



October 2020

NEWSLETTER

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Demand for European Tourism - GEM

Once travel restrictions ease, pent-up demand is clear. Over 176 global buyers and 182 suppliers and destination have already registered for GEM, ETOA's flagship B2B event on 30th October. Special offers available to qualify for this member-only event. For details of current buyer and supplier registration profiles, click [here](#).

Not an ETOA Member yet? [Email us](#) and find out more about our membership offers.

EU and UN efforts to coordinate tourism

The UN's [world tourism day](#) takes place on 27th September, EU tourism ministers meet the following day; on October 12th, the European Tourism Convention takes place. Registration open until October 5th [here](#) for the plenary session following workshops on 'Safe and Seamless Tourism Experience', 'Greener Holidays', and 'Tourism Powered by Data'. There is no shortage of talking about tourism, but there

is still a worrying lack of practical coordination and the means to require it: of border restrictions, public health protocols, and financial support mechanisms. On 17th September the UNWTO issued a [call](#) for a united plan for tourism; meanwhile its [recovery tracker](#) tells a sobering story. The EU General Affairs Council will meet on 13th October to discuss the [European Commission's recommendation](#) for member states to co-ordinate their approach to border restrictions.

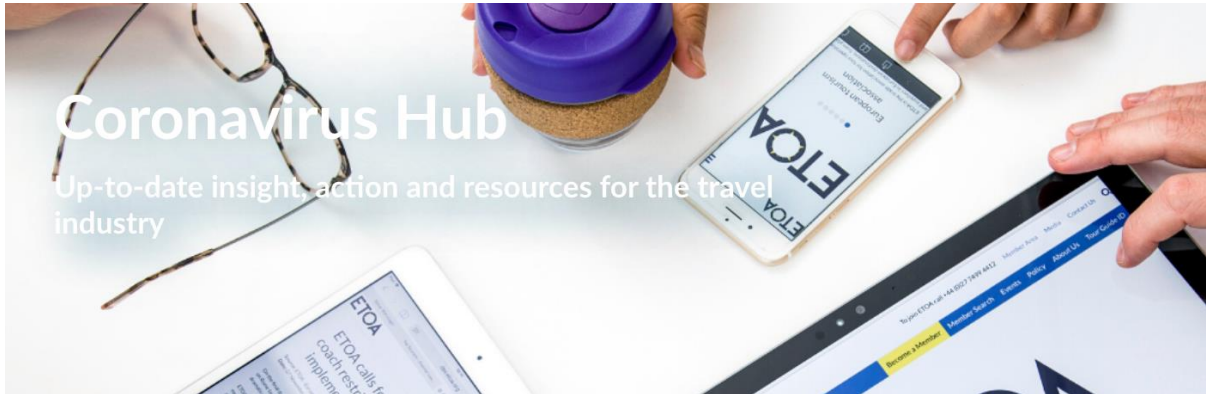
The pandemic has provided more illustration than we ever wanted that the tourism ecosystem is fragile, and much of that is down to governance. Some of that is about legal competence: tourism ministers rarely have much to do with transport and borders, still less public health. EU Member States still need to be reminded that, unless tourism features in the strategic plans for recovery they present to the Commission, the financial support the EU will make available via the [Recovery and Resilience facility](#) and other programmes may not be available to the sector. To achieve the European Commission's new carbon emission reduction target of [55% by 2030](#) will need investment on an unprecedented scale. Tourism remains the poor relation of public policy and yet, done well, it will generate sustainable employment in Europe for the foreseeable future. Demand is there and we have evolved safe ways to operate. The sector must be allowed to deliver the services people want. If it is not allowed to function it must be supported through the current crisis so it can play its proper role in a transformative phase of development in Europe.

Reform of VAT and Package Travel

Two key areas of European regulation are once again under close scrutiny. The European Commission's [consultation](#) on the **special VAT scheme for travel agents and tour operators** (TOMS) has closed. ETOA's submission emphasised the need for administrative simplicity and the risk to value-adding in Europe if current problems remain unaddressed, especially for B2B sales and exports generally: we argue that the 'place of supply' of the value-adding process of packaging is where the client is based, and not the destination(s) where the package takes place. Reform of EU tax arrangements requires unanimity among the EU27 so remains problematic, despite a [CJEU ruling](#) from September 2013 which found against the Commission. The court's interpretation of the scheme's proper operation led to the numerous impracticalities and anomalies the industry has struggled with since, leading to significant loss of business. Numerous reports and recommendations for reform have been produced, and there has been no progress. For the current initiative to succeed, the EU needs to build a consensus among its member states that change is required. As the European travel industry faces its hardest winter in decades, support for the value it brings has never been more urgent.

Meanwhile, the [2015 Package Travel Directive](#) (PTD), in operation since July 2018, has conspicuously failed both consumers and business. The Covid-19 crisis, coming soon after the collapse of Thomas Cook, stretched national support mechanisms beyond breaking point. A patchwork of improved solutions evolved, but the financial hardship and moral hazard they caused made the case for reform ever more clear. The EC is preparing a report on the application of PTD across the EU, which under normal review requirements should be published by 1st January 2021. The pandemic has made the usual consultation process impractical so ETOA, along with other members of the European Commission's expert group, will contribute to the report and ensure it addresses the issues thrown up by the crisis. ETOA will be arguing that 'opt out' insurance should become the norm as consumers are now expected to take a more active role in managing risk. In this way, the market will be incentivised to offer a competitive range of insurance products that suit individual consumers. For more information about ETOA's position on financial protection, see [Risky Business](#).

Meanwhile, selling packaged product – for which demand may well increase due to prevailing uncertainty – remains unnecessarily problematic.



Financial support for tourism: what works?

ETOA crisis-related lobbying is focused in three areas:

- Continued support so the sector can survive 'three winters'
- Better coordination of public policy on borders and public health measures
- Reform of financial protection frameworks

Some of the financial support promised in March has yet to materialise and has often been hard for Europe's micro/SME-dominated industry to access. Entire categories of business feel ignored, from coach companies to DMCs, yet they are essential parts of the tourism ecosystem. For more information on ETOA's policy activity, [click here](#).

Financial support for tourism – have your say. To complete our mapping of what financial support mechanisms will make the most difference short-term, if you have not already done so please share your opinion via the financial survey.

[START SURVEY](#)

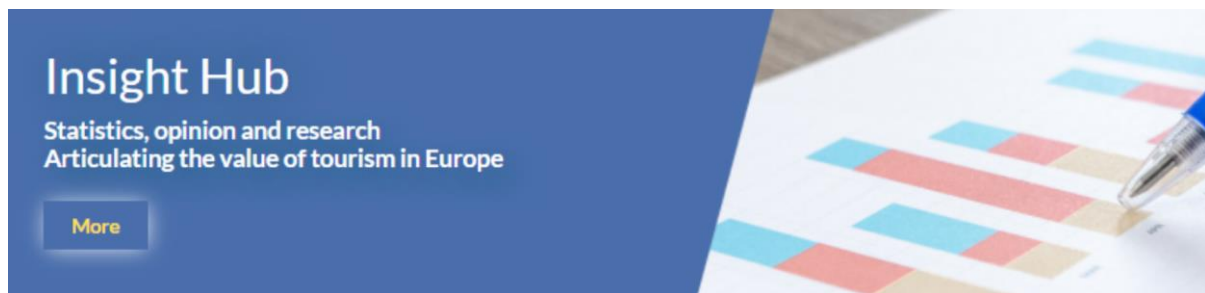


ETOA Insight Hub

Sustainability and Coronavirus recovery continue to dominate the agenda for much of the industry, and we have added several pieces to our [Insight Hub](#) relating to this:

- [UNWTO on COVID-19 and Transforming Tourism](#) - A detailed study showcasing tourism's vital importance to economies and societies. It considers how recovery from COVID-19 can be harnessed as an opportunity to reflect local values, create jobs and protect the wider environment.
- [UNWTO Recommendations on Urban Tourism](#) - A short report that makes a series of recommendations on how destinations can develop urban tourism in an economically and environmentally sustainable manner.
- [Airlines for Europe position paper on Sustainability and the Environment](#) - Containing a range of insights and data, this paper examines what European airlines are already doing to move towards a low-carbon economy, but points out the need for political leadership to foster the moves.

We are pleased to offer the Insight Hub as a service to our members, and much of the content is member-only access. Non-members can, however access some pieces, with recently added insight being the latest [STR webinar on the impact of Covid-19 on hotel performance and WTTC Recovery Scenarios](#).



NET business sentiment survey

ETOA is a member of NET, the Network for the European Private Sector in Tourism. It is carrying out a brief business sentiment survey across all parts of the tourism ecosystem to chart 2020 performance and future expectations. Results will help make the case for continued financial support. Deadline for completion 30.9.20 [Survey link here](#).

Covid-19 operating guidelines

Lack of coordination in safety protocols and legal restrictions continues to present a major challenge to the tourism industry. While all must adhere to the rules, ambiguity about 'guidelines' and 'recommendations' has led to complex operating environment making planning near impossible for operators. The greater the convergence in safety protocols, the faster confidence will return.

This new [member-only page](#) provides access to a library of guidelines from the industry for Covid-related risk management that businesses can consult and adapt, taking into account their clients, product and premises. We feature both trade association and businesses' own guidelines. The guidelines are divided by sector to take into account specific circumstances and requirements.



Brexit update

The EU and UK Government are still negotiating on the future trading relationship that will take effect from 1 January 2021. To allow time for ratification of any agreement in respective parliaments, the EU and UK Government have expressed a desire for negotiations to conclude by mid-October. We will provide updates on the outcome. Regardless of any agreement changes will occur after the transition period, in particular the practice of 'free movement' (a core principle of the EU) will end for UK nationals in the EU (except in Ireland) and EU nationals in the UK (except for Irish and EU nationals on the EU Settlement Scheme). This will affect border arrangements for visitors and workers. For non-EU/UK nationals, changes for travellers and businesses should be limited depending on individual circumstances. Please see our [Brexit page](#) for further information.

Coronavirus (COVID-19)

ETOA - Insight, Action and Resources



[More](#)

We will continue to provide actionable information to help members plan operations and navigate the lifting of travel restrictions across Europe. Members are welcome to [contact us](#) with specific questions. [The COVID-19 resources page](#) will continue to contain information on the lifting of border restrictions including travel corridors and link to government sources for the latest on border entry and passenger locator forms that may be required to be completed.

Upcoming workshops

This year's edition of [GEM](#) will be THE platform for our members to connect, do business and launch their recovery from the damage done by COVID-19.

We are excited by the response of our members - over 350 delegates have already signed up, click [here](#) to see the list of confirmed attendees to date.

[Join us online](#) on the 30th October and get 2021 off to the best possible start.



Not an ETOA Member yet? [Email us](#) and find out more about our membership offers.

During the autumn ETOA is also delivering online workshops focused on [Paris](#) and [Ireland](#) - please [get in touch](#) for more information.

Members' features



ETOA members doing business in the UK are invited to join the complimentary Elman Wall Zoominar on Tuesday 6th October at 2pm. The session will be focused on updates from industry leaders, HR and employment law specialists along with other professionals who will discuss the ongoing impact of Covid-19. Register [here](#)

Members' Features

Tackling the Impact of COVID-19 Together

Contact us to be featured

