



ECTAA's Preferred Destination

..in five minutes..

March 2014

Two weeks ago the European Parliament voted on the long awaited Package Travel Directive, sending a worrisome message to travel agents and tour operators in Europe. The report adopted by the European Parliament failed at creating a level playing field for all market actors selling similar products, while increasing the burden on those already complying with it. However, this it is only a first step in a much longer procedure, and ECTAA and its members will have many other occasions to raise our concerns.

Benoit Chantoin

Consumer protection: EP votes on Package Travel Directive – not satisfactory for the trade

The European Parliament has adopted its position on the proposal revising the package travel Directive. The scope of the 'package' and 'linked travel arrangements' remains unsatisfactory, as are many other issues raised by ECTAA. However, fortunately the concept of traveller personal Force Majeure has been taken out of the scope. ECTAA will now concentrate on the Council position.

For more details, please see e-mails sent on 17, 28 February and 12 March 2014 or consult EP position

Insurance mediation: EP's vote on insurance mediation will add burdens for travel agents

On the 25th of February, the European Parliament adopted the partial first reading of the recast of the Insurance Mediation Directive. Travel insurances ancillary to the sale of travel services sold by travel agents are included within the scope of the Directive despites various efforts to exclude those products. Travel agent could be obliged to comply with additional obligations in order to sell travel insurances: declaration procedure, additional insurances to cover the risks of this activity, training.

For more details, please see e-mail sent on 14 March 2014 or consult <u>EP position</u>

Transport: Airline bankruptcy – what is the Commission doing?

The Commission put together a digest of best practices of competent national authorities for the assessment of financial fitness of air carriers, but will not draft guidelines for the assessment of the financial fitness of airlines. Member States are recommended to focus on (i) the prevention, maintaining and improving the quality of financial oversight and (ii) elaborate contingency planning at the national level in case of airline insolvency.

For more details, please see e-mail sent on 10 February 2014

Transport: European Parliament to strengthen air passenger rights

In its position adopted on the Air Passenger Rights Regulation proposal on 5 February, the EP is proposing to further strengthen the rights of passengers. Among other it proposes that passengers should be refunded or re-routed in case of an airline bankruptcy. However, some proposals are too constraining for the industry, such as shortening the trigger points for delay compensation.

For more details, please see e-mail sent on 6 February 2014 or consult **EP position**

Transport: Court decision in Israel in favour of Travel Agents (v. IATA)

In a law suit opposing the Israel Travel Agents' Association and British Airways over commission suppression, the Israeli Court ruled that British Airways cannot remain bound by the IATA agreement with the travel agents but not remunerate a travel agent for his services to it.

For more details, please see e-mail sent on 26 February 2014 or consult press release

Transport: Antitrust fine on Ryanair and Easyjet in Italy

On 17 February 2014 the Italian Competition Authority imposed hefty fines on Ryanair and Easyjet for lack of transparency of travel insurance policies proposed during the online booking process as well as for the obstacles in obtaining the refund. This is in breach of consumer protection legislation.

For more details, please see e-mail sent on 19 February 2014

Transport: New guidelines on state aid for airports and airlines adopted by the EU Commission

On 20 February 2014 the Commission adopted new guidelines on state aid for airports and airlines. These guidelines are aimed at ensuring good connections between regions and the mobility of European citizens, while minimising distortions of competition in the Single Market.

For more details, please see e-mail of 21 February 2014 or consult the new state aid guidelines

Transport: Ryanair appeal against Aer Lingus ruling dismissed by the UK Competition Tribunal

On 7 March 2014, the UK Competition Appeal Tribunal dismissed Ryanair's appeal against a ruling which ordered it to sell most of its shares in Aer Lingus. The airline had challenged a decision by the country's Competition Commission, which ordered it to reduce its stake in its rival to no more than a 5% holding.

For more details, please see e-mail of 11 March 2014 or consult the <u>UK Competition Tribunal ruling</u>

Aviation security: First step towards easing liquid restrictions at EU airports

Since 31 January 2014 duty free liquids bought at airports outside the EU or on board non-EU air carriers are allowed to be carried as hand luggage when transferring at an EU airport, provided the item(s) and the receipt remains sealed inside the security bag provided at the time of purchase.

For more details, please see e-mail sent on 3 February 2014 or consult quick info notice

Competition: Google makes commitments to address competition concerns

The European Commission has accepted commitments from Google in the context of the ongoing antitrust investigation on online search and search advertising. Google guarantees that whenever it promotes its own specialised search services on its web page (e.g. for hotels, flight tickets), the services of three rivals, selected through an objective method, will also be displayed in a way that is clearly visible to users and comparable to the way in which Google displays its own services.

For more details, please see e-mail sent on 11 February 2014 or see Commission press release

PNR transfer: EU-US bilateral agreement on transfer of PNR data gets green light

The EU-US agreement on the transfer of PNR data entered into force in July 2012. A recent review showed that the US authorities are implementing the agreement in accordance with the standards and conditions set in the agreement. A PNR agreement between the EU and Canada has been negotiated and is waiting for the approval by the European Parliament.

For more details, please see e-mail sent on 17 February 2014

Visa: Replacement of the Turkish visa upon arrival by the e-visa

The Turkish authorities have announced that during the transition period lasting until 31 December 2014, Turkish visas can be obtained both online (via www.e-visa.gov.tr) and at the port of entry via interactive kiosks. This follows concerns expressed by industry associations, such as ECTAA and its Members, about the need for a gradual phasing out of the well-known visa upon arrival.

For more details, please see e-mails sent on 3 and 26 February 2014 or consult the website of the <u>Turkish Ministry of Foreign Affairs</u>

Visa: Schengen visas may be waived for 19 countries

As many as 19 countries may soon be removed from the list of countries requiring a visa to travel to the Schengen area, including Peru, Columbia and the United Arab Emirates. Moreover, the Commission will shortly present a proposal to improve the Visa Code with a view to simplifying the rules on the application and issuance of Schengen visas.

For more details, please see e-mail sent on 14 February 2014

Visa: New visa exemptions for EU countries in United Arab Emirates

On 5 March 2014 the UAE Ministry of Foreign Affairs announced that citizens of 13 European Union Member States, who hold ordinary passports, will be exempted from the need to acquire pre-entry visas to the U.A.E. with effect from 22 March 2014, notably Poland, Slovenia, Slovakia, Czech Republic, Lithuania, Hungary, Latvia, Estonia, Malta, Cyprus, Croatia, Romania and Bulgaria.

For more details, please see e-mail sent on 6 March 2014 or consult the <u>UAE Ministry of Foreign Affairs Press Release</u>

Tourism: Commission adopts Recommendation proposal on European Tourism Quality Principles

Tourism enterprises are recommended to comply with a set of Tourism Quality Principles. They consist of staff training under the supervision of a quality coordinator, consumer satisfaction to ensure that tourist can rely on handling of their complaints, cleanliness and maintenance, and correctness and reliability of information. Members are invited to share their views on this proposal.

For more details, please see e-mail sent on 21 February 2014 or consult the Recommendation proposal

Tourism: Commission taking a closer look at maritime and coastal tourism

The Commission adopted a Communication on a strategy for sustainable coastal and maritime tourism. It outlines 14 EU actions to help coastal regions and businesses tackle the challenges faced by the sector. These concrete actions are accompanied by a list of tasks that Member States, regions and industry stakeholders are invited to undertake in order to complement the EU actions.

For more details, please see e-mail sent on 20 February 2014 or consult Commission Communication

Tourism: ECTAA raises concerns with EU legal framework impacting on tourism

ECTAA participated to the two public consultations on the European Tourism of the Future and the Regulatory and Administrative Framework on EU Tourism, stressing the need for a competitive and sustainable regulatory environment for tourism and a level-playing field in a number of policy areas (consumer protection, notably PTD and airline failure protection, fiscal policy, environment, etc.).

For more details, please see e-mail sent on 14 March 2014 or consult closed consultations

TOURISMlink: Final conference presenting deliverables - 24 June 2014

A final conference is organised on 24 June to mark the end of the TOURISMlink project. Since its inception two years ago, the scope of its work has encompassed nine source countries and three destination regions. During the conference the main deliverables of the project will be presented and a discussion is foreseen on the potential for TOURISMlink going forward in the future.

Data Protection: Burdensome obligations on data protection

In its position adopted on the general data protection Regulation proposal on 12 March 2014, the European Parliament went against the Commission's proposal of exempting SMEs with less than 250 employees from the obligation of designating a data protection officer, if their core business is not data processing. This measure will increase the administrative burden and financial costs for SMEs. The Council will now adopt its position.

For more details, please see e-mail sent on 12 March 2014 or consult the official EU Commission Press Release

Taxation: ECoJ ruling – Belgium allowed to continue taxing TOMS supplies outside the EU

In 1012 Belgian travel agents subject to TOMS questioned (i) the legality of Belgium's derogation to tax travel services enjoyed outside the EU and (ii) whether the derogation is in breach of the principles of equal treatment, neutrality and proportionality. In its judgement rendered on 13 March, the Court decided in favour of Belgium maintaining its derogation to tax TOMS supplies outside of the EU.

For more details, please see e-mail sent on 14 March 2014 or consult ECoJ decision in the case C-599/12

Other News in Brief

Eurobarometer survey on preferences of Europeans towards tourism, February 2014

Calendar of ECTAA meetings

15 April 2014	Joint Legal Committee & Tour Operator Committee, Brussels
14 May 2014	Destination and Sustainability Committee, Berlin or Brussels

4-6 June 2014 ECTAA bi-annual meeting, The Azores

24 June 2014 TOURISMlink Final Conference

EU consultations / ECTAA surveys

- European Commission Study on Price Comparison Tools, open until 28 March 2014
- European Commission Study on Online Reviews in the Hotel Sector, closed on 28 February 2014
- ECTAA questionnaire: Tour operator's liability and obligations for not providing a part of a service due to a Force Majeure event, sent on 14 March and closed on 20 March 2014
- ECTAA questionnaire: Bancruptcy of tour operators in Europe, sent on 11 March 2014
- ECTAA questionnaire: Legal nature and composition of national authority in charge of tourism, sent on 10 February and closed on 22 February 2014
- ECTAA survey: Analysis of the all-inclusive market in Europe, sent on 26 February 2014
- Update of the table of IATA BSP reporting and remittance dates as well a remittance methods, sent on 4 March 2014