



9 July 2020

WEEKLY BULLETIN

Product development

Together with our partners in Barcelona city, Barcelona province and Catalonia, we are running an online workshop on 30 September focusing on product across the region, with interest also being shown from suppliers in neighbouring regions in France and Spain. The twin goals of restoring confidence and rebuilding the tourism offer with sustainability in mind are at the forefront of partners' minds.

Our online event schedule will allow buyers in North America and Asia to participate: this is a highly targeted event designed to provide an opportunity for new and established suppliers as well as buyers looking to develop and diversify their offer in this popular destination. More information about the **Catalonia Workshop** available [here](#). For more information about ETOA's online event capability, please [contact us](#).

Insurance

The availability of insurance for both business and consumers is a brake on recovery as a relatively high degree of uncertainty looks set to remain a constant companion. We will be exploring this issue at an [expert webinar next week](#). Meanwhile, we would be interested to read any specific examples illustrating problems facing different businesses. This topic will attract increasing attention from national and EU government as public and private sector mechanisms to manage financial risk are all under close scrutiny. Please email any reports [here](#).

VAT and Brexit

We still do not know what the successor to current **Tour Operator Margin Scheme (TOMS)** VAT arrangements will be post-Brexit: a UK government distracted by a pandemic has an increasingly daunting task-list in order to provide clarity to business whose trading conditions are already highly disrupted. On 8 July, the **UK announced a six month reduction of the VAT rate to 5% on certain hospitality and**

tourism services including food, accommodation and attractions. However, for operators applying within TOMS, VAT expert David Bennett's initial assessment is that "a standard interpretation of TOMS would require the rate to remain at 20%: supplies of accommodation etc by a business accounting for VAT under TOMS would not benefit from this reduction. So whilst the sale of accommodation by a hotel to a tour operator or similar (i.e. any business within TOMS) would attract the 5% rate, the margin made by the tour operator would still be subject to 20%." We will publish any further clarification when we have it.

Meanwhile, the **European Commission is running a consultation on options for reform of TOMS**. In characterising scope and ambition of the consultation, David Bennett writes in his latest newsletter: "I think it is fair to say that the current TOMS is a means to regulate the taxation of tour operators and similar established in the EU whilst the emphasis of a reformed system is likely to be a fair basis for the taxation of travel services enjoyed within the EU, regardless of the identity and location of the supplier. [The consultation process] provides an opportunity to influence how the sale of travel in the EU by non-EU suppliers will be taxed." For the full newsletter and links to the EC consultation, see our [Tax and Tourism page](#).

A blue banner with white text and a white information icon. The text reads "Coronavirus (COVID-19)" in a large font, followed by "ETOA - Insight, Action and Resources" in a smaller font. Below the text is a blue button with the word "More" in white. To the right of the text is a white speech bubble icon containing a lowercase letter 'i', representing information.

Coronavirus (COVID-19)
ETOA - Insight, Action and Resources

More

The [COVID-19 resources page](#) is reviewed and updated regularly with notifications on which sections updated at the top of the page. This page has been relocated from the ETOA Destinations tab to Coronavirus Hub today and has a new URL (<https://www.etoa.org/coronavirus-hub/resources/>). To access this page requires members to login. If you are having difficulties please [contact us](#). Recent updates include:

- Opinion and research on COVID-19 has been relocated from the resources page to [ETOA's Insight Hub](#). The resources page will continue to display a range of information such as cross border travel allowed/restricted, government health guidance and financial support schemes.
- More Destinations have announced health standards schemes to highlight to customers that local tourism businesses have implemented and are following government health guidelines. Information on some of the schemes in operation can be found on our [COVID-19 resources page](#) under Destinations. DMOs are welcome to [contact us](#) with details of their own schemes if not mentioned on the page.
- The UK government has published their first set of [travel corridors](#) where travellers from these countries will not have to quarantine on arrival in England from 10 July. As of morning of 9 July, the quarantine policy differs for Northern Ireland, Scotland and Wales as health is a devolved matter. The Welsh government has yet to agree to travel corridors, Scottish government

announced on 8 July the same travel corridors apply as England except for Serbia and Spain, Northern Ireland Executive are reviewing the policy today on 9 July. The UK Foreign Office has also updated their [advice](#) to allow non-essential travel from UK to certain countries from 4 July.

- The new Irish government has delayed their decision until from 20 July on removing [advice](#) for Irish residents not to travel overseas unless essential. It is expected that the list of travel corridors (known as 'green list' countries) allowing travel to Ireland without the need to quarantine on arrival will be announced at the same time.

ETOA Webinar

ETOA's upcoming and previous webinars can be reviewed [here](#). 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?

Upcoming webinar:

- **Tourism's Recovery: A Risky Business?** Wednesday 15 July, 10:00 BST / 11:00 CEST. [Register here](#)

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



Members' Features

Tackling the Impact of COVID-19 Together

[Contact us to be featured](#)

On our [Members' Features page](#) we continue to showcase innovation and free-of-charge content from ETOA's members, especially DMOs. Latest content include our new member Passolution's free 3-months membership trial. [Contact us](#) if you would like to be featured.

As recovery starts to take shape, we will add more information on our Destination pages, such as [this from Barcelona](#), a new resource to promote a range of services within the city.