

# June 2020

## NEWSLETTER

#### Back to work?

The latest mapping shows restrictions starting to ease across Europe for travel and services, but the situation is still a complicated patchwork of national and regional measures. Knowing when the borders will open to tourism without quarantine is essential, but how tourism will be delivered under new conditions is fast becoming industry's main concern: see **Risky Business** below.

Meanwhile, European recovery needs government help. For the EU, yesterday's <u>speech</u> by European Commission President Ursula von der Leyen promised  $\in$ 500bn in recovery grants and  $\notin$ 250bn in new loans, on top of  $\notin$ 540bn previously agreed. How the economy may recover is still largely influenced by government incentives, intervention and regulation.

In SE Europe, the Cypriot government intends to resume international air traffic from 9th June, and promises to cover cost of "lodging, food, drink, and medication" for visitors, families and close contacts who find themselves forced to stay following a positive test for Covid-19 (see Q13 of government press release). Greece expects to open seasonal hotels from 15th June and has reduced VAT from 24% to 13% for transport services. On Europe's Atlantic coast, Portugal's Clean and Safe campaign reflects a determination to implement practical hygiene measures across the supply chain, but also an outward looking message: as for many other country's tourism industries, it cannot survive on domestic demand alone. We need the borders to open.

#### **Risky Business**

Risk management in tourism has become much more complex. New jargon does not help: 'Covid-secure' is a claim of risk control, not elimination. These distinctions matter for operators liable for the performance of services, and providers of all kinds facing costly practical challenges to adapt to new conditions. Care must be taken not to commit to meeting guidelines or standards unless compliance can be assured: it is possible to be legally liable for failing to meet standards that exceed statutory requirements.

There are financial risks: if a group is stranded due to quarantine the operator may be liable for costs. Knock-on effects on hospitality and transport services quickly multiply. Whether these are insurable risks under current circumstances is an open question. Guidelines issued by the WHO are at the foundation of most sector-specific recommendations to manage COVID-19 risk, and many businesses have used them to develop in-house practice to suit their capacity, clients, products, and premises. For operators, it is these, together with knowledge of public regulation and guidance in force throughout itinerary and transit points, that allow operational planning and communication.

Clients are wary; will they be reassured? The signs are that there is strong demand. History shows that consumers have become much more sophisticated at estimating risk: where 2001's 9/11 attack saw a prolonged collapse in long-haul demand once flying resumed, subsequent terrorist attacks in Europe had progressively less impact on demand. The chances of any given individual being affected by similar events were, and remain, extremely small. Increasingly, this will be true of the current pandemic providing precautions are followed.

Travel, like all daily life, includes risk. Visitors will explore independently and confront unfamiliar traffic. As every passenger on busy public transport knows, other travellers may pose a risk of infection unrelated to COVID-19. The industry's duty is to mitigate risk, not to eliminate it. Both recommendations and regulation must recognise that tourism needs to be economically viable to be socially valuable.

As soon as prudent and practical, both public health advice and sectoral guidelines must allow a return to activity which is commercially sustainable for both operators and service providers. ETOA will continue to argue for proportionate and pragmatic proposals that will support this.



The <u>COVID-19 resources page</u> is reviewed and updated regularly with notifications on which sections updated at the top of the page. Recent updates include:

- The European Commission's new guidance on <u>frequently asked</u> <u>questions</u> about passenger rights and package travel, further to their recent recommendations.
- Italian government has announced the <u>'Relaunch Decree</u>' a new package of financial support measures for businesses.

• Joint <u>health guidelines</u> for airlines and airports based in Europe has been launched by the European Union Aviation Safety Agency and European Centre for Disease Prevention and Control.



ETOA's previous webinars can be reviewed <u>here</u>. Future events will include: destination and regional product development - how public and private sectors can collaborate to stimulate and support recovery; origin markets – what are operators and recent research telling us about travel intentions?

## ETOA's current lobbying priorities remain:

- Access to liquidity, especially for SMEs
- Resolution to cancellation and refund policies
- Better practical information to enable future planning
- Coordination in standards for food, accommodation, transport systems under any new public health guidelines



## City Fair 2020

#### 20th July, Online B2B Meetings

City Fair is the opportunity to lay the foundations for the return of long-haul clients. The event brings together selected travel buyers and product developers, along with destination managers, in a full day of B2B online meetings dedicated to rethinking tourism strategy and develop new product ideas.

Find out more

### **Members' Features**

On our Members' Features page you can find free-of-charge ETOA Member content to support business and encourage stuck-at-home travellers to keep destinations in mind, offering virtual visits, free online events and inspiration for future holidays. <u>Contact us to be featured</u> and keep the ideas coming!





# Your future is waiting to be written at ATM Virtual

The face of travel technology has changed. At a time when face to face is not possible, we want to help drive those conversations that will establish your company's footprint in the industry forever.

Join us 1-3 June for ground breaking insight on what travel technology has to offer beyond 2020.

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