

Main EU developments over the last three months of interest to the hotel, restaurant and café sector

Standardisation

- Resolution for a new scope of ISO/TC 228 not approved p. 2
- CEN TC 136 working group on swimming pools: more flexibility? p. 2

Health

- European Alcohol Strategy and WHO consultation process p. 3
- Smoking in public places p. 4

Taxation

- Increase of excise duties on alcohol beverages? p. 5

Statistics

- Revision of the tourism statistics Directive p. 6

Tourism

- European Tourism Policy p. 7

Travel

- Visa policy – Proposal for a new Community Code for Visas p. 8
- Aviation security – Cabin Luggage p. 9

Social Affairs

- Draft Green Paper on the Evolution of Labour law p. 9
- Working Time Directive p. 10
- Work-life balance p. 11

Travel Trade

- Green Paper on the revision of consumer acquis including Package Travel Directive: horizontal or vertical approach? p. 12

HOTREC

Hotels, restaurants & cafés in Europe

Under the responsibility of

Marguerite Sequaris,

Chief Executive of HOTREC

111, boulevard Anspach – boîte 4

B-1000 Bruxelles – Belgique

Tel.: 32 2 513 63 23

Fax: 32 2 502 41 73

main@hotrec.org

www.hotrec.org

STANDARDISATION

□ *Resolution for a new scope of ISO/TC 228 not approved*

As explained in previous issues of *Live from Brussels*, in January 2005 the International Organisation for Standardisation (ISO) set up the Technical Committee (TC) 228 to develop standards for tourism and related services. At a meeting held at the end of March 2006 in Tunis, it was agreed that the scope of TC 228 should be discussed further.

At its meeting held in Madrid on 1 June 2006, the special Task Force which was created to discuss the scope of TC 228, agreed by a 2/3 majority to exclude accommodation and catering from the standardisation work of the committee. This decision by the Task Force was then submitted to a vote by correspondence by permanent members.

Out of the 44 national standardisation bodies (NSBs), which constitute the permanent members of the committee, 17 voted in favour of the resolution to exclude accommodation and catering from the scope and 18 voted against (of which Ireland, Portugal, Denmark and Spain from the EU). One national standardisation body abstained while 8 did not vote (of which Malta from the EU). The final results were published on 27 September 2006. According to the vote by correspondence, the exclusion of accommodation and catering was not approved.

According to the resolution adopted at the meeting in Tunis, the issue will now need to be re-discussed at the next TC plenary meeting to be held in Thailand on 27-28 February 2007.

HOTREC regrets that the Resolution for excluding accommodation and catering has not been approved. This is particularly disappointing as the opinion of the industry was not asked for nor followed by some of the national standardisation bodies.

HOTREC considers it to be unrealistic and undesirable that TC 228 proceeds with the development of standards (covering accommodation and catering) that are firmly rejected by at least 31 European hospitality associations.

□ *CEN TC 136 working group on swimming pools: more flexibility?*

As reported in *Live from Brussels* N° 32 and N° 34, a working group within the CEN Technical Committee 136 has been developing over the last years a standard for swimming pools, including pools in hotels. This draft standard is organised in two parts:

Part 1: Safety requirements for design.

Part 2: Safety requirements for operation.

Part 2 is of specific relevance for hotels as it tackles, amongst others, the issues of “control of access”, “maximum occupancy” and “supervision”.

On 25 and 26 September 2006, in Düsseldorf, CEN TC 136 held a meeting of its working group 8 (WG 8) on the draft standard “Part 2 - Safety requirements for operation”.

Following the outcome of the meeting, some provisions in the original text, which were causing most concerns to the hospitality and tourism sector, have been removed or are now written in more flexible terms:

1) **Maximum occupancy:** it will be for the pool operator to define - on the basis of a risk assessment, taking into account a number of elements - the maximum of users allowed at any one time in the swimming pool. However, no specific formula such as “no more than X users per Y m²” will be imposed.

2) **Access to the pool:** once again, it will be for the pool operator to determine – on the basis of a risk assessment – when he needs to limit the access to the pool, and if so, how he will organise the access.

3) **Supervision:** once again it will be for the pool operator to determine – on the basis of a risk assessment - whether supervision is needed and if so, its type and form. The risk assessment will take into account any overriding legal requirements and consider special risks factors (an open list of exemplary factors will be provided).

However, the text still includes a great number of additional requirements concerning, amongst others, pool maintenance, emergency and cleaning procedures.

HOTREC – which participated with a liaison status at the meeting of the WG 8 in Düsseldorf - welcomed these three changes in the original text as they eliminate burdensome requirements and introduce flexibility. This is essential because, even though standards are described as “voluntary”, they can indeed be easily introduced into legislation and are often referred to by tribunals and courts. The HOTREC Secretariat will continue to monitor the work of TC 136 WG 8 so as to ensure that the point of view of the hospitality sector will be properly taken into consideration. HOTREC will attend the next CEN TC 136 WG 8 meeting on swimming pools in Lyon on 16-17 November 2006.

HEALTH

□ *European Alcohol Strategy and WHO consultation process*

As reported in *Live from Brussels N°36* and *N°37*, the Directorate General for Health and Consumer Protection (DG SANCO) of the European Commission is currently finalising a Communication on a European strategy for tackling alcohol abuse. The document, to be published this month (?), will take into account the outcome of a broad consultation process on the issue.

It is reported that the Communication will focus on young people protection, drink-driving, harm reduction/prevention amongst adults, education/information and data collection. In order to tackle the harmful effects of alcohol abuse, the Communication will suggest actions to be taken at national level by Member States and at European level by the European Commission. According to the EC Treaty (Art. 152), the Commission is responsible for complementing and coordinating national policies in relation to public health.

Member States would be asked to, for example:

- review minimum age requirements for selling and serving alcoholic drinks;
- introduce a zero blood alcohol concentration limit for young drivers;
- introduce and enforce routine breath testing;

- set and enforce measures on serving alcohol to drunk people;
- establish regulations on effective licensing systems for the selling and serving of alcoholic beverages;
- improve consumer information at point of sale and on products via health warning labels.

The European Commission would promote:

- the development of strategies aimed at restraining under-age drinking, taking into account the issues of marketing, selling and serving of alcoholic beverages;
- projects contributing to alcohol-related harm reduction;
- the setting up of an Alcohol and Health Forum;
- the creation of a system for standardised definitions for alcohol data.

The Communication will also call for the participation of relevant stakeholders into the process in order to reduce the negative impact of alcohol abuse on public health.

Parallel to the developments at European level, work in the field of alcohol is also taken forward internationally by the World Health Organization (see *Live from Brussels N°37*). The WHO organised a consultation meeting on 9 October 2006 in its Geneva headquarters where it invited selected stakeholders (representatives of the alcohol industry, health and civil society groups) to debate and share their point of view on health problems related to alcohol consumption. This meeting was a direct follow-up to the online consultation launched by WHO in August 2006.

Following the outcome of this consultation process, the WHO will make “clear recommendations” to its members for effective policies and interventions to reduce alcohol-related harm, as it was formally requested by a resolution adopted at the 58th World Health Assembly in May 2005. At the end of the stakeholders’ meeting, it was confirmed that alcohol would continue to be on the WHO agenda at the Executive board in January 2007 and at the World Health Assembly in May 2007.

HOTREC welcomed the opportunity to participate for the second time in a WHO meeting representing the hospitality sector and to submit its position on the issue (HOTREC already participated in a WHO meeting on the same issue in March 2006). HOTREC shares the concern of the European Union and the WHO with regards to the negative effects of alcohol abuse and related harm. Its member associations are willing to continue to share best practices on policies for alcohol-related harm reduction and are fully aware of their responsibility in the sale of alcohol. However, in accordance with the subsidiarity principle the hospitality sector promotes a national approach to tackling alcohol abuse, taking into account different cultural traditions. HOTREC will continue to monitor the issue at international as well as European level, in order to support balanced and pragmatic policies.

□ ***Smoking in public places***

As reported in *Live from Brussels N°38*, in June 2006, the Directorate General for Health and Consumer Protection (DG SANCO) launched an informal consultation on smoking in public places, whereby stakeholders were asked to express their comments on a consultative document circulated by the European Commission.

This informal consultation document set out different options for EU policies aimed at enhancing public health protection in relation to passive smoking. However, it did not express a clear preference for any particular policy tool (self-regulation, legislation or recommendation).

Following the informal consultation process, the European Commission is currently examining a draft version of a Green Paper (a formal consultative document) on *Smoke free environments*. Health and Consumer Protection Commissioner Kyprianou recently confirmed that the final text of the Green Paper is to be published before the end of the year.

At national level, the issue of smoking in public places continued to be present on the legislators' agenda:

- in Luxembourg, a smoking ban in public places came into effect on 5 September 2006. The legislation, voted by the Parliament on 13 July 2006 bans smoking, amongst others, in restaurants (although separate smoking rooms are permitted, if these account for less than 25% of the total area of the venue) and cafés (with a ban in place during dining hours). Individuals contravening the smoking ban face fines of up to 250 Euros while establishments can be fined up to 1000 Euros.
- in France, Prime Minister Dominique de Villepin, who spoke during a television interview on 8 October 2006, announced that smoking was to be banned in all public places from February 2007. Cafés, night clubs and restaurants are to be given a transitional period until January 2008 to adapt to the ban. After 1 January 2008, these categories will be required to install strictly supervised smoking rooms, equipped with extraction systems linked to the outside. Staff will not be required to enter or serve in the "hermetically sealed" *fumoirs*. Those found in breach of the ban would be fined - 75 euros for individuals and 150 euros for the premises where the offence occurred.

HOTREC member associations share the concerns of the European and national authorities in relation to public health and smoking. However, HOTREC believes that the matter should be regulated at national level, reflecting local attitudes and demands of society. Therefore, HOTREC repeatedly expressed its opinion towards the European Commission that EU legislative measures with regards to non-smoking are not consistent with the principle of subsidiarity. HOTREC will keep its members informed on any further developments that will occur at European and international level.

TAXATION

□ Increase of excise duties on alcohol beverages?

As announced in *Live from Brussels N° 38*, the European Commission finally published its proposal "for a Council Directive amending Directive 92/84/EEC on the approximation of the rates of excise duties on alcohol and alcoholic beverages" (see also COM (2006) 486 final) on 8 September 2006. The European Commission proposes to increase the minimum rates of excise duty on alcohol from 1 January 2008, with a possible transition period up to 2010. The proposed increase takes into account the inflation since 1992, which was 31% until 2005. The 0% minimum rate on wine would remain.

If adopted by the ECOFIN Council, the proposed Directive would force the governments of the Czech Republic, Germany, Latvia, Lithuania, Luxembourg, Malta and Spain regarding beer, Cyprus, Greece, Malta, Portugal and Spain regarding intermediate products (e.g. fortified wines such as port wines, sherry, etc. up to 22% alcohol) and Cyprus and Slovenia regarding alcohol and spirit drinks to increase the excise duty of the above mentioned products in their particular countries.

Regarding beer, the highest tax increase would be in Malta, with a 0,0145 EUR minimum increase of the excise duty on half a litre of beer at 5% alcohol volume. That means a 31% tax increase. For the intermediate products, Greece would face the highest minimum increase with nearly 0,1 EUR on a 70 cl bottle. As regards alcohol and spirit drinks, Cyprus should levy an additional duty of 0,31 EUR on a 70 cl bottle at 40% alcohol volume, according to the proposed Directive.

However some countries apply a much higher excise duty rate for alcohol than the minimum rates, which are currently laid down in the Directive. E.g. in Ireland consumers have to pay a 0,5 EUR excise duty on half a litre of beer instead of the current minimum rate of about 0,047 EUR.

Member States, which on 31 December 2007 will apply an excise duty rate, at which an increase of 10% or more would be required in order to reach the minima laid down in the Directive, may postpone the application of the new minimum rates of the excise duty until 1 January 2009. Where an increase of 20% or more would be required, application of the new minimum rates may be postponed until 1 January 2010.

As the Finnish EU Presidency is also in favour of increasing taxes on alcohol (see preliminary agenda of the Finnish presidency), the issue may already be on the table this year at the Council.

HOTREC is watching carefully the developments on this issue as excise duties influence directly the price of drinks served.

STATISTICS

□ *Revision of the tourism statistics Directive*

Council Directive 95/57EC on the collection of statistical information in the field of tourism (*see Live from Brussels N° 35*) is currently under revision. EUROSTAT is preparing the text of the European Commission proposal, which may not come out earlier than end of 2007. This means that the new EU Directive could enter into force in 2010.

In the framework of this preparatory work a EUROSTAT Working Group (WG) meeting took place 11-12 September 2006 in Luxembourg, where nearly every EEA (European Economic Area) Member State and associated country was represented. The WG discussed many important questions regarding tourism statistics, while many open issues (e.g. to cover also trips shorter than 4 nights, and the possibility of broader data collection on tourism expenditure) will be dealt with by a Task Force.

The EUROSTAT Task Force will meet on 7-8 December 2006, and in March-April 2007 to further examine the open questions. The next Working Group meeting is scheduled to be held on 5-6 June 2007, when the legislative text of the new Directive, to be proposed by the European Commission, might be discussed.

HOTREC represented the hospitality sector at the meeting and defended its position paper, on which there had been an agreement at the GA in Vienna (see document D-0905-257-JH). The position paper included the following wishes:

- *Collection on data on room nights and occupancy of rooms, instead of bed nights;*
- *Collection of data on accommodation revenue;*
- *More information on tourism spending;*
- *Coverage of short trips, (currently only trips with 4 or more nights covered),;*
- *Stricter categorisation of “hotel” for statistical purposes;*
- *Easier access to tourism data on the EUROSTAT website; and*
- *Promotion of electronic supply of data.*

The WG was in favour of the data on room nights and room occupancy. The coverage of short trips and more information on tourism spending may be reconsidered in the Task Force. However not all the requests can be taken into account, mainly because of the additional burden to the respondents. Because of the very differing approaches of the EEA Member States, regarding the definition of a hotel, it will be difficult to reach agreement on a uniform threshold defining what constitutes a “hotel” for statistic purposes.

TOURISM

□ *European Tourism Policy*

As a follow up of last year’s European Tourism Forum in Malta, and the European Commission’s Communication on “A renewed EU tourism policy” (*see also Live from Brussels N° 37*), the Competitiveness Council of the European Union agreed at its meeting on 25 September 2006 on Council Conclusions regarding Tourism policy.

The Council recognises the importance of tourism, which is playing an important role in the achievement of the goals of the Growth and Jobs Strategy. The Council stresses that Europe is the leading tourism destination in the world and that the sector’s activity concerns practically all European regions and contributes to regional development.

In its conclusions the Council invites the Commission to promote “Better Regulation” and to make sure that the impact of its policy initiatives on the sector’s competitiveness is identified at an early stage. The Council also invites the European Commission to enforce the interactive process by consulting with and informing the tourism stakeholders on issues that may affect tourism, including the possibilities of funding specific tourism-related projects.

The Council invites the European Tourism industry to proactively inform the policy makers of regulatory and policy measures that would help to better take into account the sector’s interests. The Council also asks the industry to actively participate in impact assessment procedures.

The 5th European Tourism Forum will be held in Cyprus on 16-17 November 2006 under the general title “European Tourism: New Opportunities”. The main issues will be discussed in three different workshops.

Susanne Kraus-Winkler, Member of HOTREC Executive Committee will hold the introductory speech for the “New Instruments, Innovative Partnerships” workshop.

For further information and the complete programme of the Tourism Forum please visit:
<http://www.etfcyprus2006.com.cy>

HOTREC is very pleased about the statements of the Council's conclusions, as they aim at a more effective involvement of the industry into the European developments. However HOTREC would be even more pleased, if more visible actions would follow these positive words.

TRAVEL

□ Visa policy - Proposal for a new Community Code for Visas

On 19 July 2006, the European Commission proposed a Regulation establishing a Community Code for Visas. Denmark, the United Kingdom and Ireland will not be bound by it. The new Regulation will not be applicable to the new Member States until there is a specific decision of the Council.

The Regulation lays down the conditions and procedures for the processing of visa applications of third country nationals for stays not exceeding 3 months in a 6 month period. It will enter into force 6 months after its adoption.

The most relevant points for our sector in the proposed Regulation are the followings:

- The visa applicant must submit its application at a diplomatic mission of the Member State of the main destination. This point can be problematic if a person plans a trip throughout Europe.
- At the first application, the following biometric identifiers will be collected from the applicant: a photograph and fingerprints. These data will have to be renewed every 4 years.
- For the application of a visa the following supporting documents will have to be submitted:
 - indicating the purpose of the journey;
 - documents in relation to accommodation;
 - indicating the financial means available to cover the costs; and
 - indicating the applicant's intention to return to the country of departure.
- The minimum coverage of the travel insurance must be 30.000 EUR.
- A handling fee of 60 EUR for each application will be charged.
- Commercial intermediaries, e.g. tour operators may be accredited by Member States to cooperate with them in case of repeated applications, as long as the biometric identifiers of the visa applicant are not older than 48 months. Accredited commercial intermediaries may collect applications, supporting documents and the handling fee and transmit the complete file.

HOTREC is working with NET (Network of European private entrepreneurs in the Tourism sector) to prepare a common position on this issue. HOTREC and NET fear that the proposed changes to the current regime (e.g. nearby doubling the handling fee, additional administrative burdens) will affect the incoming tourism market from emerging destinations, like China, Russia or India.

□ ***Aviation Security – Cabin luggage***

The European Commission agreed on the 5th of October 2006 on a Regulation restricting the liquids that air passengers may carry past screening points and onto the aircraft in their hand luggage. The new rules will apply to all flights departing from airports in the European Union, regardless of their destination and the nationality of the carrier.

Passengers will only be allowed to take liquids (drinks, etc.) on board, which were bought beyond the points where boarding passes and cabin luggage have been checked. However passengers will be still permitted to take small quantities of liquids (in containers and not exceeding 100 millilitres in capacity) past screening points, e.g. small toiletries, liquids for contact lenses. The new Regulation will also make an exemption for medicines and dietary requirements needed during a trip, including baby food.

The size of the cabin baggage will be limited to 56*45*25cm, with some possible exemptions for music instruments, cameras, etc. This rule shall be applicable only in six months, to give the industry time to prepare.

The final adoption of the legal text by the European Commission can be expected in the coming days, so the new Regulation may enter into force early November this year, twenty days after its publication in the Official Journal.

The Transport Ministers of the Council of the European Union at their meeting on 12 October encouraged the Commission and its Aviation Security Committee to closely observe whether the regulations limiting the amount of liquids in hand luggage aboard a plane, operate appropriately.

HOTREC fears that additional burdens and inconveniences imposed on travellers could have negative effects on the tourism sector. HOTREC will follow this issue, and inform its member associations about the latest developments.

SOCIAL AFFAIRS

□ ***Draft Green Paper on the Evolution of Labour Law***

In the framework of the European Commission's Legislative and Work Programme 2006, Directorate General Employment & Social Affairs is currently drafting a Green Paper on the Evolution of Labour Law.

The aim of this Green Paper will be to initiate a public debate in the EU on how EU labour law can be updated to meet the key challenge of combining greater flexibility with the need to provide security (i.e. social rights).

Although the Green Paper is not yet officially released, a draft is circulating openly. The draft touches upon the following issues:

- Employment transitions (assisting workers to move from one status to another, whether in the case of involuntary discontinuities (e.g. dismissal and unemployment) or voluntary discontinuities (e.g. in the case of education and training leave, caring responsibilities and parental leave));
- Disguised employment (the development of entrepreneurship could be facilitated by greater clarity concerning the status of self-employment);
- Economically dependent work (by and large this concerns the situation whereby someone is self-employed but merely has one client and is thus economically dependent or partly subordinate to this client as though he/she were in a normal employment relationship);
- Triangular employment relationships (this deals with the 2002 European Commission proposal for a Directive on Temporary Agency Workers - which never made it beyond a proposal as it was opposed by a handful of Member States - and also sub-contracting);
- The consistent application of EU labour law in a transnational operation of businesses and services (currently the definition of “worker” is left to national legislation and the question arises whether an EU-wide definition would protect workers in a transnational context); and
- EU cooperation in the enforcement of labour law (especially concerned with “undeclared work” and that there should be more cooperation at national level between different government enforcement agencies).

The publication of this Green Paper has already been postponed a number of times and the latest news is that it is likely to be published in a few weeks’ time.

HOTREC and its member associations are very interested in all issues touched upon in the draft Green Paper. Flexibility is key to the hospitality sector. The draft Green Paper correctly identifies that the administrative burdens associated with the employment of regular employees also have a significant influence on employment growth, particularly in SMEs, which of course covers most businesses in the hospitality sector. HOTREC and its member associations will definitely post their replies to the Green Paper, once it is published.

□ ***Working Time Directive***

The Finnish EU Presidency is trying to find a way to end the deadlock in the debate on the revision of the 2003 Working Time Directive. The 25 EU ministers are due to meet on 7 November 2006 and will try to reach agreement on the following compromise proposal by the Finnish EU Presidency.

The choice will be left to the Member States whether to incorporate the *individual* opt-out clause (i.e. permitting employers to reach agreement with individual workers not to apply maximum working hours) or not to incorporate it. The consequences for each will be, amongst others:

- For Member States who allow the *individual* opt-out:
 - An agreement by the employee during the first 4 weeks of an employment contract will be seen as null and void;
 - No worker works more than [65] hours over a period of seven days [calculated as an average over a period of [3] months] (this was the compromise suggested by the UK EU Presidency as reported in *Live from Brussels N° 36*); and
 - A new article in the Directive would deem “on-call” time at the workplace as working time and there will be a limitation on the exemptions to the reference period.
- For Member States who will not allow the *individual* opt-out:
 - They may nonetheless propose to calculate the hours worked with a reference period of 12 months (the current version of the Directive mentioned a reference period of 4 months);
 - The maximum of hours worked per week will remain at 48 hours; and
 - “On-call” time is not seen as working time, except where national law and/or practice, a collective agreement or an agreement between the social partners decides otherwise.

The issue of whether “on-call” time is to be seen as working time, was recently brought to light again (see *Live from Brussels N° 34* which mentioned that one of the suggested amendments to the Working Time Directive was to define on-call time, including the inactive part, as working time). The EU Ombudsman recently called upon the European Commission to deal with a complaint by a German doctor concerning time spent “on-call”. The Ombudsman criticised the European Commission for not having investigated whether to refer the matter to the ECJ and ordered it to reply to him by 15 December 2006.

(EO/06/16 Rapid Press release:

<http://europa.eu/rapid/pressReleasesAction.do?reference=EO/06/16&format=HTML&aged=0&language=EN&guiLanguage=en> and www.ombudsman.europa.eu/recommen/en/053453.htm).

HOTREC is scrutinising the developments in this area very carefully as it is a very important issue for the hospitality sector. HOTREC supports a flexible Working Time Directive which would maintain the opt-out and provide for a 12-month reference period. However, until the results of the meeting on 7 November 2006 are known, it is uncertain what the final outcome will be. The final decision by the ECJ on whether time spent “on-call” is working time is also of interest to HOTREC, which would prefer not to see this time as working time.

□ *Work-life balance*

Apparently, the European Commission has agreed to launch the first stage of a consultation of management and labour on the issue of reconciliation of professional, private and family life (“reconciliation”). There are already 2 directives in place regarding work life balance. One is a health and safety measure and protects pregnant workers and workers who have recently given birth or are breastfeeding. The other directive deals with parental leave.

Over the last 2 decades, the European institutions and the European social partners have constantly called for EU level policies for improving reconciliation, stressing the importance of combining adequate provision of quality childcare services together with leave and flexible working time arrangements and financial benefits.

The current consultation identifies the following issues:

- At the moment, Member States differ largely in respect of the length of maternity and parental leave and the level of payment which they grant for each type of leave.
- The European Commission believes that further action at EU level is required in the area of work-life balance in order to achieve the following goals:
 - Enabling women and men to have as many children as they would like;
 - Caring for the ageing population in the EU;
 - Raising the labour market participation rate of women;
 - Reaping the business benefits of reconciliation policies;
 - Promoting an equal sharing of caring responsibilities; and
 - Adapting working patterns and exploit new technologies to improve reconciliation.

The social partners will be asked to respond to the following 5 questions:

- Do you consider that there is a need for further action on reconciliation between professional, private and family life in the European Union? If you consider action to be necessary, should such action be undertaken at Community level, national level, enterprise or sectoral level?
- What are the main areas in which improvements could be needed?
- By which means do you consider that better reconciliation between professional life and private and family life could be achieved?
- Do you consider the existing Community legislation (notably on parental leave and protection of maternity) adequate to meet the needs for reconciliation between professional and private and family obligations and creating the conditions for more equal sharing of professional, private and family responsibilities between women and men?
- How can the best balance be struck between the costs and benefits – for both individuals and companies – of measures permitting reconciliation of professional, private and family life?

HOTREC, as social partner, will of course be consulted in this area and it is monitoring the developments as the issue of work-life balance is closely related to the issue of the Working Time Directive. HOTREC will be replying to the questions once the consultation document is published.

TRAVEL TRADE

- *Green Paper on the revision of consumer acquis including Package Travel Directive: horizontal or vertical approach?*

Apparently, the European Commission will issue a Green Paper on the revision of the consumer *acquis** at the end of November 2006. This Green Paper will invite all interested

* This is a French term meaning, essentially, “the EU as it is”. The Community “*acquis*” is the body of common rights and obligations which bind all the Member States together within the European Union.

parties to express their views on whether and how to reform the consumer protection *acquis*.

As reported in *Live from Brussels N° 35*, the European Commission launched a study in 2004 on the implementation of 8 directives protecting consumers' economic interests, amongst which the Package Travel Directive.

The latest news is that according to a European Commission official of the DG in charge with consumer protection, the results of the 2004 study will be part of the evidence which the European Commission has collected in order to draft the Green Paper.

As reported in *Live from Brussels N° 35*, the European Commission could choose between 2 approaches:

- a vertical approach consisting of the individual revision of existing Directives (e.g. revision of the Package Travel Directive) or the regulation of specific sectors in one Directive (e.g. Directive on tourism, including provisions of the package travel);
- a more horizontal approach, adopting one or more framework instruments to regulate common features of the "*acquis*". This framework instrument would provide common definitions and regulate contractual rights and remedies;
- there could also be a 3rd approach which is to combine the first 2 approaches and make a Common Framework Reference for the general contract law issues as well as a separate Directive dealing with sector specific issues like package travel.

The hospitality industry as well as the tour operator/travel agent industry are obviously very concerned with any development in relation to the Package Travel Directive, but not for the same reasons. HOTREC will have to watch that the revision does not add to the burdens for hoteliers and will reply to the questions posed by the Green Paper.

It currently appears that the European Commission is favouring a vertical approach for review as it has recently issued a consultation on the Time-Share Directive and also on the Implementation of the Distance Selling Directive. For the consultation on the Implementation of the Distance Selling Directive, interested parties are requested to reply to the questions by 21 November 2006. HOTREC will also be replying.

* * *