



## L I V E F R O M B R U S S E L S

*Issue N°50, 27 April 2010*

### **Main EU developments over the last 2 months of interest to the hotel, restaurant and café sector**

#### **HEALTH AND FOOD**

- **Food labelling: Sommer report adopted** p.5
- **European Alcohol and Health Forum** p.6

#### **TRAVEL RELATED ISSUES**

- **Volcanic ash cloud hit the hotels hard** p.6
- **New visa rules entered into force** p.7

#### **PAYMENT SYSTEMS**

- **VISA MIFs to be reduced on debit card payments!** p.7

#### **VAT**

- **VAT – latest developments in the Member States** p.8
- **Simplified rules on VAT invoicing** p.8

#### **CONSUMER AFFAIRS**

- **Consumer rights Directive: maximum harmonisation for distance selling?** p.9
- **Package Travel Directive – Commission options for the revision** p.10

## **COPYRIGHT**

- **Copyright and collective rights management: a new regulatory framework?** p.11
- **TV in hotel rooms: a new Irish case** p.12

## **SOCIAL DIALOGUE**

- **EFFAT-HOTREC conference on the European Qualifications and Skills Passport for the hospitality sector** p.13
- **EU sector councils on employment and skills – next steps?** p.14

## **SOCIAL AFFAIRS**

- **Working time – new consultation of the social partners** p.15
- **Maternity leave – vote in plenary postponed!** p.16
- **Social protection of self-employed workers and assisting spouses – back to Parliament for second reading** p.17
- **Parental leave in the Official Journal** p.17

## **STANDARDS**

- **CEN rejects proposal on “Beauty, spa and wellbeing services”** p.18
- **Review of the European standardisation system** p.18
- **ISO TC 228 plenary meeting in Brazil** p.19
- **Sustainability in event management on the ISO agenda** p.20

## **ENTERPRISE POLICY**

- **Late payments: slow progress** p.20
- **A reform of the European Company Statute in sight?** p.21
- **SMEs closer to a partial exemption of some EU accounting requirements** p.22

## **ENVIRONMENT**

- **Council adopts its first reading position on energy performance of buildings** p.22

## **INSTITUTIONS**

- **The new EU 2020 strategy** p.24
- **The Commission 2010 work programme and the hospitality industry** p.24

## **TOURISM**

- **“Madrid Declaration”** p.26

## **STATISTICS**

- **Draft Regulation on tourism statistics submitted to Council and Parliament** p.27
- **Recent statistical publications** p.27

## **HOTREC GENERAL ACTIVITIES**

- **Next General Assembly** p.28

*The previous issues of Live from Brussels are available under the following link:*  
[http://www.hotrec.eu/pages/news\\_publications/live\\_from\\_brussels/](http://www.hotrec.eu/pages/news_publications/live_from_brussels/)



## HEALTH AND FOOD

### □ Food labelling: Sommer report adopted

On 16 March 2010, the ENVI (Environment, Public Health and Food Safety) Committee of the European Parliament voted the Sommer report on the proposal for a Regulation on food information to consumers ([COM\(2008\) 40 final](#)). For a detailed summary of the proposal, see the previous issues of *Live from Brussels*.

The vote lasted almost three hours, as MEPs had to vote on over 800 amendments. The result is a step in the right direction for the hospitality sector: contrary to what had been suggested in the Commission proposal, “non-prepacked food” (which covers meals served by caterers) would be exempted from mandatory EU labelling (full list of ingredients, quantity, nutrition declaration, etc.). The amendments adopted largely exclude non-prepacked food from the scope of the Regulation. The only obligation maintained is to provide allergens information (not labelling): “*in this case, it must be indicated in a clearly visible manner in the sales area or on menus that:*

- *customers can obtain information regarding allergenic substances directly during the sales talk and/or by means of material displayed on the premises;*
- *the possibility of cross-contamination cannot be excluded”.*

Contrary to what was envisaged by the Rapporteur, Member States would be allowed to adopt national measures to require the display of additional information (ingredients, quantity, nutrition declaration, etc.) and to regulate how the information should be made available to consumers.

Unexpectedly, the ENVI Committee endorsed an amendment by the Greens and the GUE Group, which would require “*food chains serving standardised food*” to indicate in writing on the package of the food the name, ingredients, allergens, country of origin of the food as well as the nutrition declaration.

The European Parliament is expected to vote on the Sommer report at its plenary session of 17-20 May 2010. The plenary vote will conclude the first reading by the European Parliament.

In parallel, the examination of the proposal is progressing in the Council of the EU under the Spanish Presidency. The experts of the national governments have not yet reached an agreement and their work continues within the Working Party on Foodstuffs.

*HOTREC welcomes as a step in the right direction the adoption of the Sommer report, as it largely excludes non-prepacked food from the scope of the proposal. This is crucial because complying with the Regulation would not only impose heavy burdens and costs on the industry but it would simply be unworkable for most hospitality establishments, as the vast majority of them employ less than 10 persons.*

*HOTREC is, nonetheless, of the opinion that “non-prepacked food” should be completely excluded from the scope of the Regulation. The provision of information in relation to meals prepared and served locally should not be regulated at EU level, as it has no impact on the functioning of the Internal Market. Rules concerning non-prepacked food should be left to the Member States, in accordance with the principle of subsidiarity, and not be dealt with in an EU regulation. Member States are better placed than the EU Institutions to address this issue, as culinary traditions and diets vary greatly from country to country.*

*HOTREC regrets the adoption by the ENVI Committee of the amendment imposing mandatory EU labelling requirements on “food chains serving standardised food”. This amendment is not coherent with the definition of non-prepacked food agreed by the Committee. If maintained, it will create great legal uncertainty and burden heavily the enterprises caught under its scope.*

## □ **European Alcohol and Health Forum**

On 11 March 2010, the European Alcohol and Health Forum held its 6<sup>th</sup> plenary meeting. The Forum brings together European associations (and their members) that are willing to take self-binding and verifiable actions (so-called “commitments”) to reduce alcohol-related harm. Members of the Forum include representatives of economic operators (alcohol producers, advertising agencies, media, retailers, hospitality, etc.), consumers, medical professions and health NGOs.

Items on the agenda included:

- Procedural issues (minimum criteria for keeping the membership, deadlines for reporting on the commitments, etc.);
- Presentation of the British “Campaign for Smarter Drinking”;
- Discussion on responsible marketing of alcohol and digital media (social networking websites, etc.);
- Presentation of Forum commitments relating to digital media:  
SabMiller ([www.talkingalcohol.com](http://www.talkingalcohol.com)), Eurocare ([www.eurocare.org](http://www.eurocare.org)), Diageo ([www.DRINKiQ.com](http://www.DRINKiQ.com)), Alcohol Action Ireland ([www.alcoholireland.ie](http://www.alcoholireland.ie)), EFRD ([www.responsibledrinking.eu](http://www.responsibledrinking.eu) and [www.marketresponsibly.eu](http://www.marketresponsibly.eu)).

An Open Forum (session open to non-members) took place on 22 April 2010. The next plenary meeting of the Forum will take place on 18 November 2010.

Further information on the Alcohol Forum, including the summary report of the 6<sup>th</sup> plenary meeting, is available on the DG SANCO [website](#).

*HOTREC is a member of the Forum since 2008, together with the British Beer and Pub Association, the Finnish Hospitality Association and the Swedish Hotel and Restaurant Association. Details on the commitments by HOTREC and its members can be found on the HOTREC [website](#).*

## **TRAVEL RELATED ISSUES**

### □ **Volcanic ash cloud hit the hotels hard**

The recent eruption of the Eyjafjöll volcano in Iceland and the following closure of the European airspace hit the hospitality industry hard. Although some stranded travellers stayed longer than planned in their hotels, the losses caused by cancellations and no-shows outweigh this tiny benefit by far.

According to a survey, conducted by HOTREC among its members, occupancy and revenue dropped by 10-30% and in some cases even more. A large number of conferences and seminars

had to be cancelled, making business hotels loosing above average. Hotels across Europe had to face millions of cancellations and no-shows, which were dealt with in a very flexible manner.

The hospitality industry is hoping that, following the normalisation of the air traffic situation, business will get back to usual within 1 month. However, most hoteliers will never re-gain the losses suffered over this period of time, some hundreds of millions of Euros Europe-wide.

On 20 April 2010, the European Parliament also debated the problems caused by the volcanic ash cloud. In a press release, issued on 21 April, MEP Dominique Vlasto (EPP, France) called for coordination at European level of national measures to help all tourism enterprises (not only airlines and tour operators), which were hit hard by this extraordinary event. She emphasised that tourism accounts for 5% of the EU GDP.

*HOTREC will continue to analyse the consequences of this exceptional situation.*

## □ **New visa rules entered into force**

As reported in *Live from Brussels N°47*, on 25 June 2009, the new EU Visa Code ([Regulation \(EC\) No 810/2009](#)) was officially adopted by the European Parliament and the Council of Ministers. The new rules entered into force on 5 April 2010.

The main visa rules for travellers coming from third countries to the Schengen area of the EU, and who are not exempted from the requirement of a visa, are the following:

- The visa fee is €60 (to be revised regularly) – €35 for nationals of third countries, with which the EU has concluded Visa Facilitation Agreements;
- The fee for children between 6 and 12 years is €35 (which may be waived by Member States);
- Visa fees shall be waived for certain categories of people (e.g. school pupils, students on educational trips, children under 6 years);
- Visa fees may be waived for young people under 25 years participating in seminars, conferences, sports or cultural events, etc.;
- Biometric data (electronic photograph and fingerprints) are taken from all applicants above 12 years;
- Additional service fees may be charged (e.g. for the collection of biometric data);
- The travel insurance coverage has to be at least €30.000; and
- The period of validity shall not exceed 5 years.

*Although the initial Commission proposal of 2006 was softened during the negotiations between the Council and the European Parliament, HOTREC regrets that travelling to Europe will become more burdensome for some travellers, who could, consequently, renounce their trip.*

## **PAYMENT SYSTEMS**

### □ **VISA MIFs to be reduced on debit card payments!**

Almost two years after the opening of a competition proceeding against VISA (see *Live from Brussels N°42* and *N°44*) concerning its Multilateral Interchange Fees (MIFs) for transactions

with consumer payment cards, the European Commission [announced](#) on 26 April 2010 that it has accepted VISA's commitments to cut its MIFs for debit card payments.

VISA will reduce to 0,20% the maximum weighted average MIF for all cross border transactions and for national transactions in eight EU countries (Greece, Hungary, Ireland, Italy, Malta, Sweden, Luxembourg and the Netherlands) for debit card payments. This commitment of VISA, however, does not cover credit and deferred-debit transactions, which continue to be under a Commission antitrust investigation. The Commission also announced that it could launch proceedings on the "Honour all card rule", MIFs for commercial card transactions and Inter-Regional MIFs.

*HOTREC regrets that the Commission did not completely eliminate VISA's MIFs. Moreover, the hospitality industry fully shares the concerns expressed by EuroCommerce that:*

- *The average fee levels do not correspond to any market reality; and*
- *There is no justification for omitting credit cards from this settlement.*

*HOTREC also hopes that such omissions should not be interpreted as a sign that the Commission is ready to give-up the fight against interchange fees.*

## VAT

### □ VAT – latest developments in the Member States

Since the last issue of *Live from Brussels*, two changes in VAT rates for hospitality services were communicated to HOTREC.

In Greece, as from 15 March 2010, the standard VAT rate was increased from 19% to 21% and the reduced rate, applied to hotel and restaurant services, from 9% to 10%. The islands of the Aegean Sea continue to benefit from a special reduction on these rates.

In Latvia, as from 1 May 2010, the VAT rate applicable to accommodation services will be reduced from the standard rate of 21% to the reduced rate of 10%.

Following this development in Latvia, as from 1 May 2010, 23 out of 27 EU Member States will be applying a reduced VAT rate to accommodation services. The standard rate will continue to apply only in Denmark, Lithuania, Slovakia and the United Kingdom.

*HOTREC is pleased that the vast majority of the EU Member States apply a reduced VAT rate to accommodation services, which is enhancing not only the competitiveness of tourism in those countries, but also the competitiveness of the European tourism industry vis-à-vis other destinations in the world.*

### □ Simplified rules on VAT invoicing

In 2009, the Commission proposed a Directive ([COM\(2009\) 21 final](#)) in order to simplify the rules for VAT invoicing. On 16 March 2010, the Council agreed informally, pending the opinion of the European Parliament, on this draft Directive, which will amend the [VAT Directive 2006/112/EC](#).

The new rules will ensure the acceptance of electronic invoices by tax authorities under the same conditions as for paper invoices. The text adopted by the Council also sets out specific conditions for simplified invoices. As a general rule, where the amount of the invoice is not higher than €100, a simplified invoice may be issued. Member States may decide to increase this limit to €400.

The Commission is expecting cost savings for businesses of up to €18 billion, if obstacles to e-invoicing are removed.

As explained above, the opinion of the European Parliament is still awaited. According to the current draft text, Member States will have to comply with the new rules by 31 December 2012 at the latest.

*HOTREC welcomes all initiatives by the European Institutions, which aim at reducing administrative burdens on SMEs.*

## CONSUMER AFFAIRS

### □ **Consumer rights Directive: maximum harmonisation for distance selling?**

As explained in *Live from Brussels N°44*, the Commission released in October 2008 a proposal for a Directive on consumer rights ([COM\(2008\) 614/3 final](#)). The aim of this Directive is to review, simplify and improve the coherence of the consumer contract regulatory framework through the incorporation into one set of rules of four existing Directives:

- The unfair contract terms Directive (93/13/EEC);
- The distance selling Directive (97/7/EC);
- The consumer sales and guarantees Directive (99/44/EC); and
- The doorstep selling Directive (85/577/EC).

This draft Directive intends to regulate all business-to-consumer contracts for sales of services and goods, including distance contracts and unfair contract terms. In particular, it:

- Contains “black” and “grey” lists of unfair contract terms;
- Proposes to ban pre-ticked opt-in boxes in contracts;
- Upholds the existing exemption from the right of withdrawal as well as the right to written confirmation of information granted in relation to accommodation contracts sold at distance.

The text is currently being discussed in both the European Parliament and the Council under the ordinary legislative procedure (previously called co-decision procedure). In the European Parliament, the Rapporteur, Mr. Andreas Schwab (EPP, Germany), released a first working document, which will be used as a basis for his draft report, while the Council is still discussing it at Working Party level.

So far, the Commission proposal raised numerous concerns in both the EP and the Council, as it suggests departing from the traditional approach of minimum harmonisation and opts for maximum harmonisation. Such a shift means that Member States would not be allowed anymore to adopt more stringent rules than those contained in the proposal. Some MEPs and Member

States fear that such a maximum harmonisation could lead to a decrease in the level of consumer protection in some Member States.

In a bid to lift this opposition, the new Commissioner in charge of the proposal, Mrs. Viviane Reding, recently suggested retaining maximum harmonisation for all distance contracts, while minimum harmonisation could be maintained for face-to-face contracts.

*HOTREC and its National Associations already welcomed the Commission proposal to maintain the exemptions from the right of withdrawal and from the written confirmation of information in case of distance contracts for the provision of accommodation, catering or leisure services. HOTREC had been fighting intensively at the time of adoption of the distance selling Directive in 1997 to obtain these exemptions. Given the specific nature of hotel room contracts and the highly perishable nature of the services provided by the hospitality industry, such derogations are essential for HOTREC and its National Associations.*

*In order to give more weight to the tourism industry on the matter, HOTREC joined its forces with the other members of NET (Network of European private entrepreneurs in the Tourism sector), leading to the adoption of a common NET position paper on the consumer rights Directive. It is available on the [HOTREC website](#).*

#### □ **Package Travel Directive – Commission options for the revision**

As explained in *Live from Brussels N°48* and *N°49*, the European Commission finally launched officially the revision process of the Package Travel Directive (PTD). Further to a previous consultation, which closed in February 2010, and in order to prepare an impact assessment for the revision of the PTD, a Stakeholder Workshop was organised on 22 April 2010.

In the workshop, the Commission discussed with the stakeholders the results of the consultation and the possible policy options for the revision of the Directive. Nearly all stakeholders rejected the first 4 options (Maintaining the Status Quo - Guidelines and Better Enforcement of Existing Legislation - Introduction of a "Package Travel Label" and Awareness Raising Campaign - Repeal of the Directive and More Effective Self-regulation). However, most stakeholders welcomed option 5 ("Minimum" Legislative Approach) as a good starting point for the discussions. This option foresees an update of the definitions, the possible inclusion of dynamic packages (combination of holiday services put together by the consumer himself), a possible clarification of the liability regime and an update of the pre-contractual requirements as well as of the rules on contract changes before the departure. The last possible option ("Maximum PLUS" Legislative Approach - "Travel Directive" regulating stand-alone holiday services) was perceived as too ambitious.

The discussions in the workshop mostly focused on:

- Dynamic packages. Most stakeholders considered that dynamic packages “purchased on the internet from the same site” should be included in the scope of the future PTD. However, divergences appeared on the possible inclusion of dynamic packages “purchased on the internet from different sites which are clearly linked on their web pages”. While travel agents and tour operators specifically required such packages to be included to ensure a level playing field on the holiday market, Member States authorities and consumer NGOs seemed divided on the concrete implications;

- The liability in case of improper performance of the package travel contract. While travel agents and tour operators required the individual service provider to be directly liable to the consumer, Member States' authorities consider that the current regime should not be changed, as the consumer has no direct contractual link with the service provider;
- The burden of proof in relation to the improper performance of the package;
- The type of liability (strict or fault-based);
- Insolvency protection for stand-alone air tickets.

The policy options presented by the Commission are open for written comments until 3 May 2010. The Commission will then complete its impact assessment and should release its proposal for a revised PTD in late 2010 or early 2011.

*The revision of the Package Travel Directive is of high importance for the hospitality industry. First of all, as providers of a service included in a package, hoteliers are submitted to certain obligations and can be sued – in case of improper performance - by the organiser of the package. Furthermore, hoteliers are also considered as tour organisers when they offer, in combination with the hotel room, other tourist services not ancillary to accommodation (e.g. a golf course, spa treatments, tickets for the opera, etc.). In such case, hoteliers are directly liable to the consumers for improper performance of the contract, must provide specific pre-contractual information to consumers and, in addition, have to participate in a guarantee fund.*

*HOTREC considers that the current liability regime has delivered an optimal level of performance to the benefits of consumers. Moreover, HOTREC remains cautious on the possible inclusion of dynamic packages purchased on the internet from different sites which are clearly linked on their web pages. The concrete consequences of such a broad inclusion should be carefully looked at by the European Commission before making any legislative initiative in this direction.*

*HOTREC had organised on 26 January 2010 a specific meeting to prepare its reply to the Commission consultation and participated in the Stakeholders Workshop.*

## **COPYRIGHT**

### **□ Copyright and collective rights management: a new regulatory framework?**

On 23 April 2010, the European Commission organised a public hearing on “the governance of collective rights management in the EU”. According to the Commission, the aim of this hearing was to examine how relationships between the owners of copyright, the collective managers of copyright and the commercial users of copyright-protected products and services have developed over time, and what efforts might be needed to further develop the benefits of the collective management of copyright and neighbouring rights. The discussions in this hearing will possibly be used to prepare a Framework Directive on collective rights management, an initiative which was announced in the recently released 2010 Commission work programme (see separate article in this *Live from Brussels*).

The hearing was organised in three panels, each of them addressing specific issues:

- Panel 1: relationship between collective rights managers and their members;
- Panel 2: relationship among collective rights managers;

- Panel 3: relationship between collective rights managers and commercial users.

In particular, discussions in panel 3 mainly focused on the following aspects:

- Territorial scope of available licenses and multi-territorial licenses for broadcasting and/or online distribution of copyrighted materials;
- Public information on the breadth of the repertoire represented by a collective rights manager; and
- Availability of independent dispute settlement systems.

During this panel, copyright users almost unanimously called for a Framework Directive to reform the current governance and licensing practices of collecting bodies which were found inadequate to the new business environment. However, collecting bodies minimised the need for such a reform, and stressed that the current dispute resolution systems are working sufficiently well. Collecting societies also highlighted that the main priority should rather be the strengthening of the fight against illegal downloading and online piracy of copyrighted works.

*As an important commercial right-user, the hospitality industry is very much interested in a possible EU initiative on the governance of collecting societies. HOTREC has called for years for such a reform, which should provide for:*

- *True protection against the monopolistic behaviour of collecting societies;*
- *One-stop-shops;*
- *Efficient and fair dispute resolution systems; and*
- *Transparency and efficiency from collecting societies.*

*HOTREC, which participated in the public hearing, is also of the opinion that any initiative from the Commission on the governance of collecting societies should not only address the challenges posed by the new digital environment but should also include the long-standing areas of concerns for the more traditional offline rights.*

#### □ **TV in hotel rooms: a new Irish case**

More than three years after the European Court of Justice (ECJ) opinion in the Rafael case (C-306/05, see *Live from Brussels N°36, N°38 and N°40*), the question of whether copyright fees should be paid for copyrighted materials broadcasted on TV in hotel rooms still prove being controversial. Indeed, a reference for a preliminary ruling was lodged to the ECJ by the Greek Supreme Court in April 2009 (see *Live from Brussels N°47*). Moreover, the Irish High Court also decided on 25 March 2010 to refer a similar case to the ECJ.

The initial Irish case was brought by a collecting society representing phonogram producers (PPI) against the Irish government for failure to fulfil its Treaty obligations. PPI considers that the Irish government is violating EU law by maintaining in Irish law a provision which allows the hotel industry to be exempted from payment of copyright fees for the broadcast of copyrighted materials on TV in guest rooms. However, by opposition to the Rafael case, PPI argues that such a violation of EU law does not arise from a violation of article 3(2) of Directive 2001/29/EC “*on the harmonisation of certain aspects of copyright and related rights in the information society*”, but from the violation of Directive 2006/115/EC “*on rental right and lending right and on certain rights related to copyright in the field of intellectual property*”,

therefore, assimilating the broadcast of copyrighted materials in the guest rooms to a rental of such protected works.

The Court, therefore, seeks clarification from the ECJ by referring the following questions:

“

- (i) *Is a hotel operator which provides, in guest bedrooms, televisions and/or radios, to which it distributes a broadcast signal, a "user" making a "communication to the public" of a phonogram which may be played in a broadcast for the purposes of Article 8(2) of Codified Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006.*
- (ii) *If the answer to paragraph (i) is in the affirmative, does Article 8(2) of Directive 2006/115/EC oblige Member State to provide a right to payment of equitable remuneration from the broadcaster for the playing of the phonogram.*
- (iii) *If the answer to paragraph (i) is in the affirmative, does Article 10 of Directive 2006/115/EC permit Member States to exempt hotel operators from the obligation to pay "a single equitable remuneration" on the grounds of "private use" within the meaning of Article 10(1)(a).*
- (iv) *Is a hotel operator, which provides in a guest bedroom, apparatus (other than a television or radio) and phonograms in physical or digital form which may be played on or heard from such apparatus, a "user" making a "communication to the public" of the phonograms within the meaning of Article 8(2) of Directive 2006/115/EC.*
- (v) *If the answer to paragraph (iv) is in the affirmative, does Article 10 of Directive 2006/115/EC permit member States to exempt hotel operators from the obligation to pay "a single equitable remuneration" on the grounds of "private use" within the meaning of Article 10(1)(a) of Directive 2006/115/EC."*

*HOTREC, which monitors carefully the consequences of the Rafael case for the hospitality industry, will follow thoroughly this new Irish case in the ECJ.*

## **SOCIAL DIALOGUE**

### **□ EFFAT-HOTREC conference on the European Qualifications and Skills Passport for the hospitality sector**

As reported in *Live from Brussels N°47*, in June 2009, the European Commission agreed to support financially the first one-year phase of an EFFAT-HOTREC project to develop a qualifications and skills passport (QSP) for the hospitality sector. The overall objective of the project is to facilitate the free movement of workers within the hospitality sector in the European Union and the recruitment across borders.

The Hungarian Foundation for Information Society, the consultant selected to work on the preparatory phase of the project, will present the results so far at a Conference to be held on 26 and 27 May 2010 in Brussels. Participants will be representatives from trade unions and employer associations in the hospitality sector as well as representatives of the European institutions.

This Conference should also allow to decide on the next steps.

*The preparation of a QSP for the hospitality sector has been on the agenda of the EFFAT-HOTREC social dialogue for many years. Workers, who seek employment in another country, as well as employers seeking to hire workers from abroad, face difficulties due to a lack of transparency and comparability of qualification and skills. The passport is expected to iron out these difficulties.*

□ **EU sector councils on employment and skills – next steps?**

As reported in *Live from Brussels N°49*, at the beginning of the year 2009, the Commission had launched a study to analyse the feasibility and possibility of setting-up “sectoral councils on employment and skills” at EU level. This development is part of the “New Skills for New Jobs” initiative ([COM\(2008\) 0868 final](#)), the objective of which is to improve the capacity to anticipate and match labour and market skill needs in the EU.

The study was conducted by the ECORYS and KBA consultancies. The first results were presented by the ECORYS consultancy at the [“Sectors New Skills for New Jobs”](#) Forum held in Brussels on 7 and 8 December 2009 (see *Live from Brussels N°49*). The final version entitled [“Sectors Councils on Employment and Skills at EU level: a study into their feasibility and potential impact”](#) was only issued in March 2010.

Here are its main findings:

- Sector councils already exist under various names and forms in the EU. These councils are “*platforms at sector level where stakeholders seek to gain insight into the likely developments in employment and skills needs, with the aim of assisting policy making within or for this sector*”;
- Transversal councils which are similar to sector councils, but cover trends and developments in two or more sectors of the labour market, also exist in most of the EU Member States;
- However, cross country co-operation between sector councils at present is rare. EU sector councils on employment and skills should, amongst others, help boosting the effectiveness of national councils.

In their conclusions, the consultants suggested to the Commission to proceed with the setting-up of EU sector councils and formulated the following general recommendations:

- *“Set realistic objectives and expectations;*
- *Any EU initiative to promote such Councils should ensure commitment from stakeholders by making participation voluntary and support temporarily, and depending on achievements agreed upon in advance;*
- *Make EU support dependent of a few stringent conditions and agreement on targets at the application stage and participation in monitoring and evaluation measures;*
- *Promote co-operation with existing EU initiatives, notably in the fields of labour market trends and education & training;*
- *Put initial focus on information exchange and on social partners, consider a multi-stage involvement of the corresponding stakeholders; and*
- *Establish a Transversal Council with a limited number of objectives.”*

*HOTREC would like to be better informed about the future role of the European social partners in these councils. The link between these skill councils and the sectoral social dialogue committees should be clarified.*

## **SOCIAL AFFAIRS**

### **□ Working time – new consultation of the social partners**

As reported in *Live from Brussels* N°46 and N°48, on 17 December 2008, the European Parliament rejected the main points of the Council common position on a Commission proposal for modifying Directive [2003/88/EC](#), concerning certain aspects of the organisation of working time.

Despite lengthy negotiations between the European Parliament and the Council during the Czech Presidency of the EU, no agreement could be reached on the two main controversial points: the opt-out clause and the definition of on-call time. As a result, the current Directive [2003/88/EC](#) remains in force.

On 24 March 2010, the European Commission adopted a Communication ([COM\(2010\) 106](#)) on “Reviewing the Working Time Directive”. It launches the first-stage consultation of the European social partners, in accordance with article 154 (2) of the Treaty on the Functioning of the European Union (TFEU), on a possible revision of the Working Time Directive.

In this first-phase consultation, the Commission is looking for the social partners’ views on whether action is needed at European level to review the current Directive and on the possible scope of such an initiative. In the description of the key issues, the Commission document refers to:

- Working hours – opt-out;
- On-call time;
- Calculation of average weekly working hours; and
- Flexibility on the timing of minimum daily and weekly rests.

Although the Commission is asking for the views of the social partners, it already states its own very clearly: “*the present situation is clearly unsatisfactory: it does not ensure that workers’ health and safety is being effectively protected (...) nor that sufficient flexibility is afforded to businesses and workers in the organisation of working time*”.

In parallel to this consultation, the Commission will carry out an extensive impact assessment, including an examination of the legal application of the Directive in the Member States and a study on the social and economic aspects that are pertinent to a comprehensive review of the Directive.

European social partners are requested to respond to the consultation paper by 19 May 2010. The Commission will analyse the responses to this first-stage consultation and possibly decide that EU action is advisable. If so, the Commission will then launch a second-stage consultation of the EU social partners in accordance with article 154 (3) TFEU. This phase will cover the possible content of a future proposal.

*HOTREC will respond to this first-stage consultation on a possible revision of the working time rules. Flexible working time arrangements are crucial for the hospitality industry.*

□ **Maternity leave – vote in plenary postponed!**

As reported in previous issues of *Live from Brussels*, in October 2008, the European Commission issued a package of documents on work-life balance. The package includes, amongst others, a Commission proposal ([COM\(2008\) 637 final](#)) for a Directive, amending Directive [92/85/EEC](#), on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding. This legislative proposal is currently being dealt with by the European Parliament and the Council under the ordinary legislative procedure (previously called co-decision procedure).

The Commission suggests, amongst others, to extend the minimum period of maternity leave to 18 weeks (14 under the current Directive), 6 of which would have to be taken after the birth. Maternity allowance should be 100% of the full monthly salary, though this provision is not made mandatory. A first report on the proposal was referred back to the Committee on Women's Rights and Gender Equality (FEMM) by the plenary session of the European Parliament in May 2009.

On 23 February 2010, the FEMM Committee adopted the new Estrela report on the Commission proposal. The report requests that maternity leave be extended from 14 to 20 weeks with full pay. It introduces a new provision on "paid paternity leave" for a period of 2 weeks for workers whose life-partner has recently given birth. The FEMM Committee also adopted an amendment to protect mothers who are breastfeeding: "*a mother who is breastfeeding her child shall be entitled to a period of leave for that purpose that shall be taken in two separate periods, each of which shall be of one hour (...)*".

The vote of the Estrela report in the plenary session of the European Parliament was initially scheduled for 24 March 2010. However, on 15 March 2010, the coordinators (one MEP per political group) of the FEMM Committee announced that they had requested an assessment of the impact of prolonging maternity leave to 20 weeks with full pay and of introducing paid paternity leave. Since the impact assessment, commissioned by the European Parliament to an external company, will take 4 to 8 weeks, the plenary vote of the Estrela report has been postponed to 18 May 2010.

*HOTREC supports measures on work-life balance and protection of working women who are pregnant, have recently given birth or are breastfeeding. Nevertheless, HOTREC is of the opinion that an excessive regulation in this area will add financial costs and additional burdens on SMEs. The compulsory extension of maternity leave to 20 weeks with full pay and the introduction of 2 weeks paid paternity leave would entail additional burdens in the majority of the Member States, where the situation in relation to maternity and paternity leave varies greatly. HOTREC shares the opinion of BUSINESSEUROPE, according to which extra rules in the field of maternity protection might discourage employers from recruiting young women and could have a negative impact on employment possibilities for women.*

□ **Social protection of self-employed workers and assisting spouses – back to Parliament for second reading**

As reported in the previous issues of *Live from Brussels*, in October 2008, the European Commission presented a package of documents on work-life balance. The package includes, amongst others, a Commission proposal ([COM\(2008\) 636 final](#)) for a Directive, aiming at replacing Directive [86/613/EEC](#), on the application of the principle of equal treatment between men and women engaged in a self-employed capacity. The legislative proposal is currently being dealt with by the European Parliament and the Council under the ordinary legislative procedure (previously called co-decision procedure).

On 8 March, the Council formally adopted its first reading common position. The Council takes the view that it should be up to the Member States to organise the social protection for assisting spouses and life-partners of self-employed workers in accordance with national law.

As regards maternity leave, the Council considers that it should be up to the Member States to ensure that self-employed workers, assisting spouses and life-partners of self-employed workers may, in accordance with national law, be granted an adequate maternity allowance enabling them to interrupt their occupational activity for at least 14 weeks.

The Council common position is currently being examined by the FEMM Committee in the second reading of the ordinary procedure. MEP Astrid Lulling (EPP, Luxembourg), rapporteur for this dossier, presented her draft recommendation for second reading on 17 March 2010. The Committee vote on the Lulling report is scheduled for the beginning of May and the plenary vote for 18 May 2010.

*HOTREC supports measures aiming at strengthening the social protection of self-employed workers, assisting spouses and life-partners of self-employed workers. However, HOTREC is of the opinion that these issues are better dealt with at national level.*

□ **Parental leave in the Official Journal**

As reported in the previous issues of *Live from Brussels*, on 18 June 2009, the European Social Partners (BUSINESSEUROPE, UEAPME, CEEP and ETUC) formally adopted an [agreement on Parental Leave](#) revising their agreement of 1995, which had been incorporated into Directive [96/34/EC](#). At the EPSCO (Employment, Social Policy, Health and Consumer Affairs) Council held on 8 March 2010, the Ministers formally adopted a [Council Directive implementing the revised Framework Agreement](#).

The Directive lays down minimum requirements designed to facilitate the reconciliation of parental and professional responsibilities for working parents. It applies to all workers, men and women, who have an employment contract or employment relationship as defined by law, collective agreements and/or practice in force (for more information on the content of the Directive, please see *Live from Brussels N°49*).

The Council Directive [2010/18/EU](#) was officially published in the Official Journal of the European Union of 18 March 2010. Member States must transpose this Directive by 8 March 2012 (this deadline can be extended for one more year if it is necessary to take account of particular difficulties or in case of implementation by collective agreement).

*HOTREC took note of the publication of the parental leave Directive in the Official Journal of the European Union.*

## STANDARDS

### □ CEN rejects proposal on “Beauty, spa and wellbeing services”

As reported in *Live from Brussels N°49*, in December 2009, the National Standards Authority of Ireland submitted to CEN (European Committee for Standardisation) a proposal for the creation of a CEN Project Committee on “Beauty, spa and wellbeing services”. The objective was to develop European standards for the management and quality of beauty, spa and wellbeing services, including spas and beauty salons in hotels.

The proposal, however, failed to gain enough support from CEN members (national standardisation bodies) and was rejected in March 2010. Only 11 countries endorsed the project, while 13 abstained and 6 expressed disagreement (Austria, Finland, Spain, Sweden, Switzerland and the United Kingdom). The main reasons behind the lack of support were:

- Risk of overlap with the standardisation work currently carried out at international level within the Working Group 2 “Health tourism services” of ISO TC 228;
- Risk of overlap with existing national regulations;
- No interest and / or insufficient expertise at national level.

*HOTREC and its National Associations welcome the result of the CEN vote. HOTREC does not see the need for European standards in relation to beauty, spa and wellbeing services provided within hotels. The quality of the services provided to guests, including beauty, spa and wellbeing services, is an element on which hotels compete. Such services do not need to be standardised. Furthermore, these services are already regulated in most Member States.*

### □ Review of the European standardisation system

On 23 March 2010, the European Commission opened a public [consultation](#) on the review of the European standardisation system. The consultation is part of the broad “reflection process” launched by the Commission on how to reform European standardisation (see *Live from Brussels N°46* and *N°48*). The objective is to review the functioning of the current system and propose measures to address its flaws and adapt its structures and procedures to new needs. The aim of the consultation is to gather opinions and suggestions from stakeholders (e.g. industry associations, etc.) on potential solutions that the Commission should consider in order to present concrete revision proposals. Replies to the consultation are due by 21 May 2010.

The Commission will also take into account the recommendations of the Expert Panel for the Review of the European Standardisation System ([EXPRESS](#)). The Panel was set up in 2009 and comprised experts from standardisation bodies, public authorities, industry, consumers, etc. The final report by EXPRESS (February 2010) contains a set of recommendations on issues such as “standardisation of services”, “access to standardisation”, “effective and efficient standards-setting” and the “financing of standardisation in Europe”.

As regards standardisation of services, the report acknowledges that “*the services sector is very broad and heterogeneous, and standardisation is a controversial subject for some services stakeholders*”. However, the experts conclude that the “strategic goal” should be to “*promote and use standards in order to further support... the quality and safety of services provided by the market...*”. On the one hand, the European Commission is invited to “*support and promote the efforts of standardisation bodies to demonstrate the benefits derived from standards services... to business, government and consumers*”. On the other hand, standardisation bodies are invited to ensure that new projects for standards on service management systems are proposed only “*if needed and likely to be effective*”.

Based on the outcome of this consultative process, the Commission should present proposals to reform the European standardisation system in autumn 2010. A communication is announced in the Commission 2010 work programme (see article below).

*HOTREC welcomes the launch of the open consultation as a good occasion to reiterate the position of the European hospitality sector on the development of standards at European and international level. As explained in its recently updated [position paper](#) of 6 November 2009, HOTREC is not against standards “per se” but believes that standards should only be developed if fully supported by the industry as well as by the consumers, and after proper business impact assessments.*

*For this reason, HOTREC welcomes the EXPRESS report when it acknowledges that standards should be developed only when “really market relevant” and when “real benefits can be demonstrated”. However, HOTREC regrets that the EXPRESS Panel did not address other relevant issues such as the decoupling of certification and standardisation activities for standardisation bodies or the participation in the standardisation process of consultants, who get paid for developing standards and, later on, for certifying on the basis of such standard.*

#### □ ISO TC 228 plenary meeting in Brazil

The 5<sup>th</sup> plenary meeting of ISO Technical Committee 228 “Tourism and related services” took place on 23 April 2010 in Iguazu, Brazil. In addition to an update on the standardisation activities of the various Working Groups active within [TC 228](#), the agenda included, “for information”, the presentation of new proposals:

- “Security and protection of cultural heritage tourism” by Serbia;
- “Industrial tourism” by Spain;
- “Yachting clubs and Marinas” by Spain;
- “Environmentally friendly accommodation establishments” by Turkey.

The Turkish proposal suggests the development of criteria in relation to the management of energy and water consumption, waste and other environmental aspects. The project, largely based on the EU eco-label scheme for tourist accommodation, had already been presented to TC 228 members at the last plenary meeting in 2009. However, on that occasion, the Turkish standardisation body had agreed to postpone it, acknowledging that accommodation and catering services were excluded from the scope of the Business Plan covering the period until 2010.

No vote on new projects took place in Iguazu; ballots by correspondence will be organised at a later stage. Nonetheless, the pressure to launch new standardisation activities was clear.

AENOR (Spain) reiterated its intention to launch standardisation activities in relation to quality of accommodation services.

The next plenary meeting will take place on 8 April 2011 in Rome (tbc).

*HOTREC, which has a Liaison status with no voting right within TC 228, has been advocating since years that hospitality services should be left out of the scope of TC 228. The development of standards for the hospitality industry should remain fully market-driven: standardisation initiatives should not be launched if not fully supported by the industry as well as by the consumers. HOTREC wonders when ISO will re-launch the discussions on the TC 228 Business Plan, as the “initial Business Plan” was intended to cover “the period to 2010”.*

#### □ Sustainability in event management on the ISO agenda

An ISO Technical Committee (TC 250) has been working since 2009 on the development of an international standard on sustainability in event management. The setting-up of [TC 250](#) was promoted by the British Standards Institution (BSI), which had already adopted in 2007 a national standard (BS 8901) on “Sustainable Event Management”. The objective of the initiative is to assist the organisers of the London 2012 Olympics in ensuring that the event would be as sustainable as possible.

The draft ISO standard (ISO 20121), which includes a set of requirements for a sustainability management system for events, should be adopted in time for the 2012 Olympics.

*As the service of “event management” is often offered by hospitality establishments, HOTREC intends to follow the standardisation works of TC 250 and has already applied to obtain a Liaison status (observer) within this TC.*

## ENTERPRISE POLICY

#### □ Late payments: slow progress

As explained in *Live from Brussels N°46*, the Commission released in April 2009 a proposal to amend the existing Directive [2000/35/EC](#) on terms of payments, in order to ensure a decrease in the number of late payments in the EU.

The existing Directive states that a payment is considered late when it is still due after the date specified in the contract or 30 days after the reception of the invoice or the provision of the good/service. In such a case, interests for late payments can be claimed.

The [Commission proposal](#) suggests amending the existing Directive as follows:

- Creditors would be entitled to receive, in addition to the interests for late payments, a compensation for internal recovery costs;
- Late payments by public authorities would allow their creditors to claim, in addition, a lump-sum compensation of 5% of the amount due;
- Member States would lose the option to exclude claims for interests of less than €;
- Rules on grossly unfair contracts would be tightened.

This proposal is being examined very slowly by the Council and the European Parliament under the ordinary legislative procedure (previously called co-decision procedure). In the EP, the Rapporteur, Mrs. Barbara Weiler (Germany, S&D) finally released her [draft report](#) on 4 February 2010. The draft report generally backs the Commission proposal but, nonetheless, proposes some amendments, among others, in relation to:

- The compensation for recovery costs;
- Stricter derogations to the 30 days payment rule in some specific circumstances;
- Equal sanctions for undertakings and public authorities.

The IMCO (Internal Market and Consumer Protection) Committee of the EP is expected to vote on her draft report on 28 April, and the EP plenary is expected to adopt its final opinion in May 2010. In the Council, debates are also progressing slowly, as some Member States seem reluctant to tighten the rules on late payments by public authorities, especially in a context where public authorities are facing high financial constraints.

*HOTREC and its Member Associations, which considered the Commission proposal as a step in the right direction, hope that the Member States will be able to overcome their divergences and to adopt promptly this proposal. HOTREC, nonetheless, regrets that:*

- *The scope of the Commission proposal excludes Business to Consumer contractual relationships;*
- *No maximum date for making payment is set up in the original Commission proposal, when public authorities exceed the 30 days period;*
- *The proposal does not contain any obligation for public authorities to pay compensations, but only allows companies to claim them. There is, therefore, a great risk that small hospitality businesses will not use such possibility by fear of losing contracts or not obtaining new contracts with public authorities.*

#### □ **A reform of the European Company Statute in sight?**

On 23 March 2010, the Commission launched a consultation on the European Company Statute. This consultation is accompanied by a "[study on the operation and the impacts of the Statute for a European Company \(SE\)](#)".

The aim of the consultation is to test the findings of the study and to provide the Commission with input on issues relevant for the assessment of the existing Regulation on the Statute for a European Company ([2157/2001](#)). Such input could be used by the Commission for reviewing the current legislation establishing the SE, with the view to increase the use of the SE across the EU. The consultation is open until 23 May 2010.

The main questions of the consultation concern:

- The positive and negative drivers for setting-up an SE;
- The main trends behind the distribution of SEs across the EU;
- Practical problems encountered by companies in the setting-up of a SE; and
- Possible improvements of the existing legislative framework.

Following that consultation, the Commission will issue a report on the SE and a high level conference on the matter will be organised on 26 May 2010.

*HOTREC welcomes the review of the SE legislative framework, which is a good opportunity to identify the deficiencies of the existing framework and allow for a wider use of the SE. So far, to our knowledge, no hotel chains have chosen yet the option of setting-up a SE. Nonetheless, HOTREC will monitor carefully the developments on the matter.*

#### □ **SMEs closer to a partial exemption of some EU accounting requirements**

As reported in *Live from Brussels N°48*, the European Commission released on 26 February 2009 a proposal ([COM\(2009\)83 final](#)) to amend the 4<sup>th</sup> Company Law Directive (Directive 78/660/EEC) to simplify the financial accounting requirements for micro-entities.

The proposal suggests giving Member States the option to remove the micro-entities from the scope of the 4<sup>th</sup> Company Law Directive and, by doing so, relieving them from the requirement to draw up annual accounts as required by this Directive. An enterprise would be considered as a micro-entity if its balance sheet data do not exceed the limits of two of the three following criteria:

- Balance sheet total: €500 000;
- Net turnover: €1 000 000;
- Average number of employees during the financial year: 10.

In its first reading opinion, adopted on 10 March 2010, the European Parliament fully supported the Commission proposal. MEPs nevertheless slightly amended the initial proposal and agreed with the Rapporteur, Mr. Klaus-Heiner Lehne (EPP, Germany), that micro-entities should still be subject to the obligation of keeping “*records showing the company’s business transactions and financial situation*”. The EP position is now being discussed in the Council, where the opposition from some Member States, which fear a negative effect on the Internal Market, is slowing the debate.

*The Commission proposal is of particular relevance for the hospitality industry, as it is composed of 92% of micro-enterprises. HOTREC, therefore, monitors carefully this subject. If the aim of the proposal (to lift burdens for SMEs) is laudable, many Member States, MEPs and industry stakeholders also fear that such exemption could in fact be detrimental to those micro-entities and especially to their access to credit.*

## **ENVIRONMENT**

#### □ **Council adopts its first reading position on energy performance of buildings**

As reported in *Live from Brussels N°49*, on 19 November 2009, the European Parliament and the Council reached agreement on the substance of the Directive on the energy performance of buildings. However, the entry into force of the Treaty on the Functioning of the European Union (TFEU) required modifications concerning, in particular, the adaptation of the legal basis and the comitology provisions. The Council and the European Parliament agreed on these modifications during the month of March 2010. On 15 April 2010, the Council adopted its first reading position.

The European Parliament is expected to confirm the agreement when it adopts its position in second reading.

The key elements of the draft Directive on the energy performance of buildings are the following:

**Nearly zero energy buildings:** All new buildings will have to be “nearly zero energy buildings” as of 1 January 2021 with public buildings having to fulfil this standard as of 1 January 2019.

According to the new definition introduced by the draft Directive “*nearly-zero energy building means a building that has a very high energy performance (as determined by the Directive). The nearly zero or very low amount of energy required should be covered to a very significant extent by energy from renewable sources, including energy from renewable sources produced on-site or nearby*”.

**Existing buildings:** Existing buildings, regardless of their size, will have to comply with minimum energy performance requirements when they undergo major renovation. Major renovation is defined as costing 25% of the building value or covering 25% of the building surface. These requirements will also apply when building elements (e.g. roof, wall etc.), with a significant impact on the energy performance of the building, are retrofitted or replaced.

Member States are responsible for setting the minimum energy performance requirements for buildings or building units. The energy performance of buildings shall be calculated in accordance with a common framework set out in Annex I of the draft Directive.

**Technical building systems:** “*Member States shall (...) set system requirements in respect of the overall energy performance, the proper installation, and the appropriate dimensioning, adjustment and control of the technical building systems (air conditioning, heating systems) which are installed in existing buildings. Member States may also apply these requirements to new buildings*”.

**Energy performance certificates:** Member States are required to establish a certification system to measure the energy performance of buildings. These certificates will have to be made available when buildings are constructed, sold or rented out. Moreover, buildings with a total useful floor of over 500 m<sup>2</sup> occupied by public authorities and frequently visited by the public; and buildings with a total useful floor of over 500 m<sup>2</sup> and frequently visited by the public - such as shops, restaurants, hotels - will have to visibly display energy performance certificates.

**Financial incentives and market barriers:** “*In view of the importance of providing appropriate financing and other instruments to catalyse the energy performance of buildings and the transition to nearly zero-energy buildings*”, ... the draft Directive calls for action at national and EU level in relation to financial instruments.

**Exemptions:** A list of exemptions to the Directive was also agreed upon.

*This Directive will apply to hospitality establishments. It is, therefore, essential that the HOTREC Member Associations review the practical implications for establishments in their countries. Amongst others, the impact of the abolition of the threshold of 1000 m<sup>2</sup> for existing buildings should be carefully assessed.*

## INSTITUTIONS

### □ The new EU 2020 strategy

Following a first consultation organised in late 2009, and to which HOTREC replied (see *Live from Brussels N°49*), the European Commission released on 3 March 2010 its new “Europe 2020” strategy ([COM\(2010\) 2020](#)).

The new EU 2020 strategy identifies three objectives:

- “*Smart growth – developing an economy based on knowledge and innovation;*
- *Sustainable growth – promoting a more resource efficient, greener and more competitive economy;*
- *Inclusive growth – fostering a high-employment economy delivering economic, social and territorial cohesion.*”

The Europe 2020 strategy also sets binding targets in relation to:

- Employment rates (75% of the population aged 25-64);
- Public spending in R&D (3% of GDP);
- Reduction of greenhouse gas emissions (at least 20% compared to 1990);
- Educational attainment and a reduction of early school leavers; and
- Poverty (reducing by 25% the number of people living behind national poverty lines).

Each of these objectives is underpinned by a number of “flagship initiatives” such as “*Innovation Union*”, “*Youth on the move*” and “*A digital agenda for Europe*” for the first objective. The second objective comprises the flagship initiatives “*Resource efficient Europe*” and “*An industrial policy for the globalisation era*”, while the last objective includes “*An Agenda for new skills and jobs*” and a “*European Platform against Poverty*”.

Each of these flagship initiatives proposes a list of actions for the Commission and the Member States. As part of the flagship “*An industrial policy for the globalisation era*”, the Europe 2020 strategy announced that the European Commission will work to enhance the competitiveness of the European tourism sector.

*HOTREC welcomes the Europe 2020 strategy presented by the Commission. The European hospitality industry is glad to see that the new strategy presented by the Commission now includes a reference to the competitiveness of the European tourism sector, as it was requested by HOTREC in its reply to the consultation on the matter (see the [HOTREC reply](#) and *Live from Brussels N°49*). Even though this reference to tourism is minimal, it is nonetheless a step in the right direction, given the important contribution of tourism to the GDP of most Member States.*

### □ The Commission 2010 work programme and the hospitality industry

On 31 March 2010, the European Commission released its official 2010 work programme ([COM\(2010\) 135 final](#)). The work programme contains, in its annexes, tables of upcoming or possible EU initiatives.

In the table of “*strategic initiatives scheduled for adoption in 2010*”, the following are of interest to the European hospitality industry:

- Communication on a European Digital Agenda (2nd quarter 2010);
- Re-launch of the Single Market (2nd quarter 2010);
- Agenda for new skills and jobs (3rd quarter 2010);
- Communication on the European contract law (3rd quarter 2010);
- Revision of the Working Time Directive (4th quarter 2010); and
- White Paper on the future of transport (4th quarter 2010).

In the “*indicative list of possible strategic and priority initiatives under consideration*”, the following are of interest to the European hospitality industry:

- Package on agricultural product quality;
- Communication on the analysis of practical policies required to implement 30% of EU emission reduction and assessment of situation of energy intensive industries;
- Possible Commission initiative to step up beyond 20% reduction in CO<sup>2</sup> emissions (20% to 30%);
- Communication on the initiative for new European Competences;
- Commission Recommendation on harmonized methodology for classifying complaints in the EU;
- Report to EP and Council on animal cloning;
- Legislative proposal on criminal measures aimed at ensuring enforcement of intellectual property rights;
- Communication on a more integrated European Standardisation System (Revision of Directive 98/34/EC and Decision 1673/2006 on the financing of European standardisation);
- Communication on Mid-term review of the Small Business Act for Europe;
- Legislation on end date for migration to SEPA (Single Euro Payment Area);
- Framework Directive on collective rights management;
- Communication on e-invoicing;
- Revision of the Council Directive 90/314/EEC on Package Travel, Package holidays and Package Tours;
- Amendment of Directive on unfair commercial practices;
- Proposal for a Council recommendation on Joint Programming on “Health, food and prevention of diet-related diseases”;
- Proposal for a Council recommendation on Joint Programming on “Cultural heritage, climate change and security”;
- Communication on the future VAT strategy;
- Revision of Energy Taxation Directive;
- Proposal for minimum VAT standard rate applicable from 2011 on;
- Green Paper on a new VAT strategy;
- Legislative proposal for a Common Consolidated Corporate Tax base (CCCTB); and
- Communication on passenger rights.

In the “*list of simplification initiatives*”, the following are of interest to the European hospitality industry:

- Revision of Council Directive 2003/72/EC supplementing the Statute for a European Cooperative Society with regard to the involvement of employees and revision of Council Directive 2001/86/EC supplementing the Statute for a European company with regard to the involvement of employees;

- Council Directive 95/57/EC on the collection of statistical information in the field of tourism;
- Communication on the future of the VAT strategy; and
- Proposal for a Council Directive amending Directive 77/388/EEC as regards VAT treatment of public authorities and the exemptions for certain activities in the public interest.

*HOTREC will monitor carefully the developments in relation to the above mentioned Commission initiatives.*

## TOURISM

### □ “Madrid Declaration”

As reported in *Live from Brussels N°49*, the Lisbon Treaty, which entered into force on 1 December 2009, strengthens the EU competence in the area of tourism. Tourism is now one of the areas for which “*The Union shall have competence to carry out actions to support, coordinate or supplement the actions of the Member States*”.

On 15 April 2010, the EU Tourism Ministers met informally to discuss this “landmark for tourism”. On that occasion, the EU tourism Ministers adopted the so-called “[Madrid Declaration](#)”, under the motto “Towards a socially responsible tourism model”.

The “[Madrid Declaration](#)” invites the European Commission to consider the following points, when drafting its “Communication on the renewed EU Tourism Policy Framework”:

- “*Putting forward a consolidated framework for the EU Tourism policy, according to the provisions of the Lisbon Treaty, encouraging the creation of a favourable environment for the development of the undertakings in this sector (...)*;
- *Streamlining its efforts in view of mainstreaming tourism in Community policies and ensuring an adequate coordination of the various policy initiatives which may impact on tourism, ensuring also that tourism will be duly taken into consideration in the main EU financial instruments (Structural Funds, European Rural Development Fund, Framework Programme for Research etc.) (...)*;
- *Facilitating the access to holidays to groups with impaired mobility or those who are socially and/or economically disadvantaged (...)*;
- *Raising awareness about the importance of innovation, research and information and communication technologies for the competitiveness of the EU tourism industry, especially in the context of a globalised economic environment (...)*;
- *Mainstreaming sustainability in the sectors related to tourism (transport, solid waste, water treatment, among others) (...)*;
- *Alleviating any possible obstacles to opportunities for the growth of tourism in Europe, related to new issuing markets; and*
- *Reinforcing Europe’s image and visibility in the main third countries (...)*”.

The Commission Communication is expected to be presented in the course of the summer.

Before the informal meeting of the EU Tourism Ministers, a meeting of the European Tourism Stakeholders was also held in Madrid on 14 and 15 April 2010.

*HOTREC welcomes the adoption of the Declaration of Madrid and looks forward to the Commission Communication on a “Renewed EU Tourism Policy Framework”. HOTREC was represented at the European Tourism Stakeholders meeting by its President, Kent Nyström, and its CEO, Marguerite Sequaris.*

## STATISTICS

### □ Draft Regulation on tourism statistics submitted to Council and Parliament

As reported in *Live from Brussels* N°44, N°46 and N°49, Eurostat, the statistical office of the EU, had been preparing for years a Commission proposal for a new Regulation on tourism statistics, which will replace [Directive 97/57/EC](#) on the same subject matter.

At the end of March 2010, the draft of the new Regulation was finally approved by the Commission ([COM\(2010\) 117 final](#)) and submitted to the Council and the European Parliament. It will have to be adopted under the ordinary legislative procedure (previously called co-decision procedure).

In the European Parliament, the TRAN (Transport and Tourism) Committee will be in charge of this dossier.

The main new features of special interest to hotels and similar establishments of this draft proposal, compared to the current Directive, are:

- Net occupancy rate of bedplaces and bedrooms at national and regional level on an annual and monthly basis (so far, gross and net occupancy of bedplaces at annual and national level);
- Classification of data by type of locality (according to the population density and maritime/non-maritime);
- Classification of data by size class of hotels (on a voluntary basis);
- Data on short trips (at least 1 night).

With regard to data on same-day visits, “delegated acts” will be developed by a Task Force of Eurostat with the participation of the national statistical institutions. Delegated acts will also address some aspects of data transmission and quality reporting.

*HOTREC is following the developments on the new Regulation closely.*

### □ Recent statistical publications

Eurostat, the EU statistical office, has recently released the following publications relating to tourism:

- [Summer season tourism trends in 2009](#), Statistics in Focus 8/2010
- [Tourism in Europe – first results for 2009](#), Data in Focus 4/2010
- Tourism Satellite Accounts – 4 volumes on [implementation](#), [methodology and results](#), [compilation of TSAs](#) and on [obtaining up-to-date TSA key figures](#)

Survey carried out by the European Commission:

- [Survey on the attitudes of Europeans towards tourism](#), Flash Eurobarometer 291

## **HOTREC GENERAL ACTIVITIES**

### **□ Next General Assembly**

The 61<sup>st</sup> HOTREC General Assembly was scheduled to take place on 22-23 April 2010 in Brussels. However, due to the difficult air traffic situation caused by the volcanic ash cloud, the event was cancelled. It will next take place in Budapest on 28-29 October 2010.

\* \* \*