABLE OF CONTENTS

Articles of your interest

GENERAL POLICY ISSUES

- › Interview of Ramon Estalella, Chair of the HOTREC Task Force on Shadow Hospitality Economy
- › Interview of Markus Luthe, Chair of the HOTREC Distribution Task Force

ONLINE DISTRIBUTION

- › Rate parity clauses banned in France
- › Booking.com and Expedia to implement new terms and conditions similar to the adopted commitments by three competition authorities

TOURISM

- › Meeting with a Delegation of the Tourism Committee of the German Bundestag
- › Low/medium season tourism for seniors and young people in Europe
- › European Parliament own-initiative report on tourism

NIGHT ENTERTAINMENT

- › Rome workshop: development of a new strategy and key objectives for the late-night entertainment sector

FOOD

- › Official controls: no agreement in the Council yet
- › EU Consultation on the circular economy: food waste among the many issues
- › The Parliament asks for binding targets on food waste for the hospitality sector

SOCIAL AFFAIRS

- › The Commission withdraws the maternity leave proposal
- › Alliance for Apprenticeships in full expansion
- › Parliamentary report on the EU Strategy Framework on Health and Safety at work 2014-2020
- › Creating a competitive EU labour market for the 21 century: matching skills and qualifications with demand and job opportunities

DATA PROTECTION

- › Council agrees on a general approach: formal trilogues just begun!

VISA POLICY

- › HOTREC welcomes opinion report on Visa Package!

CONSUMER AFFAIRS

- › Package Travel Directive: end of the legislative process in sight

STANDARDS

- › Developments on tourism related standardisation at ISO level

SUSTAINABILITY

- › Sustainable and competitive hotels through energy innovation – neZEH 2015

HEALTH

- › 16th plenary meeting of the European Alcohol and Health Forum

SHADOW HOSPITALITY

- › Meeting with Joanna Drake, Responsible for the Commission Task Force on the Collaborative Economy

PAYMENT SERVICES

- › Payment Services Directive II: formal adoption expected soon
- › Commission opens new competition case with MasterCard

STATISTICS

- › Economic analysis of the tourism sector

INSTITUTIONS

- › Luxembourg takes over Council Presidency for the next six months

GENERAL ACTIVITIES

- › Next meetings and General Assembly

Articles of your interest

GENERAL POLICY ISSUES

Interview of Ramon Estalella, Chair of the HOTREC Task Force on Shadow Hospitality Economy



Mr. Ramón Estalella Halffter is Secretary General of CEHAT (Confederación Española de Hoteles y Alojamientos Turísticos), the Spanish Confederation representing the interests of hotels and tourist accommodation establishments.

Mr. Estalella is also a member of HOTREC Executive Committee and the Chair of the HOTREC Task Force on Shadow Hospitality Economy, a permanent working group that has been set-up within HOTREC in order to deal with the issue of so-called "sharing economy".

HOTREC asked Ramón Estalella, as Chair of this important Task Force, to share to its views on how shadow hospitality economy is impacting the tourism sector.

1. As chair of the HOTREC Task Force on shadow hospitality economy what are your views on the impact of the sharing/shadow economy on society?

Our first reflection/thoughts should focus on trying to understand what sharing economy is in order not to be mistaken about what it really means. It is clear that collaborative economy has a number of advantages and a part of the public demands this form of travel. However, if it is not regulated in an efficient manner the collaborative economy negatively impacts on the regular economy, the loss of consumer rights, the loss of jobs etc. It also has a serious impact on the local residents as the rising prices of the apartments (both for rental and sale) in the city centres, can cause population displacement as well as a decrease on the quality of the destination.

2. On 25 June 2015, a study elaborated by EXCELTUR and Ernst & Young on the impact of the peer to peer platforms/rental platforms on the tourism sector in Spain was presented. Could you please tell us a bit about the main findings of the study?

The main findings of the study are the following:

1. Collaborative economy is no longer a marginal activity of a homeowner, it is becoming a permanent economic activity;
2. The supply of tourist accommodation through these peer-to-peer platforms has grown so much that it is currently exceeding the regulated accommodation units;
3. This type of tourist accommodation provision is concentrated in areas with high tourism demand, it is not creating a new type of demand;
4. The majority of apartments that are rented through these peer-to-peer platforms are second homes
5. The type of tourist is the same as the one who uses the formal offer;
6. The reason for selecting this type of apartment is the price and not the coexistence with locals/local community;
7. It is impacting on the price of the housing (both rental and sale) in the city centres, that is rising every year;
8. The daily contribution to the city of the tourists choosing accommodation through these rental platforms, is

- significantly lower than the contribution of the tourists using regulated accommodation;
9. The price advantage is based on the fact that this housing does not have to comply with the high standards and regulations that the formal tourism offer has to comply with;
 10. A dramatic increase in the shadow economy occurs.

3. What are the key steps taken by HOTREC to address this new and challenging issue (e.g. development of a white paper, communication strategy, etc.)

First of all we must all agree and reach consensus on the definition of this new form of accommodation and the way it should be treated by governments and Public Administrations. Then, we should be able to sensitize the society about the negative impacts of it and how to avoid these negative consequences within the rules of competition, progress and innovation. And finally, we need to reinforce the idea that the formal offer is not obsolete and is capable of serving all types of travellers while avoiding the shadow economy, creating jobs and producing quality employment.

In order to promote the hospitality industry's vision vis a vis the so called sharing economy, HOTREC Members agreed at our last meeting of 30 June 2015, to develop a white paper containing the key minimum regulatory aspects (such as registration of the activity, liability of the platforms, compliance of Schengen acquis) that in our opinion should also apply to the sharing economy operations

HOTREC Strategy paper will be issued by the end of September together with a common communication plan.

4. At the occasion of last Shadow Hospitality TF meeting which took place on June 30th in Brussels, HOTREC invited a representative of Airbnb for an exchange of views. Could you please sum up its main outcomes and tell us how you envision further developments if any?

I think it was a great meeting where each part presented its demands and the desire to find connection points and consensus. Airbnb representatives are well aware of our demands, as we are aware of theirs. We are in time to reach agreements, and they need as we do, stability aspects for the future and a regulatory framework which no doubt our Task Force would be able to find. I am pretty sure that we will find connecting points in the future, as this type of accommodation provision should be treated as a new type of lodging category different from camping's, hotels, resorts, rural accommodation.

Interview of Markus Luthe, Chair of the HOTREC Distribution Task Force



Interview of Markus Luthe, Chair of the HOTREC Distribution Task Force.

Mr. Markus Luthe is Chief Executive of the German Hotel Association (IHA) since 2005. Besides his general tasks in lobbying and networking activities, he particularly cares about quality, marketing, and distribution. On behalf of the German Hotel and Restaurant Association (DEHOGA), he is responsible for the German Hotel Classification since 1996 and since its foundation, in 2009, for the European Hotelstars Union. Mr. Luthe is a member of HOTREC Executive Committee since 2010. In 2012, he was appointed Chair of the HOTREC Distribution Task Force and is in this position the contact person of all his European colleagues on all aspects of online distribution.

HOTREC has asked Markus Luthe, as Chair of the HOTREC Distribution Task Force, to share his views on the recent developments in relation to the online distribution market.

1. What is the current state of play and what are your expectations in the competition cases on the parity clauses applied in the contracts between hotels and Online Travel Agents?

For the moment Germany and France are the only two countries to have banned parity clauses from OTA contracts. Germany in a competition case, followed by a court judgment; France through a legislative process.

Compared to the decision of several competition authorities of 21 April, which only allowed setting prices freely offline or - in other words - through 20th century distribution channels, like telephone, fax, letters, etc., the decision of the French Parliament follows the realities of current times.

Therefore, de facto the decision by the French Competition Authority is already obsolete. Additionally formal appeals haven been launched in France and Italy by HOTREC member associations.

2. Which effects do you expect on the hotel distribution market in Europe following the revised terms and conditions of Booking.com and Expedia, which were aligned to the formal commitments as adopted in France, Italy and Sweden on 21 April?

On a closer look the alleged commitments from Expedia and Booking.com just turn out as another bluff in an unspeakable

parity poker with the competition authorities.

As expressed by the European hotel industry in several occasions, this step of the rolling out of the conditions as agreed at a first glance with the French, Italian and Swedish competition authorities does not provide for a solution in restoring the entrepreneurial freedom of hoteliers of setting prices and conditions. With this move, Booking.com and Expedia rather (mis)use their market power to set the conditions on the market and hold back or at least put an additional hurdle to competition authorities across Europe to exercise an in-depth investigation of parity clauses applied.

Moreover, the new conditions sent by Booking.com and Expedia to hoteliers in Europe, differ from those commitments accepted by the three competition authorities, as these conditions do not explicitly cover "Availability parity" and "Terms & Conditions parity" as in the formal commitments.

In Germany, we immediately informed the hotels that the modified ("narrow") rate parity clauses by Booking.com and Expedia are clearly not compatible with applicable antitrust laws. Any hotel that silently accepts such anti-competitive clauses and thus makes them part of its contracts, participates itself in an infringement of German and European competition law, which might even lead to the imposition of heavy fines from our point of view. Sanctions can be escaped only through an explicit and unequivocal objection. Approximately 1000 hotels in Germany have by now formally opposed against the new Terms of Booking.com and informed us by e-mail via of having done so.

3. How do you see from a European perspective the adoption of the Loi Macron in France, which bans rate parity clauses from contracts between hotels and OTAs, together with the developments in Germany on the matter?

The adoption of the Loi Macron together with the decisions taken previously by the German competition authority and the Higher Regional Court of Dusseldorf, seriously question the relevance of the recent announcement of Booking.com and Expedia for the alignment of their terms and conditions similar to the formal commitments of 21 April.

We are confident that the ban of MFN clauses in France and Germany will sooner or later lead to a general ban of parity clauses in the whole Europe. This is what the European Commission should now take care of and accelerate the process.

ONLINE DISTRIBUTION

Rate parity clauses banned in France

On 9 July 2015, the French National Assembly adopted the 'Law Macron' which deletes any rate parity clause from contracts between hoteliers and Online Travel Agents. In addition, these contracts are now qualified as "mandate contract".

This is the first decision at legislative level in Europe to ban explicitly rate parity clauses from such contracts. Following the adoption of the law, hoteliers in France regain their entrepreneurial freedom and will be able to offer their customers any trade or tariff advantage they consider appropriate. France is thus the second country after Germany, where public authorities decide to ban rate parity clauses from OTA contracts.

This decision represents a big change in France, as it makes the commitments adopted by the French competition authority of 21 April 2015, which maintained the possibility for rate parity between hotels and Booking.com, at least from the rate parity point of view meaningless and void. It also shows that the political will to allow prices to be set freely by hoteliers appeared to be stronger than the decision taken in the competition case.

Following Germany, where parity clauses at least in the contracts between HRS and the hotels are banned by the decision of the competition authority and the court, and a similar decision is expected in relation to Booking.com soon, France is becoming the second country in Europe to have rate parity clauses banned from hotel contracts.

Next steps:

The law in France will be proclaimed in the next weeks and should be in effect from the same day.

Actions:

HOTREC issued a press release on the development in France and will continue together with its Member Associations to work towards the restoration of entrepreneurial freedom for the hoteliers in Europe.

HOTREC position

- *HOTREC welcomes the decision taken by the French senate, thus giving hoteliers finally their basic market freedom to set their prices of their own services freely on the market.*
 - *HOTREC underlines that parity clauses are anticompetitive.*
 - *The European hotel industry refuses to be restricted in its entrepreneurial freedom to market prices and conditions to offline communication tools (e.g. telephone, telefax).*
-

Booking.com and Expedia to implement new terms and conditions similar to the adopted commitments by three competition authorities

At the turn of June/July, both Booking.com and Expedia announced that they would roll-out across Europe new terms and conditions similar to the commitments as proposed by Booking.com to the French, Italian and Swedish competition authorities and as these commitments were accepted by these authorities on 21 April 2015.

However, contrary to the communication which speaks about the possibility of all hoteliers in Europe to enjoy the benefits of these commitments, the new terms and conditions as to be applied in the countries (except in the three before mentioned ones) are differing from the commitments formally taken by Booking.com. For example with regard to 'Availability parity', Booking.com formally committed in the three countries "to not enter into or enforce obligations that require accommodations to offer the same or a greater number of rooms, of any type, on Booking.com as those offered on any other OTA, or as is reserved for the accommodation itself."

However, in its new communication in the other countries Booking.com says: "Accommodation agrees to give at all times (subject to availability) some availability for all rooms and room types and is encouraged to provide Booking.com with fair access to all rooms and room types (including various applicable policies and restrictions) and rates available during the term of the Agreement (during periods of low and high demand (including during fairs, congresses and special events))."

Anyway, the application of again similar terms and conditions by the two booking giants with the requirement of still keeping the parity between the hotel and the given OTA, does not predict significant changes in the online hotel booking market. This might only happen if hoteliers would voluntarily agree to always have the highest price and the worst conditions on their own channels, which seems very unlikely. Thus it is more realistic that the status quo of the wide parity clauses would de facto remain and hoteliers would continue to be deprived from offering better offers on their own websites.

Having the decision of the German authority and court and the French legal ban of rate parity in mind, the relevance of the alignment of the terms and conditions of Booking.com and Expedia to the commitments of 21 April can seriously be questioned.

Next steps:

Booking.com's new terms and conditions are in place since 1 July 2015, Expedia plans to implement them from 1 August 2015.

Actions:

HOTREC will continue its efforts to restore complete entrepreneurial freedom for hoteliers across Europe.

HOTREC position

- *HOTREC considers that the parity clauses as applied by Expedia and Booking.com will de facto uphold the wide parity clauses as applied before, thus not providing for any significant change in the online accommodation booking market.*
- *HOTREC will therefore continue its efforts for further actions to be taken so that the basic entrepreneurial freedom of setting the prices of their own services freely by the hoteliers would be established.*

TOURISM

Meeting with a Delegation of the Tourism Committee of the German Bundestag

On 22 June 2015, HOTREC CEO was invited to meet a Delegation of the Tourism Committee of the German Bundestag in their Brussels-based liaison office.

Developed in close liaison with HOTREC Members IHA and DEHOGA, HOTREC CEO made a 20 minutes presentation promoting;

- *fair competition in the online distribution market;*
- *a level playing field in the so called sharing economy;*
- *the reduction of taxes and levies and in particular VAT;*
- *the industry's full support to the Visa code and the call for its swift adoption;*
- *The need to develop the attractiveness of our sector and its image in order to retain skilled labour forces and young people.*

An exchange of views took place on how to regulate the sharing economy and the need to further develop jobs creation and promote competitiveness. The Delegation of the Tourism Committee of the German Bundestag was very receptive to HOTREC views. A follow-up meeting could be organised in Germany.

Low/medium season tourism for seniors and young people in Europe

On 18th June 2015, DG Grow organised a workshop where tourism stakeholders met in order to exchange ideas on how to promote low/medium season tourism for seniors and young people in Europe.

The tasks of the group include:

- Assess and share good practices at EU level and adopting accessibility and quality recommendations;
- Facilitate/coordinate connectivity and the use of ICTs;
- Developing transnational senior-oriented models to be replicated at EU level, facilitating public-private partnerships and synergies with the other EU institutions.

Next steps

The next workshop will take place end of 2015 or beginning of 2016.

Actions

HOTREC will continue encouraging members to extend the season all year long. This would give companies the possibility of making more business along the year.

HOTREC position

- *HOTREC very much welcomes the goal of the working group.*
- *To extend the season would mean to create more growth and jobs to the sector and therefore help in keeping Europe as world's number one tourist destination.*

European Parliament own-initiative report on tourism

On 1 June 2015, the TRAN (Transport & Tourism) Committee of the European Parliament made available its draft own initiative report on new challenges and concepts for the promotion of tourism in Europe, prepared by the rapporteur Isabella de Monte (Italy, S&D).

On 5 July the proposed amendments were made available as well, which are now under review and discussion. Meanwhile the IMCO (Internal Market and Consumer protection) Committee also issued its proposals of amendments on 25 June, with a view to submit an opinion to the TRAN Committee.

The report and the amendments touch upon lots of different topics of concerns to the European hospitality industry, including issues such as the sharing economy, digitalisation, safety, quality, sustainability, accessibility, Visa, etc. It will need to be seen how these aspects will be presented in the final report to be adopted probably in autumn in the EP plenary, but views on most topics seem to diverge, where compromises will need to be found and constraints of microenterprises taken into consideration..

The TRAN draft report is available [here](#)

The IMCO draft opinion is available [here](#)

Amendments to the draft TRAN report and IMCO opinion are available here: [TRAN IMCO](#)

Next steps:

The European Parliament's TRAN and IMCO Committees will consider the respective 351 and 105 amendments put forward to the report probably in September and the final vote on this Parliament report might be expected still this autumn.

Actions:

HOTREC already put forward several amendments to the report, which were officially presented by several MEPs. HOTREC will analyse all the amendments put forward and will contact MEPs to discuss them.

HOTREC position

- *HOTREC welcomes the own-initiative report of the European Parliament, which is touching upon many different aspects affecting tourism.*
 - *HOTREC will be working towards having a balanced report adopted by the European Parliament, to ensure that the development of a sustainable tourism policy well takes into consideration the constraints of all players alike so that the potential market growth benefit all SMEs and microenterprises alike.*
-

NIGHT ENTERTAINMENT

Rome workshop: development of a new strategy and key objectives for the late-night entertainment sector

On 16 June 2015, HOTREC and Silb-Fipe organised a workshop on late-night entertainment in Rome. The aim of the workshop was, amongst others, to set key objectives and develop a new strategy to develop this market in a sustainable and responsible manner. Participants to the workshop exchange views on the challenges and opportunities that the sector face as well as on different policies that directly have an impact on it, such as alcohol, security and safety, sharing economy issues, etc.



Together with defining the future strategy for the sector, a few objectives were set up including the development of a few data and figures to better promote the value of the sector to the EU economy and society. In addition, a round table of best practices by HOTREC national associations was also organised. This session represented an opportunity for the associations to present the best practices that they develop in different areas: alcohol policy, digitalisation, closing time of establishments, etc.

For more information follow [link](#).

Actions:

The new strategy on late-night entertainment will be presented during the next HOTREC General Assembly to be held on 5 and 6 November 2015 in The Hague, The Netherlands.

Beyond the development of a concrete definition of the sector, the following have been agreed: working on quality nights, a label developed by VAD (governmental organisation that fights drug and alcohol abuse) with the support of HORECA Vlaanderen further promote the industry's commitment to responsible drinking; safety and security of establishments and collective bodies.

HOTREC position:

- *Late night entertainment is a key component of tourism in Europe;*
- *Late night entertainment is a part of the European culture and model of society;*
- *Late night entertainment is a net contributor to the European economy;*
- *Late night provides with a large number of jobs.*

For this reason, HOTREC calls on the public authorities to recognise the added value of this sector.

FOOD

Official controls: no agreement in the Council yet

Despite the Latvian Presidency's strong expectations, the relevant Council's working party could not reach an agreement on the Official Controls Regulation.

As a result, the Latvian Presidency of the EU did not requested a formal mandate from the COREPER. This means that the various pending issues, including the question of inspection fees in restaurants, remain open for discussion under the next Presidency.



Next Steps:

The new Luxembourgish Presidency of the EU will take over the file and lead the discussions in the Council. The calendar of meetings of the Presidency on this issue is still unknown.

Actions:

HOTREC will continue to monitor the issue.

HOTREC members should continue to lobby their governments against an EU obligation to charge control fees in restaurants.

HOTREC position:

- *HOTREC considers that one-size-fits-all binding targets will not solve the issue of food waste and would ignore the specificities of the hospitality industry.*

SOCIAL AFFAIRS

The Commission withdraws the maternity leave proposal

On 1 July 2015, the Commission decided to withdraw its 2008 proposal on the maternity leave.

As announced in January 2015, the co-legislators (Council and Parliament) would be given a period of 6 months to reach an agreement on this. Since no agreement has been reached by the EU institutions, the Commission has officially withdrawn this so-called maternity leave dossier that has been stuck in the legislative process since 2008.

Next steps:

- The Commission will present in the coming months a road map followed by the launch of a public consultation to gather the views of the stakeholders, in particular, of the social partners on the whole issue of the maternity leave;
- On the basis of this road map and of its previous 2008 proposal, the Commission will present a broader initiative in its 2016 work programme.
- The new initiative will take account of the developments in society over the past decade.

For more information please follow [link](#).

Actions:

HOTREC will send its comments to the public consultation.

HOTREC position:

- *HOTREC would welcome a new initiative that takes into account the developments in society in the past decade;*
- *HOTREC supports measures on work-life balance and protection of working women who are pregnant, have recently given birth or are breastfeeding;*
- *Nevertheless, HOTREC is of the opinion that an excessive regulation in this area will add financial costs and additional burdens to SMEs.*

Alliance for Apprenticeships in full expansion

On the occasion of a meeting of Ministers in charge of vocational education and training, the European cross-sectoral social partners and the Commission, organised by the Latvian Presidency on 22 June 2015, more than 40 companies and other organisations joined the European Alliance for Apprenticeships. The companies will make up a total of 140 000 apprenticeships and training opportunities available to young people. By joining the Alliance the organisation commits to contribute to better quality, supply and/or image of the apprenticeships.



Together with these companies, 2 EU member States (Italy and the Czech Republic); EFTA countries (Norway and Switzerland) and candidate countries (Albania, Montenegro and Turkey) have also joined the Alliance. Up to 31 countries are members of the Alliance and 26 of them have already submitted concrete [national commitments](#) to develop the apprenticeships schemes.

The European Alliance for apprenticeships is a multistakeholder platform that brings together public authorities, chambers of commerce, industries and crafts, businesses, social partners, education and training providers, regions, youth and non-

profit organisations, think tanks and research institutes. The platform aims at strengthening the supply, quality and image of apprenticeships and also includes initiatives to improve the mobility of apprentices across Europe.

Next Steps:

- The Commission will continue to strengthen this alliance by gathering more organisations and the remaining EU Member States.

HOTREC Position:

- *HOTREC fully welcomes this Alliance as a way to fight unemployment and ease the transition of young people into the job;*
- *HOTREC would welcome that the Commission and the Member States support the SMEs, in particular, micro-sized companies to become part of the apprenticeships alliances.*

Parliamentary report on the EU Strategy Framework on Health and Safety at work 2014-2020

The European Parliament Committee on Employment and Social Affairs is currently developing an own initiative report on the EU Strategic Framework on Health and Safety at the workplace 2014-2020.

The Rapporteur is MEP Ole Christensen (S&D, Denmark). The Parliamentary report is based on the new "EU Strategic Framework on Health and Safety at Work 2014-2020 " issued by the European Commission on 6 June 2014.

In his report, the Rapporteur stresses the importance of ensuring a safe and healthy working environment. In his opinion European Occupational Safety and Health (OSH) strategies contribute positively to the development of OSH strategies at national level.

In the case of micro and small companies, the Rapporteur emphasizes the importance of taking account of their specific situation and needs and encourages the Commission, EU-OSHA and the Member States to continue developing practical tools and guidelines, which improve the compliance of SMEs with OSH requirements.

MEP Olensen also calls on social partners to draw up initiatives to upgrade the skills of health and safety representatives and managers.

Next steps:

The report will be voted in the EP Plenary on 10 October 2015.

Actions:

- HOTREC replied to the consultation on the future EU occupational health and safety (EU-OSH) strategy.
- To forward a comprehensive reply to the Commission, HOTREC gathered previously the answers from its member associations.

HOTREC position:

- *HOTREC welcomes the revision of the EU Strategic Framework on Health and Safety at Work 2014-2020 and fully agrees with the Commission and the Parliament on the need to take into account the specific needs of the micro and small companies in order for them to comply with OSH requirements in an easier and less bureaucratic way.*

Creating a competitive EU labour market for the 21 century: matching skills and qualifications with demand and job opportunities

On 30 June 2015, the Parliamentary own-initiative report on "Creating a competitive EU labour market for the 21 century: matching skills and qualifications with demand and job opportunities as a way to recover from crisis" was issued. The Rapporteur of this dossier is Martina Dlabajová (EPP, Czech Republic).

On her report, MEP Dlabajová stresses the fact that unemployment continues to be one of the main challenges in the EU. She also analyses the main challenges that the labour market is currently facing like the presence of skills mismatches, a low labour mobility, problems of ageing society, strong digitalisation, etc.

To overcome all these barriers, Ms. Dlabajová calls on the Commission and the Member States to develop measures in different areas, such as:

- Using investments to actively support job creation and employability;
- Fostering a competitive EU labour market. To this end, she makes reference to European initiatives such as ESCO,

- the EURES portal, the European Alliances for Apprenticeships; the European Skills Passport, etc
- Anticipating future skills needs: In order to anticipate future skills needs labour market stakeholders including employer and employees organisations and education and training providers must be involved at all levels;
 - Fostering work-based learning apprenticeships and vocational training systems;
 - Developing further dual education and training programmes that combine theory with practical training as a key element in developing skills and competences that respond to the real labour market needs;
 - Fostering entrepreneurial education from an early age and entrepreneurial training at all levels.

MEP Dlabajová also emphasizes the fact that 99% of European companies are SMEs which are key to creating employment. She stresses the importance of basing EU legislation on the "Think small first" principle in order to remove bureaucratic obstacles to which SMEs are confronted and that stop them to achieve their full job-creation potential.

Ms. Dlabajová also asks for the need for special measures and support for employers, in particular SMEs, to help them to enhance quality and sustainable employment.

For more information, please follow [link](#).

Next steps:

The report will be voted by the EP Plenary on 7 September 2015.

Actions:

HOTREC is actively cooperating with the European Commission in the development of many initiatives that intend to overcome skills mismatches and foster labour mobility: Hospitality Skills Passport, ESCO taxonomy for the tourism sector; research to analyse the mapping and performance check of the supply side of tourism and training, etc.

HOTREC position:

- *HOTREC fully welcomes and supports MEP Dlabajová report;*
 - *The hospitality sector is composed in its vast majority of SMEs;*
 - *The hospitality sector gives employment to more than 10 million people in Europe;*
 - *Supporting SMEs and removing the bureaucratic obstacles that SMEs face is key for the sector to continue creating quality and quantity employment.*
-

DATA PROTECTION

Council agrees on a general approach: formal trilogues just begun!

On 15th June 2015, the Council reached a general approach on the General Data Protection Regulation (9398/15).



The main elements of the Council proposal are:

- Data Controllers (those responsible for processing data) must implement appropriate security rules and, without undue delay, notify personal data breaches to the supervisory authority as those significantly affected by the breach;
- Data Protection officers are not compulsory, except if required by Union or Member State Law;
- Data controllers must respect specific rules, such as the requirement for unambiguous consent by the data subject (client);
- Data controllers must be more transparent about how personal data is handled;
- Right to erasure and right to be forgotten, enabling anyone to require that the service provider removes, without delay, personal data collected;
- Data subjects can lodge a complaint with a supervisory authority or seek judicial remedy in cases where data protection rules are not respected. Data Controllers face fines of up to €1 million or 2% of their global annual turnover;
- To ensure improved legal redress – data subjects will be able to have any decision of their data protection authority reviewed by their national court, irrespective of the members state in which the data controller is established;
- Data controllers can define risk levels and put in place measures in line with those levels;
- In important transnational cases, where several national supervisory authorities are involved, a single supervisory decision should be taken (one-stop-shop mechanism);
- Transfers of personal data to third countries is ensured through adequacy decisions issued by the European Commission. In cases where no such decisions are taken, the transfer of personal data may only take place if appropriate safeguards (standard data protection clauses, binding corporate rules, contractual clauses) are in place.

The first informal trilogue between the European Commission, European Parliament and the Council took place on 24th June 2015. During the trilogues an agreement between the Parliament and the European Parliament needs to be found.

Next steps:

- Formal trilogues to start on 14th July 2015 onwards.

Actions:

- HOTREC to continue its lobbying activities vis-à-vis the Latvian Permanent Representation, rapporteur and shadow rapporteurs;
- HOTREC members to continue their lobbying activities (by informing ministries at national level and Permanent Representations in Brussels) about HOTREC position;

HOTREC position

- *HOTREC position for the trilogues: [link](#)*
 - *HOTREC welcomes the risk based approach presented by the Council and the fact that a Data Protection officer is not mandatory, unless this is required by Union or Member State Law;*
 - *HOTREC defends that the processing of personal data for the purpose of direct marketing for own or similar services should be presumed as carried out for the legitimate interest of the controller;*
-

VISA POLICY

HOTREC welcomes opinion report on Visa Package!

On 14th July 2015, the opinion report of MEP UJHELYI on the [Visa Code recast](#) and on the [Touring Visa](#) were presented at the European Parliament during the TRAN committee.

Regarding the Visa Code recast, MEP UJHELYI defends that more flexible visa rules will boost growth and job creation.



More concretely, MEP UJHELYI is of the opinion that the following improvements are needed:

- Documents referring to accommodation or evidence of sufficient means to cover the accommodation shall be referred to in Annex II;
- More flexibility in Member States' competences on visa application and better consular cooperation;
- Stronger facilitation for applicants registered in the Visa Information Service (VIS);
- Multiple Entry Visa (MEV) should be issued for a longer period (at least 5 years up to 10 years);
- Seafarers should be able to apply for a visa at the external border of the Union.

Regarding the Touring Visa opinion MEP UJHELYI acknowledges that there is a gap in the legislation for travellers that are willing to stay for more than three months in Schengen (students, researchers, culture professionals, pensioners, business people, and service providers). The Rapporteur calls on the continuous monitoring and evaluation to support its implementation.

On 17th June 2015, a hearing on the Visa Package was organised by the LIBE committee. On this occasion, NET – the Network of the European Private Sector in Tourism, participated as a speaker and explained NET position on the file. On 24th of June 2015, the Intergroup on Tourism, under the leadership of MEP Tapardel and the Tourism Task Force, led by MEP UJHELYI also organised an event in order to exchange ideas on the state of play of the file with the stakeholders. NET participated to the event and had the opportunity to explain its position once again.

Next steps:

- 8th September 2015 – deadline for amendments on the opinion report;
- 13th October 2015 – vote of the opinion at TRAN;
- September 2015 – LIBE committee to present the draft report.

Actions:

- HOTREC to continue its lobbying activities vis-à-vis the rapporteur, shadows, other MEPs of LIBE and TRAN committee;
- HOTREC to continue lobbying the Permanent Representations in Brussels;
- HOTREC members to continue their lobbying activities (by informing ministries at national level and Permanent Representations in Brussels) about HOTREC position;

HOTREC position

- *HOTREC position on the Visa Package: [link](#);*
 - *HOTREC fully supports the Visa Package as a way to help Europe keep its position as world's destination number one;*
 - *Reinforced consular cooperation, an extension of the definition of the VIS registered regular traveller; not to make the proof of accommodation compulsory; making the deadlines to issue a visa shorter; not presenting medical insurance are some of HOTREC and NET priorities on the file.*
-

CONSUMER AFFAIRS

Package Travel Directive: end of the legislative process in sight

On 28 May 2015, the Competitiveness Council endorsed the trilogue agreement which was reached a few weeks before with the European Parliament on the Package Travel Directive.



As a result, and as expected, the IMCO (Internal Market & Consumer Protection) Committee of the European Parliament also endorsed unanimously and without debate the agreement on 4 June 2015.

The agreement provides that transfers between a hotel and an airport/railway station, as well as sauna, gym and swimming pool services provided inside hotels will be considered as part of the accommodation service, therefore never generating a package by themselves. Moreover, services added after the guest arrival, or after an initial booking for a stand-alone accommodation was made will not be considered as a package neither, while other services booked together with accommodation but representing less than 25% of the total price will not be considered as a package neither. These novelties should limit the impact of the new Directive on hotels.

Next Steps:

The plenary session of the European Parliament will adopt the trilogue agreement in October 2015, and should be followed shortly by the Council, therefore marking the end of the legislative process.

Actions:

- HOTREC will inform its members once the Directive will be formally adopted.
-

STANDARDS

Developments on tourism related standardisation at ISO level

On 21-22 May 2015, ISO Technical Committee 228 on tourism related standardisation held its plenary meeting.

On the margin of the meeting the Technical Specification providing Guidelines on developing environmental specifications for accommodation establishments was finalised and it will be published probably in the summer 2015. This technical specification was mainly developed to provide emerging environmental schemes with orientation in setting-up their own specifications.

The standard on wellness spas is planned to be published as well in the coming months. HOTREC, as done on several previous occasions, again stated that although accommodation and catering services are not covered by this standard, but only the wellness spa activities, it never supported the standard and has never seen any need to standardize any subservices provided by hospitality establishments.

A new potential proposal on sustainability management systems for accommodation establishments was presented to the meeting. The basis of the standard would be the relevant national Brazilian standard, which has been in place in the country for around 6 years.

With regard to ISO TC 290, the Committee dealing with Online reputation, first exchanges of views have started on the elaboration of an international standard on online reviews, based on the French standard. The first physical meeting of the Working Group will follow in September.

Next steps:

ISO Technical Committee 290 will meet on 21-24 September 2015 in Beijing to continue discussions on the standard on online reviews.

Actions

HOTREC put forward some initial comments to the standard on Online reviews and will further contribute to the discussions along its Benchmarks of Fair Practices in Online Distribution.

HOTREC position

- *The vast majority of the European hospitality industry does not see the need for the development of formal standards falling under the scope of the services provided.*
-

SUSTAINABILITY

Sustainable and competitive hotels through energy innovation – neZEH 2015

On 24 June 2015, a high level conference on sustainable and competitive hotels through energy innovation was held in Nice. This conference was organized in the framework of the European project neZEH (nearly Zero Energy Hotels), co-funded by the European Commission under the Intelligent Energy for Europe Programme and gathering a consortium of 10 partners from 7 European countries.



The nearly Zero Energy Hotels 2015 conference -neZEH 2015- offered a unique forum for attendees from the tourism and hotel sector, sustainable buildings and energy efficiency professionals, EU policy makers, representatives from national, regional and local authorities, as well as other interested stakeholders in order to exchange views and discuss on the opportunities of energy innovation as means to enhance sustainability and competitiveness in the hotel sector.

HOTREC CEO, Christian de Barrin participated as key note speaker under the panel "Towards Nearly Zero Energy Buildings in Europe: opportunities "for the hotel sector". HOTREC CEO communicated both the challenges and opportunities that hoteliers face when undertaking energy efficiency measures in their establishments, in particular for old and heritage buildings. He also referred to a series of best practices that HOTREC associations are developing at national level in order to support hoteliers to improve the energy efficiency of their buildings.

For more information follow [link](#).

Actions:

HOTREC will continue to support initiatives in the area of energy efficiency and sustainability in order to show the commitment of the hospitality industry with sustainable tourism.

HOTREC position:

- *HOTREC will continue to gather best practices developed by national associations in the area of sustainability and energy efficiency;*
 - *The hospitality industry is strongly committed to sustainability and energy efficiency;*
 - *Sustainability is in the benefit of all and a win-win situation as at the end it also reduces costs.*
-

HEALTH

16th plenary meeting of the European Alcohol and Health Forum

On 18th May 2015, took place the 16th plenary meeting of the European Alcohol and Health Forum.

On this occasion Commissioner Andriukaitis (responsible for the portfolio of Health and Food) addressed Forum members and emphasised the need for a holistic approach to reduce premature deaths related to alcohol misuse.



But he made it clear that alcohol-related harm would not be treated in a separate strategy, but would instead be called "risk factor" in a wider strategy to tackle chronic diseases. In this sense, alcohol, tobacco, nutrition and physical inactivity would be dealt with in the same plan. The Commissioner also highlighted the importance of the Forum and of the actions being taken by members to decrease alcohol related harm.

The Forum was also an occasion for HOTREC, Brewers of Europe, Wine in Moderation, Spirits and EUROCOMMERCE to present joint best practices developed at national level on underage drinking. The examples of the Community Action programme (UK) and Shuju (Germany) were given.

Next steps

Action/plan to be presented by the Commission on chronic diseases possibly in 2016.

Actions

As part of its commitment to the Alcohol Forum, HOTREC organised together with its Italian Member SILB-FIPE a workshop, on 16th July 2015 on late night entertainment, at Rome. During the workshop HOTREC encouraged members to develop voluntary measures at national level with a focus on responsible drinking. Best practices developed at national level to curb alcohol related harm have been shared amongst HOTREC members.

Moreover, and following-up the partnership signed between HOTREC and Wine in Moderation, since 2012, to encourage action at national level that promotes responsible and moderate consumption, SYNHORCAT – Syndicat National des Hôteliers, Restaurateurs, Cafetiers et Traiteurs has established with Vin & Société, on 1st June 2015, a crucial partnership. The main aim is to disseminate training material [available online](#) to help future professionals and prescribers of the wine industry, hotel and restaurant to fully understand and endorse moderate and responsible consumption patterns.

HOTREC position

- *HOTREC fully supports the EU Alcohol Strategy 2006-2012 and is for this reason an active member of the European Alcohol and Health Forum;*
 - *HOTREC calls on its members to enforce national legislation on the age limits;*
 - *HOTREC also encourages its members to develop information and education programmes on responsible drinking.*
-

SHADOW HOSPITALITY

Meeting with Joanna Drake, Responsible for the Commission Task Force on the Collaborative Economy

On 9 July 2015, HOTREC Secretariat met Ms. Joanna Drake, European Commission Responsible for the Task Force on the Collaborative Economy. Ms. Drake took her position only one month ago.

DG Grow – Tourism Unit – has set up this Task Force in order to analyse and extract conclusions on the development of the collaborative economy and its impact on the tourism sector. The first meeting of the Commission working group that is not opened, for the moment, to the external stakeholders, took place on 30 June 2015.

HOTREC CEO presented the hospitality sector views on the collaborative economy. He insisted on the fact that compliance with regulations come at a high cost to the formal tourism sector companies, but ensure at the same time safety and security of consumers. In this sense, he stressed the need to ensure a level playing field for all the actors in the tourism sector.

Christian de Barrin announced to the Commission civil servants that HOTREC national associations had agreed at its last meeting of 30 June 2015 to develop a white paper that will unveil the hospitality sector strategy on the issue of the collaborative economy. HOTREC Strategy paper that will make reference, amongst others, to the key minimum regulatory aspects that should apply also to the collaborative economy operations, will be issued by the end of September together with a communication plan.

Ramón Estalella, Chair of the HOTREC Task Force on Shadow Hospitality Economy will participate as a speaker at the Next European Tourism Forum on the panel on tourism digitalisation – The Sharing Economy in the hospitality sector – and will share HOTREC views on this phenomenon. The ETF will take place on 17 and 18 September 2015 in Luxembourg.

PAYMENT SERVICES

Payment Services Directive II: formal adoption expected soon



On 4 June 2015, the COREPER in the Council approved the [text of the trilogue agreement](#) reached with the European Parliament on the Payment Services Directive II.

The Directive covers various issues (e.g. regulation of new entrants on the payment market, supervision, security standards for online payments, surcharging, etc.). Concerning surcharging, the text allows to surcharge non regulated payment cards, unless Member States ban surcharging at national level.

Next steps:

The plenary session of the European Parliament is expected to officially adopt the agreement this autumn, which would allow the Council to officially adopt the new Directive shortly after.

Commission opens new competition case with MasterCard

On 9 July 2015, the European Commission sent a new [Statement of Objections to MasterCard](#).

A Statement of Objection is a formal step in anti-trust investigations which informs the addressee of the legal concerns the Commission has concerning a possible violation of EU competition law. The Statement of Objections concerns two issues:

- MasterCard's rules on cross-border acquiring: the Commission's preliminary view is that MasterCard's rules constitute an anticompetitive business practices, as they prevent banks from offering lower interchange fees to retailers based in another Member States. This prohibition of competition on cross-border acquiring leads to higher prices for retailers and consumers.
- MasterCard's inter-regional interchange fees: the Commission considers that the very high level of fees paid by an acquiring bank for transactions made in the EU with a MasterCard card issued outside the EEA area is not justified and actually raises artificially the price of processing transactions.

Next steps:

MasterCard will have to reply in writing to the Commission's statement of objection and can request an oral hearing to present its comments. Once this phase is completed, the Commission will decide if MasterCard's answers are satisfying or if MasterCard's practices violate EU competitions rules.

Actions:

HOTREC will monitor the developments and inform its Member Associations accordingly.

HOTREC position:

- *HOTREC welcomes the Commission's statement of objections and considers that competition on cross-border acquiring should be facilitated and that the level of MasterCard's inter-regional interchange fees are unjustified.*
-

STATISTICS

Economic analysis of the tourism sector

Eurostat published an economic analysis of the tourism sector:

Tourism industries - economic analysis: It relates to 2012 figures saying inter alia that 1 out of 10 enterprises in the non-financial economy belonged to the service sector. More than three out of four enterprises in the tourism industries operated in accommodation or food and beverage serving activities: 12 % and 66 % respectively. Looking at the number of persons employed, the weight of these activities was also 78 % of all persons employed in the tourism industries.

INSTITUTIONS

Luxembourg takes over Council Presidency for the next six months

From 1st July 2015, Luxembourg will be holding the six-month rotating presidency of the Council of the EU.

Some of the **priorities** related with the hospitality sector are the following:

- finalising the EU data protection reform for the proper functioning of the single market;
- focusing on social investment and, in particular, on investment in human capital;
- ensure that the 'Think Small First' principle is applied systematically so that all European Union policies encourage the development of SMEs;
- Luxembourg intends to place the fight against fraud and tax evasion in a global context and ensure fair competition.

HOTREC position:

- *HOTREC welcomes the Luxembourg priorities and wishes the Council Presidency all the success for the six months to come;*
 - *HOTREC also hopes that the visa package will advance swiftly during this period;*
 - *Overall, it is important that Tourism remains at the centre of the EU policy making.*
-

GENERAL ACTIVITIES

Next meetings and General Assembly

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

- 23 July 2015: Meeting DG Employment, Social Affairs and Inclusion: Christian de Barrin and Isabel Sobrino will meet the Commission civil servants to exchange views on the issue of work-based learning, apprenticeships and the European Alliance for Apprenticeships.
- 8 September 2015: HOTREC President, Susanne Kraus-Winkler and HOTREC CEO, Christian de Barrin, have set-up a meeting with Slawomir Tokarski, Acting Director DG Grow, in order to reinforce HOTREC/European Commission cooperation in the field of tourism.
- 9 September 2015: HOTREC CEO, Christian de Barrin, will meet EPCAS (European Catering Association) Board Member, Charles van Goch.
- 10 September 2015: NET meeting: NET Members will discuss common priorities in the area of tourism
- 15 September 2015: HOTREC and UEAPME organise a joint high-level SME event which will focus on the issues of digitalisation and sharing economy. The meeting will be hosted by MEP Karas (EPP, Austria), Chair of the SME Intergroup, and MEP Tapardel (S&D, Romania), Chair of the Tourism Intergroup.
- 17 -18 September 2015: The European Tourism Forum will take place in Luxembourg. Ramón Estalella, HOTREC Chairman of the Task Force on the shadow hospitality economy will participate as speaker to the panel on tourism digitalisation — The sharing Economy in the hospitality sector. Jean-Marc Banquet d'Orx, Chair of the HOTREC Sectoral Social Dialogue Committee will participate as a speaker as well to the panel on skills. HOTREC President, Susanne-Kraus-Winkler and HOTREC CEO, Christian de Barrin will also participate to this event.
- 1 October 2015: HOTREC and EFFAT will hold its Sectoral Social Dialogue Committee meeting in order to exchange views and agree on important social affairs issues impacting the hospitality sector.
- 15 October 2015: HOTREC will hold its first Restaurant and Pub Task Force. One of the main points of discussion will be food waste.

The next HOTREC General Assembly, the 71st will be held in The Hague, the Netherlands on 5 and 6 November 2015.

Pencil your agenda: HOTREC 72th General Assembly will take place on April 28 & 29 in Bratislava.
