

..in five minutes..

October - December 2014

With only 2 weeks to go to the end of the year it is opportune to reflect on what 2014 held for the travel and tourism industry at EU level. 2014 has certainly been a critical year for travel agents and tour operators, with the legislators reviewing a number of legislative proposals that will have a major impact on travel businesses, such as the revision of the package travel Directive (PTD) and air passenger rights legislation (APR) as well as the Directive on insurance mediation (IMD). We are pleased to see that the Council has agreed to continue excluding the mediation of travel insurance from the IMD scope, but there are concerns in respect of the APR proposal, which is currently blocked in Council because of an unrelated issue, and the PTD proposal, which may fail to reach the objectives set out by the revision, notably to ensure a high level of consumer protection for packages and other combined travel services and a level playing field between operators. On the IATA front, there are a number of projects under way that may fundamentally change the distribution of air tickets and ancillaries (NDC) and agents' conditions to sell those (NewGen ISS). So for 2015 we must continue working together on the above matters to ensure a fair and proportionate legislative environment for travel agents and tour operators as well as an open and transparent air distribution landscape. With this **we wish you a merry Christmas and a happy and healthy 2015!**

Christina Russe

Institutional: New Commissioners and priorities of the European Commission

The new College of 27 Commissioners, presided by Jean-Claude Juncker, has taken up office in November. One of the priorities of the new Commission is the creation of jobs, growth, investment and competitiveness. The working programme 2015 contains a mere 23 initiatives, but includes, among other, the development of a clear competitiveness oriented strategy for EU aviation.

For more details, please see e-mails sent on 24 October and 2 December or see [composition of new Commission](#)

Consumer protection: Council settles on a general approach on the package travel proposal

The last 3 months have been extremely busy with the Italian Council Presidency presenting new ideas of possible amendments to the package travel Directive proposal. Despite an EU wide call for postponing its adoption, the Council voted in favor of a general approach which will enable the next Council Presidency (Latvia) to start negotiations with the European Parliament in view of a final adoption by mid-2015.

For more details, please see e-mails sent on 2, 15, 28, 30 October, 7, 12, 17, 24 November, 1, 9, 12 December 2014 or consult the [Presidency compromise text for a general approach](#)

Insurance mediation: Council agrees to take out travel insurance mediation from scope

On 5 November, the Council has reached a common position on the revision of the insurance mediation Directive, which would firstly (i) exclude the mediation of travel insurance from the scope of the Directive and (ii) increase the financial threshold, above which an insurance intermediary would have to comply with the obligations laid down in the Directive, from 300€ to 400€. The Council will shortly start negotiations with the European Parliament to reach a common position.

For more details, please see e-mails sent on 2, 17 October and 12 November 2014

IATA: Presentation on New Gen ISS at ECTAA meeting

IATA made a presentation on the New Generation of IATA Settlement Systems (NewGen ISS), which aims at (i) improving airlines' cash flow management, (ii) increasing protection of monies, (iii) lower

the cost for participants and simplify processes and (iv) offering new payment methods and a choice of accreditation models. ECTAA will be reviewing the NewGen ISS in more detail in 2015.

For more details, please see e-mail sent on 8 December 2014

IATA: How can the New Distribution Capability XML standard benefit travel agents?

IATA and a number of WTAAA travel agents' associations, including ASTA, have agreed to undertake a study to assess the impact of NDC on travel agents from a business, technology and commercial perspective. ECTAA is considering a similar study but independent from IATA, which would not only cover the technical aspects of NDC but also the legal ramifications of EU legislation.

For more details, please see e-mail sent on 12 December 2014

IATA: Art.29 Working Party's warning on NDC

Following the Article 29 Working Party hearing on NDC of 15 May 2014, the WP29 decided not to adopt a formal opinion on NDC at this stage and wait how this initiative will develop. However, the WP29 recognized that considerations made on possible impacts on privacy and data protection principles remain valid and should be taken into consideration in future developments of the project.

For more details, please see e-mails sent on 1 and 10 October 2014

IATA: Results of PaConf/37 in San Diego

PaConf adopted the much awaited Minor Error Policy, applicable to non-administrative issues, which will be effective as from 1 January 2015. The ECTAA/WTAAA proposal to amend Resolution 820 on the Travel Agency Commissioner review was unanimously adopted, however our proposal to enable use of credit cards by travel agents was rejected.

Two important measures were adopted regarding agency risk management and will come into force as from 1 January 2015: (i) The Agency Administrator will have the right to request an immediate accounting and settlement of monies due and require the agent to restrict its ticketing to credit card sales; (ii) Airlines could notify the Agency Administrator of irregular activity of an agent, including violation of the reservation and ticketing rules and the Agency Administrator could act upon that information to withdraw ticketing authority.

For more details, please see e-mails sent on 31 October, 10 November and 11 December 2014

IATA: IATA airlines offer rescue fares for stranded passengers

On 25 November IATA announced an agreement among its member airlines flying to, from and within Europe to help passengers affected by airline bankruptcy. Passengers will be provided access to discounted transport to return home, subject to available capacity. This falls short of a real protection granting all passengers either refund or repatriation in case of an airline bankruptcy.

For more details, please see e-mail sent on 25 November 2014 or consult IATA [press release](#)

Data protection: EU-Canada PNR Agreement referred to the EU Court of Justice

The European Parliament is seeking the Court's opinion on whether the agreement is in line with the EU treaties and Charter of Fundamental Rights. The decision was taken following a critical opinion issued by the European Data Protection Supervisor on the proportionality of PNR schemes, bulk transfer of data and the choice of a legal basis for the agreement. The PNR agreement was signed by the EU and Canada on 25 June 2014, but needs Parliament's consent to enter into force.

For more details, please see e-mails sent on 21 and 25 November or consult [EP press release](#)

Air transport: European Court of Justice to decide on 'screen scrapping'

A preliminary question was lodged to the European Court of Justice to verify whether the scope of the Database Directive covers databases that are not protected by copyright provisions and whether the freedom to use such databases cannot be restricted contractually. The Court ruling is expected in January 2015 and should settle the question whether travel agents are allowed to use Ryanair's data for fare comparisons and allow customers to make bookings through the travel agent's website.

For more details, please see e-mail sent on 16 December 2014

Competition: Collective redress in case of antitrust cases

On 21 October, the European Parliament adopted the text agreed with the Council on a Directive on rules governing actions for damages under national law for infringements of the competition law. The latter will help citizens and companies claim damages, if they are victims of infringements of EU antitrust rules, such as cartels and abuses of dominant market positions. This Directive could be relevant for travel agents, as they may directly claim damages for antitrust infringements.

For more details, please see e-mails sent on 28 October and 10 November 2014

Competition: Antitrust investigations into Booking.com's commitment

On 15 December the EU Commission announced the launch of market tests in antitrust investigations by the French, Swedish and Italian competition authorities in the online hotel booking sector. The aim is to see whether Booking.com's commitment to abandon the parity requirement in respect of prices which the hotel makes available to other OTAs is being respected.

For more details, please see e-mail sent on 16 December 2014

Competition: Green light for joint acquisition of New Alitalia by Alitalia and Ethiad Airways

The approval is conditional upon Alitalia and Etihad's commitment to, in particular, release slots to a new entrant at the airports of Rome Fiumicino and Belgrade. Alitalia CAI and Air Serbia, which is jointly controlled by Etihad, are the only carriers offering direct flights on the Rome-Belgrade route. The Commission had concerns that the monopoly created by the transaction on the Rome-Belgrade route could lead to higher prices and a loss of service quality for passengers.

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

Air transport: Updated EU blacklist now includes all airlines from Libya

The Commission has updated the Community blacklist of unsafe airlines, which came into effect on 13 December 2014. The updated EU list includes all airlines certified in 21 states, including now Libya, as well as two individual airlines, for an overall total of 310 airlines. It also includes 10 airlines which are subject to operational restrictions.

For more details, please see e-mail sent on 12 December 2014 or consult the [EU blacklist](#)

Data protection: Member States want PNR data to combat terrorism threat

Increasingly Member States are calling for the adoption of a Directive on the transfer and processing of European PNR in the context of the growing terrorism threat. A proposal has been presented in 2011 but is blocked in European Parliament since 2013. Airlines would like to avoid proliferation of national PNR systems in Europe. The European Parliament on the other would like to see the adoption of a new data protection framework before tackling a European PNR Directive.

For more details, please see e-mails sent on 10 and 24 October, 17 November and 8 December 2014

Data protection: Council agrees to limit burdens for SMEs in the context of data protection

During the summer ECTAA reiterated its concerns about the obligation for SMEs to designate a data protection officer. On 9 October the Council agreed that SMEs should be exempted from the obligation to assign a data protection officer and that administrative burdens should be limited so as to reach a good balance between protecting personal data and safeguarding the freedom of entrepreneurship (the so-called 'Risk-based approach').

For more details, please see e-mail sent on 28 October

Taxation: Industry calls for the revision of the VAT scheme for travel agents

ECTAA and GEBTA are calling on the European Commission to present a new proposal to revise the special VAT scheme for travel agents, short 'TOMS'. They have submitted a comprehensive

document outlining the shortcomings inherent in the current scheme and how these shortcomings could be overcome. The Commission is aware of the problems and is working on a new proposal.

For more details, please see e-mails sent on 20 October, 6 November and 12 December 2014

Consumer protection: More harmonization of safety rules in hotels required across Europe

That is what ECTAA responded to the Green Paper on the safety of services in hotels. Tour operators are liable under the package travel Directive and have thus an obligation to check and ensure the safety of their customers in hotels. This is time-consuming and costly, due to the diverging safety requirements across Europe. The Green Paper should help the Commission decide on further steps.

For more details, please see e-mail sent on 18 and 25 November 2014 or consult [Green Paper](#)

Tourism: Commission is preparing the European Tourism Strategy for 2015-2020

The results of the two consultations launched in December 2013, notably on future of European tourism and regulatory framework affecting tourism, will be used to prepare the next Commission Communication on the European Tourism Strategy for 2015-2020. Priority areas are ICT in tourism, review of regulatory framework, quality of tourism and European destination branding.

For more details, please see e-mail sent on 22 October and 7 November 2014

Standardization: ECTAA says NO to proposed standard for cruise services

ECTAA has written to ISO that the industry is not in favor of developing a standard for cruise services, as proposed by ANEC, the European Association for the Co-ordination of Consumer Representation in Standardisation. If this proposal goes ahead, Members will be invited to oppose this new work item.

For more details, please see e-mail sent on 24 October 2014

Immigration: Revision of visa code still painfully slow

The discussions on Regulation proposal revising the visa code are progressing very slowly and Member States express reservations on most of the improvements proposed by the Commission. There are more positive developments on visa facilitation for China and progress towards visa liberalization for a number of countries.

For more details, please see e-mail sent on 29 October 2014

Rail transport: ECTAA continues participation to the developments of a rail distribution standard

ECTAA is continuing to contribute to the industry initiative 'Full Service Model', the objective of which is to develop an open IT framework for the distribution of rail products and the development of capabilities to sell single and multi-carrier offers in a standardized way. Interested travel agents are welcome to join the initiative.

For more details, please see e-mail sent on 4 December 2014

Other News in Brief

- [Call for proposal: Facilitating EU transnational tourism flows for seniors and young people in the low and medium seasons](#), deadline 15 January 2015
- [The Guide on Funding Opportunities for the Tourism Sector](#)
- [International tourism trends in EU-28 member states - Current situation and forecasts for 2020-2025-2030](#)
- [EU Virtual Tourism Observatory](#)

Calendar of ECTAA meetings

27 January 2015	Joint Air Matters & Technology Working Group, Brussels
11 February 2015	Fiscal Committee, Brussels (date to be confirmed)

Date tba
April- date tba
21-22 May 2015

Joint Legal Committee & Tour Operators Committee, Brussels
Destination, Incoming Tourism & Sustainability Committee, Brussels
ECTAA semi-annual meeting, Budva, Montenegro

EU consultations

- [Public consultation on the review on the Working Time Directive \(Directive 2003/88/EC\)](#), deadline 15 March 2015