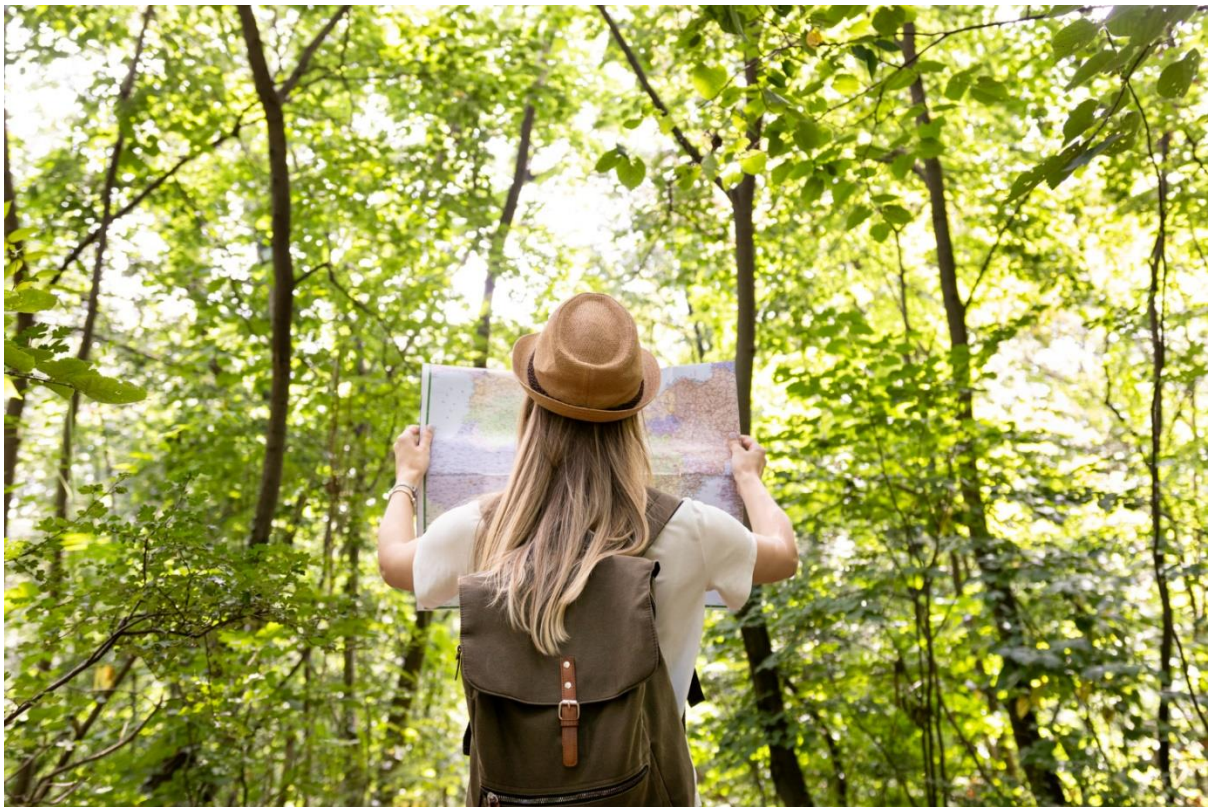




VISION PAPER

Towards a Sustainable Tourism Strategy



September 2025

Executive Summary

Strengthening competitiveness and innovation will support the hospitality sector in its green and digital transition, while enhancing resilience. Simplification and reduction of red tape are essential to ensure coherence across EU legislation.

As the EU prepares its sustainable tourism strategy, HOTREC calls for:

- **Targeted measures to address labour and skills shortages**, including support for training activities, the development of apprenticeship schemes, and the swift rollout of the EU Talent Pool.
- **A balanced approach to sustainability** that matches ambition with practicality, ensures SME-proof legislation, and a competitive environment that encourages the sector to embrace the green and energy transition.
- **Fair digital markets**, with full enforcement of the Digital Markets Act and Digital Services Act, proper implementation of the STR Regulation, and robust action against fake reviews and algorithmic opacity.
- **Seamless and smart travel** across Europe, through faster digital visa systems, improved border infrastructure, and resilience planning for future emergencies.
- **Direct and accessible EU funding** to support workforce training, SME digitalisation, infrastructure upgrades, and crisis preparedness.

We must ensure that the businesses welcoming Europe's guests are equipped to lead the green, digital, and social transformation of tomorrow's tourism.

Introduction

Imagine a society without restaurants, cafés, bars, or hotels. No after-work tapas with friends, no romantic dinners in cosy trattorias, and no family holidays in charming ski resorts. Hospitality is deeply rooted in our European way of life. It's also a place for learning, growth, and employment. The societal value of tourism is immense: it brings people together, enlivens our communities, and enhances our well-being.

The Covid-19 pandemic reminded us of the vital importance of a thriving hospitality sector. As **President von der Leyen** highlighted in 2022: *“Hospitality plays a vital role for the local economy of our regions, cities, villages, and tourist areas.”*

Today, our 2 million businesses support over 10 million jobs across Europe with 90% of micro-enterprises, often family-owned, contributing to 3% of the EU’s GDP.

“The hospitality sector alone employs half of the 20 million people working in tourism. These businesses and their workforce form the backbone of the tourism sector – and I firmly believe that sustainability and resilience are key to ensuring that the sector will continue to thrive and that Europe is and will be the global leader in tourism.” stated **Commissioner Tzitzikostas** on European Hospitality Day in December 2024.

Yet, the sector faces major challenges: persistent labour and skills shortages, rising operational costs and tight consumer spending. To address these, HOTREC believes that a competitive business environment – characterised by less complexity, legal certainty, and meaningful impact assessments – is key to empowering companies, protecting employees, and delivering quality service. We therefore support the [Competitiveness Compass](#), the new [EU Single Market Strategy](#), and the [Union of Skills](#) initiative.

Why an EU Sustainable Tourism Strategy

As a follow-up to the Tourism Transition Pathway, we embrace the upcoming EU Sustainable Tourism Strategy in view of **simplifying regulatory frameworks, reducing administrative burdens, cutting red tape, helping SMEs** reach their green and digital transition, and building a competitive environment for businesses to flourish.

Given its major contribution to Europe’s economy and growth and due to its horizontal nature, tourism should be at the heart of EU policymaking. We call on the European Commission, the European Parliament and the Council to support our priorities. First, HOTREC counts on the Tourism Unit/DG MOVE to perform a coordination role on all tourism-related matters within the European Commission. Second, we invite Members of the European Parliament to engage with HOTREC on strategic discussions, within the umbrella of the Tourism Task Force. And third, we count on the Council to consider our priorities.

HOTREC calls on the EU institutions to respect Member States’ competencies, while providing much-needed support. We also count on all stakeholders at national/regional/local level to play their role and undertake necessary actions. Together, we must work towards a more prosperous hospitality sector.

I. Workforce: How to Attract and Retain Talent

The sector has long suffered from skills shortages, exacerbated but not initiated by the COVID-19 crisis. We lack culinary, language and interpersonal skills, as well as digital skills (e.g. AI-based booking/review systems, cybersecurity awareness, social media) and green skills (e.g. energy efficiency, waste/water/food management, carbon footprint monitoring).

Labour shortages are also persistent, despite a gradually improving situation since the post-pandemic period. We estimate that on average 10% of the workforce required is still currently missing. Improvements in some Member States are due to increased training opportunities, improvement of career prospects, and the renegotiation of different collective bargaining agreements at national level, where applicable. We call on the EU to help attract and retain hospitality workers over the long term.

The European Commission has recently adopted the [Union of Skills](#) initiative and is consulting social partners on the upcoming [Quality Jobs Roadmap](#). We hope the Sustainable Tourism Strategy will take our priorities into account. These reforms will help address labour and skills shortages in a sustainable way.

a. Union of Skills

HOTREC supports the Union of Skills initiative, provided that Member States' competences are fully respected. Our key priorities include:

- Supporting **training initiatives** at national level and anticipating future skill needs.
- Promoting **apprenticeships** and making VET a first-choice career option.
- Fostering **national public-private partnerships** via the **Pact for Skills on Tourism**.
- Encouraging **legal migration**, including the rapid implementation of **the EU Talent Pool** and recommend that social partners be consulted to identify shortage occupations and ensure the system's effectiveness.
- Recognising **non-formal qualifications and micro-credentials** across Member States, using a trust-based approach and ensuring interoperability across borders.

b. EU Quality Jobs Roadmap

We believe that high-quality jobs stem from a competitive and innovative business environment, not from excessive regulation. The Quality Jobs Roadmap should **remain non-legislative** and prioritise implementation of existing frameworks. HOTREC calls on the EU to:

- Support the sector in **improving its image** (e.g. support on promoting career opportunities in hospitality).
- Create **guidelines and digital tools** to improve compliance with existing legislation.
- Enhance the **involvement of social partners**, on a voluntary basis.
- Recognise **different work forms** (e.g. part-time, seasonal, or zero-hour contracts), offering work-life balance and employment flexibility.
- Provide incentives for developing **infrastructure** for childcare, elderly care, long-term ill care, with flexible services to improve workforce participation.

We seek targeted simplification of the Pay Transparency Directive (exempt SMEs with fewer than 250 employees from reporting obligations) and the Transparent and Predictable Working Conditions Directive (simplify notification and information requirements).

II. Sustainability: Combining a Competitive Economy with Green Practices

a. Environmental Sustainability

We believe that climate change is a serious threat to society and might heavily impact the hospitality sector if not properly addressed. HOTREC supports the Sustainable Development Goals, the UN 2030 Agenda, and the European Green Deal's objectives. We have been, over the years, implementing various actions to guide the sector towards a more sustainable future, especially to cut carbon emissions, limit the impact of climate change, and promote sustainable consumption and production¹.

Public and private stakeholders must remain committed to the green transition, yet the right balance must be reached to create a business environment that allows companies to comply with the legislative framework. We call on EU policymakers to:

- Acknowledge the **energy-intensive nature of hospitality** and provide tailored support for energy efficiency and renewable energy adoption.
- Support the **sector in developing circularity** (e.g. food waste, optimising resource use, improving packaging waste collection for recycling, extending the lifespan of hospitality furniture and equipment, and working with local suppliers).
- Ensure **SME impact assessments** are systematically conducted and taken into account during the legislative process.
- Allow **reasonable time** for companies to comply with Green Deal legislation.
- **Simplify procedures** in existing and upcoming proposals (e.g. the Energy Performance of Buildings Directive (**EPBD**), the Packaging and Packaging Waste Regulation (**PPWR**), and the EU Deforestation-free Regulation (**EUDR**)). In this view, we welcome [Omnibus I](#).
- Guarantee **sustainable transport access** (e.g. fossil-free aviation fuels, energy efficient models, etc.) to Europe's outermost regions to enhance connectivity.
- Safeguard **Europe's global competitiveness**, especially compared to destinations with lower costs but also lower environmental standards (e.g. North Africa).

¹ Examples of actions developed by HOTREC include: signing the [Rhodes Declaration](#); commissioning the [Roadmap to Net Zero for European Hospitality](#); publishing [Crisis Preparedness Guidelines](#) with Hotel Resilient to support companies in preparing and reacting to climate disasters; developing with EU partners [Product Environmental Footprint Category Rules \(PEFCR\) for the accommodation sector](#); promoting best circular economy practices in hospitality.

b. Social Sustainability

Investment in training, up-skilling and reskilling, staff well-being and social infrastructure is vital².

Certain destinations face challenges linked to destination management due to massive influxes of travellers. This is often related to unregulated short-term rentals (STRs), which exacerbated the housing crisis, and makes it difficult for employees to find affordable housing plans. We therefore call on the full implementation of the STR Regulation³.

The Sustainable Tourism Strategy could look into:

- Better **coordination and dialogue** between local authorities, tourism actors, and community representatives.
- **Spreading tourist flows** more evenly with the support of **EU tools**, including the collection of **high-quality, harmonised tourism data** from urban and rural areas.
- Supporting local, cultural, and **infrastructure projects**.

To strengthen resilience and protect the lives of clients, employees and locals, national/regional/local policies must prepare for multiple crisis – **climate related, human induced, or health related** – through both preventive mechanisms (e.g. early warning systems) and reactive tools (e.g. communication campaigns, evacuation protocols, business continuity planning). The EU has a role to play, by issuing guidelines that can help coordinate different preventive and reactive mechanisms with international partners⁴.

III. Digital: Embracing a Fair and Inclusive Future

a. Ensuring Fair Competition Online

Large online platforms – including online travel agencies and food delivery services – play an increasingly dominant role in hospitality. While these platforms offer visibility and convenience, they often impose unfair contractual conditions and high commission fees, restrict price-setting freedom, and operate without sufficient transparency. Therefore, we call for:

- **Full enforcement of the Digital Markets Act (DMA)** to ensure that gatekeepers cannot abuse their market position.
- **SMEs to maintain control** over pricing, algorithm transparency, ranking and data access.
- **Fair contractual conditions and commission rates** from online travel agencies and food delivery platforms.

Overall, EU legislation – including the Digital Services Act (DSA) and the Unfair Commercial Practices Directive (UCPD) – must address fake reviews, illegal business practices, and inaccurate or misleading listings.

² Please see the chapter on “Workforce: How to Attract and Retain Talent”

³ Please see the chapter on “Regulation of Short-Term Rentals”

⁴ To note that HOTREC has developed, together with Hotel Resilient, [Crisis Resilient Guidelines](#).

b. Regulation of Short-Term Rentals

Short-term rentals (STRs) booked via online platforms surpassed 700 million nights in 2023 ([Eurostat](#)). Their impact on housing markets and labour mobility is undeniable. Despite being part of the tourism economy, STRs remain underregulated in many jurisdictions.

HOTREC has long advocated for a level playing field between traditional accommodation providers and STRs, especially concerning obligations around taxation, safety, labour law, and data-sharing. The voluntary nature of the current EU STR Regulation implementation poses a challenge to consistent and effective oversight. HOTREC calls for:

- **Full implementation of the STR Regulation** across all Member States.
- **Revisiting its voluntary nature** if enforcement remains inconsistent.
- Using **STR data** to address housing congestion and support policy decisions.

The housing crisis directly affects hospitality recruitment. STR regulation must therefore also be seen from the social point of view.

c. Supporting SME Digitalisation

SMEs remain the backbone of hospitality, yet many lack the resources, skills and infrastructure to embrace digital transformation. Digital tools are increasingly critical to business survival, reputation and growth. We urge the EU and Member States to:

- **Enhance digital skills**, cybersecurity, AI and data governance training.
- **Promote initiatives like [RESTwithEU](#)**, with their digital tools guidebook for restaurants.
- **Ensure high-speed broadband access** in rural and remote tourism areas.
- Take meaningful steps to **combat fake online reviews**.

IV. Seamless and Smart Travel

Efficient cross-border travel and strong connectivity between countries are essential to a positive travel experience. To ensure Europe remains an attractive destination, we prioritise:

- The introduction of **faster and fully digitalised visa procedures**, in full compliance with Schengen rules.
- The development of a **WHO-recognised digital health certificate**, to ensure preparedness for future public health emergencies.
- **Adequate border infrastructure** to accommodate growing visitor flows and ensure smooth entry.

Above all, lengthy and costly procedures cannot discourage travellers from choosing Europe as their destination.

V. EU Funding: A Catalyst for Action

We propose the creation of a dedicated **EU tourism budget line**, allowing businesses to apply directly rather than having to navigate multiple programmes (e.g. Horizon Europe, RRF, LIFE, COSME, Erasmus+). We also consider that **Cohesion Funds should be reinforced** to ensure accessibility at national level and the integration of tourism in regional and national competitiveness and partnership plans.

EU funding should enable:

- **Workforce upskilling and training** for the green and digital transitions.
- **SME digitalisation.**
- **Infrastructure upgrades** to meet Green Deal obligations.
- **Crisis prevention** and resilience planning.
- Development of a tool to **implement PEFCR for accommodation**, on a voluntary basis.

Administrative procedures must be simplified, especially for SMEs. This will make it more encouraging for companies to apply to EU funding.

Conclusion

Europe's hospitality sector is not only a cornerstone of the EU's tourism economy but also a driver of cohesion, sustainability, and cultural identity. As we navigate the green and digital transitions, the EU must empower hospitality businesses, especially SMEs, to innovate, grow, and contribute meaningfully to Europe's transformation.

A sustainable tourism strategy cannot succeed without a vibrant hospitality sector at its core. To that end, the European institutions must deliver smart and coherent policies that reduce administrative burdens, ensure a level playing field in the digital space, support workforce development, and unlock access to targeted funding. We call on the European Commission, the European Parliament and the Council to support HOTREC in achieving these goals.

By placing hospitality at the heart of Europe's green and digital journey, the EU can secure quality jobs, revitalised communities, and long-term competitiveness in a fast-changing global landscape. Now is the time to turn strategy into action, and ensure Europe remains the world's most attractive, resilient, and responsible destination.