

Live from Brussels

Newsletter

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Main EU developments over the last 3 months of interest to the hospitality sector

HOTREC represents the hotel, restaurant and café industry at European level, bringing together 44 national associations representing the interest of this industry in 27 different European countries. The sector counts 1,7 million businesses, with almost 92% of them being micro enterprises employing less than 10 people. The micro and small enterprises (having less than 50 employees) represent more than 99,5% of businesses and make up 62% of value added. Last but not least, this industry provides some 9,5 million jobs in the EU alone.

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Under the responsibility of Anna Maria Torres, HOTREC Chief Executive

CONSUMER AFFAIRS

• **A new regulatory framework on Alternative Dispute Resolution Mechanisms adopted!**

On 22 April 2013, the Council formally adopted new rules on dispute resolution for consumers, following a compromise supported by the plenary session of the European Parliament on 12 March. These new rules consist of a [Directive on Alternative Dispute Resolution](#) (ADR) and of a [Regulation on Online Dispute Resolution](#) (ODR), which complement each other and aim at ensuring that ADR schemes will always be available for consumers who have disputes with traders both in domestic and cross-border cases.

The Directive on ADR requires Member States to ensure that ADR bodies exist at national level to deal with domestic and cross-border disputes arising over sales or services contracts. It also requires disputes brought to an ADR to be resolved within 90 days and includes numerous provisions to ensure that ADR bodies are truly impartial, independent and transparent. According to the Directive, Member States will keep the possibility to maintain or introduce national provisions with regard to procedures not covered by the Directive and acknowledges the competence of Member States to determine whether national ADR entities can impose solutions to disputes or not. Member states will have two years to incorporate the new provisions of the ADR Directive into their national legislation.

The Regulation on ODR will empower the European Commission to set-up an "online platform" for ODR available in all EU languages. This platform will enable consumers to use a standard complaint form and will automatically refer consumers to the most appropriate ADR scheme for their complaints level. ODR will be available for any dispute over online sales.

Consumers are at the heart of the activities of the European hospitality industry, and HOTREC welcomes the steps taken by the Council and the European Parliament towards a strengthening of the use of ADR schemes, so as to avoid unnecessary litigations before Courts. HOTREC nonetheless stresses that the vast majority of hospitality businesses are micro-enterprises (over 92%) and therefore calls on the Member States to use flexible solutions when incorporating the Directive's obligations into national law.

• **Another new Commissioner for consumer protection**

On 25 April 2013, Croatia named Mr. Neven Mimica as its Commissioner designate to become the Croatian Commissioner on 1 July 2013, the day of Croatia's accession to the EU. Following this designation, President of the Commission Barroso announced its intention to attribute to Mr. Mimica the consumer protection portfolio until the end of the European Commission's current mandate in 2014.

Mr. Mimica will now have to be confirmed by the Council, following consultation with the European Parliament. If confirmed in his attributions, Mr. Mimica would become the 3rd Commissioner for Consumer Protection in 6 months, following the resignation of Mr. John Dalli in October 2012 and his replacement by Mr. Tonio Borg, the current holder of the portfolio. Mr. Mimica's appointment and confirmation would also mean that the current portfolio of "Health and Consumer protection" would be split in two, Mr. Borg retaining his responsibilities over the health portfolio.

HOTREC addresses its greetings to Mr. Mimica and looks forward to building a fruitful cooperation with him on consumer protection issues affecting the European hospitality industry.

HOTREC is very pleased by the accession of Croatia to the EU and together with its new Croatian member, the Association of Employers in Hospitality Industry (UPUHH), will work to help the Croatian industry to adapt to the EU policy framework.

HEALTH

• **European Alcohol and Health Forum – 12th plenary meeting**

On 25 April 2013 took place the 12th plenary meeting of the European Alcohol and Health Forum (EAHF).

The new appointed chair to the EAHF, Mr. John Ryan, acting Director for Public Health, at DG Health and Consumers, acknowledge the importance of the EAHF as one of the tools for the implementation of the EU Alcohol Strategy. Also, it has been stressed that the main objective of the platform is to develop actions that curb alcohol related harm across Europe and that this decrease needs to be achieved.

The chair also confirmed that the [EU Alcohol Strategy 2006-2012](#) will continue to be in force until the official results of the evaluation of the Strategy are released and further areas to enhance the effectiveness of the actions taken by the Forum members are presented.

The European Commission informed participants that the results of two studies focusing on enforcing age limits when serving and selling alcohol and on label of alcoholic beverages will probably be presented at the Forum during the course of 2013/2014.

Furthermore, DG Connect presented the objectives of the report of Audio-Visual Media Services Directive (AVMSD) - ([Directive 2010/13/EU](#)), which aims at monitoring the exposure of minors to alcohol through audio-visual commercial activities and to access the level of protection of minors.

The global commitment to reduce alcohol related harm has been presented by the International Centre for Alcoholic Policies. It includes actions from wine, beer and spirits producers around the world; globally, the initiative was considered valuable and the involvement of other stakeholders has been encouraged (e.g. hospitality sector and retailers).

The [UK Responsibility Pledge](#) on "Alcohol Unit Reduction" was also on focus. The objective is to achieve a one billion unit (2%) reduction of alcohol sold out annually from the market by December 2015 through improving consumer choices of lower alcohol products. The industry involved in the pledge believes that reducing alcohol content does not necessarily lower profits.

HoReCa Vlaanderen, the new HOTREC member joining the Forum in 2012, presented its commitment (valid until 2015). The main actions are the following:

- A New Covenant will be signed by HoReCa Vlaanderen concerning alcoholic drinks publicity. HoReCa Vlaanderen will commit and will promote the implementation of the Covenant in the sector;
- Implementation of quality nights: In cooperation with Vereniging Voor Alcohol (VAD), HoReCa Vlaanderen will convince as many discotheques as possible to obtain the label, which implies that the discotheques that adhere will provide free water to clients and specific training on how to deal with alcohol abuse and alcohol related violence.
- Sensibilization of horeca-entrepreneurs for a justified use of alcohol – HoReCa Vlaanderen plans to give horeca entrepreneurs a combined atmosphere of festivity and safe use of alcohol (e.g. end of the year period).
- Organisation of training programmes for entrepreneurs to deal with alcohol abuse and with alcohol related violence.

The next Forum meeting will take place on **21 November 2013**.

HOTREC is very pleased that a new member association joined the EAHF and looks forward for more adhesions in the near future.

TOURISM

• Tourism Task Force: VP Tajani addresses European Parliament

On 26 March 2013, took place another Tourism Task Force meeting, at the European Parliament, chaired by Mr. Simpson (S&D/UK). Mr. Tajani, Commissioner for Industry and Entrepreneurship, was also present to address MEP's questions and to present the Commission priorities on Tourism, amongst them:

- Visa policy: The Commissioner mentioned that the visa rules are too old fashioned and that in order to overcome this situation, a [Communication on visa facilitation](#) had already been issued by the Commission (under the competence of DG Justice). Moreover, Commission's intentions where to move towards an electronic visa, even though such a system could not be immediately implemented. Joint actions are being developed between DG Justice and DG Enterprise in order for bona fide travellers to easily get a visa to enter the Schengen space without neglecting security;

- **Quality:** A new Regulation is under preparation which will establish an umbrella quality system for all European Countries. This will be the first example of legislation proposed under the new competence on tourism of the EU.
- **Seasonality:** The CALYPSO project and the “50 000 tourists initiative” will continue to improve and tackle these issues.

MEPs in general welcomed the Commissioner priorities, but stressed that more action and liaison with industry would be needed in order to really implement an EU policy on Tourism.

HOTREC is of the opinion that a coordinated approach by all the Commission Directorate General's should be developed, so that no overlapping among actions takes place. HOTREC also believes that concrete actions should be developed, so that measurable results can be achieved.

• European Travel Commission elects Manuel Butler as new President

On 11 April 2013, Mr Manuel Butler, Director General of Tourspain (Spain) was elected President of the European Travel Commission (ETC) at the 84th General Meeting in Dublin. Mr Manuel Butler succeeds Ms Petra Hedorfer of the German National Tourist Board (GNTB) for a three-year term.

“Europe is the world’s number one tourist destination. However, this leadership position should not be a reason for complacency. Europe has to contend with growing competition in the increasingly globalised international tourism market. In order to respond to this situation, the countries of Europe have to join forces, share resources and ideas and develop joint marketing initiatives to promote the excellence and diversity of Europe” commented Mr. Butler.

The European Travel Commission is actually working together with the European Commission on the implementation of the initiative Destination Europe 2020 a programme designed to involve the entire tourism industry in designing a long-term strategy for Europe as a tourism destination.

HOTREC congratulates Mr. Butler for his appointment and looks forward to collaborate with the ETC in the near future.

HOTEL CLASSIFICATION

• Europe wide public consultation on hotel classification launched by the Hotelstars Union

On 7 of March 2013, Hotelstars Union, the harmonised European classification system comprising already 13 countries, launched the first Europe wide survey on guest expectations with regard to hotel accommodation. This survey was launched in the light of the soon update of the hotel classification criteria in the countries of the Hotelstars Union.

The survey is aiming at finding out the preferences of hotel guests with regard to different aspects of hotel accommodation, like bedsize, internet connection, services provided in the hotel, etc. The results will help to better adjust the classification requirements in the future to real guest needs.

The survey can be completed via the website www.hotelstars.eu.

Another development with regard to the Hotelstars Union was the commitment of Belgium to join the common classification system as the 13th country. Belgium will apply the common criteria following their revision in 2015.

QUALITY

• Draft Regulation on European Tourism Quality label soon to be announced

The European Commission proposal for a Regulation on a European Tourism Quality label (ETQ) has been postponed for months. Finally, it seems that the Commission has finalised its work and is ready to adopt the new proposal at the end of May or beginning of June 2013.

The future Regulation shall set-up an umbrella quality label, which will not recognise tourism establishments directly, but will accredit existing national/regional/private quality programmes related to tourism and give them a European recognition. The criteria to be complied with would most likely relate to service quality requirements.

This will be the first specific tourism related legislation to be adopted by the Council and the European Parliament, following the entry into force of the Lisbon Treaty, which was giving broader competence to the European Union in tourism related matters.

In the course of the preparation of this initiative, HOTREC put forward its views to the European Commission. HOTREC believes that the ETQ initiative should focus on service quality management criteria only. Mixing service quality criteria with environmental, accessibility or CSR criteria would make the ETQ label simply an unworkable scheme for most existing quality labels in Europe and also difficult for small businesses to comply with.

There are several European or international programmes dealing with environmental labels (like the Ecolabel or Green Key), but the creation of a service quality label would bring real added value for the tourism market, especially if it will ensure visibility for the participating establishments as an additional marketing tool. Marketing of this label is key, without which the label will not be known and successful.

The system shall allow for flexibility with regard to already well-established mechanisms to comply with the criteria. There are different ways of e.g. complaint handling procedures or gathering the opinion of guests, which all lead to the same result (identification and correction of problems in the service chain). Therefore, flexibility is a key word in the setting up of this European label, in order to allow establishments to adjust to these criteria with the least possible financial and administrative burden.

ONLINE DISTRIBUTION

• **Comparison tools as a new point in the European agenda**

On 18 March 2013, on the occasion of the European Consumer Summit, the European Commission released a [report from a Multi-Stakeholder Dialogue on Comparison Tools](#) (CT). According to the report, such tools include all digital content and applications developed to be used by consumers for the comparison of products and services, including hospitality services.

Issues raised in the report include the following aspects:

- **Impartiality:** The relationship between CT operators and sellers is often unclear. In order to be sure to have unbiased information, consumers would need to be aware of agreements between CT operators and companies listed on their sites.
- **Ranking methodology:** Often it is not clear what the formulas 'Best deals' or 'Recommended choice' cover. The methodology for arriving to the 'recommended' results should be evident for consumers. Therefore the criteria of ranking should be clearly indicated. This should be especially the case, if there is an agreement between sellers and CT operators to be featured more prominently in exchange of payment.
- **User reviews and ratings:** It is stated that due to the subjective nature of reviews it is difficult to achieve transparency. Some examples of good practices are mentioned, like asking for a verified e-mail address, or to provide a product code in order to review the purchased item. The authenticity of the reviews should be ensured and the methodology for collecting reviews and calculating ratings should be disclosed.
- **Search results:** Consumers are unlikely to look beyond the first page of results. The development of own comparison functions may raise questions on search neutrality. It is important that search engines do not unfairly prefer their own services.
- **Updates:** The report is stressing the importance of up-to-date information provided on CTs.
- **Accreditation:** The report seems to be in favour of accreditation schemes for CTs. Information on the aspects certified should be made available to consumers.

With regard to the next steps the European Commission will consider launching further studies on comparison tools and issuing a guidance document or a code of conduct on such tools (no legislative document).

HOTREC welcomes that the European Commission is looking into the functioning of Comparison Tools and will contribute to this debate. For HOTREC it is important that potential guests are able to assess their inquiries based on clear and transparent search results. It is especially welcome to make clear what is behind the 'Best deals' or similar formula, as often companies paying some extra fees are ranked higher in search results. This fact may put consumer decisions in a different angle, and may also drive up fees to be paid by the enterprises for a well placed appearance on the web. With regard to search results, HOTREC finds it important that organic hits are well honoured and appear on top.

• ICANN procedure granting new Top Level Domain names

ICANN, the Internet Corporation for Assigned Names and Numbers, is in the process of selecting the entities to manage the soon to be made available new Top Level Domain names, like .hotel.

Different types of applications can be distinguished in the process. Community applications enjoy the explicit support of a community related domain name. Open applications are making the given domain name available to all interested parties on an equal treatment basis. Closed applications are trying to reserve top level domain names for their own business purposes, granting such domain names to their clientele only.

The possibility to file objections against Top Level Domain name applications was closed on 13 March 2013. ICANN is currently assessing the objections, and is starting soon the allocation process for the new top level domain names.

HOTREC is especially concerned about the closed applications of Booking.com and Despegar, both being Online Travel Agents, for the Top Level Domain names .hotel and similar. For this reason, HOTREC decided to file officially objections against these applicants.

For HOTREC it is crucial that all hotels around the world are guaranteed non-discriminatory access to the new '.hotel' domain names. Moreover, '.hotel' and similar domain names should be allocated to the hotel community only, as the word 'hotel' refers to a well-defined industry. This would build up consumers' trust that there is really a hotel service behind a '.hotel' or similar domain name.

HOTREC will continue monitoring closely the evolution of the ICANN procedure to safeguard the interests of the hospitality industry.

FOOD

• Revision of the Regulation on official food controls: now published!

Following the Commission's announcement during the plenary session of the Advisory Group on the Food Chain of 26 April of the imminent adoption of the revision of the [Regulation 882/2004](#) on official food controls, the European Commission finally released its [official proposal](#) on 6 May.

The review of the Regulation 882/2004 on official food controls is finally following the same line as envisaged in the draft previously circulated. This would mean that the new Regulation should extend the obligation for Member States to fully recover the costs of official controls to the entire food chain through inspection fees. However, by opposition to the previous draft circulated, the new proposal exempts micro—enterprises from the payment of such fees.

Moreover, as a result of the recent horsemeat scandal, the Commission proposal also include new rules on the prevention of food frauds, and, in particular, new obligations for Member States to perform regular controls to check the existence of food frauds and to ensure that penalties for fraudsters always outweigh the potential economic advantage gained from any fraud.

As an important actor of the food chain, delivering millions of meals to citizens across Europe every year, the hospitality industry is very interested by the review of Regulation 882/2004 on official controls. HOTREC takes note of the official proposal presented by the Commission and welcomes the general exemption offered to micro-enterprises with the regard to the payment of inspection fees. Micro-enterprises indeed represent 90% of hospitality businesses in the EU and such fees would have negatively impacted them, something that would not have been welcome in these times of harsh economic crisis.

Nevertheless, HOTREC considers that an EU wide obligation for national authorities to charge food inspections in restaurants clearly ignores the principle of subsidiarity. Indeed, restaurants are by nature local services and the fact that some Member States may charge inspections, while some others do not, has absolutely no impact on the single market. Moreover, the proposal wrongly assumes that national authorities lack financial resources to perform their duties correctly, and ignores that when some do not, it is sometimes the result of a poor internal organisation. Finally, such obligation would clearly undermine the efficiency of the system, as it would suppress all incentives and obligations for national authorities to be efficient and well organised, since any failure would systematically be funded by businesses.

TAXATION

• **Reduced VAT rates - EC consultation results available**

On 30 April 2013, the European Commission [published all the contributions received](#) in the course of a public consultation launched on the future of VAT, closed in January 2013.

According to the general analysis of the consultation results, some sector representatives have transmitted their response to this consultation defending the existing reduced rate applied to their sector, although they were apparently not specifically targeted (inter alia the hotels and restaurants sector). The Commission further explains that these contributions “do not fit within any of the three guiding principles laid down by the Commission in its [Communication on the future of VAT](#)”.

Concerning the general question of the consultation, whether there are “any concrete situations whereby the application of a reduced rate on certain goods and services by one or more Member States is effectively resulting in material distortion of competition within the Single Market”, the vast majority of respondents from different sectors stated that they were not aware of any such situation.

Following the publication of the results, the European Commission will decide on the next steps in relation to the future of VAT. Initially it was planned to issue a legislative document by the end of 2013.

[HOTREC responded](#) to this European Commission consultation. In its reply, HOTREC stressed that there is no evidence of any distortion of competition due to reduced VAT rates applied to the hospitality sector. On the contrary, reduced VAT rates are showing to be highly beneficial to the whole European economy. The hospitality sector was among some few ones, where in the last years of economic crisis the number of jobs was rising contrary to the general increase of unemployment in Europe. The sector managed to increase the number of jobs by 3,8% between 2008 and 2011, while employment in the overall economy dropped by around 2.1% in the EU 27 in the same period of time.

HOTREC welcomes that according to the summary of the public consultation, the reduced rate applied to the hospitality sector across Europe does not fit into the 3 principles of the 2011 Commission Communication, among which existing reduced VAT rates would be abolished.

• **VAT – Place of supply of telecommunications services – Council in discussions**

On 18 December 2012, the European Commission put forward a [proposal for a Council Regulation](#) with regard to the place of supply of telecommunication, broadcasting and electronic services (amending Implementing Regulation 282/2011). This proposed Regulation is setting the detailed rules with regard to the changes in the place of supply of such services as foreseen from 2015.

The current Commission proposal suggests that in the case of hospitality services, the place of supply of telecommunication or broadcasting services should still be the place where the main services are carried out.

Discussions on this draft Regulation are ongoing in the Council of Ministers. There seem to be lots of uncertainties from the side of the Member States with regard to the legal basis of many of the articles. In relation to the paragraphs most important for the hospitality sector, these concerns appear as well. In relation to telecommunication services provided as part of the accommodation services, concerns include jurisprudence in relation to ancillary services, issues surrounding the tax base and rates, the interaction with travel agents and tour operators, as well as the travel agents margin scheme, and the collateral damage it may cause in Member States.

The Regulation will have to be adopted by unanimity in the Council.

HOTREC has put forward its arguments to the Commission during the preparation of this piece of legislation, and the hospitality industry's arguments were listened to. HOTREC members have also contacted their governments drawing the attention to the huge and often unworkable burdens which could arise in case the key articles for the sector are not adopted. In these unfavourable case, all hospitality service providers would have to count with impossible tasks when billing such services, as they would have to determine the place of residence of each guest making use of such services and apply the VAT rate of such services according to the VAT rate in the country of origin of the guest, although all parts of the transaction (supply and use of the services) are executed on the spot.

COPYRIGHT

• EU institutions speed-up their work on the Collective Management of Rights Directive

More than 6 months after the release of the Commission proposal for a Directive on Collective Management of Copyright ([COM \(2012\) 372](#)), the European Parliament and the Council of the EU have recently speed-up their work on the matter.

In the European Parliament, the Legal Affairs (JURI) Committee, which leads the dossier, organised on 18-19 March a first exchange of views on the [working document](#) prepared by the Rapporteur, MEP Marielle Gallo (EPP, France). Meanwhile, the Internal Market & Consumer Protection (IMCO), the Culture & Education Committee (CULT) and the International Trade Committee (INTA) released their draft opinion on the matter respectively on the [26 March](#), [28 March](#) and [5 April](#). All these institutional documents highlight the need to ensure higher standards in terms of good governance of the collecting societies and more transparent practices in the relations between collecting societies and right users. MEP Gallo is now expected to present to the JURI Committee its draft report on the matter on [30 May](#), meaning that the JURI Committee should be able to adopt its report on the Commission proposal on [9 July](#). The draft opinions from the other committees shall be voted in June.

In the Council, the Irish Presidency of the EU gave a boost to the procedure with the organisation of numerous working parties and the release on 5 April of a 1st [compromise text](#). This text builds on the Commission proposal by reinforcing some of the provisions on governance of collecting societies, but is rather timid with regard to independent dispute resolution systems and transparency in the relations with right-users.

The Irish Presidency of the EU is now planning to organise several working party meetings to discuss this first draft and an orientation debate is likely to take place at the May Competitiveness Council. However, it is highly unlikely that a final compromise is agreed under the current Presidency, meaning that it will be up to the upcoming Lithuanian Presidency of the EU (from 1 July to 31 December) to continue the work.

As most commercial users of copyrighted works, the European hospitality industry welcomes the proposal of the European Commission as a step in the right direction, but considers it needs to be further strengthened on a number of key aspects to solve some of the recurrent problems faced by users in their dealings with collecting societies.

HOTREC therefore calls on the Council and European Parliament to strengthen the provisions of the proposal on the setting of tariffs, so as to ensure that tariffs are reasonable (as already stated by the European Court of Justice) and are truly negotiated with rights users representatives and not unilaterally imposed without any control. Moreover, HOTREC considers that the provisions on dispute resolutions should make sure that the access to an independent dispute resolution body is always possible in case of disputes between right-users and collecting societies.

SOCIAL AFFAIRS

• Free movement of workers: the Commission proposes a set of measures to improve its application

On 26 April 2013, the European Commission issued a proposal for a Directive on measures facilitating the exercise of rights conferred on workers in the context of freedom of movement for workers ([COM \(2013\) 2036](#)). The proposal will be discussed by the Parliament and the Council under the ordinary legislative procedure.

The proposal aims at ensuring a better application of EU law on the right of EU citizens to work in another Member State.

According to the Commission, EU rules on free movement of workers are long-established and clear. However, the way in which these rules are applied in practice can give rise to barriers and discriminatory practices for EU migrant workers when working or looking for work in another Member State. Even though information tools and procedures to enforce workers' rights already exist at national level, there is a lack of awareness and consistency in the application of workers' rights to free movement.

The Commission intends to overcome these obstacles and to help to prevent discrimination against workers on the basis of nationality by proposing practical solutions. To ensure real and effective application of existing legislation, the proposal is requiring Member States, amongst others:

- To create national contact points providing information, assistance and advice so that EU migrant workers, and employers, are better informed about their rights;
- To provide appropriate means of redress at national level;
- To allow labour unions, NGOs and other organisations to launch administrative or judicial procedures on behalf of individual workers in cases of discrimination;
- To give better information for EU migrant workers and employers in general.

For more information, please, see the following [link](#).

SUSTAINABILITY

• Green Paper on 2030 Framework for climate and energy

As a follow-up to its previous 2020 initiative, on 27 March 2013, the European Commission presented a [Green paper](#) on “A 2030 framework for climate and energy policies.

On the basis of the views expressed by Member States, other EU institutions and stakeholders under the Green Paper consultation, the Commission will table the new EU 2030 framework before the end of 2013. The consultation is opened until [2 July 2013](#).

The key objectives of the future 2030 framework would build on the 2020 objectives aiming also at reducing greenhouse gas emissions, securing energy supply and supporting growth, competitiveness and jobs through a high technology, cost efficient approach.

For more information, please, see the following [link](#).

• EU Ecolabel work plan (2011-2015)

In March 2013, the European Commission presented the latest version of the EU Ecolabel work plan (2011-2015).

The [EU Ecolabel](#) is a voluntary environmental labelling scheme created in 1993. The overall objective of the scheme is to promote products (heat pumps, televisions, laundry detergents etc) with reduced negative environmental impacts.

Tourist accommodation establishments and campsites can also obtain the EU Ecolabel if they comply with the criteria to be awarded with this scheme.

The objectives of the 2011-2015 work plan are amongst others.

- to expand the range of Ecolabel products;
- to increase the number of articles of Ecolabel products in the market;
- to continually reinforce the overall environmental benefits of the scheme and its contribution to sustainable consumption and production.

With regard to tourist accommodation, the Commission Decision [2009/578/EC](#) lays down the criteria that have to be accomplished by these type of establishments to be awarded with EU the Ecolabel. At present, only 346 tourist accommodation establishments and 42 campsites have been awarded with the EU Ecolabel.

HOTREC favours any voluntary environmental labelling. However, HOTREC is of the opinion that there are too many labels at European, national and regional level that become confusing for consumers and organisations. This is the reason why probably only 346 tourist accommodations at EU level have been awarded with the EU Ecolabel since the Commission Decision was issued in 2009.

• **Single Market for Green Products**

On 9 April 2013, the European Commission issued a [Communication](#) on “Building the single market for Green products”.

The Commission proposal puts forward EU wide methods to measure the environmental performance of products and organisations and encourages Member States and the private sector to take them up.

According to Commission news, companies wanting to highlight the environmental performance of their products face, today, numerous obstacles, amongst other the variety of public and private initiatives that offer methods to measure the environmental performance of products. Furthermore the multiplication of labels is confusing for consumers and implies more and higher costs for organisations.

In fact, the latest Eurobarometer on Green Products points out that up to 48% of European consumers are confused by the stream of environmental information they receive.

The Commission is, therefore, proposing in its Communication, a set of actions to overcome these problems, amongst others:

- It puts forward two new methods to measure the environmental performance throughout the lifecycle:
 - The [Product Environmental Footprint](#) (PEF); and
 - The [Organisation Environmental Footprint](#) (OEF).
- It recommends the voluntary use of these methods to Member States, companies, private organisations and the financial community.

A three year testing period will be launched soon through the PEF and the OEF websites inviting stakeholders to participate in the development of the future product-group and sector-group specific rules.

The Commission text also lays down some principles for better communicating the environmental performance of products: such as transparency, comparability, clarity, etc.

For more information please have a look into the following [link](#).

PAYMENT SERVICES

• **MasterCard's Interchange Fees schemes again in the Commission spotlight!**

On 9 April 2013, the European Commission announced that it was opening formal proceedings to investigate further aspects of MasterCard's Interchange Fee schemes for payment cards. The European Commission is indeed concerned that MasterCard's Interchange Fee scheme (and the related practices) may be contrary to EU competition law.

The Commission investigation will cover the following aspects of MasterCard's scheme:

- Inter-bank fees in relation to payments made by cardholders from non-EEA countries;
- Rules on 'cross-border acquiring' in the MasterCard system that limit the possibility for a merchant to benefit from better conditions offered by acquiring banks established in another European country;
- Other MasterCard business rules and/or practices, such as the "honour all cards rule", which may have with a similar anti-competitive aspect given the higher fees involved in transactions with Premium and Commercial cards.

The Commission also confirmed on 9 April its intention to propose before the summer a Regulation on Interchange Fees for payment cards.

These activities are to be seen as a follow-up to the 2007 Commission decision prohibiting MasterCard's Multilateral Interchange Fees within the EEA, which was confirmed by the General Court of the EU in May 2012.

As a major user of payment cards, the European hospitality has been complaining for years about the level of Multilateral Interchange Fees for payment card schemes, and about the lack of transparency and the anti-competitive nature of some of the rules imposed by some payment card schemes to hospitality businesses. HOTREC therefore welcomes the Commission decision to officially open proceedings against MasterCard on the matter. HOTREC also welcomes the Commission's commitment to issue a legislative proposal on Interchange Fees and calls for their progressive elimination.

STATISTICS

• **China – the number one destination in the world!**

According to recent information published by [UNWTO](#), China's expenditure on travel abroad reached US\$ 102 billion in 2012, making it the first tourism source market in the world in terms of spending.

In parallel, the volume of international trips by Chinese travellers has achieved 83 million in 2012, due to facilitation on foreign travel, rapid urbanisation, increasing disposable incomes. In 2005 China ranked seventh in international tourism expenditure, and has successively overtaken Italy, Japan, France and the United Kingdom, Germany and the United States until the moment.

Among other important emerging markets, it is to highlight the case of Russia (with an international tourism expenditure of US\$ 43 billion in 2012) and Brazil (with an expenditure of 22 billion in 2012).

Traditional tourism source markets also presented growth when expending abroad (e.g.: case of Germany and the U.S.A (both grew by 6%); Canada (grew by 7%); UK (grew by 4%); Australia and Japan both grew by 3%).

HOTREC welcomes international travellers to come into the EU, as the flux automatically provides a boost to the European Economy and to the hospitality sector in particular. This is the reason why HOTREC also advocates for visa facilitation agreements to be put in force between the Schengen space and certain emerging countries, especially the BRIC countries.

• **Recent Statistical Publications**

The UNWTO World Tourism Barometer has recently published the following article related to tourism:

- [International tourism to continue robust growth in 2013 news release](#) – January 2013 – The study shows International tourist arrivals grew by 4% in 2012 to reach 1.035 billion, according to the latest UNWTO World Tourism Barometer. Emerging economies (+4.1%) regained the lead over advanced economies (+3.6%), with Asia and the Pacific showing the strongest results. Growth is expected to continue in 2013 only slightly below the 2012 level (+3% to +4%).
- [Attitudes of Europeans towards Tourism](#)", Eurobarometer n° 370 (publication of March 2013). According to this study, the tourism sector is one of the few sectors that have continued to grow and create jobs despite the crisis. In global terms, seven out of ten Europeans travelled in 2012. More specifically, 88% of the EU citizens spent at least four nights of their vacations in a Member State. Europeans who did not travel in 2012 mentioned financial reasons. For 2013, and according to the same survey, 75% of the EU citizens are planning to go on holidays.

HOTREC GENERAL ACTIVITIES

• *Next General Assemblies*

HOTREC will hold on 16-17 May 2013 its 66th General Assembly in Vilnius, Lithuania.

Fall General Assembly of HOTREC will be taking place in Athens, Greece, on 17-18 October 2013.

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