

COMMUNICATION ON A NEW FRAMEWORK FOR TOURISM IN EUROPE
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HOTREC Response

A NEW ACTION FRAMEWORK FOR EUROPEAN TOURISM

HOTREC¹, the voice of hospitality industry in Europe, and its member associations welcome the recent Commission Communication on Tourism and consider it as an important step towards a true tourism policy in Europe. HOTREC expects the new Communication to mark the beginning of a new era for tourism at EU level, following the new powers given by the Lisbon Treaty.

HOTREC fully welcomes the 4 main goals identified to constitute the backbone of the new tourism framework: **competitiveness, sustainability, promotion and financing instruments**. If such pillars are strongly constructed, they will offer the proper foundation for a very sound and beneficial tourism policy. However, HOTREC is of the opinion that the 21 concrete actions foreseen in the Communication to achieve the above mentioned goals should be properly monitored to avoid the dispersion of resources and duplicity of efforts, as well as to ensure that existing initiatives of the Member States and of the tourism industry are not hindered.

Furthermore, when implementing these actions, the Commission should fully take into account that the vast majority of tourism businesses are SMEs and that this industry is heavily burdened by unnecessary regulation. As already stressed by HOTREC in its initial comments on the discussion document previous to the Communication, the provision of oxygen to the industry is critical to ensure its competitiveness and its development. Therefore, HOTREC considers it essential that the Commission, as well as the other EU institutions, concentrate their efforts in enforcing their “better regulation” commitment, in order to have more tailor-made and simplified rules for the tourism sector. In addition, a mechanism should be set up to ensure that every legislative proposal includes always a proper and previous assessment of the impact on tourism. The creation of a sufficient budget line for tourism would also be key to build this new action framework for tourism in Europe.

¹ *HOTREC represents the hotel, restaurant and café industry at European level. It counts 1.7 million businesses, with almost 92% of them being micro enterprises employing less than 10 people. The micro and small enterprises (having less than 50 employees) represent more than 99,5% of businesses and make up some 62% of value added. The industry provides some 9,5 million jobs in the EU alone. HOTREC brings together 40 National Associations representing the interest of the industry in 24 different European countries.*

With the aim of contributing with some constructive criticism towards the Communication, HOTREC notes that the Commission paper does not explore in detail the relations between tourism and foreign policy; tourism and security; and tourism and transport and energy policies.

HOTREC and its member associations are voluntarily offering their knowledge and expertise to the Commission and all EU institutions to help implementing the actions proposed in the Communication. The European Tourism Forum to be held in Malta on 18-19 November should be the platform for the launch of the first “Action Plan” under the new regulatory framework and HOTREC would like to participate actively in its preparation. This Action Plan should set up a permanent roundtable with the main tourism stakeholders to follow the implementation and elaborate on future follow-ups to the actions.

Last but not least, HOTREC is a firm believer that the collaboration between all industries and interests involved in tourism policy is essential. This is the reason for which HOTREC is an active member of the NET Network, regrouping 7 trade associations whose common objective is to promote the interest of private tourism entrepreneurs in Europe.

HOTREC has tried to respond to the different proposals contained in the Communication, in a detailed and comprehensive way, providing its opinion and valuable experience on the ground. However, HOTREC considers that some actions are clearly more needed than others and that priorities should be clarified in the forthcoming “Action Plan”.

1) STIMULATE COMPETITIVENESS IN THE EUROPEAN TOURISM SECTOR

To stimulate the competitiveness of the European tourism sector is **the priority**. HOTREC considers that the best way to ensure dynamic and sustainable growth of tourism is to introduce clear rules where needed, reduce unnecessary burden and taxes; and always support industry-driven solutions.

Promoting diversification of the supply of tourist services

Actions planned:

- (1) Develop a coherent strategy for diversifying the promotion of tourist services and capitalise on Europe's common heritage, particularly by creating a European heritage label, alongside actions such as European Heritage Days or the European Union Prize for Cultural Heritage.*
- (2) Encourage the integration into tourism strategies of 'natural' heritage, which will also benefit from labelling initiatives.*

HOTREC is very much in favour of promoting European historical, cultural and natural heritage. However, we are rather cautious to create many more labels, as consumers can be easily overwhelmed by them. HOTREC is also unconvinced about the added value of having various labels on the same heritage. Therefore, promotion of cultural and natural heritage is much welcome, provided that there are no interferences or excessive duplicity of labels, including also at world, national, regional and local levels.

There are already good initiatives in many EU countries that could be enhanced and even serve as a model:

- Themed and recreational roads in Austria:

<http://www.austria.info/at/aufenthalt-in-oesterreich/themen-und-erlebnisstrassen-1335860.html>

- “Tasting Spain” project: to promote Spanish cities as tourist destinations based on their quality cuisine, product and culture:

<http://www.tastingspain.es/tastingspain/home.html>

- Amber Trail Greenways:

<http://www.ambertrail.info/index.html>

- Tourist circuits on the Mediterranean (different from cruises)

Developing innovation in the tourism sector

Actions planned:

- (3) *The Commission will launch an 'ICT and tourism' platform for stakeholders to facilitate the adaptation of the tourism sector and its businesses to market developments in new information technologies and improve their competitiveness by making the maximum use of possible synergies between the two sectors.*

The use of ICT is determinant to boost the competitiveness of the tourism sector. HOTREC would welcome the creation of this ‘ICT and tourism’ platform, provided that it adds value to the current initiatives in place and it is not overtaken by the fast development of technology. The emphasis should be put on the use of ICTs and training for businesses (at all levels: from all categories of employees to entrepreneurs).

Certainly, with consumers increasingly using Internet to search for touristic destinations and booking their holidays online, the European tourism industry must adapt rapidly to this new environment. Business travellers have also changed the way they search for accommodation. This can be particularly costly for SMEs, because sometimes they do not have the capacity or the resources to adapt to it. Therefore, HOTREC considers that any initiative aimed at increasing the use of ICTs should focus precisely on helping SMEs to overcome this handicap. At the same time, the use of ICTs enables SMEs to access the same public as major players, which is an important advantage. Awareness-raising campaigns together with training on the use of ICTs addressed to the staff of SMEs would be a good example of a first initiative to be launched by this new platform.

- (4) *In preparing its forthcoming communication on electronic commerce in the internal market, which will assess the implementation of the electronic commerce Directive, the Commission will examine the possibilities for strengthening the integration of the tourism sector in this context.*

E-commerce and tourism go today hand-in-hand. HOTREC considers that more clarity and harmonization of the rules governing the use of Internet for commercial purposes is essential, with of course an appropriate balance of the different interests. There are indeed, many interests and factors to be taken into consideration: data protection, privacy, liability, etc. For example, the protection of the right of criticism should be balanced with the protection of the right to the own image of the subject criticized. Therefore, there is also a need for clear and harmonized rules to prevent abuse by booking/review sites, which can use anonymous reviews of travellers for their business.

HOTREC and its members associations launched in 2007 a dialogue with hotel review sites in order to remedy the problems of reviews falsely damaging not only hoteliers, but also the expectations of the consumers. HOTREC considers that this dialogue could be useful when the moment comes to review the E-Commerce Directive. Therefore, HOTREC shall be consulted in advance to make sure that appropriate rules are envisaged to tackle the particular case of the tourism and hospitality industry.

Improving professional skills

Actions planned:

(5) In order to support training in the tourism sector, the Commission will endeavour to promote the opportunities offered by various EU programmes such as Leonardo or the Competitiveness and Innovation Framework Programme (CIP) with its 'Erasmus for young entrepreneurs' and 'E-skills for innovation' strands.

Professionalization and anticipation of skills needs in the tourism sector is key to facilitate the adaptation of employees and employers to new technologies and new market trends, as well as to deal with the skill shortages present in some areas of the tourism sector, and thus to enhance the competitiveness of the tourism businesses. A closer collaboration between training institutes and the industry could be a solution to ensure these goals. Exchange of best practices between countries should also be stimulated.

Professional skills should start at the level of hospitality and tourism schools and at the university. It is also important to take into account that this industry requires in particular many employees with craft skills. The use of the various existing EU programmes could complement this education and provide the necessary training to the future staff and managers of tourism businesses. Therefore, further actions aimed at increasing the awareness of the possibilities offered by these programmes to schools and businesses within the sector would be welcome.

The Commission should ensure that access to these various programmes and financial instruments is also possible for SMEs and procedures should be simplified as much as possible.

HOTREC and EFFAT, its trade union counterpart, are currently engaged in the elaboration of a "European Qualifications and Skills Passport" for the hospitality sector. The overall objective of this project is to facilitate the free movement of workers with proved qualifications and skills, as well as their recruitment across the EU.

Encouraging an extension of the tourism sector

Actions planned:

(6) Provide a voluntary tourism exchange mechanism between Member States, enabling in particular certain key groups such as young or elderly people, people with reduced mobility and low-income families to travel, particularly during the low season.

Seasonality is a major feature in the tourism sector. Therefore, HOTREC is interested in any action aimed at enhancing the demand, increasing occupancy and reducing unemployment during the low season. However, these mechanisms should guarantee the flow of tourist groups to all European countries (not only from north to south). Having said this, the CALYPSO initiative can bring positive results in many countries and certainly some successful experiences at national level could inspire a European model. This should be done progressively, without pretending to be too ambitious in a first attempt (elderly

people being the first target group would certainly show immediate results). Most importantly, participation of SMEs should be ensured.

When addressing seasonality imbalances, the Commission should take into account the regional and country specificities of the touristic destinations in Europe (July/August are not high season months in all countries), something difficult to change.

Bringing tourists from third countries during low season in Europe, could also be a solution to the seasonality problem.

(7) Develop a voluntary online information exchange mechanism to improve the coordination of school holidays in the Member States, without prejudice to their cultural traditions.

The exchange of information to improve the coordination of school holidays would be very positive for the sector. However, this objective might not be so easy to achieve, due to the diversity in traditions and climate in Europe. An option could be adding more flexibility to the current school holidays systems.

Consolidating the socioeconomic knowledge base for tourism

Actions planned:

(8) In its annual communication, 'Consumer Markets Scoreboard', the Commission will monitor the market by measuring European consumer satisfaction with various tourism services (transport, hire, accommodation, travel, package tours).

HOTREC views positively this initiative, as long as the resulting information and data can be processed in a practice-oriented manner for SMEs and that the method used to measure consumer “satisfaction” is transparent.

In addition, the Commission needs to ensure that its proposals are based on real information in order to have a “commercial understanding” of the issues at stake. For instance, consumers are using less and less package travels, which seems to indicate that additional regulation might not be needed.

(9) In the short term, the Commission will develop a pilot project aimed at networking research institutes, universities, public and private monitoring units, regional and national authorities and national tourism offices.

HOTREC views positively this initiative, but it would like to have more information on how this pilot project would be organized.

(10) In the medium term, based on the results of the pilot project, the Commission will promote the implementation of a 'virtual tourism observatory' to support and coordinate research activities by the various national research institutes and provide socioeconomic data on tourism at European level.

HOTREC considers that this virtual tourism observatory gathering socioeconomic data from all Member States should be set up as a simple and accessible tool for all key actors in the tourism sector. The anticipation of data, analysis and information on the market trends in the tourism sector by this virtual observatory should be a useful element for business to improve their quality and adapt to the coming trends.

Improving the knowledge base of the tourism industry is key for tourism enterprises. As businesses adopt strategic decisions on the basis of available data, any action aimed at ensuring the accuracy and availability of such data can only contribute to an increased

accuracy of the strategic decisions, therefore contributing to a more competitive tourism industry.

HOTREC wonders whether this "virtual tourism observatory" would be coordinated with Eurostat/ Eurobarometer.

2) PROMOTE THE DEVELOPMENT OF SUSTAINABLE, RESPONSIBLE AND HIGH-QUALITY TOURISM

HOTREC fully agrees with the need to promote sustainable, responsible and high quality tourism. To achieve these goals, the environmental, economic and social aspects have to be considered.

In particular, HOTREC considers that the promotion of sustainable use of resources in the tourism industry necessitates real incentives for both the industry and the consumers to facilitate a shift in their practices. Talking about resources, energy efficiency comes as major priority as energy consumption affects the environment, the industry's profitability and the consumers through the final prices of the tourism services contracted.

Actions planned:

- (11) *Develop, on the basis of NECSTouR or EDEN, a system of indicators for the sustainable management of destinations. Based on this system, the Commission will develop a label for promoting tourist destinations.*

HOTREC finds interesting the idea of developing a voluntary system of indicators for the sustainable management of destinations, as long as it is available in a practical and simplified way for the SMEs in the tourism sector.

However, HOTREC considers that the launch of any new quality mark should be thoroughly considered and very well prepared, always avoiding the saturation of the market and the confusion of consumers. It also needs to be taken into account that plenty of labels already exist at local, regional and national level. Lastly, the creation of labels *per se*, without proper financing mechanisms for tourism operators to be able to improve their product offer and invest in upgradings of their businesses, as well as in training and re-skilling, would not be useful.

- (12) *Organise awareness-raising campaigns for European tourists concerning the choice of destinations and means of transport, relationships with the local population in the destinations visited, and combating the exploitation of woman and children.*

HOTREC considers that encouraging the demand of sustainable tourism products is an essential part of the equation to promote the development of sustainable tourism. Therefore, it welcomes the idea to organise awareness-raising campaigns for European tourists as a means to promote sustainable tourism.

It is important to remember that in a demand-driven economy, businesses compete to meet customers' expectations and develop their offer to suit customers' needs. Sustainable tourism can develop faster if there is a growing demand of it. Adopting a sustainable attitude when making use of the tourism services should also be a responsibility of consumers. Public authorities should in particular further encourage consumers to shift towards more sustainable patterns of consumptions.

- (13) *Develop a European 'Qualité Tourisme' brand, based on existing national experience, to increase consumer security and confidence in tourism products and reward rigorous efforts by tourism professionals whose aim is quality of tourism service for customer satisfaction.*

HOTREC considers “Quality” very important for the tourism industry, but it does not favour top-down approaches by public authorities and standardisation bodies at EU or international level towards the harmonisation of quality assessment and quality labels for hospitality services.

High quality services are crucial for the European hospitality industry to meet tourists’ expectations and compete successfully on the global marketplace. However, new “Quality” labels and logos developed by the EU or standardisation bodies are not a necessary prerequisite for quality. With regard to the quality of services, the focus of policy makers and public authorities at all levels should be on improving the conditions for investments in infrastructure and training. What is crucial is to help tourism businesses with sound policies that can facilitate investments and reduce administrative burdens, creating a favourable business environment.

HOTREC can proof the success of many market-driven and bottom-up initiatives in this respect. For instance, in 2007 HOTREC launched its European Hospitality Quality (EHQ) scheme, a voluntary umbrella accreditation system of existing national/regional quality schemes. This initiative was taken in accordance with Directive 2006/123/EC on services in the internal market, which calls for the establishment of and the participation in quality charters/labels drawn up, on a voluntary basis, by professional bodies at Community level.

Although it relates to a different issue - hotel classification -, HOTREC has another “success story” for the benefit of hospitality services. In December 2009, some member associations of HOTREC launched the “Hotelstars Union” initiative. It consists of a system of common hotel classification criteria applied in 7 countries, which will certainly spread to other countries in the near future. This system and the efforts by HOTREC to bring the classification systems closer to one another have been recently recognized by the Commission itself “*as an important initiative*”. The Commission has given openly its support to “*such voluntary initiatives by industry which may lead to a common classification all over Europe*”.

In general, HOTREC and its members do not favor EU actions in relation to:

- **Standards not initiated by the industry itself;**
- **Certification schemes which are not related to standards initiated by the industry itself and which benefit mainly the certifiers.**

- (14) *Facilitate identification by the European tourism industry of risks linked to climate change in order to avoid loss-making investments, and explore opportunities for developing and supplying alternative tourism services.*

HOTREC shares the concerns of EU’s decision makers in relation to climate change and, in particular, its potential impact on tourism. Actually, climate change is already the driver behind an important restructuring of the travel and accommodation business models. Business operators already discern a paradigm shift in the way tourism products are developed, packaged and marketed, with a shift towards greener practices in the industry.

Therefore, HOTREC would welcome actions aimed at raising consciousness of climate change’s effect on tourism demand and businesses investments in the most affected areas,

as well as at facilitating the identification of the risks involved. In this regard, initiatives could include the organization of a conference to present the results of current research on the issue, such as, for example, the [PESETA](#) impact assessment study coordinated by Joint Research Centre of the Commission.

(15) Propose a charter for sustainable and responsible tourism and establish a European prize for tourism businesses and destinations respecting the values set out in the charter.

The adoption of a voluntary Charter for sustainable and responsible tourism, in connection with a sustainability-award for tourism businesses and destinations, could be a good opportunity to showcase best practices and give visibility to existing and innovative experiences across Europe. This Charter should take into consideration that developing a sustainable and responsible tourism is not only a responsibility for the industry, but also for the consumers through an increased demand for more sustainable services.

Any initiative in this context should fully take into account that the vast majority of tourism businesses are SMEs and should also avoid overlapping with other possible similar initiatives at national or regional level.

(16) Propose a strategy for sustainable coastal and marine tourism.

HOTREC would consider with high interest a proposal for a strategy on sustainable coastal and marine tourism. European most popular holiday destination is precisely the sea (63% of European tourists choose this destination). Therefore, the integration of tourism into the European maritime policy would be much welcome. This policy should properly reflect the importance of tourism for the economic development of many European coastal and maritime areas. At the same time, HOTREC shares the view that a balanced and sustainable development of European coastal areas is needed. Indeed, it is important for the European tourism to have healthy fauna and flora, sea product from 'sea to fork', 'non-market value' of the sea (landscape/scenery), sea-related activities (fishing ports, marinas, etc.) and maritime cultural heritage.

Furthermore, HOTREC is of the opinion that such a strategy should also contain measures aimed at recovering degraded coastal areas, in collaboration with public authorities.

(17) Establish or strengthen cooperation between the European Union and the main emerging countries (China, Russia, India, Brazil) and Mediterranean countries to promote sustainable and responsible tourism development models and the exchange of best practice.

HOTREC supports sustainable and responsible tourism development models, but it warns that excessive or not adequate environmental legislation can put substantial burdens on businesses and compromise competitiveness vis-à-vis third country destinations. Therefore, HOTREC proposes that the promotion of the idea of sustainable and responsible tourism and European best practices are also applied to third country destinations, through international negotiations. This would benefit the global environment and would reduce competitive disadvantage of European entrepreneurs, who have to compete with tourist destinations not always respectful of the environment and socially responsible in other parts of the world.

As a consequence, the presence of the EU in international fora is necessary to ensure that the sustainable and responsible tourism development model becomes a world-wide model.

3) CONSOLIDATE THE IMAGE AND PROFILE OF EUROPE AS A COLLECTION OF SUSTAINABLE AND HIGH-QUALITY TOURIST DESTINATIONS

HOTREC agrees with the idea of promoting Europe around the world. However, it considers that any EU action in this field should be done in coordination with the Member States and the tourism industry.

Actions planned:

(18) Create a true 'Europe brand' in cooperation with the Member States to complement promotional efforts at national and regional level and enable European destinations to distinguish themselves from other international destinations.

The idea to promote Europe as a destination with its own brand is welcome, as it may attract more tourists to Europe. Such an initiative requires constructive cooperation of the Member States in order to make such a campaign successful and also useful for potential visitors (in the end, it is not enough to say “visit Europe”, information on the different destinations - countries - should be made easily available). A conflict of interest between the Member States, and sometimes even between regions, as final destinations of third country visitors, is likely to happen and needs to be tackled in a constructive manner.

The intra-EU transport connections must not be forgotten in the implementation of this action to ensure accessibility of the most remote regions.

(19) Promote the visiteurope.com website in order to increase the attractiveness of Europe as a collection of sustainable and high-quality tourist destinations, particularly among emerging countries.

HOTREC favours this initiative of increasing attractiveness of Europe among emerging economies. However, it considers that any initiative in this respect should be done in coordination with the Member States and the tourism industry. The visiteurope.com website can help to accomplish this objective, but it should first incorporate new elements to ensure it provides real added value to the promotion of Europe. For instance, visiteurope.com should strengthen overall the idea of Europe as a possible unified destination, with the richest cultural heritage in the world and with high quality infrastructures that allow precisely combined tours visiting various countries in the same trip. This website should also serve as the official portal for third country tourists who wish to find all the relevant information to organize their trips in an efficient and sustainable way.

In parallel, the promotion of destination Europe as a collection of high-quality tourist destinations (countries) should be pursued, in order to highlight its cultural richness and diversity.

Talking about access from nationals of emerging countries, we need to address the issue of visa policy. The introduction of easier and cheaper visa entry requirements at EU level would be necessary. Information on these requirements should be provided, for instance, in the visiteurope.com website. Otherwise, all efforts to attract those tourists would be made in vain.

Promotion ‘within Europe’, i.e. for European tourists, must not be left aside, since the figures are clear in this respect: more than 80% of tourism in Europe derives from Europe.

(20) *Encourage joint promotional actions at major international events or large-scale tourism fairs and exhibitions.*

HOTREC considers that international events (including sport events) as well as tourism fairs and exhibitions would definitely be very efficient platforms for the promotion of the ‘Europe brand’.

(21) *Strengthen European Union participation in international bodies, particularly within the context of the World Tourism Organisation, the OECD, T20 and Euro-Med.*

HOTREC considers that indeed more EU presence in international organizations relating to tourism would be necessary, in particular in UNWTO, in order to promote the “European sustainable model of tourism”. Otherwise, the credibility of the European tourism policy would be at stake.

4) MAXIMISE THE POTENTIAL OF EU FINANCIAL POLICIES AND INSTRUMENTS FOR DEVELOPING TOURISM

HOTREC welcomes the Commission commitment to ensure that tourism is integrated in its various policies. Indeed, due to the transversal nature of this sector, a large number of other European policies have a direct or indirect impact on tourism. It is therefore imperative that any political or legislative proposal is assessed also in terms of possible impact on the tourism sector by independent and specialized professionals of the tourism sector. DG Enterprise and, in particular, its Tourism Unit should systematically screen and identify all EU measures in the pipeline with a likely impact on tourism and leisure industry, and organize consultations with the tourism industry on all significant measures likely to affect its activities. We must avoid situations such as the proposed Regulation on the provision of food information to consumers (COM(2008) 40 final), where the Commission initial proposal was suggesting measures for hospitality establishments which were just impossible to put in practice, without even measuring the impact on the industry concerned.

In addition, the appointment of a special Commission Advisor on Tourism would be much welcome, as a contact person for European industry with the European executive.

With regard to the funding of European tourism, as previously said, it is primarily necessary to facilitate the access of tourism businesses to the European financial instruments. Many micro and SMEs do not have a sufficient knowledge of the European funding system. Actions to make them aware of the possible financial instruments and provide them with the necessary support should be put in place. For instance, the update of the publication “making best use of Structural funds”, which briefly explains how SMEs and representative organizations can obtain financial support for a huge range of projects and initiatives in the tourism and commerce sector, would be a good step in this respect.

Overall speaking, the EU institutions should decide on a sufficient budget line for tourism, which would allow existing funding programmes and instruments, like the CIP, to concentrate important parts of their investments to ensure development of European tourism industry – which is not the case now -, as well as the correct implementation of all actions planned in the Commission Communication.
