



The Council's text on the Package Travel Directive will strongly damage the European hotel industry

Brussels, 19 March 2015 – HOTREC, the European association representing the European hospitality industry, warns that the Council's current position on the Package Travel Directive will seriously impact the hotel industry and therefore calls on the Council to re-assess its position in the negotiations with the European Parliament.

The position adopted by the Council in the negotiations with the European Parliament fails to take into consideration the specificity of hotel services. Indeed, hotels have always been proposing to consumers various ancillary services, such as arranging taxi transfers from the airport, spas in the hotel, bicycle renting, tickets to operas on request, etc. Unfortunately, the Council text would make some of these services subject to the new Package Travel Directive, therefore raising their costs tremendously.

"Should the new Directive apply to these extra services, many hotels would be forced to choose to either raise the price of these services or stop offering them. In both cases, this is a lose-lose situation for hotels and consumers" commented Mr. Christian de Barrin, CEO of HOTREC.

Moreover, the Council definition of the new concept of "Assisted Travel Arrangements" is so broad that it will inadvertently cover the promotion of local cultural/touristic attractions made by hotels, while being often impossible to implement, as recognised by many tourism stakeholders (e.g. ETTSA representing Online Travel Agents, IAPPA representing the amusement parks sector, IATA representing the airline sector or IAB- Europe representing the digital advertisement sector).

"It is quite clear that the Council text does not take into consideration the reality of the hotel market and the role of hotels in the promotion of local cultural/touristic attractions. However, workable solutions exist if the political will is there" further added Mr. de Barrin.

To solve these problems, HOTREC considers that the Council and European Parliament should agree to:

- Either raise the threshold used to determine when extra services provided by hotels should be considered as part of a package or ensure that a package travel cannot be formed if there are no transport services included;
- List a number of ancillary services provided by hotels which are not subject to the Directive;
- Review the definition of "Assisted Travel Arrangement" to ensure that it applies to situations where traders exchange online the data of the consumer.

What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. This industry includes around 1,8 million businesses, of which 99% are small and medium sized enterprises (91% of them micro enterprises, i.e. employing fewer than 10 people). These businesses make up some 59% of industry value added. The hospitality industry provides some 10.2 million jobs in the EU alone. Together with the other tourism industries, the sector is one of the largest industries in Europe. HOTREC brings together 42 national associations representing the sector in 28 different European countries.

For further information: www.hotrec.eu

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