

2022

Annual Report



ECIAA

Word from the president



It is with pleasure that I introduce this annual report, having taken on the role of ECTAA president in June 2022.

With borders open and flight routes reinstated, first in Europe and finally (almost) all over the world, 2022 will be remembered as the year of the travel reboot. Travellers learned how to travel again and travel companies turned the visions for a greener, smarter and more inclusive sector into real actions.

Despite the positive results, the path to recovery is still fraught with uncertainty. The war in Ukraine, the rise of energy prices, the inflation of the costs from the suppliers and the pressure on households' budgets demonstrate that ECTAA's focus on bringing the industry back on track for recovery and improving its resilience to future shocks remains relevant.

As we all feel, 2023 will be a crucial year. Firstly, because the recovery is fragile and the way to long-term sustainable growth is uncertain in a context of permanent instability. Secondly, the current Commission has only a year to realise the very ambitious programme of the twin green and digital transition for Tourism and Travel. We ex-

pect in the months to come a set of important legislative initiatives with a strong impact on travel companies: package travel directive, sustainable and smart mobility for a modal shift, passenger rights, VAT, and data sharing...

Together with other member organisations as well as with travel and tourism stakeholders, ECTAA will continue its actions for adapted and future-proof legislative measures, as well as for a European common approach to support the tourism sector.

I invite you to look at our achievements in 2022, what is in the pipeline for our industry and where we will have to set our priorities for the next couple of years. I take this opportunity to thank ECTAA's Members for their support and collaboration and look forward to better times for our industry.



By **Frank Oostdam**,
ECTAA President

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SECTION 1

Achievements



Package Travel Directive: Fighting for fair treatment

In 2022, ECTAA was once again at the forefront of efforts to ensure that the Package Travel Directive (PTD) reflects the realities faced by our travel agent and tour operator members, and creates an environment that allows their businesses to flourish.

At ECTAA, we know that advocacy in Brussels is a marathon and not a sprint. Thus we are not only calling for amendments to the current PTD, but are also asking for a harmonised revision of passenger protection regulations, to ensure that travellers are enjoying the same rights, irrespective of the type of trip booked. To do so, we are working hard to strengthen our relationships with the policymakers and politicians that will shape an updated PTD directive in the coming years.

The stakes are high. Without robust and coordinated industry engagement, an updated PTD may restrict our members' ability to ask for pre-payment from customers which would be cataclysmic for our sector and wipe SMEs out of the package market.

As our President, Frank Oostdam, pointed out recently: "Limiting pre-payments...will deprive consumers of an essential travel product, as package travel offers a high level of protection."

In 2022, ECTAA made concrete progress in a long-term strategy aimed at ensuring that these requirements do not become a reality. We have successfully positioned the association and its national association members, as trusted partners and thought leaders in the policy debate on the PTD.

This goes beyond the typical approach of writing position papers and setting up meetings with policymakers. ECTAA is putting itself at the centre of this discussion by hosting a series of events bringing different positions on this topic together. In 2022 we hosted three of these events, thereby creating a robust platform that allows us to advance our arguments that any future regulations need to protect the interests of travel agents and tour operators.

At a recent event on this topic: MEP Istvan Ujhelyi said: “ECTAA is one of the most active partners in the Brussels Bubble, and members can rest assured that it is strongly making its case on their behalf and the issues that are most relevant to them.”

Of course, building up this platform is only one step in the programme. In 2023 we aim to more actively include ECTAA members, as ambassadors of the travel agent and tour operator industry.

“

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MEP Istvan Ujhelyi

“

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Frank Oostdam,
ECTAA President



A close-up photograph of a person's hand holding a small, white, four-engine model airplane. The hand is positioned over a blurred background that appears to be a map or a travel brochure. The lighting is soft, highlighting the details of the model plane and the texture of the skin.

Multi-Model Transport: Positioning travel and tour operators as the facilitators of a sustainable travel future

The European Commission continues to work on a regulation that aims to integrate public and rail travel to achieve seamless multi-modal passenger transport (Multimodal Digital Mobility Services initiative). In this context, ECTAA is positioning travel agents and tour operators as key facilitators of sustainable transport and THE modal shift enabler.

ECTAA is dedicated to ensuring that everyone has fair access to information about different types of transportation. We want to make sure that the new legislation doesn't put any group of companies at an unfair disadvantage. Transportation information must be clear, easy to find and used on non-discriminatory and fair terms.

ECTAA wants to make sure that all types of transportation, including air travel, are included in the new Multimodal Digital Mobility Services initiative. They want European decision-makers to create clear rules that guarantee that all transportation information is presented neutrally, just like the current rules for computer reservation systems.

This advocacy work is dedicated to ensuring that the new rules create a fair environment for companies of all sizes and market power to sell transport services. This will help promote the use of multiple types of transportation and create new business opportunities in the long term.



ECTAA facilitates sustainability training and certification for 629 travel companies

There is huge potential for travel agents and tour operators to become drivers of sustainable travel. To make this concrete, seven partners, notably ECEAT and Futouris as well as five associations of travel agents and tour operators at European and national levels: ECTAA (Europe), ANVR (NL), SMAL (FI), APAVT (PT) and UHPA (HR), decided to join forces around the SUSTOUR project, which helps SMEs improve their sustainability performance.

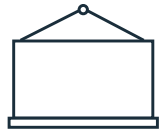
Thanks to this project, 629 tour operator and travel agent SMEs are participating in a mix of innovative online trainings, multi-



day classroom trainings, intensive coaching (group and individual) as well as peer-to-peer learning – all provided and guided by selected sustainable tourism experts. These companies can choose to receive support towards Travelife certification or improve their sustainability performance in certain areas, such as plastic, carbon and supply-chain management or certification of their shore excursion products.



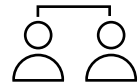
**Online
trainings**



**Multi-day
classroom trainings**



Intensive coaching
(group and individual)



**Peer-to-peer
learning**

The SME support programme has been rolled out in August 2022 and will run until June 2023. Several tools have been developed and will soon be available, such as a plastic management toolkit for the industry and the update of the carbon calculator for trips, CARMACAL.





VAT for travel agents – reform now well underway!

The VAT scheme for travel agents is a measure to simplify trade for travel agents, but it is outdated. The European Commission has finally decided to start a reform process, with an evaluation of the current scheme in 2021 and a study on the economic impact of reform options in 2022, to which ECTAA and its members participated. For the first time, the Commission is considering an extensive set of reform options that ECTAA has been calling on for many years.

These options include among others:

- Changing the scope of TOMS, including a possible opt-out for business to business (B2B) supplies, to avoid non-recoverable input VAT for travel agents' customers;
- Clarifying concepts such as the difference between agents and principals, the definition of travel facilities, and the supply of single services;
- Changing the place of supply to level the playing field between EU and non-EU operators, since the latter are currently out of VAT scope and thus enjoy a competitive advantage;
- Allowing a global margin calculation rather than the mandatory and hugely complex transaction-by-transaction calculation.

Code of Conduct on Tourism Data Sharing

ECTAA has recently set an objective to become a key stakeholder in the digital dimension of the travel industry, to ensure that the interests of travel agents are taken into consideration in the digital tourism agenda of the European Commission. As the European tourism data space is being developed, a drafting committee led by ECTAA has created a Code of Conduct at the EU level. This code will serve as a framework for the voluntary sharing of non-personal data in the travel sector.

The goal of the Code of Conduct is to guide stakeholders to build valuable data-sharing relationships in tourism while fostering trust. This non-binding document includes general principles for the use and sharing of data in the travel sector, as well as relevant definitions and user-friendly case studies. The official release of this document is planned for the first semester of 2023.





SECTION 2

Organisational Developments



ECTAA announces Frank Oostdam as new President

At a semi-annual meeting held on June 9th and 10th in Nicosia, Frank Oostdam, President of the Dutch Association of Travel Agents and Tour Operators (ANVR) was elected as the new President for a 2-year term. Heli Mäki-Fränki from Finland was elected as Vice-President, Marios Kammenos from Greece was re-elected as Treasurer. The outgoing president Pawel Niewiadomski was thanked by ECTAA Members for his dedication and accomplishments during the COVID-19 pandemic.



Frank Oostdam



Meetings in 2022

31 March 2022

SUSTOUR webinar on call for SME applications, online

6 April 2022

ETOA webinar on carbon footprint reduction with SUSTOUR contribution, online

26 April 2022

SUSTOUR webinar on call for SME applications, online

28 April 2022

ECTAA-EUTT hybrid Workshop "Package Travel Directive: how to make it fit for today's travel?" in Brussels

13 May 2022

EGFATT-ECTAA Workshop on "Insolvency Protection" in Brussels

3, 4, 5 and 12 May 2022

ECTAA-GNTO Webinars "#all I want is Greece", online

9 June 2022

Sustainable tourism roundtable & break-out sessions: The role of national associations to promote sustainable tourism and business practices of associations, in Nicosia

9 and 10 June 2022

ECTAA 124th semi-annual meeting, Nicosia

16 September 2022

ECTAA Executive Board meeting, Chania

4 October 2022

ECTAA Sustainability and Payment Panel Discussions, World Aviation Festival, Amsterdam



25 October 2022

ECTAA Air Matters, Legal and Tourism Committees, Brussels

SUSTOUR Project Partner meeting, Brussels

ECTAA-DRV panel discussion "Package Travel Directive & COVID: Useful lessons for the current uncertain times", Brussels

8 November 2022

SUSTOUR presentation at WTM, London

10-11 November 2022

SUSTOUR Study Tour, Amersfoort – Amsterdam

24 and 25 November 2022

ECTAA 125th semi-annual meeting, Thessaloniki

15 December 2022

ECTAA-GNTO Webinar "Winter in Greece", online

3 Online sessions of the Legal Committee

2 online sessions of the PTD stakeholders group

2 online sessions of the Air Matters Committee

3 online sessions of the Air Passengers stakeholders group

3 online sessions of the Sustainability Committee

3 online sessions of the Tourism Committee

8 online sessions of the Fiscal Committee

6 online sessions of the Executive Board





Preferred Destination

2022 has been an amazing year for Greek tourism: Greece is on track to yield record-high revenues of €20 billion this year, exceeding pre-pandemic levels. Branded and alternative destinations, islands and mainland, and summer and off-peak seasons all attracted travellers this year. The dedicated and professional work of Greek travel companies ensured that the country kept its status of a high-quality, safe and well-prepared destination.

Thanks to the preferred destination agreement, ECTAA actively promoted Greece among more than 70.000 travel agents and tour operators across Europe. ECTAA members praised the highlight on the actions of the Greek government to expand sustainable tourism offer, the light shed on the diversity of travel and tourism products that the country offers as well as the final event showing that Greece has a winter too.

With the support of the Greek National Tourism Organisation and FedHATTA, ECTAA held successful conferences in Chania & Thessaloniki: two opportunities for the national delegates of ECTAA to experience Greece at its best: attractive and sustainable. Moreover, ECTAA joined forces with WTAAA, the global organisation representing the travel agency community, and organised in Athens the first in-person meeting of this association since the start of the pandemic, with delegates coming from 5 continents.



SECTION 3

2023 Priorities



Our priorities for 2023

Package Travel Directive

2023 will be another key year for package travel as the proposal for a revision of the Package Travel Directive will be issued in July at the latest. Following intensive consultations in 2022, the Commission is supposed to address the main issues raised by the travel industry and consumer associations. It should in particular develop and elaborate a solution to adapt insolvency protection rules on airlines, limitation of prepayments, B2B refunds, scope, definition of package and linked travel arrangements. ECTAA has already been particularly involved in the consultation process and will keep on working to ensure that the revised draft does not impose disproportionate obligations on companies.

Better passenger protection

In parallel, the Commission intends to review the passenger rights regulatory framework (all modes), to ensure its resilience to extensive travel disruptions. It will assess the options and propose, if appropriate, an adequate financial protection scheme to protect passengers against the risk of a liquidity crisis or insolvency regarding the reimbursement of tickets and if needed, their repatriation. ECTAA will focus on the air passenger rights legislation, where the priority will be to ensure proper B2B refunds, notification of operational disruptions by travel agents and airline insolvency protection. ECTAA will try to ensure that these provisions are aligned with the provisions of the Package Travel Directive.

Air distribution

The European Commission is working on a revision of the Air Services Regulation and the CRS Code of Conduct. This has been in the pipeline for some time, but the Commission would like to incorporate the lessons learned from the Covid-19 crisis and review this against the background of the development of multimodal digital mobility services (MDMS). The CRS Code of Conduct will be repealed and certain aspects included in the MDMS initiative. ECTAA's priority will be to ensure that this legislation takes into account the market developments, among other airlines' addition of surcharges, removal of content from the regulated neutral marketplace (GDS), different rules for GDSs and other players (airlines' own sales channels, aggregators, etc.), which could jeopardise transparency, neutral display and choice for the consumer.

Multimodal transport

The European Commission plans to present a proposal for a Regulation by summer 2023 which will aim to better integrate public transport and rail services and achieve seamless multimodal passenger transport. This initiative will tackle several issues of relevance for travel agents and tour operators, such as clarifying conditions for combining and re-selling mobility products, access to data, including real-time information to passengers, preventing self-preferencing and favouring neutral display. ECTAA's priority will be to ensure a functioning and neutral marketplace that provides transparency and choice for all transport modes. It is therefore important to include air travel in the multimodal framework.



Special VAT scheme for travel agents

Together with other industry stakeholders, ECTAA will continue to push for a thorough revision of the special scheme, in order to obtain a B2B opt-out, a global margin calculation and level the playing field between EU and non-EU travel operators.

Sustainability

ECTAA's priority will be to successfully complete the EU-COSME funded SUSTOUR project. Focus will be on helping the 629 selected SMEs reach their target of sustainability certification or implementation of new tools that have been developed to help them improve their supply-chain, carbon and/or plastic management.

In parallel, after an initial period dedicated to the collection of information and best practices, ECTAA will implement a Climate Action Plan as it committed to do when signing the Glasgow Declaration.

Data

As part of the European data strategy, the European Union is creating a single market for data that will allow it to flow freely within the EU and across sectors for the benefit of businesses, researchers and public administrations. The Data Space for Tourism (DSFT), which is the part of this marketplace focused on tourism, will be launched in 2023 and ECTAA will actively monitor developments as the initiative aims to enable all European tourism stakeholders to share and access relevant data.

In parallel, ECTAA, as chair of the drafting committee, will bring to a conclusion the work initiated of a Code of Conduct (CoC) for data sharing in the tourism sector. This CoC serves as a governance framework for the voluntary sharing of non-personal data in the sector. The goal of the CoC is to provide general guidance to the stakeholders to create valuable data-sharing relationships in tourism while building trust.



Cooperation with stakeholders

ECTAA will continue its efforts towards improved cooperation with other stakeholders. The travel and tourism industry is a very fragmented industry with many different stakeholders obliging all travel and tourism stakeholder associations to deepen the collaboration with each other to speak with one voice to be heard. Considering the forthcoming legislative developments, this cooperation will remain crucial and ECTAA will initiate or contribute to joint actions.

There will also be an additional focus on common activities with organisations with which ECTAA is already working closely. The aim is to benefit from synergies and develop joint actions or new services for the mutual benefit of our respective Members.

The following is a list of issues to be addressed in 2023 (not exhaustive):

SUSTAINABILITY - EUROPEAN GREEN DEAL	<ul style="list-style-type: none">• Implementation of the Sustainable and Smart Mobility Strategy• Empowering the consumer for the green transition• Implementation of the SUSTOUR project• Implementation of the Glasgow Declaration
DIGITAL SERVICES	<ul style="list-style-type: none">• Short-Term Rental Initiative
CONSUMER PROTECTION	<ul style="list-style-type: none">• Review of the Package Travel Directive• Revision of Passenger Rights Framework
TRANSPORT	<ul style="list-style-type: none">• Revision of the Air Services Regulation• Revision of the CRS Code of Conduct• Revision of Passenger Rights Framework• Protection against airline insolvency• Multimodal Digital Mobility Services• Rail ticketing initiative

TOURISM

- Implementation of the Tourism Pathway
- Tourism Agenda 2030
- Pact for Skills in Tourism

VAT

- Review of the special VAT scheme for travel agents
- Single VAT Registration & platform rules

HOME AFFAIRS

- Review of the Passenger Name Record (PNR) Directive

DATA

- Code of Conduct for Data Sharing in Tourism
- Set-up of a European Data Space

IATA

- ECTAA complaint against IATA - Review of the Passenger Agency Programme
- Monitoring the implementation of an airline risk management network
- Participation in PAPGJC and PAConf
- Monitoring the implementation of New Gen ISS and NDC

DESTINATION MATTERS

- Destination issues, such as health and safety, travel restrictions, taxes and fees, etc.



Thank you to our members for your unwavering support

Let's shape the future of travel together

FULL MEMBERS



INTERNATIONAL MEMBERS



ALLIED MEMBERS

