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## ***ACTIVITY REPORT***

**November 2010 – November 2011**

**ECTAA Preferred Destination  
2011-2012**



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# Introduction

Dear Board Members,

Dear Members,

This year has marked the 50<sup>th</sup> anniversary of ECTAA.

The association was founded in 1961 by the associations of the founding Member States of the European Economic Community - Germany, Belgium, France, Italy, Luxembourg and the Netherlands. Their vision was to guarantee an effective representation of the sector within the European institutions and to allow the exchange of information among Members.

That vision has been achieved! 50 years onwards the European association has grown more than five times in number of Members and has established itself as 'the' voice of the European travel agents and tour operators and a main interlocutor of EU and international institutions on all issues affecting travel and tourism. The subject areas dealt with by the association have increased n-fold, covering today nearly all EU policy areas (consumer protection, competition policy, transport policy, etc.), relations with IATA and airlines, the development of technical solutions, exchange of best practices, monitoring of standardization work, etc.

While the focus and the number of subject areas have changed over the years, a number of issues remain as important today as in the past: (i) the package travel Directive, supplemented over time by consumer protection and redress legislation as well as passenger rights legislation, and (ii) the EU VAT system. Both will come under review as from 2012, with the Commission planning to present proposals to revise the legislative framework in 2012 and 2014 respectively. The lobby work in Brussels will be of immense strategic importance, as it will shape the economic and regulatory framework of travel agents and tour operators for the next 50 years or more.

But without dwelling too long on the past or the future, please find enclosed the 15<sup>th</sup> edition of the ECTAA yearly Activity Report, which summarizes the most important issues dealt with by ECTAA in 2011. It outlines the issues at stake, the actions undertaken by ECTAA and presents the work programme of ECTAA for 2012 and beyond.

I take this opportunity to thank the Vice Presidents and the Treasurer, all the Members of the Board, the Chairmen and delegates of the committees as well as all Members for their active contribution and support during the year. On behalf of all of our Members I would also like to thank our Secretariat team in Brussels for their valuable work.

A special thanks also to the Croatian National Tourist Board as our Preferred Destination and Allied Member this year.

Irena Gueorguieva  
President  
Brussels/Dubrovnik, December 2011

## Chapter I: Activity Report 2010/2012

### 1. TRANSPORT

#### 1.1. Air Transport

##### 1.1.1. *White Paper for Transport*

*Issue:* In April 2011 the European Commission adopted a white paper for transport “Roadmap to a single European transport area – towards a competitive and resource efficient transport system”, which outlines the Commission’s strategy in terms of transport policy until 2050. The broad objectives are the creation of a true European transport area, promoting innovation in technology and sustainable transport, as well as a modern infrastructure, smart pricing and funding.

*ECTAA position / action:* ECTAA calls for avoiding double charging when internalizing external costs and reduction of emissions at international level rather than seeking European solutions. ECTAA is also against the creation of a charter of passenger rights across all modes of transport, which need different legal approaches.

*Status of project and next steps:* The European Parliament is in the process of adopting an own initiative report in response to the white paper. ECTAA contributed to the debate by proposing amendment options and it is now closely monitoring the procedure.

##### 1.1.2. *Passenger protection against airline failure*

*Issue:* Following the impulse given by the Transport Commissioner and the European Parliament in 2009, the European Commission has been studying solutions to protect passengers in case of airline bankruptcy. It has received the results of a study in March 2011, which finds that the impacts on affected passengers are significant. The study concludes that the most effective option to protect passengers is based on compulsory protection provided by airlines.

*ECTAA position / action:* ECTAA is calling for a level playing field between airlines and tour operators/travel agents which are subject to the Package Travel Directive. This requires a mandatory mechanism borne by air carriers to protect passengers against carrier failure to cover reimbursement or repatriation, applying to Community carriers and to the farthest extent possible to third country carriers.

*Status of project and next steps:* The European Commission supports the option of self-regulation and is working with some airline associations to propose an industry solution. ECTAA is raising the attention of the European Parliament on the need for compulsory measures. It is cooperating with BEUC (the European Consumers’ Organisation).

##### 1.1.3. *Fitness Check of the Regulation 80/2009 on Computerised Reservation Systems and the Regulation 1008/2008 on Air Services*

*Issue:* The European Commission launched in January 2011 a Fitness Check of the Regulation 1008/2008 on Air Services and of the Regulation 80/2009 on a Code of Conduct for Computerised Reservation Systems (CRSs), in view of determining whether these Regulations fulfil their objectives, whether enforcement needs to be improved or if the existing legislation needs to be amended.

*ECTAA position / action:* ECTAA has been contributing to the Fitness Check, including to two studies on air ticket price transparency and on CRSs. ECTAA has called for better presentation of air ticket prices (the inclusion of non-optional operational costs in

the fare, transparency on refunds), ensuring that travel agents receive all necessary information from airlines through CRSs, transparent and effective distribution of ancillary services, sanctioning discrimination in access to fares based on the country where the travel agent is established.

Concerning CRSs, ECTAA has called for full content in CRSs, to address the neutrality of travel search made through online connection portals and meta-search engines and to better protect commercial data identifying travel agents.

*Status of project and next steps:*

The studies will be completed at the beginning of 2012. The European Commission will then determine whether it will take action to solve problem areas, such as the preparation of an impact assessment to revise the Regulations.

#### **1.1.4. Complaint against IATA concerning PaxIS**

*Issue:*

ECTAA in conjunction with GEBTA filed a complaint on 11 September 2009 against IATA based on the Regulation 80/2009 on CRSs concerning the identification of agents in commercial data distributed to airlines.

*ECTAA position / action:*

ECTAA answered to further written questions of the European Commission at the end of 2010 and followed up with the European Commission to urge it to process with the complaint.

*Status of project and next steps:*

The European Commission is preparing the next step of the procedure, i.e. either the rejection of the complaint or a statement of objection. ECTAA will continue its close follow up with the European Commission.

#### **1.1.5. Air Passenger Rights**

*Issue:*

The European Commission has carried out an impact assessment study on a possible revision of Regulation 261/2004 and complementary measures to Regulation 889/2002 concerning the handling of luggage. The study aims at identifying shortcomings of the present regulatory framework, to define policy options to address these and to assess the impact of the options.

*ECTAA position / action:*

ECTAA/GEBTA have adopted the following position in relation to:

- Options relating to the content, definitions and scope of the Reg261/2004
  - o Clarification of 'exceptional circumstances' is welcomed but no list of 'exceptional circumstances' as too restrictive
  - o Clarification of 'final destination' on multi-coupon tickets
  - o Sturgeon decision should be revoked
  - o Widening scope to include schedule changes and denied boarding where passenger has not used all coupons in sequential order
  - o Include all flights into/out of EU, regardless EU/non-EU carrier
- Options relating to luggage handling
  - o No changes to Montreal legislation required
- Other options to enhance consumer protection
  - o Air ticket price transparency (see point 1.1.3)
  - o Prohibition to impose sequential use of coupons
- Options to limit economic burden of Regulation on airlines and improve compliance
  - o Obligation to provide care in exceptional circumstances should be capped
- Options relating to enforcement
  - o NEBs should publish statistics on complaints & sanctions

*Status of project and*

The impact assessment study will also include a public consultation and be finalized early next year. On the basis of the results of the study, the Commission

*next steps:* will decide whether modifications to the current legislative framework are required.  
End of November the Commission is expected to publish a Communication on passenger rights in all modes of transport.

### **1.1.6. Regulation 261/2004 on compensation and assistance in case of denied boarding, cancellation or long delay of flights**

*Issue:* On 11 April 2011, the Commission has published a Communication on the application of the DBC Regulation. The Communication concludes that there are still a number of shortcomings and proposes a list of actions to remedy the shortcomings. They mostly aim at clarifying and strengthening the enforcement of air passenger rights. The Communication also foresees a revision of the Regulation in 2012, which may review the obligation of airlines to provide unlimited care in exceptional circumstances and possible new passenger rights to deal with airlines' flight rescheduling or no-show policies (related to sequential use of coupons).

*ECTAA position / action:* ECTAA had the opportunity to provide its input to the draft Communication; we welcomed the Commission's intention to assess the proportionality of the unlimited right to care under major natural disasters (e.g. ask cloud), but encouraged the Commission to assess also the proportionality as well as the impact and cost for industry of the extension of the right to compensation in case of long delays resulting from the ECoJ Sturgeon case, considering that this was not planned by the co-legislators when they adopted the legislation and have a huge impact on the industry. ECTAA also stressed the need to include the industry in the various consultation procedures foreseen to improve application of the Regulation.

*Status of project and next steps:* An impact assessment study on a possible revision of 261/2004 has been started (see point 1.1.5) and will be complemented by a public consultation.  
A revision of Regulation 261/2004 is scheduled for 2012.

*Issue:* In 2010, the European Court of Justice provided interpretation on the application of Regulation 261/2004 in the cases 83/10 and 294/10 :

- An airline is obliged to take account of the risk of delay connected to exceptional circumstances and must, consequently, organize its flight crew in such a way as to allow it, if possible, to operate the flight in its entirety once the extraordinary circumstances have come to an end.
- 'Further compensation', used in Article 12 of Regulation No 261/2004, must be interpreted to the effect that it allows the national court to award compensation under the conditions provided for by the Montreal Convention. On the other hand, that meaning of 'further compensation' may not be the legal basis for the national court to order an air carrier to reimburse to passengers whose flight has been delayed or cancelled the expenses the latter have had to incur because of the failure of that carrier to fulfil its obligations to assist and provide care under Article 8 and Article 9 of Regulation 261/2004.

*Status of project and next steps:* More than 10 other cases are still pending before the European Court of Justice, which, among other, question the validity of the Sturgeon court ruling, whether the principle underpinning the Sturgeon ruling should also apply to airlines' obligation to provide care and assistance in case of delay, whether exceptional circumstances can exempt airlines from duty of care under Regulation 261/2004, etc.

### **1.1.7. Regulation 1107/2006 on the rights of PRMs when travelling by air**

*Issue:* In April 2011 the Commission has published a report on the functioning and effects of Regulation 1107/2006 concerning the rights of PRMs when travelling by air. The report finds that the Regulation has been implemented in a satisfactory way but identifies a number of difficulties relating to the obligations of airlines, airports and NEBs under the Regulation and proposes a number of non-legislative measures to improve implementation. A legislative review is not considered necessary at this stage.

One of the measures considered may concern travel agents and tour operators, notably an obligation to ask passengers at moment of reservation whether they require assistance and to confirm that assistance has been requested.

*ECTAA position / action:*

ECTAA had the opportunity to comment on the draft report and raised two points. Instead of obliging travel agents and tour operators to ask customers if they require assistance, there should just be an obligation to inform that assistance can be requested, which is informative and less invasive.

Moreover, ECTAA suggested that to avoid disagreements between airlines and airports on the amount and method airports are calculating and imposing charges to airlines for PRM assistance, airports should provide information on the costs and quality of the services provided and consult airlines on the services delivered.

*Status of project and next steps:*

The Commission will implement the non-legislative measures.

### **1.1.8. Air Matters Committee and Technology Working Group**

*Issues:* The Air Matters Committee and Technology Working Group met jointly twice in 2011, once on 16 March and 29 September 2011. It reviewed and made recommendations in respect of all matters relating the items listed under 1.1. concerning air transport and 5 concerning IATA matters. It also looked into other issues, such as ticketing time limits and fare guarantees, practical solutions for the collection of API and Secure Flight Data, aviation taxation and ETS.

### **1.1.9. Emission Trading System for the aviation sector**

*Issue:* In November 2008 the EU adopted Directive 2008/101 on the inclusion of the aviation activities in the scheme for greenhouse gas emission allowance trading within the Community. According to the directive, aviation activities of aircraft operators that operate flights arriving at and departing from Community aerodromes are included in the scheme as of 1 January 2012.

Airlines will receive 85% of allowances for free in 2012 and 82% thereafter. The rest of the allowances will be auctioned.

*ECTAA position / action:*

ECTAA calls for the reduction of emissions at international level rather than seeking European solutions.

*Status of project and next steps:*

In June 2010 several airlines and airline associations based in the USA and Canada lodged a claim for annulling the extension of ETS to the aviation sector.

In its preliminary conclusions the advocate general of the European Court of Justice considered that ETS was not a tax nor was it contrary to the EU's international obligations. The final decision of the European Court of Justice is expected by the end of 2011.



## **1.2. Transport by bus and coach**

### **1.2.1 Rights of passengers traveling by bus and coach**

*Issue:* The European Parliament and the Council reached an agreement on the adoption of a Regulation on the rights of passengers travelling by bus and coach. The regulation introduces similar rights for passengers as those adopted in other modes of transport (rail, air and sea), such as compensation in case of accident and lost / damaged luggage, non-discrimination against and assistance to PRMs, compensation in case of cancellations / delays, etc and regulations on liability of carriers. Travel agents and tour operators will have similar obligations as those introduced in other modes of transport, e.g. information requirements, PRM assistance notifications, etc.

*ECTAA position / action:* The most contentious issue of ECTAA concerned the wrong definitions of ‘travel agents’ and ‘tour operators’. ECTAA managed to obtain a correct definition of ‘travel agents’, however ‘tour operators’ still refer to organizers and their retailers, as referred to in the Package Travel Directive. ECTAA has also been successful to obtain the exclusion of travel agents and tour operators from the definition of carrier.

*Status of project and next steps:* The Regulation will become applicable from 1<sup>st</sup> March 2013.

## **1.3. Transport by rail**

### **1.3.1 Technical specifications for the exchange of information and issuance of rail tickets**

*Issue:* EU law (TAP TSI Regulation) requires railway undertakings to develop processes and interfaces to communicate certain information and provide tickets to passengers. Railway undertakings have secured financing from the EU for the first phase of implementation of the legal TAP TSI requirements. ECTAA/GEBTA and ETTSA (CRSs and their online agents), representing the ticket vendor Community, have managed to add a workstream in the frame of this project to identify processes and interfaces required for a ‘Full Service Model’, i.e. identifying all technical requirements for an end-to-end rail distribution and retailing process. A questionnaire has been circulated to ticket vendors and CRSs to assess how rail is distributed today, identify the current bottlenecks and develop possible solutions.

*ECTAA position / action:* ECTAA and GEBTA participate in the TAP TSI project to ensure the implementation of adequate interfaces for the issuance of rail tickets, as required by the EU legislation. ECTAA/GEBTA are leading the additional workstream ‘Full Service Model’.

*Status of project and next steps:* The EU project covering the 1<sup>st</sup> TAP TSI implementation phase, including the ‘Full Service Model’ workstream, is scheduled to be completed by next year.

## **1.4. All modes of transport**

### **1.4.1. EU multi-modal journey planner**

*Issue:* In April 2011, the Commission launched a public consultation on an EU multi-modal journey planner, the objective of which is to collect information and opinions from stakeholders across the EU on the vision, feasibility and possible technical/organisational implementation issues of European and national multi-modal journey planners. The objective of the Commission is to support the

development of national and regional multimodal journey planners, and links between existing planners, with the ultimate target of providing users with a journey planner at EU level.

*ECTAA  
position /  
action:*

ECTAA participated to the consultation supporting the view that customers would like to have a door-to-door journey planning and booking facility but remained doubtful about the feasibility of such a project and raised concerns of competition distortions. Indeed, today travel agents offer already a door-to-door journey planning service and any future multi-modal journey planner should not be subsidised by public money or should be granted favored access over other market players.

*Status of  
project and  
next steps:*

The Commission plans initiatives to develop smart ticketing, multi-modal scheduling, information and on-line reservations.

#### **1.4.2 Integrated ticketing for EU passenger transport**

*Issue:*

The European Parliament has mandated a study on integrated ticketing for EU passenger transport, the aim of which is to provide the EP with an indepth analysis of selected best practices of integrated ticketing schemes on long-distance passenger transport services, in order to highlight the main drivers and barriers. The study also aimed at assessing the strengths and weaknesses as well as opportunities and threats linked to existing integrated ticketing solutions and their likely future development. This should be seen in the context of the Commission's long-term objective of multi-modal journey planning and ticketing.

*ECTAA  
position /  
action:*

ECTAA and GEBTA contributed to the study.

*Status of  
project and  
next steps:*

The results of the study should be published soon.

## **2. HOME AFFAIRS**

### **2.1. PNR and Data protection**

*Issue:*

The European Commission adopted in February 2011 a Directive proposal on the use of PNR for law enforcement purposes (EU PNR). The proposal is currently being examined in first reading in the European Parliament and the Council.

The European Commission is negotiating a new EU/US agreement on the transfer of PNR data to the US authorities, to replace the current one following the extension of the European Parliament's powers under the Lisbon Treaty.

The European Commission will propose at the beginning of 2012 a revision of the Directive on personal data protection.

*ECTAA  
position /  
action:*

ECTAA is lobbying the European Parliament and Council on EU PNR to limit the scope to data captured electronically by air carriers in their normal course of business and to flights between the EU and third countries. ECTAA is besides requesting to delete references to travel agents from the Directive and to ensure workable solutions to inform passengers on the use of their data. ECTAA is also calling to protect sensitive commercial data from misuse by airlines.

Concerning EU agreements with third countries on PNR transfers and a future EU legal framework on personal data protection, ECTAA is calling to avoid untenable

positions where a third country would require passengers' data while this would be in conflict with EU legislation. ECTAA is also recommending to limit obligations on companies to appoint a data protection officer.

*Status of project and next steps:*

ECTAA will continue to closely monitor the various initiatives and to draw the industry's views to the Institutions' attention.

### **3. JUSTICE**

#### **3.1. Consular protection**

*Issue:* Article 23 of the Treaty on the Functioning of the European Union provides that a citizen who is in the territory of a third country in which his/her Member State is not represented can benefit from diplomatic or consular protection of any other Member State.

In March 2011, the European Commission published a Communication setting out the state of play and way forward in the field of consular protection. On that occasion, the Commission launched a dedicated website on consular protection, which notably provides access to all Member States' travel advisory services and gives the contact details of consular and diplomatic missions of the Member States.

*ECTAA action:* ECTAA informed its Member of the launch of the consular protection website. ECTAA also monitored the work of the Commission in this field, notably by attending a workshop of the European Commission on the coordination and compensation measures for the provision of consular protection between Member States.

*Status of project and next steps:* The Commission will publish a legislative proposal on consular protection, end of 2011/early 2012.

#### **3.2. Directive proposal on the conditions of entry for seasonal employment**

*Issue:* The European Commission published on 13 July 2010, a proposal for a Directive on the conditions of entry and residence of third country nationals for the purposes of seasonal employment.

The proposal establishes the conditions of entry and residence of non-EU seasonal workers, such as a valid work contract or a binding job offer, a valid travel document, evidence of having or having applied for sickness insurance, sufficient resources during his/her stay, etc. The maximum duration of the stay foreseen is of 6 months in each calendar year.

*ECTAA position / action:* ECTAA welcomes the proposal, however calls for an extension of the maximum duration of the stay to 9 months to cover an entire tourism season, which can be longer than 6 months.

*Status of project and next steps:* The proposal is currently being discussed in the LIBE Committee of the European Parliament.

### 3.3. EU contract law

*Issue:* In May 2011, a special Expert Group on European contract law, which had been set up by the European Commission, published a feasibility study on a European contract law for consumers and businesses. Further to that feasibility study, in October 2011, the European Commission published a proposal for a Regulation for a common European law applicable to cross-border contracts for the sale of goods concluded between a trader and a consumer or an SMEs. That law would only apply if the parties agreed to it.

*ECTAA position / action :* ECTAA sent comments on the feasibility study to the European Commission. ECTAA also informed its Members of the content of the Regulation proposed in October, despite the fact that it does not concern services. It is however of interest because it constitutes a new legislative approach, aiming at putting in place an optional 28<sup>th</sup> legal regime that would add to each Member States' legal system. ECTAA will monitor the legislative procedure, in order to make sure that it is not extended to services.

*Status of project and next steps:* The proposal must now be adopted by the European Parliament and the Council, acting in accordance with the ordinary legislative procedure.

### 3.4. Alternative Dispute Resolution mechanisms

*Issue:* Early 2011, the European Commission published a consultation on Alternative Dispute Resolution (ADR), which aimed at gathering stakeholders' views on awareness, involvement of traders/suppliers in ADR scheme, ADR coverage and funding. Following the Commission's consultation, the European Parliament adopted a Resolution on ADR, which is supportive of an EU instrument on ADR.

*ECTAA position / action:* ECTAA contributed to the Commission's consultation on ADR, stressing that recourse to ADR should remain voluntary and be based on the specific needs of a given market and/or sector. ECTAA monitored the work of the European Parliament in this field and provided comments to the respective Rapporteurs and Shadow Rapporteurs of the Committees on Legal Affairs and on Internal Market and Consumer Protection that prepared the Parliament's Resolution.

*Status of project and next steps:* The European Commission will publish a proposal for a legislative instrument on ADR end of 2011/early 2012.

### 3.5. Collective redress

*Issue:* In February 2011, the European Commission launched a public consultation on a coherent European approach to collective redress, which identified general principles that could guide possible future EU initiatives on collective redress. Collective redress could possibly be established in the fields of consumer and competition law.

*ECTAA position / action:* ECTAA contributed to the consultation, stressing its concerns in relation to the establishment of collective redress mechanisms at European level, in particular in the field of consumer law and questioning the need for such an initiative in

light of the principle of subsidiarity and proportionality. Would the EU however decide to pursue the way of an EU collective redress mechanism, ECTAA called for the establishment of a set of minimum requirements guaranteeing legal certainty and avoiding abusive litigation.

ECTAA also monitored the work of the Committees of Legal Affairs (JURI), which is preparing a report on collective redress. ECTAA provided comments to the Rapporteur as well as to the Shadow Rapporteurs of the JURI Committee. Similar comments were also provided to the Rapporteur and Shadow Rapporteurs of the Committee on Internal Market and Consumer Protection, which is contributing to the work of the JURI Committee.

*Status of project and next steps:*

The European Commission should publish a Communication on a common approach to collective redress at the beginning of 2012.

## **4. IATA**

### **4.1 PAPGJC and PAConf/34**

*Issue:* ECTAA participated in the Passenger Agency Programme Global Joint Council (PAPGJC), which met on 7 April 2011 and 10 October 2011. The Council monitored PAConf/33 actions, obtained the removal of staff standards unilaterally introduced by IATA, discussed several issues about the use of ADMs, reviewed the Travel Agency Commissioner fund, prepared the recruitment of a new Travel Agency Commissioner for Area 2 and set up a Working Group in the framework of a cooperation project to improve the Programme, which will initially focus on fraud prevention. It also reviewed the agenda of PAConf/34, notably the proposals to align accreditation fees on the Swiss Franc, amendments to the wording of Resolution 818g concerning procedures in case of agent non-compliance, removal of recapitalisation from financial securities, the use of ADMs after an agent is put in default, the extension of the Programme to include Government travel departments, etc.

*Status of project and next steps:*

At PAConf/34, a few proposals were defeated or partially withdrawn in line with discussions in the PAPGJC (on amendments to Resolution 818g and the extension of the Programme to Government travel departments). ECTAA is opposing PAConf's decision to align accreditation fees on the Swiss Franc as it will result in an increase of the amounts paid by agents.

IATA is working on a project to introduce standardised global financial criteria for agents, which may remove local variations fitting local circumstances, vastly diminish the role of APJCs and agents' possibility to have their views taken into consideration.

The next meeting of the PAPGJC will take place on 19 April 2012 and the next PAConf in October 2012.

### **4.2 Passenger Agency Programme compliance with EU competition law**

*Issue:* ECTAA reported in February 2011 to DG Competition of the European Commission several concerns about the Passenger Agency Programme, notably the modification of the procedure to amend agent financial criteria without an APJC recommendation and misuse of ADMs. ECTAA also drew up an extensive list of changes made by IATA to the features resulting from the 2002-2005 complaint lodged by ECTAA-GEBTA before the European Commission.

DG Competition requested IATA to comment on ECTAA's concerns. DG Competition then provided the opportunity to ECTAA to comment on IATA's response in September 2011.

*Status of project and next steps:*

ECTAA is following up with DG Competition on the basis of PAConf/34 results. It will pursue its contacts with DG Competition.

### **4.3 ASTWG**

*Issue:* ECTAA participated in the Agency Solution Technical Working Group (ASTWG) which met on 8 April 2011. This group composed of agents', airlines' and GDSs' representatives discussed mainly how to limit and better manage ADMs on guaranteed fares. It also discussed new IATA baggage rules and the implementation of the Secure Flight Programme.

*Status of project and next steps:* Concerning ADMs on guaranteed fares and divergences between airline instructions and GDS information: after having worked for a couple of years on a definition of guaranteed fares, the ASTWG could not achieve further progress, considering that airlines do not recognize fare guarantees provided by GDSs. A way forward may consist in improving filings in GDSs. The IATA "Resolution Advisory Rules Group" will consider how to progress on this and will report back to the ASTWG and PAPGJC.

The next meeting of the ASTWG should take place in conjunction with the next PAPGJC.

## **5. CONSUMER AND INTERNAL MARKET POLICIES**

### **5.1. Legal Committee**

*Issue:* The Legal Committee met on 15 March 2011 and held a joint meeting with the Tour Operator Committee on 21 June 2011.

The revision of the Package Travel Directive (PTD) was high on the agenda of the Legal Committee. During its March meeting, the Legal Committee had a first discussion on possible new definitions in the revised PTD that could catch new distribution channels, such as providers of dynamic and click-through packages.

In June 2011, the Legal Committee held a joint meeting with the Tour Operator Committee, which was exclusively dedicated to finalizing definitions of the notions of package, organizer, retailer, consumer, contract, as well as of a new notion of commercially linked. Having been approved by the Board of Directors, these definitions were presented to the European Commission (see point 5.4.).

During its meeting of March 2011, the Legal Committee also considered other issues linked to the revision of the Package Travel Directive. It developed arguments and justifications for the exclusion of business travelers from the scope of the PTD. It also examined a proposal of the Destination and Sustainability Committee concerning availability of contact details in case of disruptive events but recommended against it. Other issues dealt with were the proposal for a Directive on consumer rights (see point 5.3.); the implementation of the bus/coach and maritime passenger rights as well as the notion of a significant change to services included in a package.

### **5.2. Tour Operator Committee**

*Issue:* Besides a joint meeting with the Legal Committee in June 2011 (see point 5.1.),

the Tour Operator Committee also met on 31<sup>st</sup> March 2011. Concerning the revision of the Package Travel Directive, the Tour Operator Committee listed operational arguments against the introduction of a right of withdrawal for package travel contracts. It also discussed a proposal of the Destination and Sustainability Committee concerning availability of contact details in case of disruptive events.

The Tour Operator Committee reviewed various ongoing issues at EU level, such as passenger protection against airline failures (1.1.2.), passenger rights (1.1.5.), fuel surcharges, the proposal for a Directive on consumer rights (see point 5.3.), an ID card for tourist guides (5.7.), ISO and CEN's work on standards (8.1. & 8.2.), the implementation of the Commission's Communication on tourism and the VAT reform.

### 5.3. Proposal for a Directive on Consumer Rights

*Issue:*

In October 2008, the European Commission published a proposal for a Directive on Consumer Rights, which incorporated 4 existing Directives on doorstep selling, unfair terms in consumer contracts, distance contracts and consumer sales of goods and guarantees. It contained provisions on common definitions, pre-contractual information, information and right of withdrawal in distance and off-premises contracts as well as unfair contract terms.

Package travel contracts were only subject to the proposed provisions on unfair terms. Contracts for the provision of accommodation, transport, car rental, catering and leisure services only benefited from an exemption from the right of withdrawal and consumer information when they were concluded at distance, other provisions of the Directive remaining applicable.

*ECTAA position /  
action:*

The main elements of the position of ECTAA concerning this proposal were:

- Package travel contracts should only be subject to the provisions of the proposal on unfair contract terms.
- Distance and off-premises contracts for the provision of single travel services should be excluded from the Chapter regulating such contract, in order to avoid that a right of withdrawal applies.
- The two lists of unfair terms should be amended to preserve the right of the tour operator to include minimum participants' terms and price revision terms in his contracts. Terms prohibiting or restricting the right of the consumer to use the services of an intermediary should be included in the list of terms always unfair.

Throughout the year, ECTAA monitored the work of the Council and of the European Parliament.

In particular, ECTAA continued to liaise with MEP Andreas Schwab, the Rapporteur for the Committee for Internal Market and Consumer Protection (IMCO) as well as the Shadow Rapporteurs of that same Committee. ECTAA has also been in close contact with the Rapporteur and the Shadow Rapporteurs of the Committee for Legal Affairs (JURI), which was associated to the drafting of the IMCO report for the chapter on unfair contract terms.

Furthermore, ECTAA relayed its position to Member States' permanent representations. ECTAA also met the Hungarian Presidency of the Council for the first semester of 2011, which conducted the ultimate negotiations between the EP and the Council. A compromise agreement was approved by the European Parliament in June 2011 and endorsed by the Council in October 2011.

The final text of the Directive is very positive for ECTAA:

- Package travel contracts are fully excluded from its scope.
- No right of withdrawal will apply to single travel services that are concluded at distance or off-premises.

- The Directive does not at all regulate unfair contract terms, which remain subject to current Directive 93/13 on unfair contract terms.

*Status of project and next steps:* Directive 2011/83 on consumer rights has been published in the Official Journal of 22 November 2011. Member States must transpose it by 13 December 2013 at the latest and shall apply their implementation measures from 13 June 2014. The provisions of the Directive will apply to contracts concluded after 13 June 2014.

#### **5.4. Review of the Package Travel Directive**

*Issue:* This year, the European Commission continued its work on the revision of the Package Travel Directive (PTD).

*ECTAA position / action:* Throughout the year, ECTAA remained in contact with the European Commission, in order to keep abreast of the latest developments. The civil servant in charge of the review attended the bi-annual meeting that ECTAA held in May in Stockholm, giving an overview of the issues that could be tackled in the revised PTD.

ECTAA also carried out an important reflection exercise on possible new definitions of the core notions of package, organizer, retailer, consumer and contract. These new definitions would catch new as well as future distribution channels that allow the consumer to book any combination of travel services, such as click-through or dynamic packages. This work was conducted by the Legal and Tour Operators Committees (see point 5.1.). They developed a set of possible definitions of the notions of package, organizer, retailer, consumer, contract and of a new notion of commercially linked. Having been formally approved by the Board of Directors of ECTAA, these definitions were submitted to the European Commission in July 2011, as a possible working basis towards the development of a proposal for a revised PTD.

Following this submission, ECTAA recently met the Head of Cabinet of Commissioner Reding, who is in charge of the review. He indicated that at this stage, all options for the revision remain open, insisting on the willingness of the Commission to preserve and strengthen growth in the industry.

*Status of project and next steps:* A proposal for a revised Directive is expected by the end of 2012.

#### **5.5. Insurance mediation**

*Issue:* Travel agents and tour operators who intermediate travel insurances are currently exempted from the scope of Directive 2002/92 on insurance mediation (IMD). The European Commission is currently working on the revision of this Directive and in this framework, is questioning the opportunity of maintaining the exemptions that the IMD provides.

*ECTAA position / action:* Early 2011, ECTAA replied to a consultation on the revision of the IMD that the European Commission had launched end of 2010. ECTAA insisted that it was essential to maintain the current exemption of intermediation of travel insurances in the revised Directive.

At the request of the European Commission, ECTAA provided data on the market for the intermediation of travel insurances as well as on the possible consequences and costs of the extension of the scope of the revised IMD to intermediaries in travel insurances.

Furthermore, in view of the revision of the Directive, ECTAA developed and proposed to the European Commission an amended version of the exemption of the current Directive. Would the Commission decide not to maintain the exemptions, ECTAA further proposed several alternative amendments to the requirements of the current IMD; in order to mitigate their effects for travel agents



and tour operators.

Following meetings with the European Commission, during which it confirmed that it was not willing to maintain any exemptions in the revised IMD, ECTAA is now thinking about an alternative declaration system for ancillary intermediation activities.

*Status of project and next steps:*

A proposal for a revised Directive on insurance mediation should be published in the first quarter of 2012.

## 5.6. Implementation of the Services Directive

*Issue:*

Directive 2006/123 on Services in the Internal Market regulates the conditions for establishment of a service provider in a Member State and establishes the principle that Member States must ensure free access to and free exercise of service activities by providers who move temporarily into their territory.

In 2011, the European Commission pursued the evaluation of the implementation of the Services Directive that already started in 2010. In this framework, in September 2011, it launched a performance check of the single market for services. As part of this exercise, it published a case study in the field of tourism, focusing on requirements applied on the basis of the Services Directive, the Directive on recognition of professional qualifications and the Package Travel Directive in case of permanent or temporary provision of services by travel agents and tour operators.

*ECTAA position / action:*

ECTAA provided information on barriers to cross-border trade in the travel sector to a consultant commissioned by the European Commission to conduct a study on the implementation of the Services Directive.

In October 2011, ECTAA also provided input to the case study in the field of tourism. It mainly focused on issues related to the mutual recognition of financial guarantee schemes and on obstacles to the free movement of tourist guides.

*Status of project and next steps:*

The European Commission is now analyzing the replies to the case study in the field of tourism. A communication on the follow up to the performance check for services should be published in the fourth quarter of 2012.

## 5.7. Recognition of Professional qualifications and Tourist Guides

*Issue:*

Directive 2005/36 on the recognition of professional qualifications (PQD) regulates the recognition of the professional qualifications that a person has obtained in a given Member State when he/she wants to establish him or herself on a permanent basis in another Member State. It also establishes rules facilitating the temporary movement of a service provider established in a Member State, such as for example a tourist guide, who wants to provide his/her services in the territory of another Member State.

In January 2011, the European Commission published a consultation paper on the PQD, which was followed by a Green Paper on the modernization of the Directive in June 2011.

Early 2011, it also established a special Steering Group that would explore the feasibility and the challenges linked to the development of a European Professional Card.

Also, The European Parliament adopted a Resolution on the revision of this Directive.

*ECTAA position / action:*

ECTAA responded to both the consultation paper and the Green Paper published by the European Commission. In both contributions, ECTAA expressed itself in favour of the simplification of the requirements for temporary mobility of

professionals and the setting up of professional card.

ECTAA was also selected by the European Commission to sit in the Steering Group on a European Professional Card. Within that Steering Group, several sub-groups for specific professions were formed to conduct case studies for specific professions, one of them focusing on tourist guides. ECTAA attended 6 meetings of the Steering Group. It provided substantive input to both the Steering Group and the sub-group on tourist guides, in order to support the concept of a card for this profession, despite strong opposition of FEG, the European Federation of tourist guides. Because of significant divergences of view, no final conclusions could be drawn up by the sub-group, with the consequence that a case study on tourist guides was not produced.

Concerning the work of the European Parliament (EP) on the review of the PQD, ECTAA provided input to the Rapporteur and the Shadow Rapporteurs of the Committee on Internal Market and Consumer Protection. We notably opposed an amendment that would have excluded the tourism professions from a recommendation that Member States should deregulate professions. We further supported the recommendation of the EP to exempt from the prior declaration requirement those professionals who provide their services exclusively to consumers escorted by them to other Member States, such as tourist guides. Both requests were taken on board in the final Resolution adopted by the EP in November 2011.

*Status of project and next steps:* A proposal for a revision of the Professional Qualifications Directive is expected in December 2011.

## **5.8. Misleading and comparative advertising for businesses**

*Issue:* In October 2011, the European Commission published a consultation on Directive 2006/114, which protects traders against misleading advertisements by other traders and lays down the conditions under which traders can compare their products with their competitors' products in their advertisement. It aims at gathering information on unfair commercial practices affecting businesses, with a particular focus on misleading directory companies, and on options for improvement.

*ECTAA position / action:* ECTAA has consulted its Members and intends to reply to the consultation.

*Status of project and next steps:* Following the consultation, the Commission will publish a Communication in the first half of 2012, setting out options for future EU action, which may include legislative changes.

## **6. FISCAL MATTERS**

### **6.1. Tour Operator Margin Scheme, articles 306-310 of the VAT Directive 2006/112**

*Issue:* The European Commission has brought 8 Member States before the European Court of Justice for the incorrect application of the special scheme for travel agents. Amongst others, the Commission considers that supplies made between agents must be taxed according to the normal VAT arrangements.

As a consequence Member States have resumed discussions, which had stalled in 2003, on the Directive proposal revising the special scheme beginning of 2010. But the discussions are deadlocked again. Member States have been invited to complete a comprehensive questionnaire about their current national practice/rules implementing TOMS. The responses should help prepare an

analytical document which might then form the basis of further discussions.

The European Court will be looking at two more cases, one raising the question whether TOMS only applies to supplies made to travellers or also to other customers and whether a transport company supplying only bus services to a travel agent falls within TOMS. The second case (not yet published) will address the question how self-supplied transport of a travel agent should be taxed, i.e. at the reduced VAT rate (passenger transport) or standard VAT.

*ECTAA  
position or  
action*

ECTAA and GEBTA consider that the application strictus sensus of the special VAT scheme is no longer adapted to the current market for the sale of travel services and would lead to enormous distortions of competition. They have thus called for the revision of the special scheme but only support this revision under condition that B2B supplies benefit from the possibility of being taxed according to the normal VAT arrangements.

*Status of  
project and  
next steps:*

The Council will continue to work on the TOMS revision. The decisions of the ECoJ will clarify some aspects of the TOMS regime.

## **6.2. Implementing measures for the VAT Directive**

*Issue:*

Council implementing Regulation 282/2011 has been adopted on 15 March 2011, which clarifies a number of provisions of the VAT Directive and in particular the place of supply rules which came into force, for the most part, in January 2010 and more recently in January 2011 (re. cultural services). The implementing measures concern all service suppliers, but some of them concern specifically suppliers of tourism services. They provide clarification, among other, on the place of supply of hotel intermediation as well as admission to cultural, artistic, sporting, scientific, educational, entertainment and similar events.

*ECTAA  
position or  
action*

ECTAA/GEBTA managed to obtain an implementing measure which treats the supply of an intermediary making a hotel accommodation for a corporate customer as an intermediary service rather than a service connected with immovable property, thereby avoiding the need for the intermediary to register and account for VAT on its supply in all the countries in which the hotels are located.

*Status of  
project and  
next steps:*

The implementing measures are applicable since 1 July 2011.

## **6.3. The future of the EU VAT system**

*Issue:*

End of 2010, the Commission has launched a major public consultation on the current VAT system and how it should be reframed in the future. The questions raised are relevant for all businesses alike, with some questions being in particular relevant for tourism businesses such as those relating to VAT exemption for passenger transport, reduced VAT rates and VAT deduction rules.

The European Parliament has adopted an own-initiative report on the future of the EU VAT system. Among other, the report calls for harmonised standard or reduced VAT rates for all transport modes.

*ECTAA  
position or  
action*

ECTAA/GEBTA have participated to the consultation and stressed a number of points, notably:

- Zero VAT rating for all passenger transport modes with full input VAT recovery
- Abrogation of the full restriction on input VAT recovery of restaurant and hotel accommodation services

- Harmonisation of input VAT deduction rules
- Maintenance of existing reduced VAT rates / VAT exemptions applicable to certain tourist services
- Extension of these VAT rates to the mediation of such services
- Revision of TOMS according to the ECTAA/GEBTA position

ECTAA/GEBTA have managed to obtain an amendment in the EP draft report concerning the speedy adoption of the TOMS regime, but this was not retained in the final report.

*Status of project and next steps:*

The Commission is expected to publish the results of the public consultation by the end of 2011 and will present a legislative proposal to revise the EU VAT system in 2014.

#### **6.4. Fiscal Committee**

*Issue:*

The Fiscal Committee met two times in 2011, notably on 6 May and 19 October 2011. The discussions concentrated on ECTAA/GEBTA's contribution to the consultation on the future of the EU VAT system (see item 6.3.) and issues relating to the application and interpretation of the special VAT scheme, including cases pending before the ECoJ (see item 6.1.) and national court cases. It also started looking into the future revision of the VAT treatment of multi-purpose vouchers.

### **7. ENTERPRISE POLICY AND TOURISM**

#### **7.1. Communication "Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe"**

*Issue:*

In July 2010 the Commission adopted a Communication on Tourism, also in light of the new competencies of the European Union on tourism.

The Communication puts forward 21 actions at European level to be implemented in close cooperation with representatives of the public and private tourism sector, aimed at supporting the tourism sector and proposes initiatives to promote its competitiveness, its sustainable and quality-based development and the visibility of Europe as an outstanding tourist destination. The actions revolve around the following four pillars:

- Stimulate competitiveness of tourism in the European tourism sector;
- Promote the development of sustainable, responsible and high quality tourism;
- Consolidate the image and profile of Europe as a collection of sustainable and high quality tourist destinations;
- Maximise the potential of EU financial instruments and policies for the development of European Tourism.

*ECTAA position or action*

ECTAA welcomed very favourably the ambitious Communication which represents a starting point for the future activities of the Commission on Tourism.

*Status of project and next steps:*

The European Commission has presented a detailed implementation plan during the European tourism Forum in October 2011 and will pursue the actions listed in 2012-2013. Moreover, on the 21st September 2011 the European Parliament approved an own initiative resolution on the Tourism Communication, which identifies priority actions and urges the Commission and Member States to bring effective solutions on other important issues for European tourism, such as the coordination and simplification of visa procedures, the revision of TOMS and the package travel directive.

## 7.2. Implementation of the Communication on tourism

*Issue:* Following the publication of the Communication on tourism, the European Commission is implementing a number of actions foreseen, namely:

Action 3: ICT and tourism platform

Action 6: voluntary tourism exchange mechanism between Member States (CALYPSO)

- Action 7: Information exchange mechanism on school holidays

- Action 10: Virtual Tourism Observatory

- Action 13: European Tourism Quality Label

- Action 14: Charter for Sustainable and Responsible Tourism

- Action 15: Strengthen cooperation between Europe and the main emerging countries ("50.000 tourists" pilot initiative)

*ECTAA position or action* ECTAA is following closely the implementation of the 21 actions and is participating actively in several activities, such as the ETQ label and the Charter for sustainable and responsible tourism. Moreover in October 2011 the Secretariat presented a bid on the ICT platform initiative and is currently partner in a project named "EOS" on sustainable and competitive tourism.

*Status of project and next steps:* In October 2011 the European Commission presented an "implementation rolling plan" on the 21 actions of the Communication on Tourism, which details all the initiatives that have been or will be carried out in the field of tourism.

## 7.3. Annual European Tourism Forum (ETF)

*Issue:* Each year the European Commission organizes a European Tourism Forum to discuss the challenges of the sector and enhance the cooperation of stakeholders in tourism, notably the tourism industry, civil society, international organizations, European, national and regional institutions and authorities. The selected theme of this year was "Stimulating competitiveness in the European Tourism sector".

The 10th European Tourism Forum contained two panel discussions and a Plenary Session on "Strengthening Competitiveness in Europe".

*ECTAA position / action:* ECTAA is a Member of the ETF Steering Committee and participated in the preparatory meetings of ETF.

## 7.4. Tourism Statistics

*Issue:* The European Commission published in April 2010 a new regulation proposal on Tourism Statistics. The proposal, which repeals Council Directive 95/57/EC on the collection of statistical information in the field of tourism, aims at improving the quality of tourism statistics in Europe by establishing a common framework for the production of European Statistics on tourism.

The proposal revises several variables such as tourist expenditure, and takes into account recent phenomena such as more short trips of less than four overnight stays or the use of the internet for booking trips.

Variables on the use of a tour operator or travel agency for the booking of the trip (transport, accommodation, package) are on a triennial basis.

*Status of project and next steps:* The regulation has been published in the Official journal on the 20<sup>th</sup> of October and is directly applicable as of 9 November 2011.

## 8. STANDARDIZATION

### 8.1. ISO standards for tourism services

*Issue:* ISO TC 228, the Technical Committee for standards in the field of “Tourism & Related Services” was formally set up in February 2005. The scope of the TC is to standardize “terminology and specifications of the services offered by tourism service providers, including related activities, tourist destinations and the requirements of facilities and equipment used by them, to provide tourism buyers, providers and consumers with criteria for making informed decisions”. Current work items includes standardisations in the fields of: spa and diving services, thalassotherapy services, wellness services, tourist information and reception services in tourist information services, golf services, beaches and natural protected areas, adventure tourism, industrial tourism, boat and yacht harbours and environmentally friendly accommodation establishments.

*ECTAA position / action:* ECTAA is not against standards per se, however standardisation in relation to tourism services should remain fully industry driven and any initiative in this field should have the full support of the users and the industry concerned. During the last plenary meeting in 2011 ECTAA successfully opposed three new proposals on standardisation of accommodation establishments.

*Status of project and next steps:* During the ISO TC 228 plenary meeting in April 2011, standardisation work on tourism came to a stalemate. So far, the working group on recreational diving services is the only one that has achieved positive results, whilst all the other working groups seem to encounter organizational problems such as low attendance of experts and delays in work. In addition, ISO central secretariat invited TC 228 to avoid standardisation work on management requirements and three new proposals on standardisation of accommodation establishments were withdrawn.

### 8.2. CEN standards

*Issue:* The European standardization body, CEN, held a Seminar on Standardization in the Tourism sector in Brussels on the 8th of December 2010 to gather the views among stakeholders on needs and opportunities for new standardisation work in the area of tourism services. The workshop confirmed the strong opposition of the whole tourism industry to standardisation work in the field of tourism. Further to this seminar, CEN organized a second tourism stakeholders meeting on the 28<sup>th</sup> of February 2011 to discuss a number of areas of possible standardisation, such as accommodation fire safety, star rating of hotels, mapping on skills and competences and accessibility on tourism.

*ECTAA position / action:* During the stakeholders’ meetings ECTAA pointed out several issues, such as the costs of joining standardisation activities and the lack of information and transparency on activities at national level.

*Status of project and next steps:* ECTAA will monitor the development of all CEN initiatives that are likely to have an impact on the tourism sector.

### 8.3. Review of the European Standardisation System

*Issue:* In June 2011 the European Commission presented a series of legislative and non legislative measures aimed at improving the European Standardisation System. The foreseen measures are aimed at improving the efficiency of the whole European Standardisation system, delivering faster and simpler standards that are in line with the requirements and needs of the market, addressing key societal

challenges and improve the representativeness of the development process and the acceptance of standards by stakeholders.

*ECTAA  
position /  
action:*

ECTAA supports the Commission's emphasis in its proposal on voluntary standards which are market driven, consensus based and take into account the public interest. However, greater safeguards are needed in the proposal so as to ensure these principles.

*Status of  
project and  
next steps:*

The regulation proposal has been now transmitted to the European Parliament and to the Council for approval under co-decision procedure.

## **9. DESTINATION AND SUSTAINABILITY ISSUES**

### **9.1. Destination and Sustainability Committee**

*Issue:* The Destination and Sustainability Committee met on 8 March, 28 June and on 14 July 2011.

The Committee had a discussion on Travelife, and on international sustainability systems. The Committee also exchanged views on health and safety issues and on problems at destinations (see point 9.2)

In addition, the Committee had a discussion on the instruments for crisis communication coordination and on business instruments for the collection of data. During the political unrest in Tunisia and Egypt at the beginning of 2011 the Committee exchanged information on the policies adopted by tour operators and on travel advices issued by national governments. The exchange of information took also place in occasion of the Cholera epidemic in Haiti and of the shark attacks in Sharm El Sheikh.

The Committee set up two working groups, on sustainability and on health and safety, which will work autonomously.

### **9.2. Destination Issues**

*Issue:* Various problems encountered by Tour Operators at destinations.

*Status of  
project and  
next steps:*

Further to the results of a questionnaire on particular issues at destinations sent to Members in 2010, the Secretariat prepared a list of critical destinations and possible required actions. Based on the abovementioned list, the Secretariat:

- contacted the UAE Foreign Ministry to seek equal treatment of all passport holders from Schengen Member States;
- sent a letter to the Canadian Mission to the EU on visa requirements for Czech citizens;
- sent a letter to the Sri Lankan authorities on the new visa procedures that will be adopted as from the 1st of January 2012.

Moreover, in October 2011 the Secretariat had a meeting in Cairo with the Egyptian Authorities to discuss a strategy to re-launch the destination and restore travelers' confidence. As a result of the meeting, an extensive collaboration will be sought, to target promotional and communication activities as well as to address practical problems and issues of tour operators in Egypt.

### **9.3. Fight against the commercial sexual exploitation of children in tourism**

*Issue:* Commercial sexual exploitation of children

*Status of project and next steps:*

ECTAA continues to follow the WTO Work Task Force meetings to protect children from sexual exploitation in tourism, in order to keep track of all the initiatives carried out in this field and to inform Members accordingly. ECTAA is also monitoring a directive proposal aimed at combating sexual abuse and exploitation of children as well as child pornography.

## **10. ENLARGEMENT**

*Issue:*

While Croatia has finalized the negotiation process and will join the EU in 2013, Iceland, and Turkey are in the process of negotiating their accession to the EU. Montenegro and the Former Yugoslav Republic of Macedonia are also candidate countries to the EU, but accession negotiations have not yet started. The other countries of the Western Balkans – Albania, Bosnia and Herzegovina, Serbia and Kosovo – are potential candidate countries.

*ECTAA position / action:*

ECTAA continues to pay particular attention to the associations of the candidate countries by :

- offering them the status of Allied Member
- providing assistance in terms of the interpretation and implementation of the EU acquis and its consequences for the trade.
- attending conferences of the national associations of accession / candidate countries.



## Chapter II: The Working Programme for 2012

The working programme for 2012 will include the following (the list is indicative and not limitative):

### 1. Transport

- Revision of Regulation 261/2004 on denied boarding, cancellations and long delays
- Initiatives to reinforce passenger protection against airline bankruptcy, transparency of air ticket prices, sequential use of coupons.
- Initiatives in relation to the CRS Regulation 80/2009
- Protection of agents' commercial data (complaint against PAXIS)
- Access to fares (effectiveness of the Air Services Regulation and the CRS Regulation)
- Communication on passenger rights on all modes of transport
- Monitoring new developments in distribution models
- Border control and data transfer issues (PNR data transfer, ESTA, APIS, Secure Flight requirements, etc.)
- Initiatives in relation to Regulation 889/2002 on luggage handling
- Communication on airport package: airport capacity assessment and inventory, revision of the ground-handling Directive
- Legislative and non-legislative initiatives on smart ticketing, multi-modal scheduling, information and on-line reservations
- Rail standardization of interfaces and processes (TAP TSI implementation and 'full service model')

### 2. IATA issues

- Pursuing with the review of the Programme and safeguard of agents' interests through negotiations or other actions as required.

### 3. Consumer protection and Internal Market policies

- Review of the Package Travel Directive
- Proposal for a revised Directive on the recognition of professional qualifications
- Proposal for a revised Directive on insurance mediation
- Monitoring of the evaluation process of the implementation of the Services Directive

### 4. Fiscal matters

- Infringement proceedings concerning the margin taxation scheme - Revision of the margin taxation scheme
- Legislative proposal to revise the EU VAT system
- Revision of VAT treatment of multi-purpose vouchers

### 5. Home Affairs

- Initiatives of the European Commission in the field of protection of personal data
- Smart border: legislative proposals to set up an Entry/Exit System and a Registered Traveller Programme

### 6. Justice

- Legislative and non-legislative initiatives in the field of consular protection
- Monitoring of work of the European Commission on EU contract law
- Proposal for a legislative instrument on consular protection
- Proposal for a legislative instrument on alternative dispute resolution mechanisms
- Communication on a common European approach to collective redress
- Monitoring of the legislative procedure for adoption of the proposed Regulation on a common European sales law

- Directive proposal on the conditions at entry for seasoned employment

## **7. Industry**

- Payment Card Industry Data Security Standard (PCI DSS)
- Destination & sustainability issues

## **8. Tourism**

- Liaise with the Commission and monitor the implementation of the tourism communication
- Standards (ISO, CEN and review of ESS)
- European Tourism Quality Label

## **9. Relations with other industry partners**

- GEBTA, NET, AEA, IACA, WTAAA, IATA, etc.

## **10. Other**

- Management of the ICT platform
- Monitoring and possible participation to EU call for tenders and proposals

An extract of the Commission's working programme for 2012 is attached, including all matters / issues, which ECTAA will be actively following.