EUROPEAN COMMISSION
ENTERPRISE AND INDUSTRY DIRECTORATE-GENERAL

Service Industries
Tourism and Cultural Instruments

19/09/2014

RESULTS OF THE PUBLIC CONSULTATION

"EUROPEAN TOURISM OF THE FUTURE"

Disclaimer:

This paper should be regarded solely as a summary of the contributions made by stakeholders to DG Enterprise and Industry public consultation. It cannot in any circumstances be regarded as the official position of the Commission and its services.

Contents

1. ANALYSIS OF THE RESPONDENTS

The consultation on the future of European tourism was carried out between 06 December 2013 and 21 March 2014. The main objectives of this consultation were twofold: better identify the key present and future challenges and opportunities for the European tourism industry and to help revising, if necessary, the Action Plan for the sector put forward by the European Commission in 2010. The consultation was mainly targeting tourism-related businesses, business associations, trade unions, public authorities at all levels, as well as (members of) academic institution, think tanks and NGOs.

The questionnaire was divided into 3 parts. The first set of questions asked for respondent information, the second part was looking to assess the challenges and opportunities encountered by the respondents in their activity whereas the third section was looking to collect information about the possible priorities for the future EU policy and actions. Responders provided their preferences through weighting the potential answers depending of theirs importance.

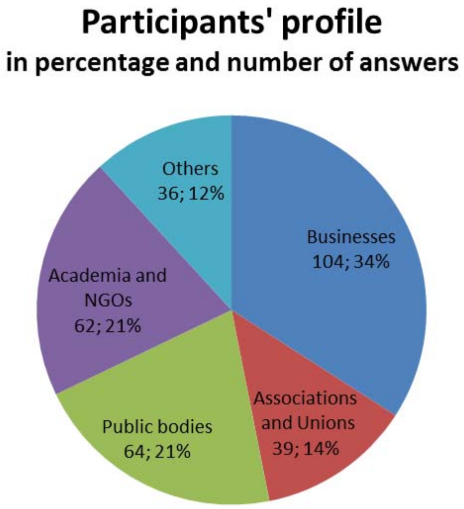
The consultation received altogether 305 responses, the majority of which was submitted online, while about 10 of them were sent in by email.

This note presents the analysis of the European Commission services of the replies submitted to the consultation. It is based both on the position papers received and the replies to the online questionnaire, both closed questions and open-ended questions where respondents who chose "Others" were asked to be more specific. The note draws the main findings and individual comments and proposals are not necessarily included in this document. They will nevertheless be given full consideration by the Commission in further reflections and discussions with stakeholders.

Besides filling the online form, several respondents sent also by email position papers which reflect their own views about different issues pertaining to the tourism sector without necessary following the structure of the topics shortlisted in the questionnaire of the survey. These views expressed in the consultation may be contrary to the objective that various policies may aim to achieve and they are cited in the analysis below (italics font in boxes), in order to preserve the authenticity of the input.

1.1. Respondents' profile

The respondents' profile fall into 5 categories: Businesses - Public bodies - Academia and NGOs - Professional associations and Unions, and Others with the following share of participation



Businesses make up for the most numerous respondents (34%) followed by the public bodies and the representatives of academia and NGOs with 21% each, business associations 14% and others 10%.

Businesses – 105 participants (34%)

Among businesses, SMEs make up for the vast majority (98; 96%) of participant companies due mainly to the fact that they represent more than 95% of businesses in tourism industry. 12 large companies represented 4% of respondents.

Public bodies – 64 participants (21%)

Since many countries carry out tourism policies, promotion and marketing at regional and local level, the respective public administrations in charge with tourism have shown the most interest (81%), national bodies make up of 19% whereas multinational or European body are not represented

Academia and NGOs - 62 participants (21%)

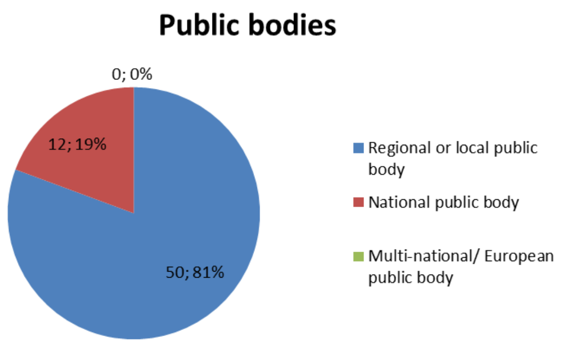
NGOs representing consumers or a specific interest group indirectly related to tourism (e.g. disabled people, mountain municipalities, environmentalists) recorded 73% of answers in this group whereas universities and research institutes make up for the rest 27%.

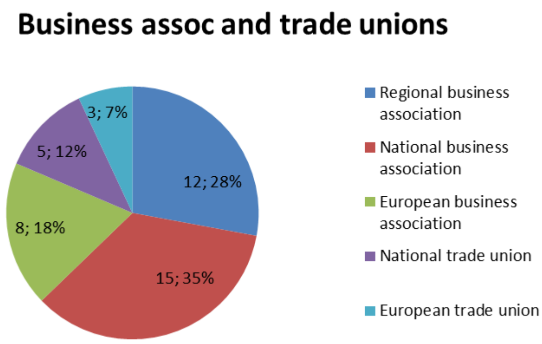
Business Associations and Trade Unions – 39 participants (14%)

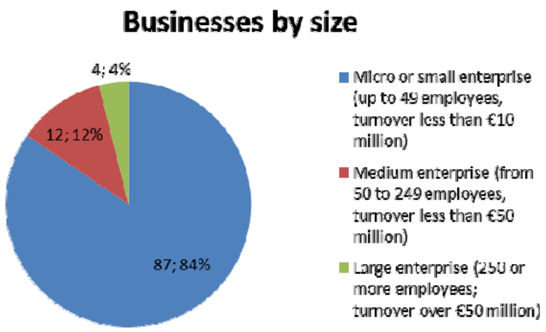
Business associations have a relative low representation (14%) explainable on one hand by the existence of a significantly less number of such entities in comparison with those from previous categories and on the other hand by the low level of unionisation of employees in tourism.

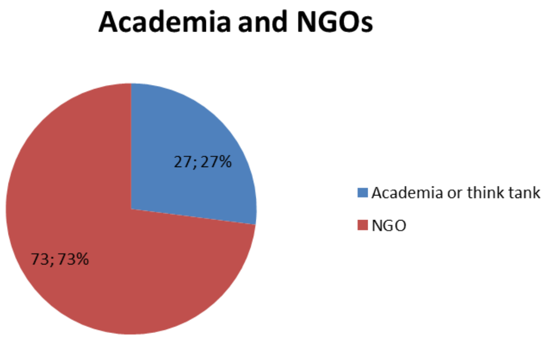
Others - 36 participants (12%)

This category made up just above 12% of all responses and encompassed mostly individuals (such as tourist guides, freelance consultants) or other type of respondents not identifying themselves among the profiles available in the questionnaire.





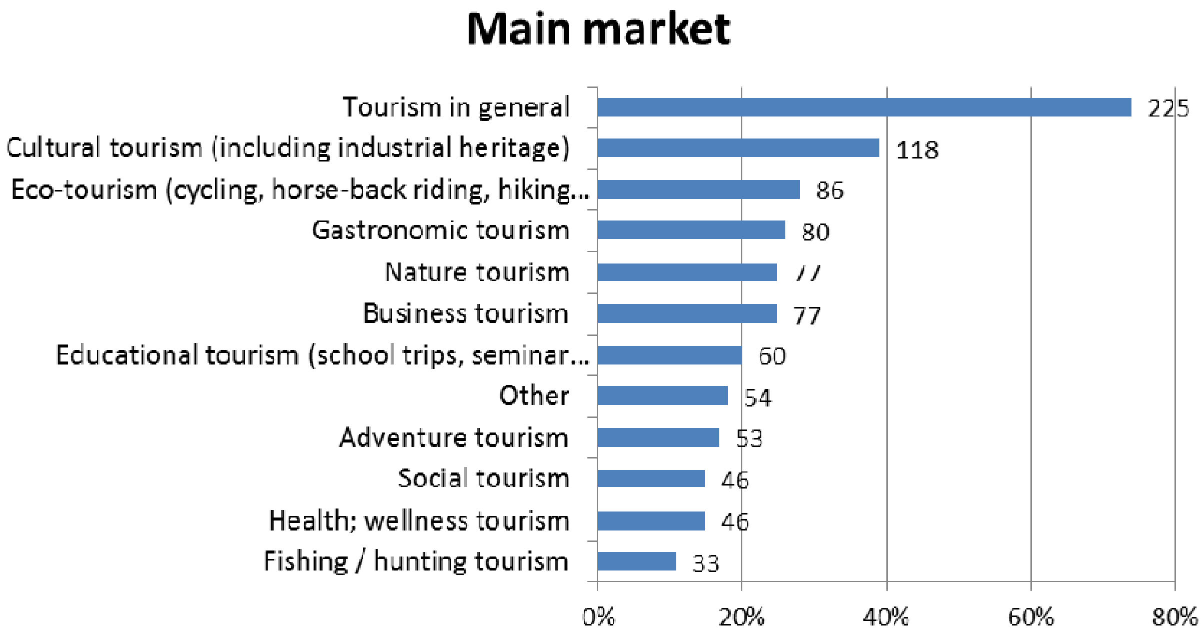




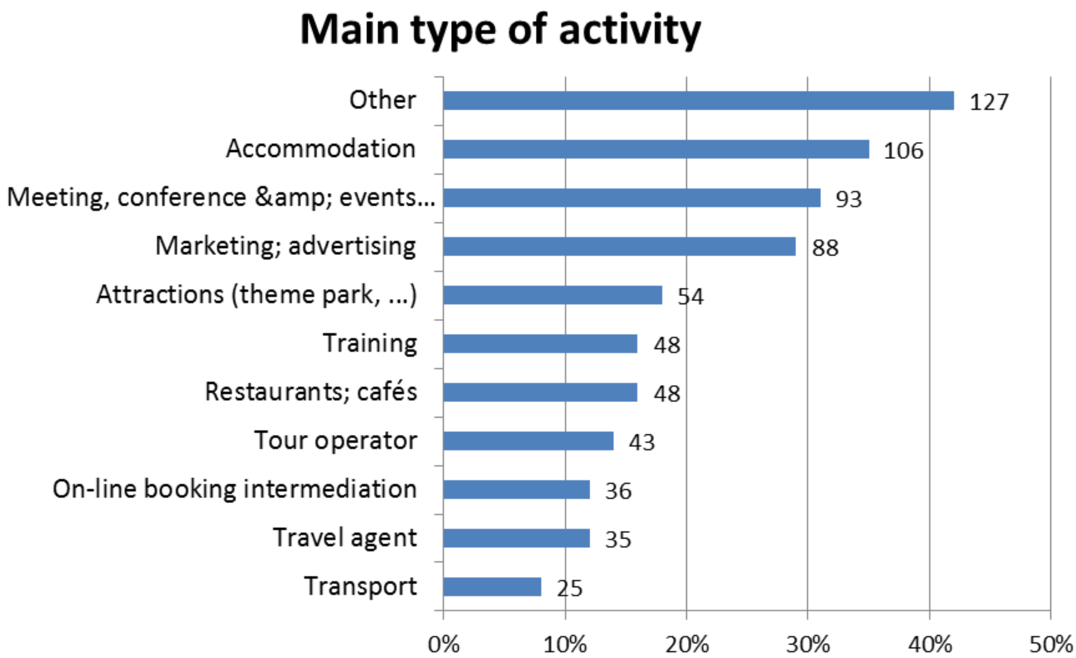
1.2. Respondents' activity

When asked about the market where they are mainly active more than 70% of total respondents consider that they are active in tourism in general. Further down the respondents active in cultural tourism (39%), eco-tourism (28%) gastronomic tourism (26%) are the most numerous whereas respondents from adventure, social tourism, wellness tourism, fishing/hunting are less represented (as the question was a multiple choice type, most respondents selected more than one category to characterise their marketed products).

By specifying the main type of activity one can identify the respondents' position in the tourism sector value chain. Hence the respondents from accommodation (35%), MICE (31%), marketing & promotion agencies - representing tourism offices, NGO, think tanks (29%) - are the most numerous whilst travel agents, on line booking companies, and transporters recorded a lower participation in survey. It is worth pointing out that besides the selection of categories offered by the questionnaire an important share of respondents (42%) has selected also "Others" for characterising their activity (as the question was a multiple choice type, many respondents selected more than one category to characterise their sector of activity). The following two graphs show the number of respondents in absolute figures and percentages relative to these typologies



Main market
Tourism in general 225
Cultural tourism (including industrial heritage) 118
Eco-tourism (cycling, horse-back riding, hiking… 86
Gastronomic tourism 80
Nature tourism 77
Business tourism 77
Educational tourism (school trips, seminar… 60
Other 54
Adventure tourism 53
Social tourism 46
Health; wellness tourism 46
Fishing / hunting tourism 33
0% 20% 40% 60% 80%



Main type of activity
Other 127
Accommodation 106
Meeting, conference & events… 93
Marketing; advertising 88
Attractions (theme park, ...) 54
Training 48
Restaurants; cafés 48
Tour operator 43
On-line booking intermediation 36
Travel agent 35
Transport 25
0% 10% 20% 30% 40% 50%

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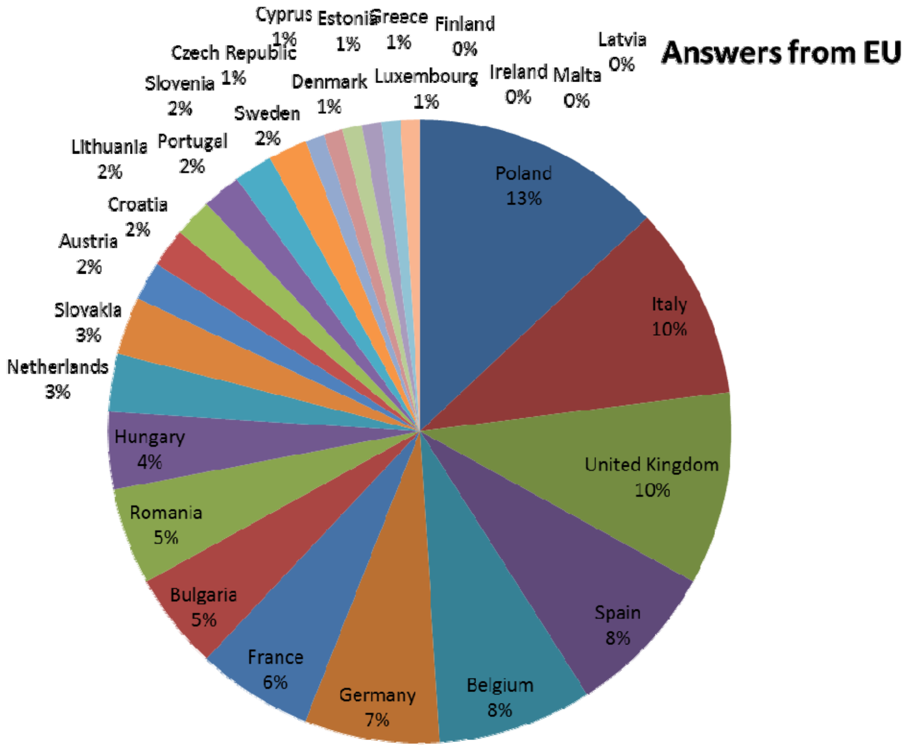
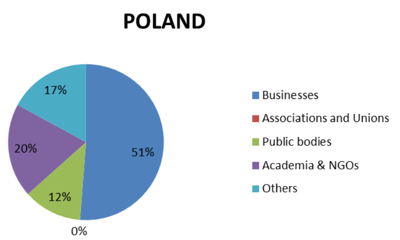
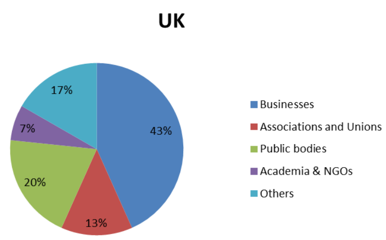


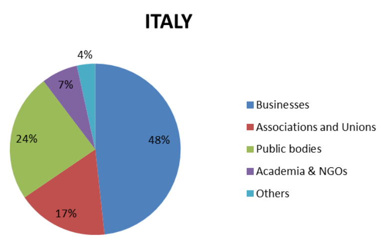
	Answers	Ratio
Poland	41	13%
United Kingdom	30	10%
Italy	29	10%
Spain	24	8%
Belgium	24	8%
Germany	21	7%
France	18	6%
Bulgaria	16	5%
Romania	15	5%
Hungary	11	4%
Netherlands	9	3%
Slovakia	9	3%
Croatia	7	2%
Portugal	7	2%
Slovenia	6	2%
Lithuania	5	2%
Austria	5	2%
Sweden	5	2%
Denmark	5	2%
Greece	3	1%
Cyprus	2	1%
Estonia	2	1%
Luxembourg	2	1%
Czech Republic	2	1%
Finland	1	0%
Ireland	1	0%
Malta	1	0%
Latvia	0	0%

1.3. Country of origin

Geographically almost all participants in survey are from EU (296; 97%) and just 9 answers from the EU Overseas Territories and extra-EU countries (Switzerland, Norway). Generally the shares of respondents relative to each country reflect both the size of population and the touristic potential (more populated countries featuring higher numbers of participation in survey). However respondents from Poland proved to be the most numerous (13%), followed by Italy (10%) and UK (10%) on the first three positions; it follows Spain and Belgium with 8% (the reason for the high score of Belgium could be also explained by the physical proximity to EU institutions and the relatively greater number of organisations based in Brussels but representing stakeholders all over EU); the ranking is continued by Germany (7%), France (6%), Romania and Bulgaria with 5% each.







The countries placed on the first 3 positions display similarities with regards to the share of the respondents' profile in total respondents. One notices that businesses make up for half or almost half of the respondents on all three states. Besides, public bodies, associations and unions have comparable representativeness in Italy and UK whereas Poland is not represented by any such organisations.

Interestingly these three countries represent diverse geo-political positions on the continent: UK and Italy, from among old EU members, one situated in the north and the other in the south, whereas Poland is the representative of the EU new members and of the former "eastern bloc".

2. CHALLENGES AND OPPORTUNITIES

Tourism represents a major socio-economic activity in the European Union with wide-ranging impact on economic growth, employment and social development and it can be a powerful tool in fighting economic decline and unemployment. Nevertheless the tourism sector encounters a series of challenges that could be addressed by actions carried out both by the tourism businesses and by the public stakeholders at regional, national and EU level. The main challenges can be regrouped in the following categories:

Security and safety issues: environmental, political and social security, safety of food and accommodation and socio-cultural sustainability threats

Economic competitiveness: seasonality, regulatory and administrative burden, tourism related taxation, difficulty to find and keep skilled staff

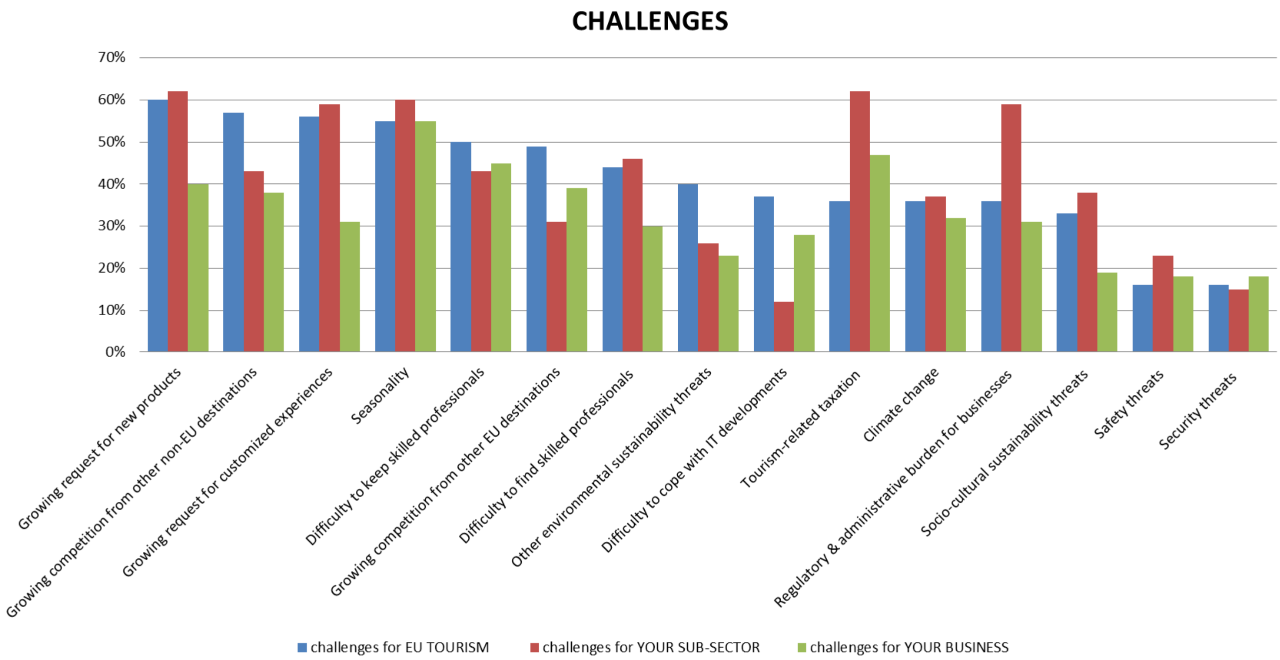
Technological: globalisation of information and quickly advancing changes in technology (digital tools for booking holidays, social media providing advice on tourism services), which pose difficulty in coping with such fast IT developments

Markets and competition: growing request for customised experiences, for new products, growing competition from other EU destinations

2.1 Challenges in the next 5-10 years

For this question, a multiple choice selection was possible and the contributors chose usually a combination of the challenges proposed by the Commission to which they awarded different grades of importance. A number of challenges are common to all three levels considered in questionnaire - EU tourism industry, sub-sector of activity and individual business. Besides, depending on the level at which they are assessed by respondents, certain challenges receive similar degree of importance whereas others are considered more important. For businesses, the three main challenges are seasonality, tourism related taxation and difficulty to keep skilled staff. At the level of the sector or tourism industry in general, the respondents highlited also growing request for new products together with growing competion from non-EU destinations. However, other areas were also selected by more than 50% of respondents as representing a challenge: regulatory and administrative burden for businesses and growing demand for customised experience.

On the other hand the respondents find the security/safety/socio/cultural threats as the less important challenges for all 3 levels (business, sector and industry at a whole) with scores below 30%.



The participants had also the possibility to express separately other challenges they consider important for their activity. A selection of them is presented below clustered around the profile of respondents:

BUSINESS ASSOCIATIONS

CEFAPIT[1] see a tendency of the EU legislation and tourism market to replace the highly skilled tourism and culture professionals with non-skilled ones in order to create new job places with lower payment in the name of the cross-border services with no strict checks or controls of their professional qualifications and language knowledge.

Transporters complain about the increasing number of access restrictions in cities for buses combined with requirement to comply with multiple schemes across member states.

[1] Confederacion Espanola de Federaciones y Asociaciones Profesionales de Guias de Turismo

Regarding regulatory and administrative burdens, for example the ongoing revision of the Package Travel Directive might have as a consequence that the travel industry will remain in an uneven competition with businesses not covered by the Directive while tour operators and travel agencies will be burdened with additional regulatory obligations. This would severely worsen the competitiveness of this sector and its future perspectives. Such impacts of European legislation need to be better taken into account politically and more should be done to avoid such developments.

European funding project are too difficult for the smaller companies in tourism industry with goals too difficult to achieve.

CLIA (Cruise Lines International Association) argue that cruise tourism has experienced a significant growth in the past decade and expects to continue growing in the future. In this context, port development (with regard i.a. to the adequacy of waste reception facilities, number and size of available berths, and cruise passenger terminals) represents a challenge for the cruise industry.

In this regard, CLIA Europe underlines that the provision of Port Reception Facilities (PRFs) in EU ports is regulated by Directive 2000/59/EC. However, this Directive is not implemented uniformly across the EU, leading to an inadequate provision of PRF in EU ports as well as different interpretations of the rules across the Member States. A revision of the Directive has been on the table for a number of years, but no progress has been made so far. A more efficient deployment of PRF in EU ports is key to ensure environmental sustainability and to foster the competitiveness of the cruise industry (i.a. by reducing operational costs).

Furthermore, it is important to note that cruise tourism is not only about ports of call. Cruise lines and travel agents organise shore excursions to allow cruise passengers to explore the destinations and their surroundings. The lack of adequate onshore transport infrastructure connecting cruise terminals to the hinterland often prevents shore excursions from reaching interesting destinations or landmarks. Better inland connections would add to the tourists' experience while having a positive impact on the economy of the region as a whole.

HOTREC and its national associations are concerned with the costs of the online distribution of the tourism products.

INDIVIDUAL BUSINESSES

- Increasing costs of essential resources (energy, water).
- Cross border healthcare regulations.
- High cost to employ staff.
- Unnecessary regulation and excessive form filling especially with regards to access to grants.
- Lack of absorptive capacity and capital in the tourism sector to engage in SME networks, clusters and innovation processes.

PUBLIC BODIES

- Increasingly bureaucratic legislation both at national and EU level.
- Run down facilities and the need of upgrading the infrastructure - highways, airports, and recreational facilities.

- Increasing level of demands from guests which trigger the need for upgrade in service level.
- Lack of financial resources since the capital tourism funding is no longer a priority in key funding streams.

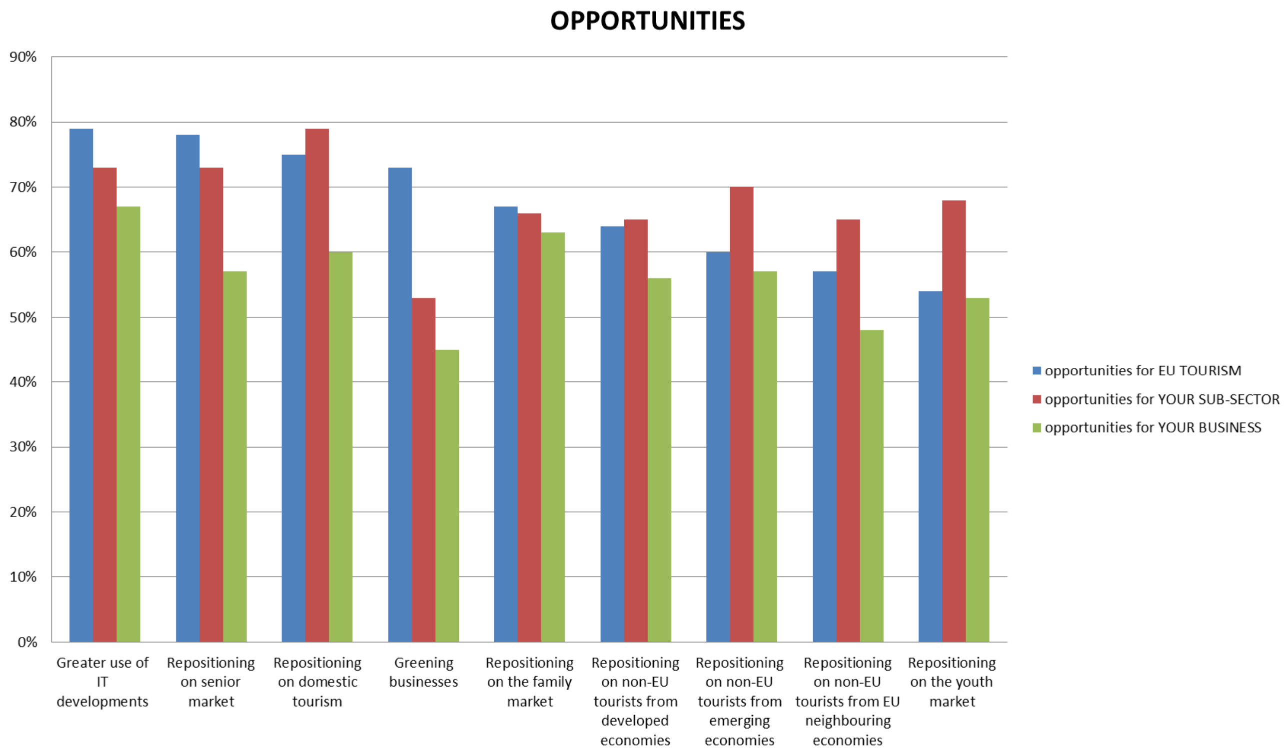
Most stakeholders reckon that EU competitiveness in tourism is at risk and the Europe's place as the world number one international tourism destination is under threat. Therefore EC policies and initiatives should ensure that tourism is granted sufficient political visibility at high level. On the other hand increasing competition from non-EU destinations may have a positive impact on the EU tourism industry's traditional model, by forcing the sector to become more competitive, attractive and sustainable. Some stakeholders claim that in order for European tourism to remain competitive the EC should support as a priority the promotion and development of tourism products together with the streamline of the regulatory environment.

Increased digitalisation of distribution channels in tourism will have a growing impact on the way the businesses sell their products. In the near future the travellers will evaluate and assess more and more tourism products and destinations and might prevail on the opinions of experts through "new systems of democratization of assessments and evaluation" such as Trip Advisor, OLTA, booking.com, etc. These reviews raise questions about quality of services being evaluated by customers and not by certified bodies.

While some argue that climate change and biodiversity loss need to be integrated into the tourism policies others do not express high concerns about the consequences of tourism activity on climate change or other environmental and socio-cultural threats.

2.2. Opportunities in the next 5-10 years

This section of the questionnaire presents a number of opportunities that could help overcome the aforementioned challenges. They are mainly related to changes that the stakeholders in tourism should envisage in target markets and customer segments or to the need for digitalisation. The respondents rated in great extend (over 50%) all the options presented in the survey as opportunities to reinvigorate the tourism sector. However those that could generate the greatest positive effects at all 3 levels – businesses, sector and tourism industry in general - are the increased use of IT developments (e-commerce), repositioning on the senior, family, domestic markets and on tourists from non EU-developed (Japan) and emerging economies (China, Brazil, India, Russia), these opportunities being credited with over 60% of respondents view.



Reposition toward the senior and domestic markets as well as a focus on non-EU tourists from developed economies (e.g.: Japan) and emerging countries (e.g.: China) would be quite important for businesses.

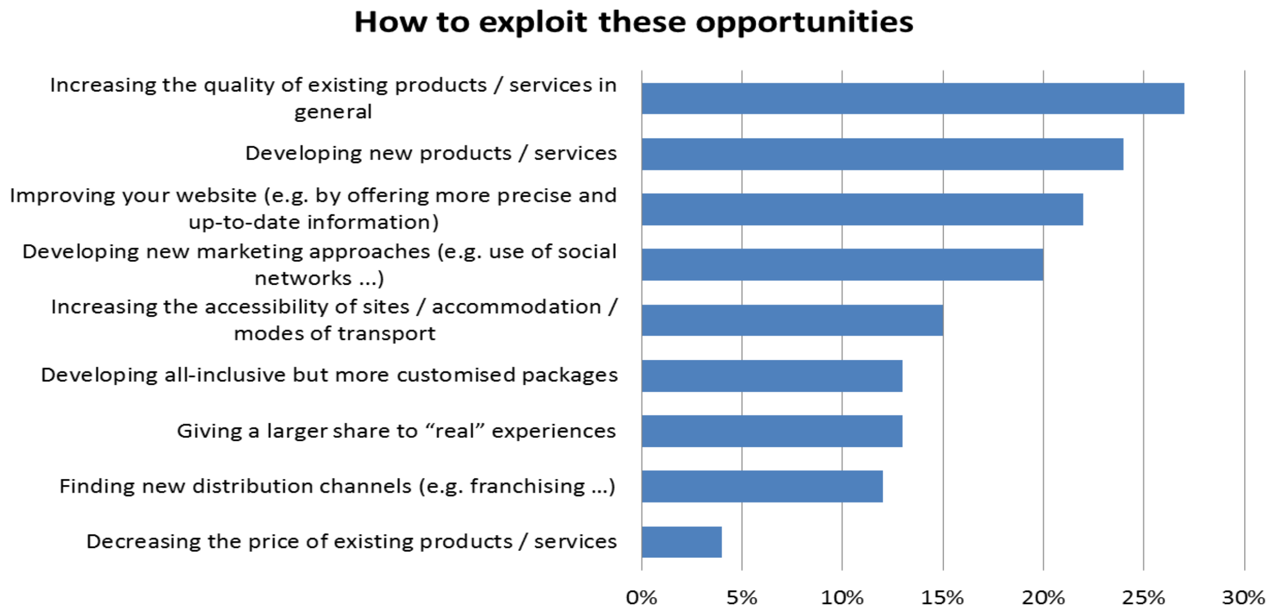
Associations promoting responsible tourism and hospitality claim that the tourism sector needs to build up the reputation of a truly "white industry" among stakeholders (service providers, employees, tourists, inhabitants of the destinations) in order to unfold its potential for long term economic development. The European travellers will be more and more travel experienced and they are instinctively searching for comprehensive sustainability, even without naming it. This translates into the need to incorporate sustainability aspects into eco-labels and quality schemes on one hand and to put offers of high sustainability experience in the forefront of marketing.

In EU overseas territories the tourism industry relies on an exceptional natural and cultural environment. These tropical and subtropical regions have a remarkable comparative advantage: a unique natural, cultural and gastronomic patrimony different from those of the mainland Europe. Therefore they aim to develop tourist products adapted to these features.

2.3. Exploiting opportunities

Again a multiple choice question was asked about the ways of exploiting these opportunities and the contributors chose one or more of the options offered by the questionnaire. The respondents consider that the best ways for the European Tourism industry to exploit these opportunities are: developing new products and services, increasing the quality of existing ones, improving the website's content and its efficiency, developing new marketing approaches (eg. social networks).

Decreasing the price of existing products is regarded as the less efficient strategy to increase tourism demand.



The participants had also the possibility to express separately other ways to exploit opportunities and a selection of them is presented below clustered around the profile of respondents:

BUSINESS ASSOCIATIONS

- Optimization and integration of operational management sustainability into business strategy.
- Boosting cultural tourism in rural areas, e.g. by the valorisation of cultural heritage sites.
- Collaboration with pensioners' organisations.
- Staying tuned with the IT changes could increase customer loyalty.
- Search for the most responsive distribution channels to attract new visitors.

- A good knowledge of the new technologies and the climate change challenge allows SME to differentiate, propose new products, for new clients, trough new distribution channels. TOURISMlink initiative, a project from the European Commission, is an example of this.
- For the cruise industry, new destinations and ports of call offer the opportunity to further diversify cruise tourism offers. Furthermore, attracting new tourist flows from emerging economies such as China and Russia is crucial for the EU tourism industry in general, and for the cruise industry in particular. In this context, CLIA Europe strongly welcomes the ongoing revision of the Visa Code and the emphasis it puts on facilitating tourist visa applications. Harmonised and simplified visa issuance procedures are crucial for cruise industry in relation both to crew and tourists, in particular as regards applications for multi- entry visas and applications for visas at the external border of a Member State.

PUBLIC BODIES

- Rationalisation of products by making them more experience based when promoting overseas. At the moment European tourism is promoted heavily via image based inspire tactics but what is also needed is peer recommendation and review. Relaying on positive customer experience to be more prevalent in order to myth bust some of the less positive aspects of Europe as a destination.
- Better online capability for tourists to build their own EU package holidays with multilingual portals for local destinations that are not major cities. These holidays provide a rich insight into the heritage of Europe's smaller cities and rural destinations that are often unknown outside Europe. The EU needs to build on its no 1 status as a tourist destination internally and externally by providing better access to areas outside big tourist hubs that absorb the vast majority of tourism business.
- Clusters and cooperation networks for sharing best practice together with synergies between public and private sectors
- Accentuated promotion of existing classification systems and labels (European Heritage Label, Hotelstars Union, HOTREC EHQ).
- Delivering real experiences through customer-friendly infrastructural developments (interactive audio-visual tools and use of mobile applications in museums)
- Marketing & sales promotion through new marketing channels. Use of social media and development of mobile applications for attractions, thematic routes and cross-border networks.

ACADEMIA AND NGOs'

- EU destinations must have a particular approach for each market in order to put the European seal (brand) on global packages using the new communication tools.
- Better market intelligence and know-how exchange and better tourism training at university level.

- Promote the establishment of economic benefits for those investing in accessibility; so that investment pays off economically (e.g. tax reduction, prioritized promotion of those businesses, etc.)
- Support cooperation (both vertically and horizontally) in the tourism supply chain and within (cross-border) destinations.
- Foster access to market, not only as business partnerships but real cooperation between businesses from destination and source market.
- Tourism has to raise the bar through higher skilled professionals, better value for money, higher differentiation strategies, better targeted communication campaigns, seek for niches instead of mass markets and for this to happen, smarter distribution strategies under a new business model.
- European tourism industry could improve its overall performance through innovation (not only technologically), especially trough a customer design products where the quality of the experience is the major concern. By adopting such perspective the European industry could promote more deeply the local natural and cultural resources though the engagement of the local population.
- It is important for the stakeholders in destinations to cooperate with each other and with DMO (Destination Management Organisation). By creating such network, a complex and high quality tourism product can be made as the visitor does not want single tourism services but a complex tourism product (service chain). The support of creation of DMOs at local, regional and national level will lead to better competitiveness of European travel market.

OTHERS

- At present people are looking for more authenticity, and more contact with local people, true experiences. The tourist is the actor of his/her journey and this calls for products development based on the principles of responsible tourism, especially those based on the experience of meeting local people and cultures. This kind of travel is more so valid for seniors, and the young people and this way the product doesn't suffer because of seasonality and could be adapted to a lot of different target groups.
- The quality of the products can effectively be improved through an improvement of the accessibility.
- Strengthen the cooperation between the political areas competent in transport and infrastructure, services, training, ICT & communication, to ensure an integrated accessibility along the whole tourism value chain. Boost public and private partnership to implement and finance the accessibility requirements.
- Improve the knowledge on accessibility and sustainability principals at managerial/supervisory level in companies.

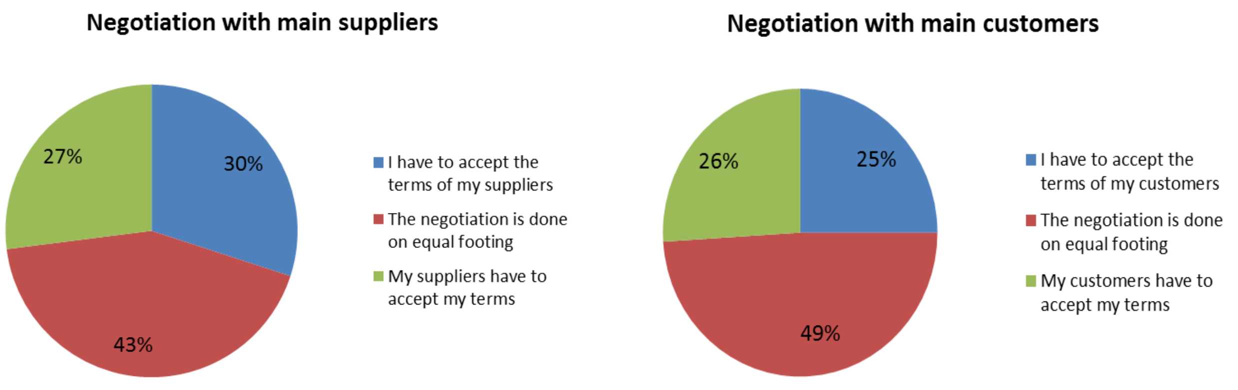
- Harmonize the tourism skills and job profiles to upgrade the attractiveness of the tourism career perspective, ameliorating the socioeconomic impact of tourism in the destination and the experience delivered to the tourists.

- Innovate in the tourism sector by using ICT platforms, incubators, hubs to help SMES to adapt to the fast market changes, as well as to exchange experiences and funding opportunities. Besides the use of ICT, a process-oriented innovation in terms of product cycle phases and enterprise culture models should be also addressed.

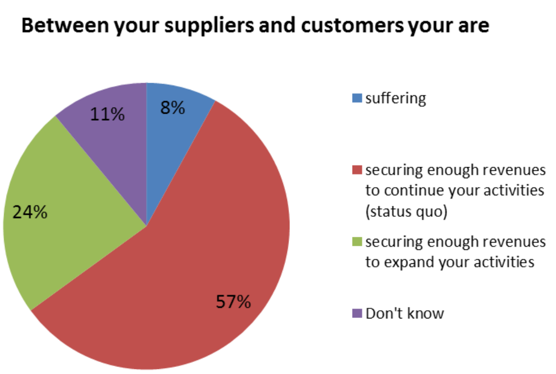
- Measure the sustainability performance of a destination, which is a key factor for management and political strategies, improving the sustainability standards and facilitating benchmarking and good practice exchange.

3. Negotiation with customers and suppliers

Respondents were asked to express their position with regards to the bargaining power they have in the business relationship with their suppliers and customers. Almost half of respondents consider that generally the negotiation with the their main suppliers or customers is done on equal footing (43%-49%) i.e. they do not have to accept suppliers' terms or impose their terms to suppliers.



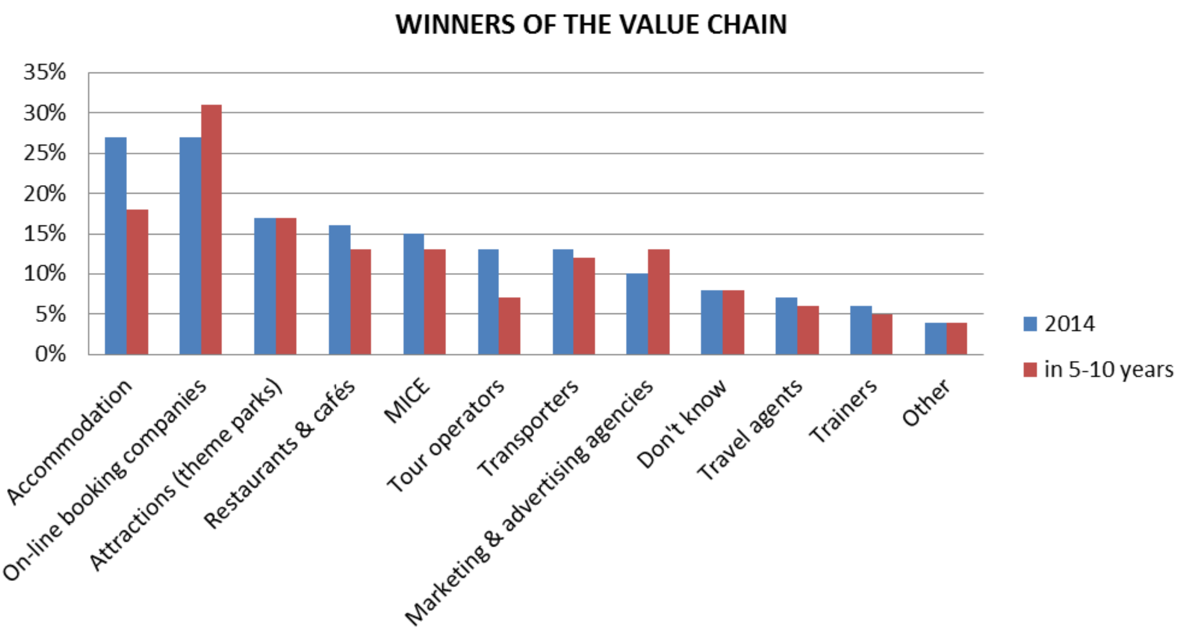
The biggest share of respondents assess that both at present and in the future the revenues secured as a result of negotiation with suppliers or customers allow them to continue and expand their activity whereas just a small proportion are struggling to survive (6%-8%).



4. The winners of the value chain

Respondents were asked to express opinions about the best placed actors in the industry's value chain in terms of prosperity and bargaining power, on a 5-10 years timeline. At present ACCOMMODATION and ON LINE BOOKING COMPANIES detach as the biggest winners "neck and neck" according to respondents view. On the 2nd and 3rd places we find ATTRACTIONS and RESTAURANTS. The "middle man" of the tourism industry (TRAVEL AGENCIES and TO) is considered in the smallest degree as a winner.

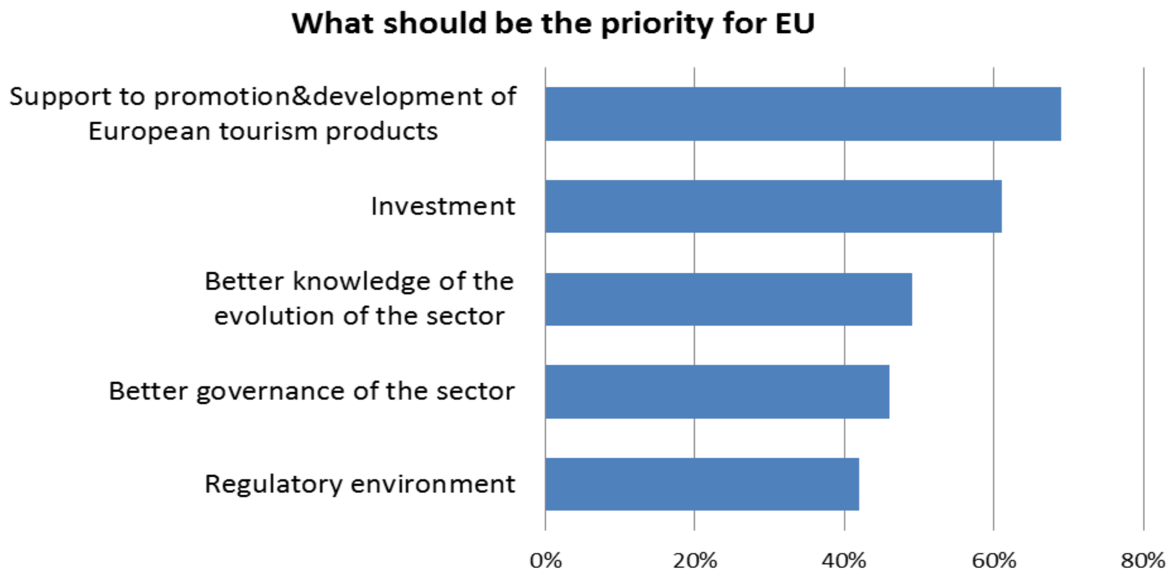
In future ON LINE BOOKING COMPANIES will perform much better than ACCOMODATION according to respondents view and closely followed by ATTRACTIONS. Apparently accommodation sector loses ground in favour of the incresing bargaining power of online booking companies. Again the intermediaries of the tourist service are considered in a smaller degreee as winners with TOUR OPERATORS position in the value chain weaken in the future.



The stakeholders from hospitality sector claim that the dominant position of Online Travel Agents makes entrepreneurs lose control over their prices and businesses and hence needs to be reversed while recognising that online distribution channels are very important for companies in destinations to become more visible and satisfy clients' expectations. Tour-operators argue that creating a level playing field for all travel businesses can only be achieved by the inclusion of online "click-through' sales in a revised Package Travel Directive. The DG SANCO 2007 study about the detriment for consumers found that online sales including those made by airlines were the primary source of consumer confusion and detriment within the travel sector. Failing to capture such sales would perpetuate and worsen this situation, by failing to provide increased clarity for consumers, and providing an additional cost for businesses to offer, and consumers to purchase, unprotected travel arrangements.

5. Priorities for future EU policies and actions

To help a reflection on what next should the EU do on tourism policy, respondents were asked to prioritise areas where EU action could bring added value. This section of the questionnaire aimed to gather the stakeholders' opinions about the type of measures and actions that EU institutions should consider when exerting their role as provider of support and coordination to members states' policies. A multiple choice question was asked and the contributors chose one or more of the options offered by the questionnaire.

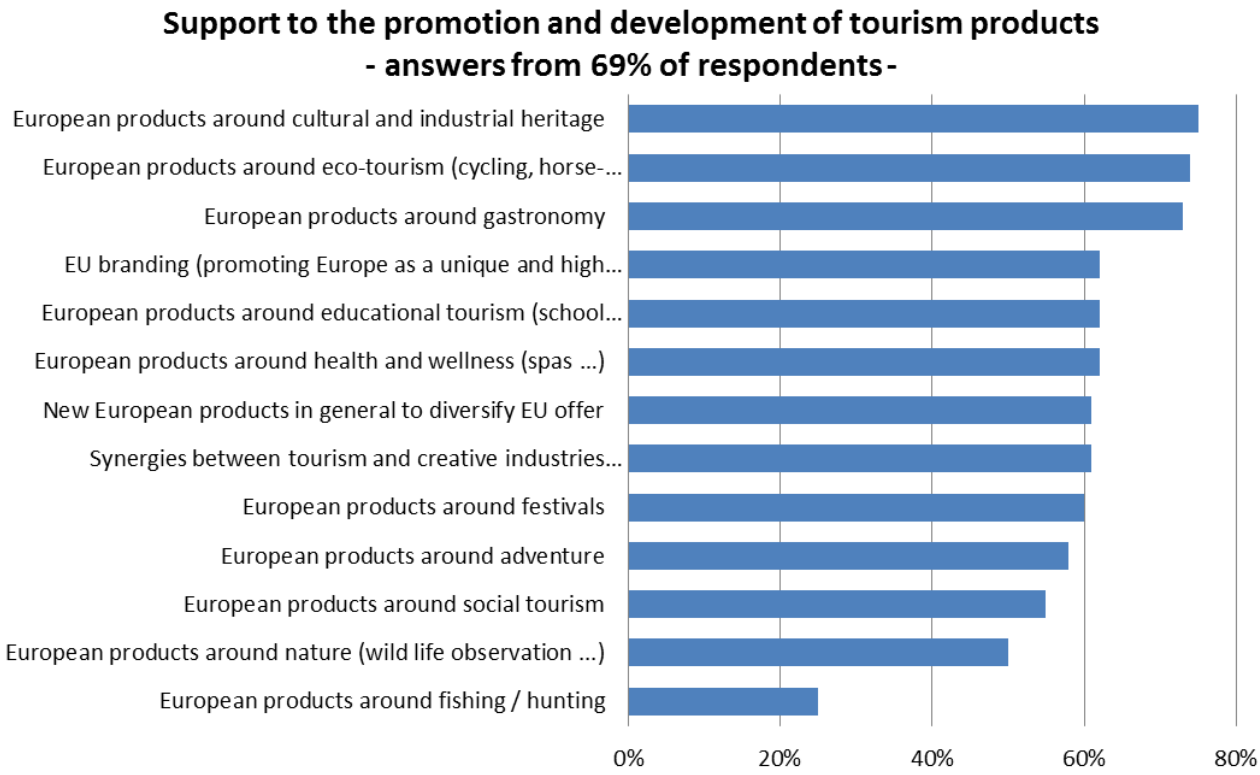


It is worth noting that participants awarded high importance all these areas though in slightly different degrees. Respondents stress nonetheless the importance of EU intervention for European product development and promotion together with investment in infrastructures, networking and training.

Each of these priority areas are further detailed in specific items, and the questionnaire allowed to contributors the possibility to weight their importance on 5 levels.

5.1. Support to the promotion and the development of EU tourism products.

Overall the respondents consider that with the exception of the products around fishing and hunting all other type of products mentioned should receive promotional support and have close and big scores in terms of importance awarded by the respondents. However the products around cultural and industrial heritage, eco-tourism and gastronomy are the most praised as products to be promoted at pan EU level.



5.1.1. Comments on how to promote diversification of the supply of tourism services

The promotion of the European cultural heritage will improve the conditions of tourism in EU. "The intangible cultural heritage" (which includes the live performance sector) should also be referenced in the action plan of European tourism of the Future. More and more people visit EU for its innovation and design, contemporary culture and living arts therefore Europe should preserve both tangible and intangible heritage as complementary drivers for tourism finding synergies between tourism and creative industries[2]. Performing acts can stimulate revenue and boost high-quality tourism.

The attraction parks industry's repositioning on the senior market is a long-term opportunity due to an aging population. Moreover the European parks are seeing an increasing number of non-EU guests.

The development of agri-tourism, seasonal events and on-farm products selling as a means to diversify mountain tourism and improve balanced profit distribution. Promoting together the advantages of sports, outdoor and cultural activities in contrast with virtual recreational activities would be beneficial especially to younger generations and in urban environments.

Steps should be taken to diversify the supply of leisure and culture, including in the low season to support the development of "sports passports" with preferential rates for young people and development of multi-stations passports like "les portes du soleil".

New tourism products should enhance local identity, respect for human rights, include accessible tourism and protect cultural heritage which could be achieved by developing a European Round Table bringing the traditional tourism industry together with the investors and promoters of new forms of tourism.

The implementation of a network of marinas and ecotourism, cultural routes, with digital mediation along a major European cultural route will permit to build a strong network of harbour cities.

5.1.2. Comments on how to promote the development of sustainable, responsible and high-quality tourism

The concept of "smart destination" joining the forces of sustainability, experiential tourism and appropriate use of technologies should be the core concept in destination development.

The development of accessible information, accessible infrastructures and accessible transport and services together with training tourism operators in addressing disabled and senior's needs, are good practices for diversifying tourism product. Accessible products would be more attractive to all because they respond more to individual needs and accommodate different preferences.

There is the need for an EU policy leading to the integration of the "tourism for all" principles in any European tourism related action: product development, destination planning and Europe branding.

Associations promoting eco-tourism would like to see at EU level promotion of products and social policies giving access to tourism for the less favoured segments of the society and public private

[2] "Creative industries: knowledge – based creative activities that link producers, consumers and places by utilising technology, talent or skill to generate meaningful intangible cultural products, creative content and experiences. They comprise many different sectors, including advertising, animation, architecture, design, film, gaming, gastronomy, music, performing arts, software and interactive games, and television and radio". *Tourism and creative Economy, OECD 2014.*

partnerships for the creation of innovative products adapted to all segments with a special attention to: seniors, families, youngsters, disabled, less favoured groups. Accessibility in tourism leads to increased sustainability, safety and a higher quality of the tourism opportunities on offer.

British travel agents consider that an important opportunity exists for the EU to take the lead on animal welfare policy relating to captive animal attractions and wildlife viewing experiences.

5.1.3. Comments on how to consolidate the image and profile of Europe as a collection of sustainable and high-quality tourist destinations

The initiatives taken at EU level should focus on stimulating less tapped markets increasing the value of these markets more than just volume. The promotion of Europe as a high end collection of destinations is also important as many businesses in accommodation are also concerned with the growing competition from non-EU destinations. One stakeholder mentions the development of a strategy for diversifying the promotion and capitalise on Europe's common heritage, particularly by creating a European heritage label.

The promotion of economically, environmentally and socially sustainable tourism, including decent work in the sector, should raise the customer awareness that high-quality tourism services have their price. To this end it is also crucial to safeguard and extend social achievements such as the right to paid holiday and regulation of working time, since these are basic preconditions for tourism. Tourism has only a future when social progress is assured as austerity measures and weakening of social rights and social protection are counter-productive. Furthermore promoting accessibility is essential as it might be that a lesser known destination gain popularity by becoming more accessible when advertised accordingly.

The promotion of the EU as a unique and high quality destination needs to allow the opportunity for the diversity of Europe’s tourism offer to flourish. In order to avoid the dispersion of information which tends to create confusion in potential tourists it is desirable to create a common communication strategy. Hence the initiative "Destination Europe 2020" is welcome for the creation of a unique European portal introducing the single national websites stimulating a uniformed, simplified communication to identify Europe as a unique destination

5.1.4. Comments on how to encourage the extension of the tourist season

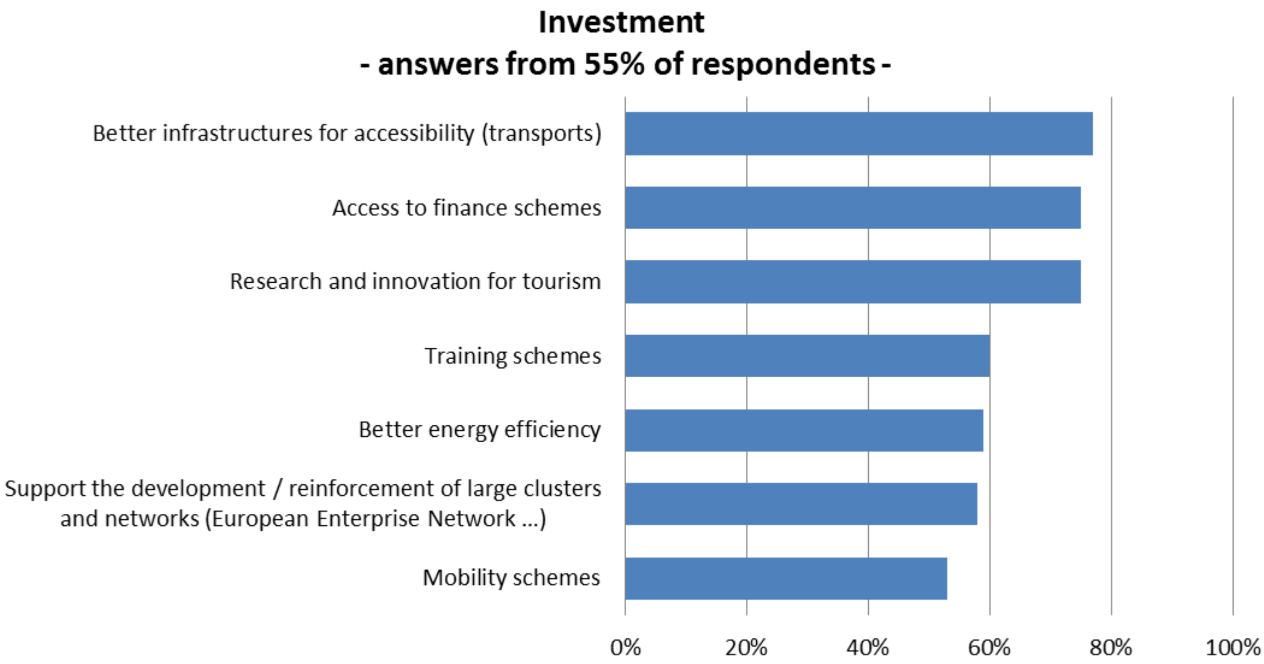
Demographic change also means the emergence of a new group of clients that take advantage of low-season offers and are more flexible. Besides, the persons with disabilities rarely travel by themselves and friends and families constitute another addition to this group of consumers. The growth of elderly population raises new challenges for the public and private stakeholders to diversify the offer and to adapt the products to this new market segment (accessible services, health facilities) fact that will contribute also to the diminishing of seasonality. Overcoming seasonality would have an impact on the growth of jobs and would increase the level of competitiveness of the EU economy.

There is a cross-connection of the maritime and coastal tourism to other tourism related services (accommodation, food, cultural events) therefore there is a need for a coordinated action plan in order to extend tourist season.

For instance a park or attraction has to be able to extend the season or to develop products to attract guests beyond the summer months or otherwise it will be exposed to changes in weather. On the other hand seasonal peaks generate intense demand for staff – particularly low and medium skilled customer service staff - which can be difficult vacancies to fill.

5.2. Investment

Three categories of investment are considered the most important recording appreciation of over 70% (better infrastructure; research and innovation; access to finance schemes). The other four categories are less mentioned though with high scores of over 50%.



In order to increase the number of tourists in the EU and therefore retain Europe's position as the world's no.1 tourist destination, the EC should encourage investment in tourist infrastructure and regional development and increase efforts to market "European Brand" in cooperation with the Member States.

5.2.1. Comments on how to develop innovation in the tourism industry

It is important to create the right conditions for innovative initiatives aimed at increasing the productivity and the service level of the industry. Several stakeholders(tour-operators) argue the EC should not invest in product innovation or marketing initiatives, since these are primarily the concern of the private sector, but in a regulatory framework which encourages competitiveness. On the other hand tourism products should enhance local identity, respect for human rights, include accessible tourism and protect cultural heritage which could be achieved by developing a European Round Table bringing the traditional tourism industry together with the investors and promoters of new forms of tourism. Hospitality representatives believe that the growing request for customised services and for new products are topics of medium concern for their businesses, instead they are more interested in finding synergies between tourism and creative industries.

Innovative accessible products would be more attractive to all because they respond more to individual needs and accommodate different preferences. Also performing acts could be employed for developing innovative promotion strategies for high-quality tourism.

The biggest change to the market place for tourism is the increased digitalisation of distribution channels and this will have an increasing impact on the way the businesses sell their products and SMEs in tourism face difficulties in adapting their models to the fast market changes. Reinforcing the interoperability between different platforms and to simplify their use would help tackle this issue. Also, the innovation needs to be genuinely effective by addressing the digital divide between users not accustomed to using new technologies so as to avoid large scale "digital illiteracy" and ensuring accessible standards for the access and use of the new technologies that guarantee the right to tourism for all.

For remote and mountainous areas the development of access to high-speed broadband is a priority and the public incentives should be more important than in highly populated areas where private sector is already interested to invest for sufficient connectivity.

5.2.2. Comments on how to maximise the potential of EU financial policies and instruments for developing tourism

Numerous stakeholders claim that EC needs to further step up efforts to better identify adequate funding scheme and to improve access to finance for SMEs in tourism as one necessary element to further develop the tourism industry in EU. Access to finance schemes is a top priority and the EU funding procedures should be facilitated for the encouragement of young entrepreneurs in tourism, especially by providing risk capital and facilitation of the transfer of businesses.

The financial policies supporting regional, local bodies and private companies have to comply with specific commitments related to sustainability. Some stakeholders call for the development of policies supporting the high costs of maintaining and managing the sustainability standards, quality and identity of tourist destination. Additionally mechanisms should be available, financed by EC, to foster the connection and cooperation between administrations and public bodies with similar regional objectives in developing the tourism sector.

Besides European, national and regional funding should be made available and used to improve access and mobility for less-abled tourists.

European trade unions expressed the opinion that EU funds should be closely tied to the respect of social standards and labour legislation and financial support provided only to initiatives that make an explicit contribution to the creation of sustainable jobs and improvement of living and working conditions.

Youth mobility should benefit of investment and promotion at EU level too. By providing to young people special accommodation at low prices youth hostels have also an important social mission encouraging this segment of tourists with limited financial means to acquire a greater knowledge of other cultures.

Existing financial instruments, mainly COSME, can be engaged to deeper identify linkages between the wider enterprise policy (cluster excellence programme, corporate social responsibility in SME's, digital entrepreneurship, women/youth/senior entrepreneurships) applicable to the tourism sector. In addition an impact assessment of the co-funded projects could be useful in order to explore the possibility of co-funding a lower number of projects with larger budget to better address the need for longer term results.

Several stakeholders ask for resource efficiency support in mountain tourism (water, energy, waste) through facilitating access to finance by gathering all funding possibilities in one website and integrating ICT and tourism in Operational Programmes for structural funds.

5.2.3. Comments on how to improve professional skills

More attention should be given to up-skilling tourism workers especially in ICT skills and a formal recognition of skills at national and European levels could be envisaged which would encourage job training and stronger careers. The use of innovative educational tools to develop specific skills following the demand of the labour market because better trained professionals have a positive impact on the tourist’s experience and behaviour. The improvement of staff skills should also be directed to better respond to the change of demographic structure (e.g. seniors and tourists with special needs); in this respect disability awareness training and the mainstreaming of the "Design for all" principle in all areas concerning tourism are important factors.

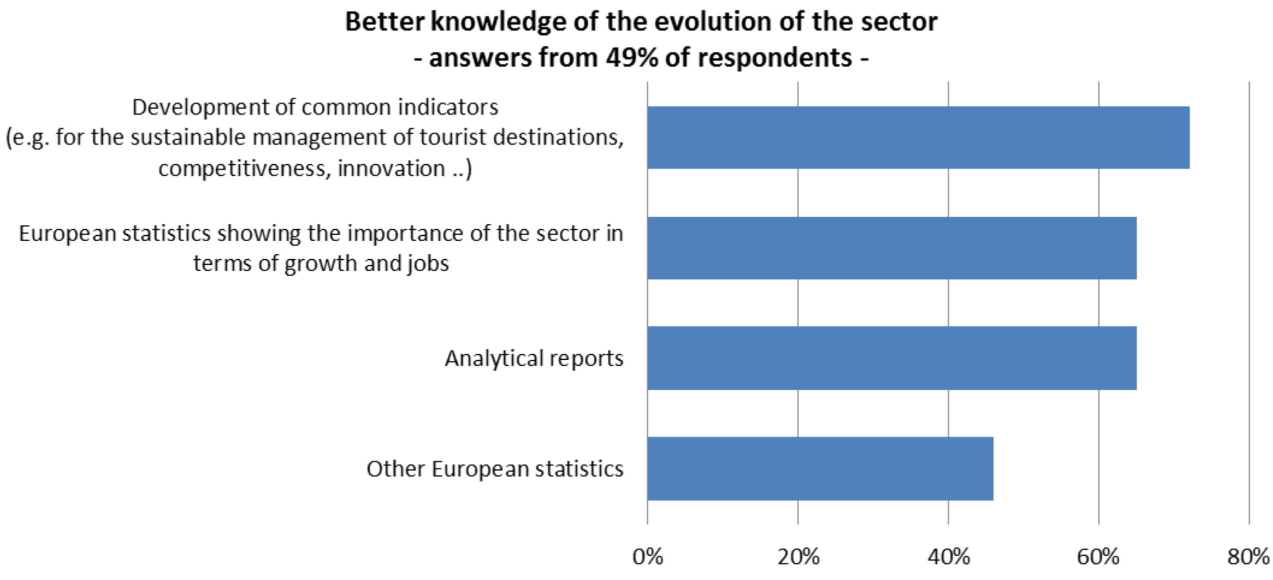
The EC initiative "Assisting the integration in EURES of dedicated sections for tourism industry sub-sectors" aiming at integrating the tourism industry skills and competences and the harmonisation of those skills which will drive the tourism sector employers to "speak the same language" will contribute to upgrade the attractiveness of the tourism career perspectives.

Finding the adequate skilled professionals in addition to keeping skilled, motivated and knowledgeable staff is key to enhance the competitiveness of companies in the industry sector. A better match of supply and demand within the hotels and restaurants sector will, thus, improve the mobility of workers across Europe. Schemes facilitating transparency and recognition of qualifications at cross border level need to be further supported together with multi-skills training for reducing job's seasonality.

For EU overseas territories (Acores – Canaries – Guadeloupe – Guyane – Madère – Martinique – Mayotte – Réunion – Saint-Martin) the young people entering the labour market represent a major challenge as these territories are confronted with a structural unemployment twice as big as in their mainland. Therefore the professional training is indispensable in order to ensure the differentiation and the up-grade of the quality of products and services.

5.3. Better knowledge of the evolution of the sector

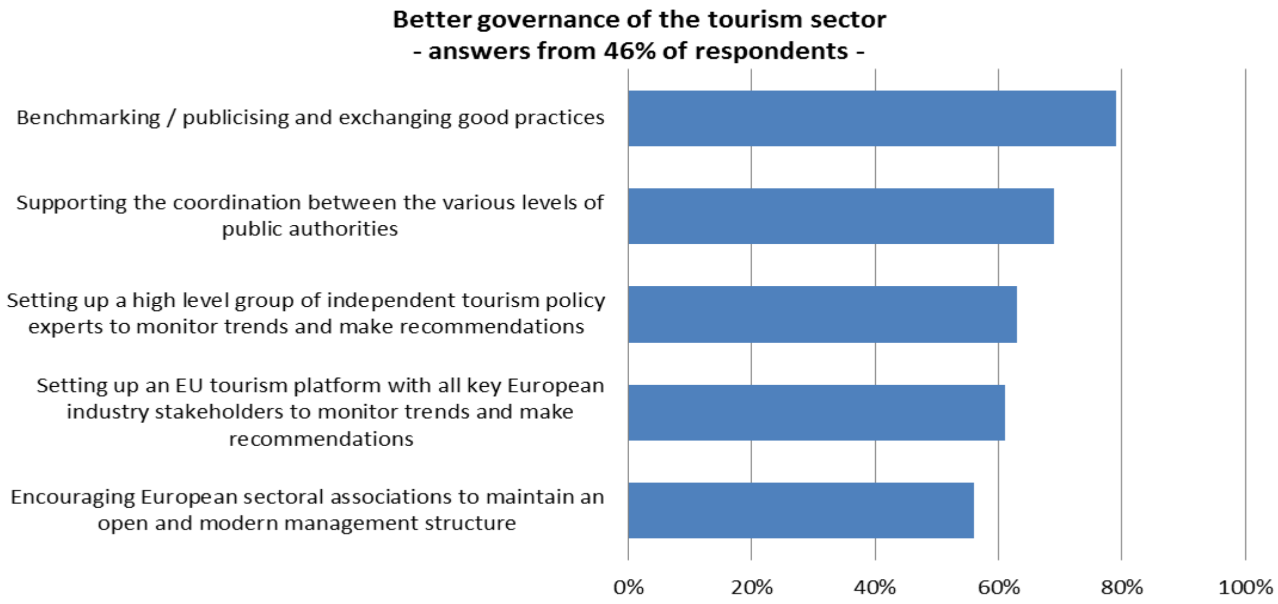
The stakeholders are mainly asking for the development of common indicators measuring, sustainability, competitiveness and innovation in tourism. They are very much in need of updated statistics in tourism that show the importance of the sector for growth and jobs. In the same degree analytical reports are also products of great interest that should reveal trends and developments in the sector.



5.3.1. Comments on how to consolidate the socioeconomic knowledge base for tourism

The participants expressed the need to improve the quality and timeliness of European tourism statistics, explore new sources of data and information including data aggregators and booking engines, start of the VTO and European studies conducted specifically on the issue of sustainable tourism. EC should provide support for the creation of a centralised collection of data on health and safety incidents occurring in tourism accommodation and the second phase of VTO could be a suitable vehicle for this data collection.

It is crucial to have reliable European statistics showing the importance of the sector in terms of growth and jobs. Often tourism is quoted as having a significant potential for job creation, but no precise data is available, in particular on specific features of the sector (e.g. seasonal employment).



EU should explore new sources of data and information making use of data mining, data aggregators and booking engines. It was also expressed the idea that ETIS - European Tourism Indicators System for Sustainable Management at Destination Level - be linked to the VTO together with the development of indicators enabling an efficient management of accessibility.

5.4. Better governance of the tourism sector

All the tools mentioned in the survey for better governance have been found useful. Exchanging good practices and benchmarking together with a better coordination between different levels of public bodies are regarded as most adequate to improve the governance of the sector.

EU needs to establish an European "Centre of Excellence" for tourism that could work to promote knowledge sharing between researchers and industry and as an example of best practice the setting up of a tourism cluster (eg. in the Baltic Sea Area, in Danube basin) in order to strengthen knowledge sharing, innovation and productivity in the industry.

Past European initiatives need to be re-launched. British travel agents (ABTA) along with associations promoting responsible tourism (EARTH) say that sustainable and responsible tourism should be a cornerstone of the EU's future approach to tourism policy by approving the European Charter of Responsible and sustainable tourism. A proper tourism intergroup within European

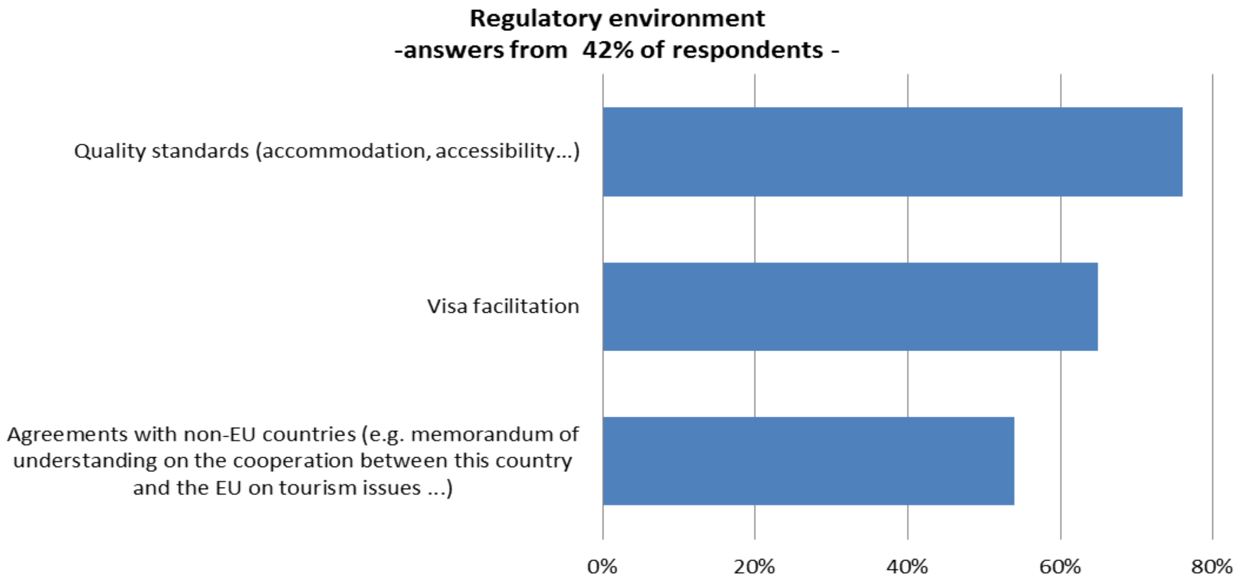
Parliament would be necessary in order to analyse the proposals of the EC involving the main stakeholders.

More stakeholders acknowledge that the harmonization of national tourism strategies together with cross-border cooperation can further help the development of sustainable tourism. This should go hand in hand with an integrated tourism strategy at EU level with an intergroup liaising with other EU policies affecting tourism (transports, environment, energy, agriculture…)

For EU overseas territories the competitiveness could be raised by improving the accessibility of air transport and the implementation of more competitive tariffs together with the removal of administrative barriers, in the context of EU internal market but especially with partner countries and territories with a large presence of diaspora communities. There is a need for the integration of these territories into the EU maritime and air transport policies contributing to greater mobility of people between the islands but also with countries with whom they have close historical and cultural ties. Highly reliant of external developments (because of their dependency for financial transfers, primary resources and energy) the tourism sector of these territories is one of the most vulnerable.

5.5. Streamline Regulatory environment

EU should promote mainly initiatives to improve the quality standards of services in tourism. Facilitation of visa procedures comes second but very close as importance followed by the need of having agreements in tourism with non-EU countries.



5.5.1 Standardisation

The European Disability Forum claims that it is important that EU strengthen the regulatory environment by setting quality standards on accessibility and for example to provide incentives for SMEs to make their business accessible, promote accessible solutions with an "accessibility label", standards, and applications guides. Mainstreaming accessibility is a good solution to move towards "tourism for all" to give consumers more choice and flexibility. In order to include accessibility as part of the promotion and diversification of the tourist offer, it is essential to have common standards for accessibility at European level that require the same level of service regardless of the destination.

Consumers rightly expect to be able to rely on minimum and consistent levels of safety when travel within EU. ABTA claim that action at EU level in the area of tourism accommodation safety should be prioritised and legislative action should be taken to implement minimum standards for tourism accommodation. These standards would be best laid down in a European Directive. An important aspect in relation to tourism accommodation safety concerns the collection of safety incident data which is vital for evidence based policy making at EU level. Responsible tourism associations represented by EARTH find useful to create a European Normative guide regarding the minimal quality standards, capable to guarantee an offer coherent with its connected markets. In that case labels and certifications are not understood as simple marks to show to guests but really guides to guarantee a coherent offer for the whole territory-destination. In addition as new tourism trends are emerging thanks to internet contributing to the development of new ways and services to travel(Coach surfing, Carpooling, the Home exchange, the Woofing, the Greeters), it is now time to reflect on the regulatory aspects who comply and respect administrative regulations, tax, labour law, insurances, etc.

For attraction parks safety is the number 1 priority as it is integrated into every aspect park’s operation. In order to maintain a very good safety level, the parks need to invest in training, procedures and the right staff. Therefore the European standards need to be up to date. The European standard on amusement park safety is now a decade old and an updated standard help to ensure that high industry standards are embedded across the sector.

Reconciliation of commercial activities with those of conserving the environment and resources must remain the central pillar of regulation for the tourism sector.

EARTH associations support the standardization of responsible tourism in Europe with legal control and laws in order to avoid “Green Washing”. Tourism development must be adapted to the specific territories to promote the local culture, taking into account the environment. Europe should give the voice to the European citizens in order to make them responsible of the development of their living environment. Local democracy and governance models need to be developed and generalized especially in tourism.

On the other hand other industry representatives (ETOA) claim no formal standards for services (as they are overly influenced by interest groups) and any unnecessary regulation should be avoided. Quality standards are important as a means to levelling the playing field but kept at a reasonable level so as to not become prohibitive for smaller operators. Besides, the standards are useful if they increase transparency for the consumer and they should be demand driven and not counterproductive: no new standards and labelling without a clear demand from the industry.

EC has to continuously work towards simplification and reduction of EU regulations for companies promoting measures to encourage the creation of new companies by removing red tape and fostering entrepreneurship.

HOTREC believe that regulatory and administrative burden for businesses are a serious concern and reduction of administrative burden is key to facilitating the competitiveness of enterprises. The provision of high quality services are important but quality requirements and standards should be developed in accordance with an industry driven approach. Any other approach could seriously hinder the industry and might have a reverse effect than desired.

EU's priorities in tourism must be mindful of the principle of subsidiarity and focus on areas where added value can be achieved by EU level actions. The diverse nature of tourism services often means that they are best regulated nationally, regionally and locally rather than at European level and any proposed European regulations and standards affecting tourism products and services should be the subject of proper consultation with trade representations. There already exist different schemes in the member states which provide a benchmark for quality standards and according to UK national standards body it appears to be no evidence to support any demand for additional regulation to be implemented.

5.5.2 Visa facilitation

Visa facilitation is a key priority and fundamental in order to encourage tourists (especially from BRIC countries) to visit Europe and keep it as number one destination in the world. The overseas territories argue that visa formalities pose an important obstacle to the arrivals of tourists on the islands, especially those from the countries bordering the Indian Ocean (China, Korea, India, etc.). EU should be perceived as an accessible destination without a difficult visa application procedure, thus the need for the implementation of electronic application procedures and the ease of requirements for documentation and personal appearance. Therefore the recently proposed visa code change should be supported for an efficient implementation. However, the right balance between security issues and the contribution of tourism to the EU economy needs to be found.

5.5.3 Taxation

Tourism-related taxation seems to be as well a topic that seriously concerns hospitality businesses and travel agents. HOTREC and ETOA believe that reduced VAT allows for a competitive Europe as a tourism destination, including the creation of new jobs. Member States should continue to have the option to apply reduced VAT rates to hospitality services.

Stakeholders in tourism road transport are of the opinion that differences in taxation and charges in the transport sector and the prohibitive and restrictive processes and charges constitute a hindrance for Coach Tourism development. Therefore it asks for EC assistance in the removal of technical and administrative barriers for coaches and their passengers and proposes commence of discussions in order to reduce administration burden on VAT related to tourism transport, establishment of a best practice framework for traffic restrictions (LEZ and City Access Restrictions) as well as initiation of harmonization initiative for the introduction of a single on board unit for charging tolls throughout Europe.

Stakeholders from boating industry consider the differences in national legislation an obstacle for maritime and coastal tourism development. Therefore encourages harmonization activities in taxation, navigation rules, marine protected areas and professional qualifications. They are also in favour of establishing common standards that will increase boat repair services quality. It is also important to include neighbouring non-EU countries (Turkey, Albania, Montenegro etc) into relevant dialogue in order to avoid fragmented rules within the same sea basin.

Many MS currently apply a reduced rate of VAT for amusement parks and attractions. Stakeholder of this industry reckons that those rates should remain low and the policy makers should avoid adjustments to a high standard rate. Lower VAT rates not only stimulate investment and job creation but have other indirect effect such as: gains in income and corporation tax receipts; increased turnover and therefore VAT; savings from unemployment benefits. The amusement parks and attraction are labour intensive meaning that an increase in the number of visitors should feed through into increased employment relatively quickly.

6. SUMMARY OF CONCLUSIONS

The replies can be summarised as follows:

- The three main challenges identified by the respondents are seasonality, tourism related taxation and difficulty to keep skilled staff. Market competition is also of great concern for the players in tourism, the participants pointing out the growing request for new and customised products together with growing competition from non-EU destinations.
- Nevertheless challenges set the ground for new opportunities to reinvigorate the tourism sector and according to the participants those likely to be the most efficient are: the increased use of IT developments (e-commerce), repositioning on the senior, family, domestic markets and on tourists from non EU-developed (Japan) and emerging economies (China, Brazil, India, Russia). Moreover, the participants consider that these opportunities could be best materialised through: developing new products and services, increasing the quality of existing ones, improving the website's content and its efficiency together with developing new marketing approaches (eg. social networks).
- Against this background actions developed at EU level are nevertheless needed and the participants highlighted the importance of EU intervention to support European product development and promotion together with investment in infrastructures, networking and training.
- EU should assist by giving visibility particularly to European products involving cultural and industrial heritage, eco-tourism and gastronomy at pan EU level. Besides, Europe has to be perceived as a set of unique and high quality destinations.

- Respondents stress also the importance to ensure the development of a sustainable and responsible tourism. The concept of "smart destination" should be central in destination development by joining the forces of sustainability, experiential tourism and appropriate use of natural resources with the new technologies. Besides the "tourism for all" principle needs to be the reference for any European tourism related action.
- In order to increase the number of tourists in the EU and therefore retain Europe's position as the world's no.1 tourist destination, the EU should encourage investment in tourist infrastructure and regional development and increase efforts to market "European Brand" in cooperation with the Member States.
- EU needs to further step up efforts to better identify adequate funding scheme and to encourage entrepreneurship, especially by facilitating the provision of risk capital and the transfer of businesses.
- According to the contributors more attention should be given to up-skilling tourism workers especially in ICT together with multi-skills training for reducing the jobs seasonality. The improvement of staff skills should also be directed to better respond to the change of the demographic structure – increasing number of seniors and tourists with special needs. Besides, schemes facilitating transparency and recognition of qualifications across EU would improve the mobility of workers allowing a better match between supply and demand of the workforce.
- Besides the existing traditional tourism statistics about the flows of tourists EC should also provide support for a better knowledge of the sector through statistics that show the contribution of the sector to economy and job creation. The interest was shown also for the creation of common indicators measuring the sustainability and competitiveness together with studies revealing trends and developments.
- EU should promote mainly initiatives to improve the quality standards of services in tourism but the views are more divided on whether and how EU action could contribute to their harmonisation. Quality standards are important as a means to levelling the playing field of the operators and useful when they increase transparency for the consumer. They should be demand driven from the industry and not counterproductive.
- EU's priorities in tourism must be mindful of the principle of subsidiarity and focus on areas where added value can be achieved by EU level actions. The diverse nature of tourism services often makes them best regulated nationally, regionally and locally rather than at European level and any proposed European regulations and standards affecting tourism products and services should be the subject of proper consultation with the stakeholders.

PARTICIPANTS WHO SUBMITTED POSITION PAPERS:

ABTA – Association of British Travel Agents

ARA – Autonomous Region of Acores

BSI – UK national standards body

DI – Confederation of Danish Industry

EARTH – European Alliance for Responsible Tourism and Hospitality

EACT – European Alliance for Coach Tourism

EBI – European Boating Industry

ETOA – European Tour Operators Association

EUFED – EU Federation of youth hostels associations

ERRIN – European Regions Research and Innovation Networks

EUROMONTANA – Multi-sectorial association for cooperation and development of mountain areas

EDF – European Disability Forum

ETLC – European Trade Union Liaison Committee on Tourism; cooperation platform of EFFAT, ETF and UNI Europa, the European Trade Union Federations representing workers in tourism; jointly they represent 12 million trade union members throughout Europe.

HOTREC – Association of hotels, restaurants, cafes in Europe; most of the EU countries national associations in hospitality sector are affiliated to HOTREC

IAAPA Europe – International Association of Amusement Parks and Attractions

LEZ – Low Emission Zone for restricting access by specific polluting vehicles in a geographically defined area

NECSTouR – Network of European Regions for Sustainable and Competitive Tourism

NFI – Naturfreunde International (member of EARTH) (Germany) - a socio-ecological and socio-politically active association for environmental protection, eco-tourism, sports & culture. About 75,000 members in 630 local groups do voluntary work for the sustainable development of society.

ODYSSEA – Mission Odyssea Europe , The Tourism of the XXI century –UfM Delegate (www.odyssea.eu)

ONCE – Foundation for cooperation and social inclusion of persons with disabilities.

PEARLE – Performance Acts Employers' Associations League Europe

RUP – Conférence de Présidents des Régions Ultrapériphériques (Acores – Canaries – Guadeloupe – Guyane – Madère – Martinique – Mayotte – Réunion – Saint-Martin)

RR - Région Réunion

WTTC – World Travel & Tourism Council