



..in five minutes..

January – February 2016

GO ON A DATE IN SLOVENIA - ECTAA's Preferred Destination 2016

SLOVENIAN INCOMING WORKSHOP, 9 – 11 JUNE 2016

The Slovenian Incoming Workshop (SIW) is the largest business event in the Slovenian tourism industry. We provide time- and business-efficient meetings for the registered tour operators. We like to form and strengthen partnerships. This year, they will be marked by well-being.

Have you already set aside some time for a date with Slovenia at the Slovenian Incoming Workshop (SIW) from 9 – 11 June? For you to have a more successful visit to the largest business event in the Slovenian tourism industry, we would like to share a secret code with you: Waterful Slovenia. This year, the meetings of Slovenian tourism operators and foreign tour operators scheduled in advance will be a truly creative and business-oriented bathing time. Yes – the closer we are, the more guests we can wow together! The well-being among new partners and authentic partner ties will be strengthened at Terme Čatež, one of Slovenia's largest natural health resorts.

BUSINESS WATERS AND PARTNERSHIPS FOR WELL-BEING

Green, healthy, and active Slovenia possesses so much water wealth that it is virtually unrivalled in Europe. Lakes, rivers, and waterfalls are inviting you for adventure, and thermal and mineral water springs are one of the major attractions of Slovenia. Healthy water and other natural riches, together with high-quality medical wellness and relaxing self-ness programmes, convince many visitors to regularly return to Slovenian natural health resorts and wellness centres around the country.

We are glad to invite you on a date with Slovenian partners and to organised study tours, in order to learn first-hand about the land of love that connects the Pannonian plains, the Alps, and the Mediterranean.

More information, follow the <u>link</u>.

Air transport: Malev case now heard in front of a Dutch Court

Legal proceedings have been initiated against IATA to recover money remitted by agents and withheld by IATA on unflown tickets on the bankrupt airline Malev. The 1st hearing took place on 3 February 2016 in Amsterdam. At the same time, IATA has taken legal action against the Malev liquidator and the main creditor of Malev, the Russian Bank VEB, to obtain a financial guarantee. The 2nd hearing will most probably take place in June 2016. In the meantime, the judge will decide whether both legal actions should be treated jointly or separately.

For more details, please see memo sent on 10 January 2016

Air transport: New Gen ISS – Discussions on a new set of Resolutions

ECTAA has been invited to participate in the IATA Task Force Group in charge of the revision of IATA Resolutions. IATA proposals concerning (i) credit limit management, (ii) credit events, (iii) accreditation requirements and (iv) bilateral bonding have been reviewed by the ECTAA Air Matters Committee and further consultations are on-going.

For more details, please see Conclusions and Recommendations of the Air Matters Committee (to be circulated)

Air transport: Employers are also entitled to compensation under Montreal Convention

In the Case C-429/14 the European Court of Justice ruled that an employer has a right to seek compensation for damage under the Montreal Convention for additional expenses resulting for its employees who missed their connection due to a delayed flight.

For more details, please see memo sent on 18 February or consult C-429/14

Air Transport: EU Air Safety List is likely to become less disruptive for travel and tourism

Thailand has escaped by very little the inclusion into the EU Air Safety List published end of last year and could still find its way onto the next list. However, in the meantime Thai Airways may get a Third Country Operator authorisation, meaning that even if Thailand is entered onto the next Air Safety List, Thai Airways will be exempted from the list. This will avoid massive disruptions as we have seen in the past when all airlines certified in Indonesia and the Philippines were suddenly blacklisted.

For more details, please see memo sent on 27 January

Air transport: Interpretative guidelines on Regulation 261/2004 planned for March or April

The Commission will be developing interpretative guidelines on Regulation 261/2004, integrating the decisions of the ECoJ into the legislation and practice and providing further clarification on how to enforce the legislation. A draft should be available in March and ECTAA will be consulted. However, a thorough reform of the Regulation is strongly preferred over interpretative guidelines, which will not be able to address some of the bigger issues, such as delay compensation.

For more details, please see memo sent on 15 January

Consumer protection: Implementation of new package travel Directive starts

A meeting was scheduled on the 25th of February between Member States and Commission to discuss the ongoing implementation of the new package travel Directive, identify possible issues and share best practices. Members are invited to report to the Secretariat on progress made on the implementation at national level, which will be shared with ECTAA Members.

For more details, please see memo sent on 4 and 12 February

Consumer protection: Publication of preliminary results of the public consultation on geo-blocking

Companies responding to the public consultation on geo-blocking considered that while geo-blocking/discrimination is an issue and that consumer choice and competition are important, companies must have contractual freedom; traders should not be required to sell and deliver goods outside of the areas where they would normally do business. The Commission intends to present a legislative proposal to end unjustified geo-blocking by mid-2016.

For more details, please see memo sent on 27 January 2016 or consult the preliminary results

Data protection: EU-US agreement on transatlantic data flow - Privacy Shield

The Privacy Shield replaces the Save Harbour framework which was invalidated by the European Court of Justice last year. It places more stringent obligations on US companies to protect the personal data of Europeans and requires stronger monitoring and enhanced enforcement by the U.S. authorities. European citizen will be able to make an enquiry or complaint in this context with a dedicated independent Ombudsman.

For more details, please see memo sent on 3 February or consult the <u>Commission's Press Release</u>

Digital: Commission publishes preliminary results of the public consultation on online platforms

Among other, respondents highlighted a lack of transparency of online platforms, notably as regards search results and reviews mechanisms. They also suggested the need for more information on personal and non-personal data collected and on their terms and conditions. In respect of the Collaborative Economy, respondents requested clarification on the application of existing legislation or new legislation.

For more details, please see memo sent on 28 January of consult the preliminary results

Digital: European Parliament comments on Digital Single Market Strategy

On 19 January 2016, the European Parliament adopted an initiative report calling on the Commission to provide legislative proposals to –among other- (i) end unjustified geo-blocking practices, (ii) ensure equivalent and future-proof consumer protection, regardless of whether digital content is purchased online or offline, (iii) remove barriers to SMEs, start-ups and scale-ups and seize the opportunities based on new ICT technologies, and (iv) review the E-privacy directive to ensure consistency of its provisions with the new EU data protection rules.

For more details, please see memo sent on 20 January or consult the report

Tourism: Commissioner Bieńkowska announces action plan for tourism

Talking to the European Parliament, European Commissioner for Growth, Elżbieta Bieńkowska, announced an action plan for tourism. Focus will be on providing better access to finance for SMEs in tourism, improving the skills base, improving the business environment and reducing barriers as well as promoting Europe as a tourism destination. Stakeholders will be consulted on the action plan.

For more details, please see memo sent on 16 February

Taxation: TOMS study planned for 2016

The Commission intends to launch a study on the special VAT scheme for travel agents (TOMS) to assess likely effects of alternative VAT options. End of last year, ECTAA has provided input to the terms of reference. The study may be the last chance for ECTAA to get a revision of the special scheme. In the meantime the Commission and Member States discuss the application of the current provisions and in some cases develop non-binding guidelines.

For more details, please see memo sent on 6 January

Taxation: Austria changes its TOMS legislation but maintains global margin calculation

Austria has changed its TOMS legislation following the infringement proceedings initiated by the Commission for failing to transpose the ECoJ decision. Changes have been made to the scope of TOMS, but the global margin calculation is retained. Austria has made an official request under Article 395 of the VAT Directive to maintain the global margin calculation as a simplification measure.

For more details, please see memo sent on 1 February

Taxation: Court rules that VAT is applicable to unused air tickets

In the joined cases C-250/14 and C-289/14, the ECoJ ruled that airlines are required to pay VAT on unused air tickets which have not been refunded to passengers. The Court notes that VAT is payable where, first, the sum paid by the customer to the airline company is directly linked with a service (air transport) and, secondly, that service is performed by the airline (regardless of whether passenger shows up or not).

For more details, please see memo sent on 6 January or consult the joined cases C-250/14 and C-289/14

Other News in Brief

- Eurostat: New peak of almost 2.8 bn tourism nights spent in the EU in 2015
- UNWTO: International tourist arrivals up 4% reach a record 1.2 billion in 2015
- IATA: Demand for Air Travel in 2015 Surges to Strongest Result in Five Years
- The Cost of Non-Europe in the Sharing Economy: Economic, Social and Legal Challenges and Opportunities
- The Digitalization of Tourism Enterprises An In-depth Analysis

Upcoming ECTAA Meetings and Events

3 March Fiscal Committee, Brussels

8 March 2nd ECTAA review working group meeting, Berlin

9 – 11 March Several meetings at ITB, including NTOs and/or Ministers of Cuba, Greece

Macedonia, Malaysia, Poland, Tunisia (possibly also Egypt and Turkey)

10 March UNWTO Network Tourism on Child Protection, Berlin

23 March 7th UNWTO Working Group on the Protection of tourists and tourism

service providers

31 March – 1 April WTAAA meeting, Rome 6 April IATA ADM workshop, Geneva

14 April Destination, Incoming Tourism & Sustainability Committee, Brussels

Other Events

5 April Commission high-level conference "Attracting investment in Tourism",

<u>Brussels</u>, on SME funds, upgrading skills and improving business environment to strengthen the competitiveness of the EU tourism industry

15-17 April 19th annual international tourism exhibition TAXIDI, Nicosia

13-18 May <u>15th East Med Yacht Show, Piraeus</u>

9-11 June Slovenian Incoming Workshop, Terme Čatež, Posavje region, Slovenia

EU consultations

Public consultation on rail passengers' rights and obligations, open until 5 May 2016

Destination updates

- Zika virus: The World Health Organisation has announced a Public Health Emergency of International Concern. Countries or territories with reported confirmed autochthonous cases of Zika virus infection are provided by the European Centre for Disease Prevention and Control.
- Canada Electronic travel authorisation: Starting March 15, 2016, visa-exempt foreign nationals who fly to or transit through Canada will need an <u>Electronic Travel Authorization (eTA)</u>.
- **US Visa Waiver Programme:** Changes to the <u>traveler eligibility requirements of the Visa Waiver</u>

 Program and possible changes in relation to the e-passport requirement (See Section 2(a)(3)(B))
- South Africa Immigration requirements: <u>Announced changes to the immigration legislation</u>. The requirement of unabridged birth certificate for children travelling to South Africa will soon be replaced by a 'strong advisory' for non-visa requiring countries.
- Iceland VAT: Changes in Icelandic VAT. Since 1 January 2016 VAT is due on travel and tourism services, including supplies of domestic and foreign travel agents and tour operators. The Icelandic Ministry of Finance will issue guidelines that will exempt from VAT tourist services sold or distributed by an establishment outside of Iceland when the services are put together by an agency (DMC) established in Iceland and operating within the Icelandic VAT system.
- **Balearic Islands Eco-tax:** The government of the Balearic Islands has approved a draft law introducing a tourist tax to promote sustainable tourism. If approved by the Parliament, it could come into force before the summer tourist season.