

EU policy priorities and actions related to digital tourism

UNWTO Seminar on New Business Models: Disruption and Opportunities



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Economic Importance of Tourism

- **EU = Nr 1 destination of the world** – 478.3 million international tourist arrivals (2015)
- **The 3rd largest economic activity in the EU** (after distribution and construction)
- **Dominated by SMEs** (>90% = 3.4 million)
- **Direct and indirect contribution:**
 - **9.7% of EU GDP**
 - **24 million jobs** (10 % of the total labour force)
 - **20%** of the employees in the sector are **aged below 25**
- **Spill-over effects:** agro-food, transport, construction, retail, culture, design, etc.

Challenges for European tourism

Administrative **obstacles** to businesses, lack of awareness of **funding opportunities**

Increased **competition** from destinations in emerging countries

Lack of ICT uptake, keeping up with **digitalisation**

Improving **quality of tourism jobs**, **appropriate skills development**





Legal and Policy Framework

Lisbon Treaty Art. 195

Complement, support and coordinate the action of the Member States

Creating a favorable environment
Cooperation and exchange of good practice

No harmonisation of the measures of the MS



Communication COM(2010)352

« Europe, the world's No 1 tourist destination - a new political framework for tourism in Europe »

Stimulating competitiveness

Promoting the development of a sustainable, responsible, and high quality tourism

Consolidating image and profile of Europe

Maximising the potential of EU policies and financial instruments for developing tourism



EU Tourism Policy Priorities

- **Improving the business environment – attracting new investment in tourism**
- **Joint promotion of Europe as a destination**
- **Digitalisation – new business models**
- **Skills and competences**

Digitalisation of tourism SMEs

- Need to follow market trends and enable the development of new innovative business models
- Capitalising on the **Digital Single Market Package and the Single Market Strategy**

Tourism Business Portal – update and optimisation of content

Webinars – e-skills and online marketing skills

Informal Digital Tourism Network – challenges and opportunities of digitalisation

Collaborative Economy

High
Performing

Denmark
Sweden
Netherlands

Fast
Improving

Hungary: +10%
Czech Republic: +9%

Low

Bulgaria
Romania

Collaborative Economy: Trends

Available evidence suggests: growing in some markets, but overall still small

Key sectors: transport, accommodation, finance, on-line staffing including professional services, education

Consumers: younger, more urban, more internet literate/enabled than average consumers

Lack of reliable statistical data

Stakeholder Views: Public Consultation

- **Regulatory uncertainty** over the rights and obligations of users and providers
- **Regulatory obstacles**
- **Collaborative economy service providers, platforms & public authorities:** need guidance and information on application of existing rules
- **'Traditional' service providers:** need new rules for the collaborative economy
- **Consumers:** platforms provide sufficient information on service providers & consumer rights

Stakeholder Views: Market Feedback

What is missing for collaborative economy to develop faster?

- **Supportive regulatory environment & regulatory clarity**
- **Differentiation of policy makers btw types of collaborative economy business models**
- **Openness / understanding in public administrations**

Single Market Fragmentation

Accommodation sector

Short-time lettings not subject to regulatory requirements if under specific threshold (NL, FR, UK) versus prior authorization/licensing requirements at times impossible to obtain (DE, ES)

Transport sector

Adapting transport-specific legislation to new business models (UK) versus bans on online platforms acting in the passenger transport services (DE, FR, ES, PT, IT)

Single Market Strategy

"The Commission will develop a European agenda for the collaborative economy, including guidance on how existing EU law applies to collaborative economy business models. It will assess possible regulatory gaps and monitor the development of the collaborative economy."

Key Regulatory Questions

Definitions of the various actors and their roles

Authorizations and licensing requirements

Rights of service recipients & information obligations; liability

Taxation issues

Employment rules

Conclusion

Considerable potential of collaborative economy:

- increase competition;
- promote entrepreneurship;
- more flexible work arrangements.

And a number of issues to be addressed:

- regulatory uncertainty
- allegations of unfair regulatory advantages
- concerns over protection of users, fiscal impact & impact on employment standards



Major tourism events 2016

European Tourism Forum, Slovakia, 10-11 October 2016
European Tourism Day, Brussels, Q4 2016



Contact details

**European Commission,
Tourism website:**

http://ec.europa.eu/growth/sectors/tourism/index_en.htm



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Thank you