



## Briefing

### Approved Destination agreements: China and Europe

#### A. Summary

1. Approved Destination Status (ADS) agreements are in place between China and European destination countries in order to expedite visa application processes for groups.
2. Origin and destination countries maintain lists of companies authorised to participate.
3. Destination countries systematically share their lists with China National Tourism Administration (CNTA).
4. At time of writing, CNTA is being absorbed by the Chinese Ministry of Culture and Tourism.
5. Regulatory basis:
  - a. An MoU between CNTA and the European Union (EU) on behalf of Schengen states [Official Journal of the European Union L83/4 20.3.2004.]
  - b. MoU recommends non-Schengen EU states align with it.
  - c. Bilateral agreements between CNTA and non-Schengen states.
6. **Origin market** list is managed by China National Tourism Administration (CNTA).
  - a. To be on the list, companies must have a licence as an outbound travel agent.
  - b. Licence is granted by CNTA.
  - c. All companies on the list will be Chinese (minimum Chinese holding 51%).
7. **Destination market** lists are managed by bodies designated by destination countries.
  - a. Typically, companies on those lists are European inbound operators and DMCs.
  - b. Under the MoU, 'contracting parties' must be approved by the Schengen state.
  - c. Those states most commonly approve companies established within their jurisdiction.
  - d. While the MoU does not stipulate that the inbound operators must be European, visa issuing state may seek proof from a company on a European ADS list.
  - e. There is wide variation in practice between destination markets' designated approving bodies as to what steps they take prior to approving a company.
  - f. Membership of ETOA is understood to be sufficient by UK authorities.

#### B. Process

1. The outbound company that is recognised by CNTA is issued a 'yellow badge' by them. This signifies:
  - a. Company is certified to organise ADS groups;
  - b. It sells directly to individual clients;
  - c. They may accept bookings from a company on destination market list. With a yellow badge, that company must go to a destination market's embassy or consulate to request a 'white badge' for its staff members who henceforth are approved to bring visa application documentation to the consulate.
2. A white badge issued by one Schengen consulate will be accepted in respect of applications at another Schengen state's consulate.

### **Process (continued)**

3. 'White badge' staff must bring documentation to show that they have a booking from a company on the destination market list before visa applications can be processed.
4. That booking may not necessarily be for every service while in Europe, but it will need to be deemed sufficient. For example, a booking confirmation of accommodation via an OTA may be insufficient; that plus proof of inter-city transport may be sufficient.
5. In practice, the rigour of related checks may vary.

### **C. Production by entities outside the state from which visa is requested**

1. If an inbound company outside the destination makes the bookings within Europe, it is possible that; the destination's consular authorities may either:
  - a. Check with their counterpart in the inbound company's state of establishment that the company is on their ADS list, or
  - b. Require evidence of booking from an entity in their own country.
2. Some European inbound operators are based in the UK.
3. Those operators may book services that are exclusively within Schengen area.
4. In that case, the required visa must be sought from a Schengen state.
5. That Schengen state's consulate will either require proof of booking from a company based in the Schengen area, or accept proof of booking from the UK-based inbound operator.
6. That will remain a matter for destination consular authority's discretion should UK leave EU.
7. In an increasingly globalised supply chain, operators making bookings for European inbound may be legally established outside Europe.
8. Unless those operators are on an ADS list managed by a European destination, any proof of booking they supply may be insufficient for European visa-issuing state.

### **D. Duty to inform of changes**

1. In principle, if booking arrangements for the Chinese visitors change, details of changes should be provided to the visa-issuing authority by the white-badged outbound operator.
2. Inbound operator should systematically inform outbound operator of production changes.
3. Changes might include last-minute accommodation changes due to operational considerations or cancellation of one or more individuals who were granted visas in original application.
4. If there is any discrepancy between the arrangements as stated in application and what actually takes place, and it is discovered by destinations officials following routine check or otherwise:
  - a. Those officials may contact visa-issuing consulate.
  - b. If that consulate was not aware of changes, it could sanction Chinese 'white badged' outbound company, e.g. suspend rights to apply for visas for 3 months.
  - c. In practice, visa-issuing consulate would generally consult with other destination states who may support or oppose decision to sanction before making a final decision.
  - d. Any such sanction is effective across all Schengen states.
  - e. Should it come to the attention of the Chinese authorities that a yellow-badged company has been sanctioned there may be adverse consequences.

**Important note:** This briefing is intended for ETOA's members and does not constitute legal advice. While efforts have been taken to ensure its accuracy no responsibility can be accepted for any reliance placed upon it. For any comments and queries, please contact: [policy@etoa.org](mailto:policy@etoa.org)