



## Members of HOTREC National Associations ONLY

Key EU developments  
and positions of the  
hospitality sector

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## General Policy Issues

### Interview with Ms. Claudia Tapardel, Member of the Transport & Tourism Committee



MEP Claudia Tapardel is a Romanian MEP from the S&D group. She is an active member of the European Parliament TRAN (Transport & Tourism) Committee and the Chairperson of the parliamentary intergroup on the "Development of European Tourism, Cultural Heritage, Ways of Saint James' and other European Cultural Routes". HOTREC asked MEP Tapardel to share her views about the European Parliament's priorities for the year 2018 on tourism and this legislature's legacy on tourism as well as about what should be prioritised in the next European Parliament term.

#### 1) With 2018 at its start, what are the priorities of the Tourism intergroup of the European Parliament for this year?

The members of the Tourism Intergroup subscribe to the belief that **sustainability is the only way forward** and that tourism needs to bring not just economic benefits, but it has to also protect the environment and communities. Consequently, our projects and activities for the coming years are extremely diverse, but generally following three main objectives.

The key issue for us remains to have in place a **European Strategy for Tourism**, which could align the objectives of all member states and regions for the long term. The critical aspect is having a **separate budget line for tourism** and be able to finance projects independently from other policies of the EU. Tourism is not a side element of regional development or culture, it is a proper policy that deserves the attention - and resources - of policy makers in Brussels and beyond.

An EU Strategy would allow a coordinated approach to tourism, beginning with identifying untapped resources and markets. My belief is that the future of EU tourism depends on promoting **alternative locations** - the ones I like to call the **hidden jams** - which are perhaps unknown for the time being, but which are equally beautiful as other more famous ones. As a Romanian MEP I can tell you, for example, that my country has lots to offer, from the sandy shores of the Black Sea to the ski resorts and well-preserved villages in Transylvania. But this is not just Romania; all over Europe there are many places that simply haven't been discovered yet, but that, once marketed properly, could become tourist attractions. And this was precisely my goal with one of the pilot projects I submitted in 2017 and will receive finance for implementation this year. In the context of continued growth - and much of it coming from Asia - I believe we have a real chance now to redefine European tourism as more than just a trip Paris and Rome - two beautiful, but oversaturated cities - but as a journey through real European diversity.

Promoting different regions requires however that we look again at the issue of **connectivity**. How are we going to get tourists from one country to another or from capital cities to remote areas? This question might be easy to answer in some parts of Europe, but challenging in others. Also, how do we cater for the growing expectations of visitors? The profile of the modern traveller is very complex, with a strong emphasis on immediate access to information. To reconcile all these expectations, I think it is crucial we invest in **innovation and digitalisation**.

We need new and bright ideas to bring new life into the services that we offer in tourism. We talk about the single market, but can we really have seamless travel with a ticket for all modes of transport, all of this available just a click away? This is just one of the ideas I have worked on in my capacity as Co-Chair of the Tourism Intergroup, and will continue to do so, particularly under the umbrella of the new event concept I launched last year in Madrid - **Connecting Europe through Innovation**. This year, on 17 May I intend to bring all key players in the mobility and



tourism sectors to Bucharest to discuss - in the presence of Commissioner for Internal Market, Industry and SMEs, Elzbieta Bienkowska, about what technology can do for connectivity and travel services, especially from the angle of integrating ICT into physical infrastructures and creating the right regulatory framework for the ever-growing collaborative economy. <sup>4</sup>

The third objective for the next years refers to people. One of the key challenges for tourism is the **lack of qualified work force**, which is very much connected to the fact that people tend to see tourism jobs are temporary, at best as merely a stepping stone towards something better. To change this misconception, we need to show that hospitality jobs can become a gratifying career, with real benefits. My view is that one way to do this is by investing in a **European Academy for Tourism**, where those interested in this field can acquire real skills and be able to offer the services that will allow Europe to remain the number one destination in the world. And by skills I do not mean just those associated with managing an accommodation or serving guests, but also digital skills, in tune with the rapid digitalisation of the sector that we are currently witnessing.

**2) The next European elections and renewal of the European Parliament will take place in less than 16 months. In your opinion, what can already be said about this Parliament's legacy on tourism ?**

To answer this question let me begin by stating some facts.

During this legislature, a few colleagues and I created the **Intergroup for Tourism Development and Cultural Heritage**, the very first in the history of the European Parliament. We are now more than 140 members from all countries and political groups, and our aim is to show particularly to the European Commission and other colleagues in Parliament that tourism is more than leisure; it is a fully-fledged policy topic that deserves to be at the top of the EU agenda. Since 2014 we have developed countless actions and projects that approach tourism in connection with connectivity, regional development, transport, culture and skills and professional development.

Secondly - and also for the first time in the history of this House - several MEPs, including myself, have teamed up with tens of tourism organisation from Europe to create the Tourism Manifesto, a pact by which all of us who believe in tourism seek to communicate in a very coordinated manner about the challenges and opportunities of tourism, be that related to digitalisation, skills or overcrowding. The Manifesto members are now extremely active at EU level, the key goal being to develop a dedicated EU Tourism strategy with clear aims, objectives, indicators and actions, starting with a dialogue between stakeholders and EU institutions.

Lastly, I would also like to bring up another premiere which I consider exceptional. Last year, on 27 September, the European Parliament celebrated for the first time the World Day of Tourism. Together with President Antonio Tajani, I succeeded in bringing under the same roof eight Commissioners, Ministers and representatives of national administrations from all over Europe, the Presidents of the Committee of Regions and the Social and Economic Committee, as well as hundreds of stakeholders. It was a unique moment when the industry spoke with one voice and the EU began to listen.

I believe all these are prime examples of what constitutes the legacy of the Tourism Intergroup after its first four years of existence. We started from almost nothing, but we take pride in creating real momentum for an industry which few believed could have any contribution to the European economy. Most importantly perhaps, we have coagulated a critical mass of stakeholders, policy makers and officials, who are now committed to keep the ball rolling and make tourism a priority for EU institutions.



## Digital Issues

### European Commission launches Blockchain Observatory and Forum

On 1 February 2018, the European Commission announced the [launch of the EU Blockchain Observatory and Forum](#), with the support of the European Parliament. It will highlight key developments of the blockchain technology, promote European actors and reinforce European engagement.

Blockchain technologies store blocks of information increasing trust, traceability and security in systems that exchange data. As they are freely accessible, they may be in a position to remove the need for middleman in transactions. European innovators and entrepreneurs are already offering blockchain-based solutions e.g. in the banking, insurances or logistics sectors. Some startups have already started developing blockchain based systems for various other industries, including the hospitality industry.

The EU Blockchain Observatory and Forum will provide for a platform for mapping relevant initiatives and share experiences on blockchain. The EU has been funding blockchain projects through the EU research projects and Horizon 2020 since 2013.

## Consumer Affairs

### Geo-blocking prohibition definitively adopted by the European Parliament

On 6 February 2018, the European Parliament definitively endorsed the agreement reached in trilogue on the proposed Regulation on geo-blocking. The future Regulation will prevent discrimination for consumers and companies on access to prices, sales or payment conditions when buying products and services in another EU country.

Traders will not be able to discriminate between customers with regard to the general terms and conditions –including prices - when the trader provides services which are received by the customer in the country where the trader operates (e.g. hotel accommodation).

Unlike price discrimination, price differentiation will not be prohibited, so traders are free to offer different general conditions, including prices, and to target certain groups of customers in specific territories.

#### **NEXT STEPS:**

The Council will definitively adopt the regulation very soon. The Regulation will then be published in the EU's Official Journal. It will be applicable nine months after publication.

## Food

### Food waste reduction: Council and European Parliament agree on aspirational targets



On 18 December 2017, the Presidency of the Council and the European Parliament representatives reached an agreement in trilogue on the revision of the Waste Framework Directive. According to the report made in the European Parliament's ENVI (Environment, Public Health and Food Safety) Committee, the agreement would foresee that a food waste reduction target of 50% by 2030 would not be binding but aspirational.

The agreement also contains a review clause for 2024 about the nature of the targets (aspirational vs. binding).

#### **NEXT STEPS:**

The Council will first endorse officially the agreement, before the European Parliament adopt definitively the revised Directive.

#### **HOTREC POSITION:**

- *The hospitality industry is a small waster compared to other segments of the food chain, but is strongly committed to promoting best practices to reduce food waste;*
- *HOTREC welcomes the trilogue agreement, which opts for aspirational food waste reduction targets, therefore leaving the necessary flexibility to adapt to national/local circumstances;*

### Trans-fats in food: last consultation before EU policy initiative



Following the earlier launch of an impact assessment during the autumn 2017, the European Commission organised between 17 November 2017 and 9 February 2018 a stakeholder consultation on a future policy initiative to tackle the issue of trans-fats in food. The results of the consultation will serve as a basis for the EU to make its upcoming policy proposals.

Currently, the Commission is considering the following options:

- The establishment of a limit on industrial trans-fats in foods (through voluntary or binding measures);
- The introduction of an obligation to indicate the trans-fats content of foods in the nutrition declaration;
- The prohibition of the use of partly hydrogenated oils in foods (through voluntary or binding measures);
- A combination of the options above.

#### **NEXT STEPS:**

The Commission will adopt its policy proposal in 2018.

**ACTIONS:**

HOTREC participated to the stakeholder consultation and provided to the Commission a separate detailed analysis and preliminary position on the various policy options considered.

**HOTREC POSITION:**

- *Industrial trans-fats are usually not produced by hospitality businesses, which usually prepare meals with fresh/raw products. However, natural trans-fats are naturally present in some raw ingredients (i.e. meat, dairy products) in limited quantities which are not considered harmful. HOTREC therefore considers that any new EU legislative aimed at limiting trans-fats contents should focus exclusively on industrial trans-fats.*
- *Given that hospitality businesses do not produce themselves industrial trans-fats under normal conditions or very rarely, HOTREC considers that any labelling obligation for restaurants serving non pre-packed food would be irrelevant, disproportionate and inappropriate. Any testing/sampling obligations should be avoided for non-prepacked food.*
- *HOTREC, which responded to the EU consultation, considers that establishing a maximum limit of industrial trans-fats in food is the most viable option.*

## EU General Food Law: Commission releases a positive assessment and organises a consultation on transparency of risk assessments



On 15 January 2018, the European Commission published its final report on the fitness check of the EU General Food Law (GFL) Regulation (N°178/2002). The report finds that overall the GFL Regulation remains relevant and mostly fit for purpose. It is adequate to address most of the current trends (e.g. growth and competitiveness of the food sector, increased globalisation, protection of consumer), although

it is a little less adequate to address food sustainability and food waste. Some areas for improvements were also identified.

In particular, the report found that:

- Current safety levels are more favourable than before the adoption of the GFL Regulation;
- The systematic implementation of the risk analysis principle has raised the protection of public health, in particular thanks to the role of the European Food Safety Agency created by the GFL Regulation;
- The GFL met its objective in terms of EU added value, as it ensured a high level of protection of public health across the EU while ensuring a level playing field in the internal market.
- The GFL requirements as such are not the primary source of burdens for SMEs, but rather the detailed requirements in specific food legislation. To address this, the report envisages the consideration of exemptions/simplified rules for micro-enterprises when in line with the goal of maintaining a high level of protection of public health.

Some shortcomings were also identified:

- Despite clear improvements, human nutrition issues have been less well achieved than food safety aspects;
- National differences in the implementation of the GFL regulation are observed, creating instances of uneven level playing field (e.g. differences in the interpretation of common definitions, different approaches to the implementation of official controls, variable penalties to address violations of food law);
- Transparency of risk analysis remains an important issue.



Based on this report, the European Commission already launched a first stakeholder consultation to tackle the issue of the transparency and sustainability of the EU risk assessment in the food chain. The consultation, which is open until 20 March 2018, focuses on three main aspects: 8

- The transparency and independence of the EU risk assessment system with respect to the industry studies and information on which EFSA's risk assessment/scientific advice is based;
- Risk communication; and,
- The governance of EFSA.

The full report and annexes are available here: [link](#)

The Stakeholder consultation is available here: [link](#)

#### **NEXT STEPS:**

The Commission will analyse the answers to the public consultation and analyse the need for possible changes of the GFL regulation. Other EU actions may follow to analyse the potential for a targeted revision of the GFL Regulation to address the few shortcomings identified.

## **Social Affairs**

### **Revisions of Written Statement Directive launched!**

On 21st December 2017, the European Commission issued a new proposal of Directive: "Transparent and predictable working conditions in the EU"- [COM \(2017 797 final\)](#). The proposal replaces the current Written Statement Directive ([91/533/EEC](#)). The aim of the proposal is to provide more predictability and clarity as regards working conditions and to decrease undeclared work. In this sense, according to the proposal, all employees, should be provided a written document.

The Commission proposal includes the following main points:

- The definition of worker follows the one provided by the case-law of the European Court of Justice: "Worker means a natural person who for a certain period of time performs services for and under the direction of another person in return of remuneration";
- The self-employed are not included in the definition of worker;
- The type of information offered by the employer is larger: it now includes probation (if any); the training to be provided by the employer; information on working time for workers with variable schedules, etc.)
- The information should be provided on the first day of work via either a written document or electronic format;
- Member States shall provide templates to reduce the burden on employers;
- Workers are provided material rights such as: right to work for other employers; right to predictability of work; possibility to request a more stable form of employment and to receive justified reply.
- Workers who work less than 8 hours a month might be an exception to the application of the legislation. Nevertheless, zero-working hour contracts will not be included in the exception.

#### **NEXT STEPS:**

European Parliament and Council to decide via the ordinary legislative procedure.

#### **ACTIONS:**

- HOTREC to issue position paper
- Lobbying campaign towards the European Parliament, the Council and the European Commission to start.





#### **HOTREC POSITION:**

- 91% of the 1.8 million companies in the hospitality sector are micro-entreprises. The sector uses on an usual basis casual work due to its specificities: seasonality; occasional work (e.g. need to organise a buffet on a specific day);
- The exception regime of Council Directive (91/533/EEC) shall be kept: Member States may provide that the Directive shall not apply to employees having a contract or employment relationship with a total duration not exceeding one month, or with a working week not exceeding eight hours or of casual nature. This would decrease the administrative burden to companies;
- It is unfeasible to the sector, due to the unpredictability of work, to provide the right of minimum predictability of work and the right to transition to other form of employment.

## Digital skills are about to be boosted!



On 17 January 2018, the European Commission published an education package which comprises three initiatives:

- A proposal for a Council Recommendation to revise the Key Competences Framework for Life-Long Learning ([SWD\(2018\) 14 final](#)). The main objective is to improve the development of key competences (e.g. literacy, languages, or civic and digital skills) in education systems for people of all ages.

The Commission will develop with Member States massive online courses, assessment tools, networks of teachers in order to help implement the proposal. A specific focus to entrepreneurial skills and an updated definition of digital skills will be provided;

- A [Digital Education Action Plan](#), which focus on digital skills (skills knowledge and attitudes) for work and participation in society; making better use of digital technologies for teaching and learning and improving education through better data analysis and foresight;
- A proposal for a Council Recommendation on Promoting values, inclusive education and the European dimension of teaching ([SWD\(2018\) 13 final](#)). The Recommendation aims at promoting the EU shared values, fostering inclusion and enabling to better understand the EU;

#### **NEXT STEPS:**

Both proposals of Council Recommendations to be approved by the Council.

#### **HOTREC POSITION:**

- *The hospitality sectors have a severe lack of skills, namely digital skills. Therefore, it fully supports the Commission package;*
- *Companies should identify the skills needed in the sector;*
- *Partnerships and cooperation between businesses, education and training providers should be developed;*
- *EU funding should be deployed in order to help companies provide massive training schemes;*

# Tourism

## Diplomatic talks to continue on visa reciprocity with US



On 20 December 2017, the European Commission issued a report on the progress made towards achieving full visa reciprocity with Canada and the United States. As regards Canada, the Commission welcomed that, as of 1 December 2017, Canada grants visa-free access to all Bulgarian and Romanian citizens. With regard to the U.S., contacts at political and technical level have intensified with the objective of suppressing the visa requirement to citizens coming from Bulgaria, Croatia, Cyprus, Poland and Romania to enter the U.S.

Namely, during the EU-US Justice and Home Affairs Ministerial meeting on 17 November 2017, a joint statement was agreed, aiming at making progress in cooperative discussions.

On September 2017, technical talks between the Commission and the involved countries took place to review the state of play of the remaining Visa Waiver requirements. The report considers that the visa reciprocity mechanism has proved to be useful in achieving full visa reciprocity with third countries, as the number of non-reciprocity countries has been considerably reduced (only U.S. still does not present the full visa-free regime towards citizens of all EU Member States). The Commission is not considering temporarily suspending the visa exemption for U.S. citizens, due to the diplomatic and economic consequences this would bring.

The European Parliament Civil Liberties Committee expressed its concerns in Strasbourg on 15 January with the current state of affairs and called on the European Commission to take positive steps to have the requirement lifted.

### **NEXT STEPS:**

Commission to continue working closely with the European Parliament and the Council on the way forward to reach full visa reciprocity;

### **HOTREC POSITION:**

- *HOTREC fully supports the Commission's intention of continuing diplomatic negotiations with the US representatives, so that the visa waiver becomes fully applicable;*
- *Currently, travellers from the U.S. and Canada account for the largest percentage of all European arrivals. Arrivals from the two markets reached 30.3 million tourists;*
- *The economic impact that closing the doors to U.S citizens would have for tourism purposes needs to be taken into account, as well as the damage of the external relations between the EU and the U.S.*



## Road map on visa policy released!

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On January 2018, the European Commission issued a road map on visa policy. Taking into account that negotiations between the co-legislators (Parliament and Council) on the proposals of Visa Code recast and Touring visa issued by the European Commission in 2014 had not progressed much, the Commission had withdrawn the proposals from the negotiation table in 2017.

The aim of the Commission now is to issue another Visa Code recast, focusing on three points: introduction of short-term measures to deal with short-term challenges; put visa policy in the context of the modernisation of border management tools (such as ETIAS - the European Travel Information and Authorisation System; or EES – the Entry-Exit system), as well as to launch the debate on further modernisation of the visa policy (e.g. digitalisation, online applications). The revision of the VIS legal framework will include:

- *Further harmonisation on issuing multiple entry visas with long validity;*
- *Take into account the outsourcing of external service providers;*
- *Update of the visa fee;*
- *Inclusion of national long stay visas*
- *Adapting the fingerprint age.*

### **BEXT STEPS:**

The European Commission to issue a new Visa Code recast during March 2018.

### **HOTREC POSITION:**

- *HOTREC fully supports measures that help third country nationals to obtain a visa to enter the EU without too many administrative and economic burdens, while fully complying with security measures;*
- *HOTREC would support for instance, no increase in the visa fee; the issuing of multiple entry visas; shortening the deadlines to submit an application; reinforced consular cooperation; possibility to submit online applications; flexibility in showing supporting documents (proof of accommodation should not be mandatory, as it might lead to an increase of “no shows” in hotels).*

## 2018 EU-China Tourism Year to boost travelling and facilitating EU-China visa

The 2018 EU-China Tourism Year was officially launched on Friday 19 January 2018 in Venice, in presence of Mrs. Elżbieta Bieńkowska, European Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, Mrs. Nikolina Angelkova, Bulgarian Minister of Tourism (country which holds the Presidency of the Council of the European Union), Mr. QI Xuchun, Vice-chairman of CPPCC National Committee and Mr. Jiang DU, Vice-Chairman of China National Tourism Administration.

The 2018 EU-China Tourism Year aims at increasing visitors and stimulating investment on both sides, strengthening bilateral cooperation and moving towards stronger air connectivity and visa access facilitation. The Chinese are travelling more and more becoming the largest group of intercontinental travelers. The 2018 EU-China Tourism Year will bring considerable benefits to the EU industry as the EU aims to increase the number of Chinese visitors by 10 percent to Europe.

A part from economic opportunities, this Year will also allow to discover each other's culture and traditions. In that sense, the European Commission proposed to create a bridge of light between the EU and China on symbolic nights. In Brussels, it will be from 22 to 28 February 2018 and it will celebrate the traditional Lantern Festival in China where many locals launch sky lanterns as a symbol of hope and good fortune for the year to come.

## Data Protection

### Online tool on the General Data Protection Regulation published!



On 24th January 2018, the European Commission published a Communication on the Commission guidance on the direct application of the General Data Protection Regulation as of 25 May 2018 ([COM\(2018\)43 final](#)).

The Communication advises Member States to speed up the adoption of national legislation (so far only two Member States adopted the relevant national legislation) and make sure that these measures are in line with the Regulation.

Member States should also ensure that the necessary financial and human resources are well equipped to guarantee efficiency in the application of law. At the same time the European Commission launched a new [online tool](#) to help citizens, businesses, in particular SMEs and other organisations to comply and benefit from the new data protection rules.

#### NEXT STEPS:

National legislation in all Member States to become compatible with the new GDPR rules.

#### HOTREC POSITION:

- *HOTREC members to meet with their national Supervisory Authorities in order to make sure that national legislation is in line with HOTREC guidelines on the topic.*

## Shadow Economy

### ECJ judgement considers Uber as a transport company

On 20 December 2017, the European Court of Justice [issued its judgement](#) in relation to a Spanish court case regarding the company Uber and its passenger transport activities. The judgement declares that Uber's intermediation services must be classified as a service in the field of transport. Therefore, such a service must be excluded from the scope of the E-Commerce Directive as well as the Services Directive.

The ECJ argues, that via its intermediation service Uber exercises decisive influence over the conditions under which the underlying service is provided. Furthermore, the company receives the amount from the client before paying part of it to the service provider and that it also exercises certain control over the quality of the vehicles, the drivers and their conduct, which can, in some circumstances lead to exclusion.

Furthermore, the ECJ states that the intermediation service must thus be regarded as forming an integral part of an overall service, whose main component is the transport service and must be classified not as an information society service, but as a transport service.

The consequences of this judgement might have wider implications on the collaborative economy, going beyond the specific case of Uber.

#### HOTREC POSITION:

- *HOTREC considers that there are many similarities between the elements of argumentation between the Uber case and the practices of other collaborative economy type of platform.*
- *HOTREC is of the opinion that platforms which are having considerable influence on their underlying markets should not hide behind the protection given by the E-Commerce Directive, but should take their responsibilities as actors on the actual market.*

## Security

### Launch of EU Operators' Forum on the protection of public spaces

On 20 December 2017, the European Commission organised the first meeting of the EU Operators Forum, which was established in the framework of the EU Action Plan on the protection of public spaces.

The Forum focused on the lessons learnt from recent incidents as well as provided a platform for exchange of good practices, where HOTREC representative also shared the contributions and thoughts of the hospitality industry.

There was broad agreement that the current situation presents new risks and challenges, which should be addressed. The different aspects, also related to the different sectors affected, have been discussed in order to properly address the challenges. It was considered important, that measures should as little as possible affect the openness and accessibility of the venues and infrastructure operated. Collaboration between all stakeholders is considered a must in order to improve security of public spaces.

#### **NEXT STEPS:**

There will be further workshops organized, as well as focus groups on various areas, including hospitality, will be set up.

#### **HOTREC POSITION:**

- *The hospitality sector is well aware of the risks related to the security of public spaces and is part of the UNWTO Task Force on Tourism and Security and will contribute to the work of the Commission and the EU Operators' Forum.*
- *HOTREC will continue to put at the disposal of its members publicly available knowledge and existing best practice across Europe and beyond.*
- *It is important to bear in mind the differences in potentials of the various market players, respective to their nature and their size, so that all can be helped in an appropriate manner to make public spaces safer.*

## Competition

### EU Court confirms that American Express cards are subject to same interchange fee limits when co-branded



On 7 February 2018, the European Court of Justice clarified as part of a request for a preliminary ruling that a three party card scheme involving a co-branding partner or an agent is subject to the same cap on interchange fees as consumer debit/credit cards under the MIF Regulation (2015/0751).

This interpretation confirms the intention of the EU co-legislators to ensure that American Express three-party card schemes which are operating in practice as a four-party scheme are indeed subject to the same limitations on the interchange fees as its direct competitors such as Visa and MasterCard.

The court ruling is available here: [link](#)

#### **HOTREC POSITION:**

- *HOTREC welcomes the ruling of the European Court of Justice which brings clarity to the matter and ensure a fair treatment of the various card schemes.*

## Health

### Council adopts conclusions on cross-border aspects in alcohol policy



On 7th and 8th December 2017, the Health and Consumer Affairs Council adopted conclusions on cross-border aspects in alcohol policy. The text invites Member States to:

- Continue integrating the objective of reducing alcohol-related harm in policies such as those likely to have an impact on the price of alcoholic beverages, as well as policies aimed at regulating marketing and alcohol selling arrangements;
- Monitoring compliance with national and EU measures aimed at preventing the harmful use of alcohol, such as the minimum age for purchasing alcohol and the conditions applicable to cross-border transport on alcoholic beverages;
- Examine possibility of adopting measures to protect children and young people from exposure to cross-border advertising;
- Continue developing best practices aimed at reducing alcohol related harm;
- Support studies and scientific research; build on work carried out by WHO.

The Council also invited the Commission to assess the self-regulatory proposal on providing information on the ingredients and nutritional values of alcoholic beverages to be put forward by the industry by March 2018.

#### **HOTREC POSITION:**

- *HOTREC strongly supports and encourages members to implement measures that enforce age limits when serving and selling alcohol and develop information programmes on responsible drinking as part of its commitment to the European Alcohol and Health Forum;*
- *HOTREC believes on the advantages of the Alcohol Forum, as a platform of exchange of good practices. HOTREC hopes that the plenary meetings will restart being called upon by the European Commission in the upcoming months.*



## Sustainability

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### Energy efficiency of buildings: towards mandatory electric charging stations in non-residential buildings



On 19 December 2017, the Presidency of the Council and the European Parliament representatives reached an agreement in trilogue on the revision of the Directive on the energy performance of building. The agreement foresees the mandatory installation of at least one recharging point for electric cars in all new non-residential buildings and non-residential buildings undergoing major renovations (which include either the car park or the building's electric infrastructure) which have more than 10 parking spaces.

Moreover, Member States will have the obligation by 1 January 2025 to set-up requirements for the installation of a minimum number of recharging points in all non-residential buildings with more than 20 parking spaces. Finally, Member States will have the option to exempt from the above requirements buildings owned or occupied by SMEs.

The text of the trilogue agreement is available here: [link](#)

#### **NEXT STEPS:**

The trilogue agreement needs will be endorsed by the European Parliament in plenary session (April 2018) and then by the Council (around May or June 2018). Once approved, Member States will be given 20 months to transpose the amendments to the Directive into national legislation.

#### **ACTIONS:**

Once officially adopted, HOTREC members needs to reach-out to their governments to ask them to apply the optional SME exemption.

### New EU plastics strategy targets single-used for take-away food



On 16 January 2018, the European Commission published a Communication which sets-out the EU's strategy on plastics, with the view to focus on both production and use to work towards the goal of ensuring that all plastic packaging are recycled by 2030. Among the various horizontal issues covered by the strategy, the Commission proposes to tackle the issue of single-use plastics, which use, according to the Commission, is fuelled by the

increasing on-the-go consumption of food and drinks (i.e. take-away restaurants and caterers).

While the Commission acknowledges that curbing plastic waste is a complex problem, the Commission proposes to:

- Reflect on the scope of a future EU legislative initiative on single-use plastics following the approach used for light-weight plastics bags (which are regulated at EU level with progressive phasing-out targets). This may eventually impact take-away restaurants using such plastics.
- Explore the feasibility of introducing fiscal measures at EU level (i.e. an EU plastic tax)
- Encourages the industry, and particularly catering and take-away restaurants, to promote alternative to single-use plastics, where these alternatives are more environmentally beneficial.



The Commission Communication is available here: [link](#)

**ACTIONS:**

HOTREC will carefully monitor the follow-up to this communication and inform its members about any further developments impacting restaurants.

## Commission asks Member States to encourage free tap-water in restaurants



On 1 February 2018, the European Commission proposed to revise the existing EU Directive on the quality of water intended for human consumption. The aim of the revision is to improve the quality and safety of drinking water, improve access to drinking water to all, provide better information to citizens about drinking water, in order to boost its consumption and therefore reduce consumption of plastics bottles (as the EU is considering how to further reduce plastic waste; plastic bottle being the prime source of marine litter).

As part of the revised Directive, the Commission proposal includes a provision which would make it mandatory for Member States to take all necessary measures to improve access for all to drinking/ tap water and promote its use. These measures shall include “*encouraging the free provision of such water in restaurants, canteens, and catering services.*”

The text of the proposed revision of the Directive is available here: [link](#)

**NEXT STEPS:**

The Commission proposal needs to be adopted by both the Council and the European Parliament. Both institutions will start examining the proposal very soon.

**ACTIONS:**

HOTREC launched an internal consultation in order to assess the current situation in the Member States, and will organise a meeting with the European Commission to discuss this proposal.

**HOTREC POSITION:**

- *Many restaurants across Europe already offer tap-water to clients either for free or at a very reasonable costs when requested together with other orders. HOTREC therefore does not see the urgency of the matter at EU level;*
- *Every service has a price, which includes not only the product as such, but also the service itself. In the cases of restaurants, the time of the staff to serve and clean and the use of the premises all have a cost together with the tap-water itself. Unfortunately, this element does not seem to be taken into account by the Commission proposal, especially as mineral water is becoming an important element of a restaurant revenue in the context of overall declining alcohol consumption.*
- *HOTREC questions why restaurants are being singled-out, while other business and commercial activities are not targeted at. This is a clear discrimination against the restaurant industry.*
- *Last but not least, issue should not be an EU matter and shall be dealt with exclusively at national level. Given the specificity of the issue, subsidiarity shall prevail.*



## Taxation

### Proposal for reform of VAT rates published

On 18 January 2018, the European Commission issued its proposal to [amend the VAT Directive regarding VAT rates](#). Compared to the situation of today, the proposal suggests more flexibility for Member States in the application of reduced VAT rates.

Regarding the application of reduced VAT rates to goods and services, instead of the current 'positive' list including items to which Member States may apply a reduced VAT rate (including accommodation services and restaurant services including all types of beverages) there would be a 'negative' list including goods and services to which Member States could not apply a reduced VAT rate, but only the standard rate (including services which are only in B2B relations, like the margin scheme for travel agents, as well as goods subject to excise duties, like petrol, tobacco and alcoholic beverages). To all other goods and services, Member States would be free to decide, which VAT rate to be applied.

To safeguard VAT revenue and also to avoid distortion of competition, the proposal requires Member States to ensure that the weighted average VAT rate (taking all VAT rates applied to the different goods and services weighted with the value of the transactions of those goods and services) exceeds 12%.

The above means, that, based on the current text from the Commission, hospitality services will still be able to benefit from reduced VAT rates, including serving alcoholic beverages (currently at a reduced rate in Italy and Spain, as well as in Romania for draft beer). Alcoholic beverages in retail trade shall be subject to the standard rate.

#### **NEXT STEPS:**

The proposal has been submitted by the Commission for consultation to the European Parliament and for adoption to the Council, where unanimity is required.

#### **HOTREC POSITION:**

- HOTREC welcomes the Commission proposal allowing for the continuation of reduced rates to be applied to accommodation and restaurant services;
- HOTREC considers, that, as shown by the current practices of Member States almost all applying a reduced rate to accommodation services and more than half of them to restaurant services, as well as the job creation and other effects of such rates in the hospitality sector, it is crucial for the European tourism sector as well as the economy to maintain low VAT rates in the sector.

### Commission proposal for small enterprises

On 18 January 2018, the European Commission published its [proposal related to the VAT scheme for small enterprises](#). Small enterprises currently benefit from a VAT exemption in each Member State provided their turnover is below a national threshold (different in each Member State).

Based on the current proposal of the Commission, there would be a new common maximum annual revenue threshold of VAT exempted activities fixed at a maximum of 85,000 EUR. This national threshold may vary for different business sectors based on objective criteria. Companies operating in more than one Member State would benefit from a VAT exemption under a turnover threshold of 100,000 EUR.



Furthermore, the Commission proposes a 2 million EUR revenue threshold across the EU, under which small businesses shall benefit from simplification measures (e.g. related to VAT registration, VAT record keeping, less frequent filing of VAT returns). Member States would be allowed to free small businesses that qualify from a VAT exemption from further obligations. 18

#### **NEXT STEPS:**

The proposal has been submitted by the Commission for consultation to the European Parliament and for adoption to the Council, where unanimity is required.

#### **HOTREC POSITION:**

- *HOTREC welcomes the proposal as a right step in the direction of easing administrative burdens for small enterprises, which form the backbone of the hospitality industry.*

## Statistics

Number of nights spent in the EU up in 2017: The number of nights spent in tourist accommodation establishments rose by 5,1% compared to 2016, reaching 3,2 billion overnights. Highest growth in total tourism nights were recorded in Latvia, Slovenia and Croatia.

Online peer-to-peer accommodation services used by 1 in 6 EU citizens: In its recent publication Eurostat states that 17% of EU citizens have arranged for accommodation in the 'sharing' economy, while it was 8% for transport purposes. The variation between Member States is remarkable.

## HOTREC General Activities

### Next Meetings and General Assemblies

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

- 22 February 2018 (Brussels, Belgium): European Industry Day's Event on Tourism: "Investing in the European Tourism of Tomorrow"
- 28 February 2018 (Brussels, Belgium): EU-China Tourism year Parliamentary Day
- 1-2 March 2018 (St. Julians, Malta): 5th Mediterranean Tourism Forum
- 7-8 March 2018 (Berlin, Germany): ITB Berlin
- 8-9 March 2018: CEN TC 136 WG 8 meeting
- 19 March 2018 (Brussels, Belgium): EU food losses and food waste platform sub-group meetings
- 22-23 March 2018 (Lisbon, Portugal): ISO TC 228 WG14 meeting.
- 26-27 April 2018 (Vienna, Austria): HOTREC 76th General Assembly
- 8-11 May 2018 (Buenos Aires, Argentina): ISO TC 228 meetings on tourism and related activities
- 1 June 2018 (Luxembourg city, Luxembourg): Plenary meeting of the EU platform for action on diet, physical activity and health
- 18-19 October 2018 (Krakow, Poland): HOTREC 77th General Assembly



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