



L I V E F R O M B R U S S E L S

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VAT

□ **Once again, the Commission proposes reduced VAT rates for restaurants**

Further to its Communication of July 2007 and the consultation of March 2008 (see *Live from Brussels N°41* and *N°42*), the European Commission released on 7 July 2008 a limited legislative proposal on reduced VAT rates (COM(2008) 428 final). The Commission suggests the inclusion of restaurant services, together with some other locally supplied services, to the list of goods and services to which all Member States may choose to apply a reduced VAT rate (Annex III of Directive 2006/112/EC). The items currently in Annex IV of the Directive (labour-intensive services) should also be moved to Annex III.

If this proposal is adopted as such, all Member States will have the option (from 1 January 2011, when the transitional arrangements for Annex IV and for some new Member States come to an end) to apply a reduced VAT rate or the standard rate to restaurant services. However, the option to apply a reduced rate would not cover alcoholic beverages served in restaurants. Consequently, such beverages should in all cases be subject to the standard rate. This would have serious implications for Italy, Portugal, Spain and Luxemburg, where alcoholic drinks in restaurants are currently subject to a reduced VAT rate. The objective of the Commission is that the standard rate apply to alcoholic beverages, whether they are bought in shops or consumed in restaurants. Several countries already apply a different rate to food and alcoholic beverages served in restaurants.

Discussions within the Council have already started on this Commission proposal. The informal Council meeting of finance ministers (ECOFIN Council) on 12-13 September 2008 addressed the issue of reduced VAT rates in general. Agreement was reached on the following two principles with regard to reduced VAT rates:

- The application of such rates should not distort the smooth functioning of the internal market;
- All Member States should have equal access to the application of reduced VAT rates.

However, some non-official sources already refer to great difficulties in the discussions in relation to reduced VAT rates for restaurants.

The European Commission is counting on an agreement between the Member States by mid-2009. The French Presidency wishes to conclude discussions by the end of 2008.

At the European Tourism Forum held in Bordeaux on 17-19 September 2008, Commission Vice-President Mr. Günther Verheugen underlined the importance of reduced VAT rates for the European tourism industry.

*Currently 11 Member States apply a reduced VAT rate for restaurants, despite the general principle of the application of a standard rate to such services. Probably more countries would make use of such option, if they were allowed to do so. However, it is not the first time that the Commission proposes to allow all Member States to apply a reduced VAT rate to restaurants. Such a proposal was already made in July 2003 (see *Live from Brussels N°29*), but could not be agreed by the Member States.*

While most of the HOTREC Member Associations would welcome the possibility of reduced VAT rates for restaurants, some others would unfortunately be harmed by this proposal (if adopted as such), as their establishments would be forced to increase the price of alcoholic beverages served.

As a reply to the Commission public consultation on reduced VAT rates, HOTREC issued a revised version of its VAT brochure “Reduced VAT rates: a must for a sustainable European hospitality industry”, which is available on the HOTREC website under the following link: http://www.hotrec.eu/files/view/506-hotrec-vat_brochure_2008-final_version.pdf.

CONSUMER AFFAIRS

□ Fire safety: the pressure is mounting!

Fire safety in hotels is regulated at EU level by the 1986 Council Recommendation 86/666/EC. Since 2002, its revision has been discussed on several occasions within the Consumer Safety Working Party (a permanent expert group composed of representatives of national administrations) but no consensus could be reached among the participants.

Despite this lack of consensus, the Commission is currently considering taking further actions, in order to respond to the political pressure exerted by various British MEPs who are particularly active on the topic since an important fire devastated a hotel in Newquay (UK) in August 2007 (see *Live from Brussels* N°42).

On the occasion of a meeting with some hotel chains in February 2008, Commissioner Kuneva, in charge of consumer affairs, made clear that she would favour a holistic approach to safety in hotels that would enshrine a move from the current prescriptive regime to an approach based on risk assessments. Following this statement from the Commissioner, the Commission issued in July 2008 a call for proposals for a study on hotel safety. This study will seek to obtain statistics on injuries and deaths in hotels, to identify the main risks, and to propose solutions to address those risks.

Meanwhile, the European Parliament kept the pressure on the Commission by organising on 3 July 2008 a hearing on hotel safety, with a particular focus on fire safety. Shortly afterwards, the IMCO Committee of the European Parliament decided to commission its own study on hotel safety, independently from the Commission study.

Following these developments, the Commission invited on 3 September the representatives of the hotel industry to discuss the possibility to take further actions to improve yet again the level of fire safety.

HOTREC is convinced that the question of fire prevention is primarily the responsibility of the Member States and that any action at EU level should respect the principle of subsidiarity. In this respect, HOTREC stresses that more attention should be paid to proper enforcement of existing national, regional or local rules, rather than creating yet again another layer of legislation.

Nonetheless, as a responsible industry, HOTREC and its Member Associations committed to work on new tools to improve the level of fire safety in all hotels across Europe. During the discussions at the meeting of 3 September with the Commission, the possibility to develop a CEN Workshop Agreement (CWA) was envisaged but finally not retained. HOTREC and its Member Associations committed to work, outside of CEN, on new instruments to accommodate the needs and constraints of small hotels, which constitute the vast majority of hospitality establishments in Europe.

□ **Timeshare Directive: hotel room reservations are binding contracts and should not be included in the Directive**

As reported in *Live from Brussels N°42*, the European Commission issued in June 2007 a proposal (COM(2007) 303 final) to review the current timeshare Directive (94/47/EC). The aim of the proposal is to harmonise certain provisions on consumers' rights and to extend the scope of the current rules to cover:

- Contracts of more than one year;
- Long-term holiday products (e.g. "discount holiday clubs" where a consumer buys "the right to obtain discounts or other benefits on accommodation in isolation or together with other services"); and
- Resale and exchange of timeshare products.

While, in the current Directive, the definition of 'timeshare' only covers long-term contracts (contracts of more than three years), the new proposal would extend the definition of 'timeshare' to contracts of more than one year. This extension of the scope would be harmful to the hospitality industry, as it would mean that multi-annual reservations of hotel rooms would be covered by the burdensome requirements of the Directive (e.g. ban on advance payments, right of withdrawal, information to be given to the consumer, etc).

During the debates in all three institutions (Commission, Council and European Parliament), a clear misunderstanding about the legal nature of a hotel room reservation appeared. It was proposed that only multi-annual reservations of hotels rooms which are not binding on the consumer would be exempted from the provisions of the Directive. HOTREC and its Member Associations strongly voiced their concerns over such a misinterpretation: all hotel bookings or reservations are contracts, therefore binding, as it was confirmed by the ECJ in its judgement of 18 July 2007 in case 277/05. This led the Council to introduce an amendment that would exclude from the scope of the Directive multi-annual reservations of hotel rooms, provided that those reservations would not imply rights and obligations going beyond those inherent to a contract for a single stay.

The EP will adopt its opinion on 8 October 2008, paving the way for an adoption by the Council during the autumn 2008.

HOTREC welcomes the introduction by the Council of an amendment that would exclude multi-annual reservations of hotels rooms from the scope of the Directive, while avoiding gaps in consumer protection. HOTREC wishes that the same path will be followed by the European Parliament.

□ **Consumer contractual rights: a framework Directive to be released soon**

As reported in *Live from Brussels N°42*, the Commission is currently working on a framework Directive on consumer contractual rights. The aim of this Directive is to review, simplify and improve the coherence of the consumer regulatory framework. It will incorporate four existing directives (the unfair contract terms Directive, the distance selling Directive, the consumer sales and guarantees Directive and the doorstep selling Directive) and will regulate horizontal aspects of other consumer directives (e.g. right of withdrawal in the Timeshare Directive). The draft framework Directive should be adopted by the Commission in October 2008.

Any revision of the distance selling Directive (97/7/EC) is of particular interest for the hospitality industry, as the current Directive contains in its article 3(2) a derogation for “contracts for the provision of accommodation, transport, catering or leisure services, where the supplier undertakes, when the contract is concluded, to provide these services on a specific date or within a specific period”. This provision allows the hospitality industry to be exempted from some requirements of the Directive (e.g. prior information, written confirmation of information, right of withdrawal, and execution of the order by the supplier within 30 days – articles 4, 5, 6 and 7-1).

HOTREC considers that the derogation provided by article 3(2) of the current distance selling Directive should remain unchanged in the framework Directive on consumer contractual rights. Moreover, HOTREC is of the strong opinion that this derogation should not be optional for Member States but mandatory, as in the current Directive.

□ **Package travel: a study before a revised text**

As reported in *Live from Brussels N°42*, the European Commission issued on 26 July 2007 a working document on the revision of the 1990 package travel Directive (90/314/EC) and launched a consultation on specific issues relating to package travel:

- Scope of the Directive and definitions (definitions of “package”, “inclusive price”; “organiser”; “retailer”; “consumer”);
- Pre-contractual information/information requirements and variation in price;
- Withdrawal from the contract by the consumer and right to compensation;
- Liability of organisers (is there a need to clarify the notion of “damages”?);
- Consumer complaints; and
- Security for insolvency.

While the Commission is currently analysing the replies to the consultation, it announced in August 2008 the launch of a study aimed at estimating and analysing consumer detriment in the package travel sector. This study will be carried out during the year 2009 and its results will be incorporated into the work of the Commission on a new package travel Directive, which could be released in 2010.

HOTREC considers that the combination of accommodation and other tourism services, other than travel and not ancillary to accommodation, should not be covered by the upcoming Directive.

This call for a restriction of the scope of the Directive is linked to the provision in the Directive relating to a guarantee scheme. Even when hotels offer services not considered as ancillary to accommodation, their situation differ greatly from that of organisers/travel agents:

- *Hotels generally do not receive substantial payment in advance;*
- *Credit cards details usually only secure cancellation fees.*

Moreover, since hotels always have tangible assets, they should not be requested to provide evidence of security to cover risks of insolvency.

□ **The introduction of collective redress in the EU: bitter-sweet news for hospitality businesses**

As announced in *Live from Brussels N° 42*, the Commission currently examines problems faced by victims in obtaining effective redress when the cost of taking legal action is likely to outweigh the amount of compensation claimed. In the Commission's view, collective redress (class actions) could be an effective mean of tackling this issue. The Commission is developing such instruments in the context of EU competition rules as well as in the context of consumer protection.

On the first aspect, the Commission released on 2 April 2008 a White Paper on “*damage actions for breaches of EC antitrust law*” (COM(2008) 165 final). In such a system, qualified entities such as trade associations could bring actions on behalf of their members, as well as individuals and businesses, provided that they expressly opt in a collective action. Moreover, any final decision from a national competition authority establishing a breach of competition law would constitute a binding proof in subsequent collective redress claims. Victims could receive compensation from the infringer for both the actual loss resulting from the illegal behaviour and the indirect loss of profit incurred.

Besides this competition aspect, the Commission is also working on collective redress for damages incurred by consumers. Following the consultation launched by the Commission in February 2008 on consumer collective redress benchmarks, and to which HOTREC replied (see *Live from Brussels N° 42*), a specific stakeholder workshop was organised on 29 May 2008 by the Commission to obtain more in-depth views from the industry side on the benchmarks to be followed by a future collective redress mechanism. The result of this consultation will serve as a basis for a Commission Communication to be released by the end of 2008 or early 2009. This Communication will most probably be influenced by the content of the above mentioned White Paper, as the work in the field of competition is more advanced.

HOTREC welcomes the adoption of the Commission White Paper on “damage actions for breaches of EC antitrust law” as a positive development for the hospitality industry. It will indeed allow hospitality businesses victims of illegal anti-competitive behaviours to obtain more effective and cheaper remedies through collective claims. Such a system could be used, for instance, in the MasterCard and Visa cases on Multilateral Interchange Fees (see Live from Brussels N° 42).

However, and by opposition to the first aspect, consumer collective redresses could be detrimental to the hospitality industry. HOTREC therefore warns that collective redress mechanisms should be set-up with the greatest caution, so as to avoid the pitfalls inherent to class actions systems. In particular, specific attention should be paid to the defendant's reputation, when no illegal behaviours were previously identified. HOTREC therefore stresses that out-of-court settlements should be further encouraged, in order to avoid the legal blackmailing risks implied by consumer collective redress.

HEALTH

□ Menus to list all ingredients, their origin, their nutrition value, etc.?

The European Parliament has just started working on the Commission proposal for a Regulation on the provision of food information to consumers (COM(2008) 40 final), which was summarised in *Live from Brussels N°42*.

The ENVI Committee (Environment, Public Health and Food Safety), which is responsible for the file, held a first exchange of views on the matter on 24 June 2008. On that occasion, MEP Renate Sommer (Germany, EPP-ED Group), in charge of preparing the report of the Committee, indicated that the adoption process of this text is likely to be very long and will require more than one reading in the European Parliament (i.e. adoption is unlikely before the end of the term of the current Parliament, which is to be renewed in June 2009).

A public hearing on the proposed Regulation was organised in the European Parliament by the Rapporteur on 28 August 2008. The hearing highlighted that:

- For various reasons, the text of the proposal as it stands is not acceptable for most food businesses operators;
- EuroCommerce (representing the retail, wholesale and international trade sectors in Europe) as well as UEAPME (representing European crafts, trades and SMEs) are of the opinion that the mandatory food information requirements should not apply to non-prepacked food;
- Consumer organisations welcome the proposal and support its application in relation to all food.

The Rapporteur should present her draft report at the beginning of November 2008. The vote on the draft report by the ENVI Committee should take place in January 2009, while the vote by the European Parliament in the plenary is expected in April 2009.

In parallel, the Council of Ministers has also started to review the proposal. The Council Working Party on Foodstuffs held a first meeting on 14 July and scheduled several meetings in the next months.

HOTREC is very concerned about the impact that the Commission proposal is likely to have on the activities of hospitality enterprises. If the text is adopted as such, hotels, restaurants, cafés and similar establishments serving food would be directly subject to all mandatory information requirements provided for by the Regulation.

- *Complying with these requirements will impose very heavy burdens and costs on all these establishments, especially on the smallest.*
- *A great number of them will not be able to cope with these complex rules and will simply be driven out of business.*
- *Staying in business will only be possible by*
 - *Cutting on the variety of dishes offered;*
 - *Using pre-packed and pre-labelled ingredients instead of fresh products from the daily market;*
 - *“Standardising” menus and dishes; and*
 - *Raising prices for consumers.*
- *The resulting dramatic decrease in the diversity of dishes offered will*
 - *Reduce the choice for consumers; and*
 - *Definitively harm the European culinary heritage!*

The principle of subsidiarity, enshrined in the Treaty, should be respected. The current regime for “non-prepacked food” (covering food served in restaurants and similar) should not be changed! EU labelling requirements should not apply to meals prepared and served locally, without impact on the internal market.

It is therefore vital that the European Parliament and the Member States review thoroughly the Commission proposal, taking into account the specificities of the hospitality industry, which is composed of over 92% of micro-businesses (employing less than 10 people).

□ **Small businesses and hygiene of foodstuffs**

On 5 June 2008, the European Parliament adopted a legislative resolution (first reading) on the Commission proposal to amend Regulation 852/2008 to exempt micro businesses from the full application of procedures based on HACCP principles (see *Live from Brussels N°40, N°41 and N°42*).

This resolution, adopted by a large majority (556 votes in favour and 67 against), proposes the exemption from the application of HACCP procedures not only for micro-enterprises (which employ fewer than 10 persons and whose annual turnover and/or annual balance sheet do not exceed EUR 2 million) but also for small and medium-sized companies (which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million). Such “*food business operators may be exempted*”, provided that the competent authority considers – on the basis of a regular hazard analysis – that there are no risks or that identified hazards are sufficiently controlled by the general food hygiene requirements. The Parliament also stresses that, in requiring evidence of compliance, the competent authority “*shall take due account of the nature and size of the food business*”.

In accordance with the EU legislative process (co-decision), the text adopted by the Parliament (T6-250/2008) has been transmitted to the Council of Ministers (representing EU national governments), which has now to express its view on the Parliament’s opinion.

Several Member States within the Council oppose the solution proposed by the Parliament for various reasons:

- Some countries consider that the exemption from HACCP should not be limited to a specific company size but remain strictly risk-based;
- Some countries want the current text of Regulation 852/2004 to remain as it is;
- Some would prefer to wait until 2009 when the Commission has to present a report to the Parliament and the Council on the application of Regulation 852/2004 (see Art. 16 of the Regulation).

On that basis, 2 scenarios are possible:

- The Council of Ministers could modify the text adopted by the EP or
- The legislative process could be blocked, in case the representatives of Member States were to be unable/unwilling to find a compromise solution and to adopt a common position.

If the Council of Ministers adopts a common position differing from the Parliament opinion, the new text will then have to be examined again by the European Parliament (second reading). So far, there has been no announcement of a date when the text will be discussed further at Council level.

The text adopted by the Parliament (first reading) is available at:

<http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P6-TA-2008-0250>

HOTREC, which welcomed the original Commission proposal, considers the text adopted by the European Parliament as a viable alternative in line with the objective to cut red tape without lowering the level of food safety. Therefore, HOTREC hopes that the Council of Ministers will find an agreement with the Parliament and not miss the opportunity to adopt a legislation that could reduce the administrative burdens for restaurateurs, in the best interest of responsible businesses and consumers.

❑ **Catering waste not to be used to feed pigs!**

On 10 June 2008, the European Commission issued a proposal (COM(2008) 345 final) to replace Regulation 1774/2002 on animal-by products not intended for human consumption.

Regulation 1774/2002 introduced the prohibition to use catering waste to feed farm animals, due to the risks for animal and human health. This text, however, allowed Member States to adopt transitional measures to permit the use of certain types of catering waste in feed (under strict controls and for no more than 4 years). On this basis, Germany and Austria had authorised until October 2006 the use of catering waste to feed pigs.

The new Commission proposal maintains the division of animal by-products into 3 categories. Catering waste continues to be included in “category 3 material”. The proposal upholds the prohibition to feed “*farmed animals other than fur animals with catering waste or feed material containing or derived from catering waste*” (Art. 18, b) and no longer allows for national derogations. The Commission considers that “*the potential risks especially to animal health largely outweigh the benefits from such practice. In addition, the rules on animal by-products offer substantial ways of using catering waste, such as in biogas plants or for the production of bio-fuels*”.

The proposal only maintains the possibility (Art. 27, b) for the competent authority of the Member States to authorise, under strict conditions, the use of “category 3 material” (including catering waste) for special and very limited feeding purposes (e.g. zoo, circus, fur animals, etc.).

The proposal has already been transmitted to the European Parliament for examination. The Parliament appointed MEP Horst Schnellhardt (Germany, EPP-ED Group) as Rapporteur in charge of the file in the responsible Committee (ENVI).

In parallel, an attempt to reintroduce the possibility at EU level to use catering waste to feed pigs was recently made by some MEPs on the occasion of the revision of the Framework Directive on Waste 2006/12/EC. However, the amendments tabled to this purpose were rejected by a strong majority (533 votes against, 148 votes in favour) during the vote by the plenary of the European Parliament on 17 June 2008.

HOTREC will continue to follow the developments in relation to this topic.

□ **European Alcohol and Health Forum**

On 16 April 2008, the European Alcohol and Health Forum held its second plenary meeting. The Alcohol Forum, launched by DG SANCO in June 2007, is the core element of the European Commission strategy “*to support Member States in reducing alcohol-related harm*” (see *Live from Brussels N°41* and *N°42*). The Forum brings together European stakeholders (currently over 50 organisations representing consumers, alcohol producers, retailers, hospitality, medical professions, health campaigners, advertisers, etc.) willing to take self-binding actions (“commitments”) contributing to reduce alcohol-related harm.

During this second meeting, chaired by Robert Madelin, Director General for Health and Consumer Protection, the Forum accepted the membership of new organisations, including the Finnish Hospitality Association (FHA) and the Swedish Hotel and Restaurant Association (SHR).

Reports on the ongoing activities by special Task Forces set up within the Forum to deal with “Youth-specific aspects of alcohol” as well as with “Marketing Communication” were presented.

Mr. Madelin also introduced the issue of “price and retail” and announced a forthcoming study by DG SANCO on “*affordability of alcoholic beverages within the EU*”.

The next plenary meeting of the Alcohol Forum will take place on 13 November 2008 in Brussels.

HOTREC, which shares the concerns of public authorities with regard to alcohol-related harm, in particular among young people, joined the Forum at the beginning of 2008.

HOTREC committed itself to raise awareness among its Member Associations on the activities of the Forum and to encourage them to be directly involved, with a special focus on responsible drinking and the enforcement of age limits for serving and selling alcoholic beverages.

So far, the British Beer and Pub Association, the Finnish Hospitality Association and the Swedish Hotel and Restaurant Association joined the Alcohol Forum.

Further details on the commitments by HOTREC and its Member Associations within the Alcohol Forum can be found at:

http://www.hotrec.eu/pages/policy_areas/health/alcohol_main_documents/

On 16 July, HOTREC participated in a meeting of the Task Force on Marketing Communication and gave a presentation on “How the hospitality industry views and applies the various ‘self-regulation codes across the value chain’ issued by the alcohol producers”. In its presentation, HOTREC highlighted that the hospitality sector is aware of the importance of acting responsibly with regard to the selling of alcohol and that HOTREC Member Associations are proactively involved, together with other stakeholders/public authorities, in various initiatives at national and regional level.

In order to complete the study on “affordability of alcoholic beverages”, RAND Europe (a consultancy) circulated, on behalf of the European Commission, a questionnaire (which was to be returned by 19 September) regarding on- and off- premises prices and discounts. HOTREC invited its Member Associations to reply to the questionnaire.

□ **New EU initiatives on smoking coming soon: 1 or 2?**

Following a consultation process opened with its Green Paper “Towards a Europe free from tobacco smoke: policy options at EU level” (January 2007), the European Commission (DG SANCO) intends to propose a Recommendation (non-binding measure) on smoke-free environments (see *Live from Brussels* N°40, N°41 and N°42). The Commission is expected to present its proposal in November 2008. The aim of the initiative would be to assist Member States in implementing comprehensive smoke-free laws in line with the guidelines of the World Health Organisation.

It is still not clear whether the forthcoming text will recommend the adoption of national rules banning smoking in all enclosed workplaces and public places:

- without exemptions; or
- with exemptions for selected categories of venues.

In parallel, it appears that the Commission, under the aegis of DG Employment and Social Affairs, is also assessing the possibility to take action against smoking in the workplace. A first-stage consultation of the social partners (employers and trade unions) on the issue could soon take place in the framework of the social dialogue.

Since years, HOTREC and its Member Associations have been sharing the concerns of public authorities in relation to the health damages caused by active and passive smoking, with regard to both its employees and its customers. However, as stated in its replies to the Green Paper and to the DG SANCO impact assessment consultation, HOTREC considers that EU legislation on smoke-free environments is neither necessary nor appropriate.

The current policy, consisting of a mix of national legislation supported by European Community programmes and campaigns, has so far proven to be effective with the gradual development of smoking rules, best tailored to the needs and attitudes of society vis-à-vis smoking in the different EU Member States.

STANDARDS

□ ISO TC 228 multiplies its activities

As explained in previous issues of Live from Brussels, ISO (International Organisation for Standardisation) set up in 2005 a Technical Committee (TC 228) to develop standards for tourism and related services. Notwithstanding the sustained opposition of the vast majority of the European hospitality industry, the Business Plan adopted in September 2007 confirmed a wide-reaching scope for the works of TC 228, including accommodation and catering services. The only limitation introduced by Resolution 14/2007 of the ISO Technical Management Board (TMB), reads as follows: “the initial Business Plan covering the period until 2010 comprises only those work items where there is a known support amongst the stakeholders”.

In the meantime, standardisation activities within TC 228 are multiplying. Several new projects were presented at the third plenary meeting in Marbella (February 2008) and subsequently approved by the national standardisation bodies via votes by correspondence in April 2008 and June 2008. Therefore new ISO standards will be developed in relation to:

- Beach services (project leader Colombia);
- Golf services (project leader Spain);
- Natural protected areas (project leader Costa Rica);
- Tourist information and reception services at Tourist Information Offices (project leader Argentina);
- Wellness spa services (project leader Thailand);
- Thalassotherapy services (project leader Tunisia).

The new projects in relation to wellness spa and thalassotherapy services will be developed within a working group (WG2) which is already drafting a standard on medical spa services.

The new project on wellness spa services will be addressed at a meeting to be held in Bangkok (Thailand) on 30-31 October 2008.

It was announced that the next plenary meetings of ISO TC 228 will take place in Turkey (April 2009) and Brazil (2010).

HOTREC, which has a Liaison status (with no voting right) within TC 228, has been advocating since years that hospitality services should be out of the scope of the standardisation works. As a matter of fact, there is presently no support from the vast majority of the European hospitality industry for the development of ISO standards, which would concern services provided by its businesses.

In line with this position, in March 2008, HOTREC wrote to the Secretariat of TC 228 explaining that it could accept the new projects only under the strict condition that they do not deal in any manner with hospitality services. However, unfortunately, HOTREC as such has not voting right within TC 228.

□ **CEN feasibility projects for services standardisation**

As reported in *Live from Brussels N°40* and *N°42*, in July 2005 the European Commission gave to CEN (European Committee for Standardisation) a mandate to develop a standardisation work programme to support the development of the internal market for services (EC Second Programming Mandate M/371). On the basis of this mandate, CEN launched a number of projects (so called “feasibility studies”), over the period 2007/2008.

The feasibility studies (11 projects) carried out by CEN concern, among others, the following topics:

- “*Accessibility services in transport and tourism*” (project leader AFNOR, France): conditions and need for the development of harmonised criteria to define the accessibility (for people with disabilities) of transport and tourist sites and facilities, including hotels and restaurants services.
- “*Horizontal aspects of services provision*” (CHESSE¹ project – lead by BSI, United Kingdom): a generic, rather than sector-specific approach to services standardisation, with focus on:
 - Safety in delivery of services;
 - Assessment of customer satisfaction;
 - Complaints and redress system;
 - Billing;
 - Delivery and quality of business-related services.
- “*Welcome and reception services*” (project leader AFNOR, France): in companies, administrations and “for special events”, in a business to business perspective.

¹ CEN Horizontal European Service Standardization Strategy

The national standardisation bodies in charge of the studies have completed their work. The 11 project final report, together with a final “global” report, will be submitted by CEN to the European Commission in October 2008. This “global” report will include the findings and recommendations on the way forward in relation to each project. The Commission is expected to comment on these recommendations by November. Following this review by the Commission, the CEN final “global” report should be made available around the end of 2008.

Depending on the Commission position on CEN recommendations, new projects could be launched by CEN in the coming years (e.g. standards or other so-called “deliverables” in the CEN jargon).

As explained in the letters sent by HOTREC to the project leaders of the above mentioned studies, there is presently no support from the European hospitality industry for standardisation activities at EU level in relation to these areas.

As made clear on many occasions, HOTREC does not favour a top-down approach for the development of standards covering services provided by hospitality businesses. HOTREC firmly believes that the standardisation process should remain fully market-driven (initiatives should come from the industry and the users) and be based on commercial considerations as well as on a proper business impact assessment.

□ CEN standard on swimming pools

Following a final vote by correspondence at the end of June 2008, the national standardisation bodies (NSBs) member of CEN approved a new standard on safety requirements for swimming pools. As reported in various issues of *Live from Brussels* (N°39, N°40 and N°42), Part 2 of the standard (pr-EN 15288-2) is relevant to the hospitality industry as it provides requirements for the safe operation of swimming pools, including hotel pools.

The detailed voting results with regard to Part 2 of the standard are as follows:

- 14 votes in favour;
- 3 votes against (Austria; Greece; Norway);
- 9 abstentions (Belgium, Cyprus, Denmark, Latvia, Malta, Portugal, Slovakia, Sweden; Switzerland);
- 4 countries did not take part in the ballot (Estonia; Hungary; Slovenia; Spain).

The document, currently available in English, French and German, can be bought directly from the NSBs member of CEN. According to CEN rules, national standards available on the same subject will have to be withdrawn by NSBs if conflicting with the new European standard.

HOTREC, which has a Liaison status within CEN TC 136, attended, as observer, various meetings of WG8, the working group of experts, which developed the new standard. HOTREC welcomes the risk-based approach enshrined in the standard as it ensures a minimum of flexibility in relation to key aspects for hotel pool operators (“Occupancy”; “Control of access”; “Supervision arrangements”) while ensuring a high level of safety.

As stated in the introductory section of the standard, HOTREC agrees that “operators of swimming pools should take reasonable measures to ensure the safety of the users taking into consideration the risks as well as the restrictions imposed by the technical and commercial factors”. Nonetheless, HOTREC regrets that the text still includes a great number of requirements that can be quite burdensome, especially for small hotels operating pools (e.g. in relation to maintenance, emergency and cleaning procedures).

Furthermore, HOTREC highly regrets that, although it has a Liaison status within TC 136 and followed the works of WG8 on the draft standard, it is not even entitled to receive one free copy of the final text! This only strengthens HOTREC’s view on the urgent need of a thorough reform of CEN working procedures.

□ **CEN Workshop on e-Tourism**

In the framework of CEN, a group of experts (ICT, terminology and tourism consultants) has set up a “Workshop on e-Tourism” to deal with the issue of interoperability in electronic data interchange in the tourism sector (e.g. interoperability of data between different tourism portals, booking and other tourism services websites). The aim of the Workshop is to produce a document (CEN Workshop Agreement) on “*Guidelines for reaching global interoperability in the field of tourism*”.

The Workshop, funded by the European Commission (DG Information Society), was launched in February 2008 and is expected to complete its works by April 2009. Once finalised, the CEN Workshop Agreement will be submitted to the European Commission and to the national standardisation bodies, members of CEN.

Further information on this initiative can be found at:

<http://www.cen.eu/cenorm/businessdomains/businessdomains/iss/activity/etourism.asp>

HOTREC attended the kick-off meeting of the Workshop (Brussels, February 2008). HOTREC is very satisfied that the Business Plan specifies that “harmonisation of classification of service providers in tourism is out of the scope of the Workshop”.

COPYRIGHT

□ **Copyright protection for performers and record producers: to be extended?**

As previously announced (see *Live from Brussels N°42*), Commissioner McCreevy, responsible for Internal Market and Services, finally presented on 16 July 2008 his proposal (COM(2008) 464/3 final) to amend the existing Directive “*on the term of protection of copyright and certain related rights*” (2006/116/EC). The proposal suggests, as expected, extending the term of copyright protection from 50 years (under the current regime) to 95 years for European performers, but also, more surprisingly, for records producers.

In the explanatory memorandum accompanying the proposal, the Commission argues that the aim of the proposed extension of the copyright term for performers is to ensure that they will still receive royalties in the late years of their life for the music they performed in their youth.

According to the Commission, these royalties often constitute the sole pension of most performers such as session musicians. The explanatory memorandum also explains that the proposed extension of the protection term for record producers will allow them to compensate for the decline of their revenues from the CD market.

As an important right-user, the hospitality industry is very concerned about this proposal. HOTREC is firmly opposed to any extension of the copyright term for performers and record producers that will necessarily increase the huge amount of fees already being paid by the hospitality industry. HOTREC is of the clear opinion that right users should not be asked to compensate losses of revenues incurred by record producers for their failure to adapt their business models to a new market environment. HOTREC is now working on possible joint initiatives with other associations interested in the topic within the Copyright Users Platform (CUP).

□ **The CISAC case: a blow to collecting societies' monopolies**

On 16 July 2008, the Commission adopted an antitrust decision in the proceeding against CISAC (the International Confederation of Societies of Authors and Composers) and its EU members (24 national collecting societies for authors).

In 2006, following a complaint filed by some broadcasters against CISAC and its EU members for their refusal to sign multi-territorial and multi-repertoire licences, the Commission issued a statement of objections, in which it raised concerns about certain parts of the CISAC's model agreement dealing with some forms of copyright exploitation: internet, satellite transmission and cable retransmission of music.

According to the Commission press release², the decision confirms the initial statement of objection and prohibits:

- The national membership clause (for authors);
- The territorial exclusivity clause (which obliges commercial users to obtain a licence only from the domestic collecting society). This prohibition concerns all forms of copyright exploitation, including exploitation in bars, restaurants, etc.;
- The concerted practice between collecting societies to limit their mandates to the domestic territory of the other collecting societies (this clause prevents one collecting society to grant multi-repertoire licences covering several Member States). This prohibition only concerns internet, cable and satellite exploitation.

The addressees of this Commission decision (national collecting bodies) are given until 16 November to comply with it and remove the illegal clauses from their contract model.

² At the moment, there is no public version of the Commission decision and only the official press releases of the Commission are available. The Commission is currently working on a public version of the decision which would not contain trade secrets of a confidential nature.

This decision will have important consequences:

- First of all, the prohibition of the territorial exclusivity clause opens the door to competition between collecting societies across the EU. In theory nothing prevents anymore commercial users (e.g. hotels, bars, etc.) from acquiring licences from a collecting society located in another Member State.
- The decision does not touch upon the legality of reciprocal representation agreements between collecting societies. Therefore, it should not affect the possibility to obtain from one single collecting body multi-repertoire licences;
- Collecting societies retain the right to maintain the principle of country of destination for determining the level of royalties. In practice, this means that the level of royalty for the exploitation of a given work will still be determined by the domestic collecting society. Therefore, the competition between collecting societies will not be based on the value of royalties, but on the services offered by collecting societies and on the level of administrative fees.

HOTREC welcomes the outcome of the antitrust proceedings against the national members of CISAC (national collecting bodies). This should hopefully lead to an increased efficiency on their part and a decrease in the level of their administrative fees. Moreover, HOTREC stresses that the existence of reciprocal representation agreements between collecting societies has not been put at stake. Therefore, the Commission decision should not prevent collecting societies from offering multi-repertoire licences to commercial users.

□ **Green Paper on copyright in the knowledge economy: a missed opportunity**

As announced in *Live from Brussels N°42*, the Commission finally presented on 16 July 2008 its Green Paper on “copyright in the knowledge economy” (COM(2008) 466/3 final). However, while the Commission initially announced its will to review, modernise and adapt the existing legal framework through this Green Paper, it finally only touches upon the derogations and exceptions contained in the existing copyright Directive 2001/29/EC, which are most relevant for the dissemination of knowledge (e.g. exceptions for the benefit of libraries and archives, exceptions allowing the dissemination of works for teaching and research purposes, exceptions for the benefit of people with a disability and a possible exception for user-created content).

HOTREC and its Member Associations are disappointed with the scope of the Green Paper, which is far more limited than what the Commission announced few months before its release. HOTREC regrets that the issue of copyright management by collecting societies was finally left aside by the Commission.

SOCIAL AFFAIRS

□ **Revision of the working time Directive**

On 9 June, after lengthy discussions the Employment and Social Affairs Council reached a common position in the first reading of the revision of the working time Directive (2003/88/EC). This agreement was formally adopted by the Council on 15 September.

The main points of the agreement within the Council are as follows:

- Standard maximum limit of working time remains at 48 hours per week unless an individual worker chooses otherwise (opt-out),
- An agreement in relation to working beyond the 48 hours given before the fifth week of the employment relationship shall be null and void;
- The limit for workers who opt-out would be 60 hours, calculated as an average over a period of 3 months, unless social partners agree otherwise;
- The limit for workers who opt-out and if inactive on-call time is counted as working time (which would depend on national laws or social partners agreement) would be 65 hours a week, calculated as an average over a period of 3 months;
- Employers must keep records on working hours for opted-out workers and also adequate records for establishing that the provisions of the Directive are complied with;
- The reference period for calculating average working time remains as a general rule 4 months, however Member States may decide to extend this reference period up to 12 months. Member States, which make use of the opt-out provisions, may only extend the reference period to up to 6 months.

After this agreement among the Ministers, the second reading procedure will start within the European Parliament. It is foreseen that the EP will adopt its opinion in second reading in December 2008. According to the time limits set for the codecision procedure, a definitive agreement between Council and Parliament should be available before summer 2009. The French Presidency announced in its Work Programme its intention to work closely together with the European Parliament to reach an agreement on the revision of the Directive.

HOTREC is following carefully the developments in this area. Flexible working time arrangements are crucial for the industry. Therefore, HOTREC welcomes the decision of the Council to maintain the possibility of the opt-out and to allow a reference period of 12 months, but fears the additional administrative burdens which will be imposed on SMEs.

□ **Temporary agency work marathon**

As in the case of the working time Directive, it took a long time for the Council to come to a common position in its first reading of the proposal for a temporary agency work Directive. This agreement was formally adopted by the Council on 15 September 2008.

In the lengthy discussions so far, the key issue was the possible exemptions from the principle of equal treatment for temporary workers. The main points of agreement within the Council of 9 June 2008 are finally:

- Equal treatment with regard to the basic working and employment conditions (working hours, overtime, leave, pay) as of day one for temporary agency workers as a general rule;
- Possibility to derogate from the previous point through collective agreements and agreements between social partners, possibly including a qualifying period for equal treatment in some Member States;

- As regards pay, Member States may, after consulting the social partners, put in place an exemption to the general rule, where temporary agency workers, who have a permanent contract with their agency, continue to be paid in the time between assignments;
- Temporary agency workers' access to training facilities shall be improved.

The European Parliament is now expected to deliver its second reading opinion by December 2008. A final agreement between the EU Institutions should be reached in the first half of 2009.

HOTREC is paying great attention to the developments in this issue as it is of special interest to some of its Member Associations (see Live from Brussels from N°23 onwards). The current text is lacking clarity in relation to the possible derogation from equal treatment from day one of employment as far as pay is concerned.

□ **European works councils – revised rules soon?**

On 2 July 2008, the European Commission issued a legislative proposal (COM(2008) 419 final) to replace Directive 94/45/EC on European works councils (EWC).

With the current proposal, the Commission aims at making employees' transnational information and consultation rights more effective and at increasing the take-up of European works councils.

The current as well as the proposed Directive apply to Community scale undertakings or Community-scale group of undertakings with 1000 or more employees, with at least 150 employees in at least 2 Member States.

The Commission proposal, if adopted as such, would imply, inter alia, the following changes in relation to EWCs:

- the competent European workers' and employers' organisations will have to be informed of the composition of the "special negotiating body" and of the start of the negotiations on EWCs;
- the experts, which assist the "special negotiating body", may be representatives of appropriate Community-level trade union organisations;
- the members of the "special negotiating body" and of the EWC shall have access to training without loss of wages, in so far as this is necessary.

On 29 August, BUSINESSEUROPE, UEAPME, CEEP and ETUC submitted common views to the European Parliament and the Council in relation to this proposal. Vladimir Spidla, Commissioner in charge of social affairs, called on the European Parliament and the Council to take this agreement of the social partners in full consideration.

The European Parliament will start discussions within the codecision procedure probably in autumn. MEP Philip Bushill-Matthews (UK – EPP-ED) was appointed rapporteur for this dossier.

HOTREC will follow carefully the developments in the decision-making process. For HOTREC it is not clear yet, whether the European sectoral employer and employee organisations (e.g. HOTREC and EFFAT) or the global European employer and worker organisation (i.e. BUSINESSEUROPE and ETUC) should be informed of the negotiations for EWCs. It is also unclear, how far such involvement would go.

□ **New text on discrimination beyond the workplace**

On 2 July 2008, the Commission adopted a proposal for a Directive (COM(2008) 426 final) which provides for protection against discrimination beyond the workplace.

Currently the EU legal framework offers protection against discrimination on the grounds of race and ethnic origin in a wide range of situations (Directive 2000/43/EC) and, only in employment relationship, on the grounds of disability, age, religion or belief and sexual orientation (Directive 2000/78/EC).

The current draft Directive proposes that the prohibition of discrimination shall apply to all persons in relation to, inter alia, access to and supply of goods and services, which are available to the public. As far as the equal treatment of persons with disabilities is concerned, measures, to enable them to access services, will have to be taken. Such measures may include appropriate modifications or adjustments. However, “*such measures should not impose a disproportionate burden, nor require fundamental alteration ... of services in question ...*”.

According to the proposal, it shall be for the provider of the service to prove, in the case of a claim, that there has been no breach of the prohibition of discrimination.

Should the Directive be adopted, which requires a unanimous decision by the Council after consultation of the European Parliament, it would have to be implemented in national law at the latest 2 years after adoption. However, Member States may decide that the obligation to provide effective access has to be complied with at the latest 4 years after the adoption of the Directive.

HOTREC does not see the need for the adoption of a European legislative proposal of this kind, as existing national legislations already offer a comprehensive framework to combat the various forms of discrimination. Moreover, HOTREC is of the opinion that the current proposal is formulated in a very general manner, leaving many issues (e.g. reasonable adjustments, which disabilities to prioritise in the case of conflicting interests) open for different interpretations, which may endanger proper implementation.

□ **Sanctions against employers?**

As reported in the previous issues of *Live from Brussels*, the Commission published in May 2007 a proposal for a Directive providing for sanctions against European employers employing illegally staying third-country nationals (COM(2007) 249 final).

Rapporteur MEP Claudio Fava (Italy - PSE) presented his draft report to the EP LIBE Committee on 4 July 2008. He proposed to amend the Commission proposal as follows:

- extending the obligation to keep the copies or records of documents of the employee for additional 12 months beyond the employment, including in electronic format;
- deletion of the obligation to pay the costs of return of the illegally employed third-country national;
- reducing from 10 to 5% the number of companies which should be inspected by the authorities of the Member States.

BUSINESSEUROPE is of the opinion that the Commission proposal “*directly interferes in national social and labour law*”. In its views, Member States are best placed to decide on sanctions. It also stresses that illegal work is, in the eyes of honest businesses, unfair competition.

On the occasion of a public hearing in the European Parliament on 16 July, ETUC called for the development by Member States of “*more positive and effective approaches ... including legalising the status*” of illegally staying third country nationals.

The European Parliament is expected to vote on the amendments to the proposal on 19 November 2008 in plenary session.

HOTREC does not see the need for additional legislation at Community level and fears that the current proposal would impose disproportionate sanctions and add costs and red tape for employers – especially for SMEs.

SMEs POLICY

□ The European private company Statute: a new tool for SMEs

As announced in *Live from Brussels N°42*, the Commission released on 25 June 2008 a proposal for a Regulation on the Statute for a European private company (COM(2008) 396/3 final). The objective of this Regulation is to enhance the mobility and competitiveness of European companies, especially SMEs, and make it easier and cheaper for them to operate cross-border.

This proposed new European private company statute (SPE) offers several advantages from a SME-friendly point of view. Among those advantages are:

- A minimum capital requirement of 1€;
- The possibility to locate the registered office of the SPE in any Member State (regardless of the location of the central administration or place of business as long as they are located in the EU);
- A great flexibility and freedom in the internal organisation of the SPE; and
- Lighter formalities relating to the registration of the SPE (the proposal contains a short and exhaustive list of documents that can be asked by Member States for the registration).

The proposed Regulation will now be examined by the Council which will have to reach unanimity to adopt it. The European Parliament will only be consulted on the proposal.

SMEs represent 99% of the hospitality industry. HOTREC and its Member Associations therefore welcome this proposal that should be of great help for the hospitality industry, provided that its main features are not watered-down during the debates in the Council.

□ **"Small Business Act for Europe": true progress for SMEs to be expected?**

Following the organisation in January 2008 of a consultation on its possible content (See *Live from Brussels N°42*), the Commission finally released on 25 June 2008 its "Small Business Act" (SBA) for Europe (COM(2008) 394 final).

The aim of the SBA is to unleash the potential of SMEs across Europe. It is composed of a mixture of:

- Guiding principles for the conception and implementation of policies at EU and Member States level (e.g. "Think small first" principle, administrations responsiveness to SMEs);
- Legislative proposals (a new general block exemption on State aids, a new Statute for a European private company statute – see above article, the awaited Directive on reduced VAT rates – see above article, legislative proposals on VAT invoicing and late payments);
- Proposals for actions at both Commission and Member States level (e.g. a European SME week, an ERASMUS for young entrepreneurs, the inclusion of entrepreneurship in school curricula, actions on bankruptcy, common commencement dates for regulations and decisions affecting businesses, specific measures and derogations for micro-enterprises, further reduction of administrative burdens, etc.).

At a conference organised on 16 September by BUSINESSEUROPE on the Small Business Act, UEAPME (representing the interests of European crafts, trades and SMEs at EU level) proposed to make the guiding principles of the SBA binding on the institutions through the adoption of an inter-institutional agreement.

As 99% of the hospitality industry is composed of SMEs, HOTREC naturally welcomes the adoption by the Commission of the Small Business Act and its various components. HOTREC calls for the rapid adoption of the legislative proposals contained in the SBA, as well as for the effective implementation by the Commission and the Member States of the principles contained in the SBA through concrete policy actions. Unless these subsequent measures are adopted, the Act will unfortunately not match its promises. In this context, HOTREC could possibly support UEAPME's call for the adoption of an inter-institutional agreement on the SBA.

ENVIRONMENT

□ **Sustainable production and consumption high on EU agenda**

On 16 July 2008, the European Commission presented an Action Plan (COM(2008) 373/3) containing a set of measures to boost sustainable consumption, production and industrial

policy. The objective is to improve product environmental and energy performances, to help consumers making more ecological choices and to support the market through 'green' government procurement.

In concrete terms, the Action Plan contains the following legislative proposals:

- Proposal for the extension of the scope of the Ecodesign Directive
The Ecodesign Directive establishes minimum environment requirements for the placing on the market of energy-using appliances (e.g. heating and water heating equipment, ventilation and air conditioning, etc.).
With the new scope, the Directive will also cover products that do not consume energy during use but have an indirect impact on energy consumption (e.g. water-using devices, windows, etc.);
- Proposal for the revision of the Ecolabel Regulation
The proposed legislation will replace Regulation 1980/2000 on a revised Community Ecolabel award scheme. Voluntary eco-labelling will be extended to cover a wider range of products and services such as food (only processed food products) and drinks. Tourist accommodation services are already covered by the Ecolabel scheme. The criteria for the award of the Ecolabel to accommodation are defined by the Commission Decision of 20 December 2007 and are currently under revision (present criteria are valid until October 2009).
- Proposal for the revision of the EMAS Regulation
The objective is to simplify the participation in the EU voluntary eco-management and audit scheme and to make it less costly.

Furthermore, in order to support the purchase of "green" products, the Commission is examining, among others, options for revising the energy taxation framework at EU level as well as the advantages and disadvantages of possible fiscal incentive mechanisms.

The Action Plan announces that other EU legislative proposals on energy and environmental efficiency will follow soon, together with new actions (including "sector specific approaches") in late 2008 or early 2009.

The Action Plan on sustainable production and consumption and the related legislative proposals can be found at:

http://ec.europa.eu/environment/eussd/escp_en.htm

HOTREC will follow carefully the developments in the EU policy on sustainable production and consumption.

However, as regards the revision of the Ecolabel scheme and the criteria for its award to tourist accommodation, HOTREC continues to believe that the current EU Ecolabel approach is not the most appropriate and efficient. HOTREC has always maintained that the EU Ecolabel scheme should have been developed as an umbrella under which national and regional ecolabels, fulfilling a certain number and type of criteria, would be automatically recognised as EU Ecolabels. An "umbrella" system would much better serve the protection of the environment as it would engage many more stakeholders in the hospitality industry.

HOTREC regrets that this method has not been adopted by the Commission and wrote to Mr. Dimas, EU Commissioner for Environment, explaining that, for this reason, it has decided not to participate in the revision process of the Ecolabel for tourist accommodation.

EUROZONE

□ Slovakia to join as of 2009

On 8 July 2008, the Council of Ministers for Finance (ECOFIN) formally decided to allow Slovakia to join the Eurozone as of 1 January 2009. It also set the fixed and irrevocable exchange rates for its national currency in relation to the €. The Slovak koruna exchange rate is set at 30,1260 koruna for 1 €.

This decision means that from 2009, 16 out of the 27 EU Member States will use the € as their currency: Austria, Belgium, Cyprus, Germany, Greece, Finland, France, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain.

TOURISM

□ European Tourism Forum - Bordeaux

The 7th European Tourism Forum took place in Bordeaux on 17-19 September 2008.

In his keynote speech, the Vice-president of the European Commission, Mr. Günter Verheugen underlined the vital importance of the tourism industry for Europe. The recently adopted Small Business Act should facilitate the development of the tourism industry in the coming years. The July 2008 Commission proposal in relation to reduced VAT rates should be a positive development as well.

The first panel discussed the challenge of adaptation to the new tourism demands, with special regard to the widespread use of the internet. The need to facilitate the Schengen visa procedure, which in its current form is considerably deterring incoming tourism, was discussed at length.

The second panel addressed the topic of sustainability and competitiveness. In relation to hotels, attention should be paid to environmental aspects when constructing, by using local and natural materials and installing water and energy saving equipments.

Panel three was dedicated to the issue of vocational training and social dialogue. Mr. Klaus Ennemoser, President of the Austrian Professional Hotel Association, delivered a presentation on how education and training are contributing to the success of the Austrian hospitality industry.

Mr. Pedro Ortun, Director in charge of Tourism in DG Enterprise and Industry of the European Commission, presented an overview of the discussions in the various panels.

He stressed that the issue of the Schengen visa, discussed in the first panel, should be solved in order to develop the European tourism industry further.

Drawing the final conclusions of the Forum, Mr. Hervé Novelli, Minister responsible for Tourism in France, underlined that competitiveness, quality and sustainable development are the three main pillars for the future of European tourism.

□ **Tourism statistics**

Eurostat, the EU statistical office, has recently released the following publications relating to tourism:

- Summer tourism trends in 2007; *Data in Focus*, 18/2008;
- Tourism in Europe: Does age matter?; *Statistics in Focus* 69/2008;
- Extra-EU air passenger transport; *Statistics in Focus* 52/2008;
- Panorama on tourism; *2008 edition*.

The publications can be downloaded in English, German, and French from the Eurostat website:

http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1073,46587259&_dad=portal&_schema=PORTAL&p_product_code=KS-QA-08-018 (Summer tourism trends 2007)

http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-SF-08-069/EN/KS-SF-08-069-EN.PDF (Tourism in Europe: Does age matter?)

http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-SF-08-052/EN/KS-SF-08-052-EN.PDF (Extra-EU air passenger transport)

http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-30-08-550/EN/KS-30-08-550-EN.PDF (Panorama on tourism)

HOTREC GENERAL ACTIVITIES

□ **57th and 58th HOTREC General Assemblies**

The 57th HOTREC General Assembly took place on 10-11 April 2008 in Paris.

The General Assembly discussed the latest developments in relation to reduced VAT rates, standards, the European Alcohol Forum, food labelling, copyright, hotel classification, consumer contracts, etc.

Mr. Xavier Durieu, Secretary General of EuroCommerce, gave an overview on the latest developments in relation to payment cards. Mr. Pierre Olivier Bergeron, Deputy Secretary General of the Brewers of Europe, reported on the activities of his association within the European Alcohol Forum.

The 58th HOTREC General Assembly will take place in Prague on 6-7 November 2008. Mr. Alexander Wiedow, Director for Indirect Taxation within DG TAXUD of the European Commission, will present the state of play in relation to reduced VAT rates. Mr. José Ramón Fernández, Secretary General of Comité Européen des Entreprises Vins (CEEV), will report on the activities of his association within the European Alcohol Forum. Mr. Ludger Fischer, Policy Advisor of the European association of crafts, trades and small and medium-sized enterprises (UEAPME) will present the position of his association in relation to the proposed Regulation on food labelling.

A Seminar on hotel review sites will be held in connection to the General Assembly, continuing the dialogue launched by HOTREC with such sites (see on this the “10 principles proposed by the hotel industry relating to hotel review sites” – *Live from Brussels N°42*).

The full press release issued after the Paris meetings as well as the press release in relation to hotel review sites can be accessed on www.hotrec.eu, section “News & Publications”.

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