

Live from Brussels Newsletter

Issue n°108 – 16 March 2022

A message Ms Marie Audren, Director General of HOTREC



Dear readers,

Welcome to the new issue of our 'Live from Brussels' newsletter. Last Friday marked a **grim anniversary** for hospitality worldwide: two years since the WHO declared Covid-19 a global pandemic. At this meaningful threshold, we can't help but ask ourselves where our sector is standing now.

The impact of the pandemic is far from over and will continue impacting our industry for years to come: one only has to think of the still **below-average levels of business travel and international tourists** to realise that. However, we are on the right path toward much-needed stability, with governments across Europe **progressively lifting pandemic and travel restrictions** and tourism and customers' confidence rising.

I wish I could leave it on this positive note. However, the truth is that another crisis today is overshadowing the (still noteworthy) effects of the pandemic.

HOTREC is looking with extreme sadness at the dramatic situation unravelling in Ukraine. We stand by the people of Ukraine and our member, the **Ukrainian Hotel and Resort Association (UHRA)**, who is now facing unimaginable hardship. We are proud of having UHRA among our members and working together to help our industry thrive. We also want to **praise the solidarity of our members and the hospitality sector across Europe**, who have been mobilising since day one to provide immediate assistance and shelter to Ukrainian refugees.

Unfortunately, this war is bound to **impact our industry at a time of great fragility**. Not only do we expect it to influence travellers' confidence in the short and medium-term, but hospitality venues are already suffering the effects of a severe **increase in energy, food and commodities prices**. Ahead of tomorrow's informal ministerial conference of tourism ministers, we call for continued support to our sector from the EU and governments: the industry across Europe will need even more help to face this new challenge while dealing with the consequences of Covid-19.

In other news, we have a few updates for you in this new issue of our newsletter.

Last month, we welcomed the launch of the **EU Pact for Skills** and **joined forces** with employers to call for a compromise approach on the EU pay transparency. The Digital Markets and Services Act will continue to be at the top of our agenda in the months to come, as the **French Presidency of the EU aims to seal temporary agreements**. We had a chance to discuss the DSA and Short-Term Rentals with Mr **Mark Boekwijt**, EU representative of Amsterdam, whom I want to thank for his precious insight.

I hope you will enjoy our newsletter.

Interview with Mr Mark Boekwijt, EU representative of the city of Amsterdam

Tags: @EUROCITIES #DSA #STR



Mr Mark Boekwijt

graduated at the European School in Brussels and continued to study International Law and Communications Science at the University of Amsterdam. He worked on policy and research in the Dutch audiovisual industry, before becoming advisor on media-affairs for the

city of The Hague. Since 2002 Mark is strategic advisor for the mayor and deputy-mayors of the city of Amsterdam, on several issues such as Integration, Housing, Monuments, local Media. In 2011 he became the EU-representative for Amsterdam, being based in Brussels.

1. The Digital Service Act (DSA) aims to make 'what is illegal offline illegal online'. From the perspective of European cities, will the DSA live up to this slogan when it comes to removing offers of short-term rentals (STR) which are not aligned with national and local rules?

Overall, I believe we should be pleased with the DSA's emphasis to ensure that 'what is illegal offline, is illegal online'. We can trust in any case that the DSA will be more instrumental for us, in aspects such as monitoring platforms, in demands to get illegal content offline as soon as this has been notified and also in the cross-border cooperation between member states and the European Commission to enforce compliance.

More importantly: both the European Parliament and the Council positions (as they are currently still in negotiations) clarify that STR-advertising that

is not in compliance with national regulations is indeed illegal content! That is not only an important recognition of our concerns and our future use of the DSA-framework; it is also important to the backdrop of the new Commission initiative for STR that is announced.

And second, the European Parliament asks for specific attention for STR, asking the European Commission to work on codes of conduct "to facilitate compliance with obligations in areas as protection of minors or STR". Surely, codes of conduct will not be the game-changers, but they are also a step in a direction of more attention to our concerns.

We would have liked to see more regulation for our issues with STR, but given that the DSA is a horizontal instrument, we did at least manage to get our sector concerns in the instrument. The fact that we have lobbied over a longer period of time about the negative impact of STR, may have contributed to the decision for a new initiative. Let's see what that will bring us!

2. Why is the possibility to better regulate short-term rental services high on the agenda of European cities?

We underline that we are not against STRs in our cities. But we need to ensure that all STR activity is legal and respectful of the regulations that are in place. For example, the maximum number of nights per year a flat may be rented out through STR platforms.

The pressure on the affordable local housing market in each of our cities is a key consideration. Our cities are faced with a constant and high demand for affordable housing. And we, first of all, need the available housing stock to accommodate those citizens that wish to study, work and live in our cities. This is a principle of general public interest that is the basis of each of our city's housing policies.

We expect and hope that the Covid situation will allow for more people to travel and that tourism will regain its momentum. Our cities are a key driver in making Europe the world's number one tourist destination. Tourism is an important source of income and employment for many people. We are and will always remain welcoming to tourists. However, we have as local authorities a broader responsibility. The rise in STR in the pre-Covid times has been staggering. In Amsterdam, for example, in 2013 there were about 4500 listings, which grew to 22000 by 2017. The centre of Florence has seen an increase of STR of 60% since 2015. The city of Kraków **recorded an increase of 100%** of STR between 2014 and 2017. It is for our cities vital that we find a balance in this sector and that all STR activity remains respectful of the regulations.

3. What are European cities' key messages to the EU regarding the upcoming regulatory initiative on short-term rentals?

Unbalanced STR in our cities not only affects the liveability in our districts, but it also changes the social structure of the neighbourhoods and their residential milieu, weakening their residential function. It displaces the city's residents who want to work and study there to other parts of the city.

In the vast majority of our cities, most platforms (in particular those dominating the STR market) do not share the minimum data that we need for regulatory enforcement. The owners (often unidentified) of the accommodations used for STR services do not share the necessary information either.

We hope the European Commission will propose legislation in place, obliging platforms to cooperate with the competent authorities with a view to ensure that their advertisements of STR services are legal. STR-services that do not respect the local, regional or national regulations, are illegal! Therefore the platforms should be obliged to share data that is essential for enforcement and this obligation should be enforceable at the EU level since the digital services in question are transnational.

The platforms should block with immediate effect STR advertisements that are notified to them as not respecting the local/regional or national regulations that are in place by local/regional or national authorities. Should this obligation not be sufficiently clarified within the framework of the Digital Services Act, then this new regulatory initiative for STR should provide for this obligation.

Likewise, platforms should be obliged to ensure the traceability of those persons or entities that wish to offer, through their platforms, STR services. This obligation should be imposed regardless of whether or not those persons or entities offering STR services do so for their professional or as a so-called 'peer'.

In the majority of European cities, when it comes to STR services, the distinction between a host being a 'peer' or a 'professional' is irrelevant. The regulations for STR that are in place have to be respected regardless of this. Given the very limited availability of housing stock in most of our cities, there are only very few situations in cities where it is allowed to 'professionally' exploit an accommodation through STRs. The reason is that in most of our cities the primary aim of our policies is to make this housing stock as much as possible available for those citizens who wish to work and study in our cities. The professional market for accommodation for tourists is regulated in separate regulatory regimes, for instance for hotels and bed-and-breakfasts.

4. Exchange of data will be a central theme in the upcoming EU regulatory initiative on short-term rentals. Which data is of particular value to European cities to oversee, and where necessary regulate local STR offers? Who should be providing authorities with such data?

In the vast majority of our cities, a limit applies as to the number of nights accommodation may be rented out for STR, as well as limitations as to the number of persons that may stay overnight.

Most platforms (in particular those dominating the STR market) do not share the minimum data that is essential for regulatory enforcement. They don't see interest in doing so. Online platforms often claim that our data requests are incompatible with GDPR-standards. That is unjustified. All customers of online platforms that wish to use these platforms to offer STR accommodation services in our cities, need to be informed by the online platforms (as part of their contract with the platform) that relevant data may be shared with competent public authorities (when they so request) with the purpose of ensuring compliance with the regulations regarding STRs that are in place. This is fully consistent with the GDPR-framework.

Essential for any minimal regulatory enforcement is for example the identification of the owner of the accommodation, as well as identification and exact location of each STR premise with the number of beds. We also need data on the periodicity of rentals: number of nights per visit, plus the total number of nights the premise rented out per year. And finally data on the number of visitors per night. This is essential to monitor the maximum number of occupants in a given dwelling for safety purposes. Data is also needed to comply with tax rules, that are in place for the tourism industry (i.e. tourist tax). The data we demand can be shared on a periodical basis per month, half-year or even annually. Where registration numbers are mandatory for STR-activity (either by local, regional or national law), then these data should be administered per registration number.

European hospitality steps in against war in Ukraine

#SocialAffairs #StandWithUkraine @EFFAT_org

In response to the crisis, a great number of hospitality businesses have been launching actions to **provide immediate shelter and protection to the Ukrainian refugees**. We strongly encourage all efforts from our member organisations who have been coordinating these actions with governments and local authorities.



We warmly welcome both the EU's **Guidelines on external border management** and the activation of the **Temporary Protection Directive** by the European Council.

On 16 March, HOTREC and EFFAT issued a **joint statement**. Together, **we condemn Russia's invasion** and reiterate our support to the Ukrainian people, employers' associations and trade unions from the hospitality sector. The Ukrainian Hotel and Resort Association joined HOTREC in 2021, and we are proud of this partnership.

Earlier on 4 March, HOTREC had already addressed a letter to the World Tourism Organisation (UNWTO) and joined the **call by several UNWTO members** to suspend the Russian Federation from the organisation. We expect its General Assembly to follow suit.

We anticipate that the hospitality sector – still weakened by Covid-19 – will be highly affected by this conflict. For this reason, we will continue our dialogue with the European Commission and the Member States to consider **measures to minimise the impact of the war on workers and businesses**.

French Presidency of the EU aims for rapid agreement on key digital policy files

#Digital #Distribution #DSA #STR @Europe2022FR

The French Presidency of the EU **aims to seal temporary agreements between the EU Member States and the European Parliament on the Digital Services Act and the Digital Markets Act by the end of its mandate and possibly in early spring 2022**. Council and Parliament would both be keen to see these two landmark legislative texts for the digital world in force by 2023.

But behind the ambitious timetable, there are many different views and requests to discuss among the negotiators and it is foreseen that many compromises will have to be made.

HOTREC sees the proposals made by both Institutions to the Digital Services Act as effective measures to address the longstanding issue of removing offers of illegal services from the Internet. On the Digital Markets Act, **HOTREC strongly supports the European Parliament's proposals to prevent digital gatekeepers from imposing narrow price parity clauses on business users and the requirement to offer more detailed and in-situ data on business users' listings circulated on platforms**. As such, HOTREC urges the EU Member States to accept these much-needed solutions for the European hospitality sector.

EU Pact for Skills: time to up-skill and re-skill the hospitality workforce

Tags: #SocialAffairs #EUSkillsAgenda #PactforSkills @EU_Social @NicholasSchmitEU

On 31 January 2022, tourism stakeholders, with the encouragement of the European Commission, launched the **Pact for Skills for the Tourism sector**.

The objective of the **Pact** is to **promote joint actions to maximise the impact of investing in improving existing skills** (upskilling) **and training in new skills** (reskilling). It also envisages **overcoming the lack of labour** in the sector.

The Pact calls on industry, employers, social partners, chambers of commerce, public authorities, vocational education and training providers, higher education institutions and employment agencies to work together and invest in training for all working-age people across the Union in the form of a large-scale skills partnership.

We encourage all tourism representatives to participate at **National or Regional Skills Partnerships (NRSPs)**. They shall set up an annual work programme around concrete objectives that address specific issues related to skills in their area.

A compromise approach to platform work in the hospitality sector: HOTREC position paper

#SocialAffairs @EU_Social

On 9 December 2021, the European Commission proposed a legislative text on “Improving working conditions in platform work” – **COM (2021) 762 final** to strengthen the protection of workers on digital platforms.

HOTREC understands the need to quickly address specific issues at the national level (e.g., bogus self-employed should be treated as employees). Nevertheless, we believe that the new employment model proposed will result in fewer services for customers and fewer orders for restaurants. Moreover, the legal presumption of employee status will pre-empt flexibility for those who prefer to be treated as self-employed, thus undermining truly self-employed status.

To find **a compromise**, HOTREC proposes, as a first solution, to broaden the scope of the legal basis to the single market articles of the Treaty. In this way, the criteria for the employment status to be triggered would not be made mandatory, and the national legislation and EU Court rulings will be respected.

HOTREC remains open for discussions with the European Parliament and the Council.



Further harmonising tourism restrictions in Europe key to restart travel to international markets

Tags: #Tourism #Covid19 #EUTourism

Given the current improvement of the epidemiological situation concerning COVID-19, HOTREC, together with other tourism and travel stakeholders, hopes that the continuous harmonisation of the travel restrictions will lead to the re-opening of travel to all international markets shortly.

In this sense, we welcome the Council Recommendations for **travel within the EU** and for **third-country nationals to enter the EU**. We also support the **proposal of the Commission** to revise the EU Covid-Certificate (EU DCC) Regulation.

We encourage Member States to **accept all vaccines recognised by WHO and follow the validity of the EU COVID certificate for any internal rules**. This attitude will avoid situations where, for instance, tourists can enter a country but not hospitality venues within that country.

The **EU DCC is only to be used when and if the Member States want to impose travel restrictions**, but not as an excuse for adopting the temporary reintroduction of controls at internal borders.

In our view, this will help keep Europe as the world's number one tourist destination.

DIVETOUR project: HOTREC to help develop innovative training tools for skills in tourism

Tags: #Tourism #Accessibility #COVID19 #Innovation #Skills



Funded by the Erasmus + program, the DIVETOUR project aims to **create and test innovative methodologies and tools for training and the labour market**, with a specific focus on accessible tourism and the post-covid recovery of the sector.

The project aims to bring a diverse range of expertise and insights from various sectors – including hospitality, Vocational Education and Training (VET) providers, researchers and IT developers – to create new learning tools, experiment with innovative technologies and stimulate dialogue to support the development of skills and better cater for tourists with disabilities.

An open online learning community will provide a space for dialogue and confrontation of ideas among VET and tourism sector professionals. Participants will have the possibility to share experiences and organise dedicated webinars. This virtual community will examine how to promote and develop the concept of accessibility in the tourism sector, in particular as a response to the new challenges that Covid 19 has posed to all of us.

In addition, a game-based app and a chatbot are under development. The app will seek to foster awareness among young people on the opportunities and challenges as well as the ethical and economic relevance of accessible tourism by playing a game that includes specific customer care strategies. The chatbot meanwhile will aim to help users improve the quality of information and communication in relation to issues such as inclusiveness and accessibility.

The DIVETOUR project is now officially launched and **a dedicated website is under construction**. HOTREC is currently in the process of helping develop an appropriate 'training path' to implement the project, which is highly relevant to address the shortage of staff faced by hospitality sector as a consequence of the pandemic.

Live from the network

Joining forces with our **Members & industry partners** towards a stronger sector

Employers join forces on a compromise approach on EU Pay Transparency

Tags: #LiveFromTheNetwork #PayTransparency #SocialAffairs @CEEMET @ECEG_Brussels @_EFCL @EuroCommerce @COPACOGCECA

EU Pay Transparency Proposal:
Sectoral employers' organisations suggest a more balanced approach.

↓ Read our joint article in our websites ↓



Ahead of tomorrow's vote on a proposed Directive on Pay Transparency by the European Parliament EMPL and FEMM Committees, HOTREC and other employer associations issued a proposal of compromise.

In a **joint statement** published last week, **employers welcomed the principle of equal pay for equal work or work of equal value**. Nonetheless, while considering **pay discrimination unacceptable**, we fear that the Commission proposal **does not address the root causes of the gender pay gap**.

We, therefore, believe companies with less than 250 employees should be exempt from complying with reporting obligations or joint pay assessment (as stated in the Commission proposal). We also called to include a provision that leaves room for the national social partners to deviate from the directive through a collective agreement.

The principle of equal work and equal work of equal value should be defined by objective criteria – including performance and productivity. Assessments should be based on comparable situations based on gender-neutrality.

Last but not least, to fight the gender pay gap, we would encourage women's participation in the labour market, the setting up of facilities for the elderly and children with flexible schedules and an overall change of mindset.

What's next

In the HOTREC Team's and membership's agenda

17-18 March – Informal ministerial conference of EU tourism ministers

18 March – 48th EHMA Annual General Meeting 2022

23 March – HOTREC joins Tripartite Social Summit

30 March – HOTREC Sustainability working group meeting

7-8 April – 2nd EU-MYRIAD General Assembly

28-29 April – HOTREC 84th General Assembly, Prague, Czech Republic



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