

## **Summary**

EU Member States agreed their position on the visa code proposal, tying the issue with third country cooperation in the relocation of migrants, effectively making this proposal a tool in the wider migration debate. Meanwhile, the Parliament's Committee on Transport and Tourism has published its draft opinion on the proposal, suggesting changes broadly supported by tourism industry stakeholders.

The European Parliament formally approved the ETIAS proposal, which had been originally agreed upon in informal talks.

The UN World Tourism Organisation has announced that this year's World Tourism Day will focus on innovation and digital transformation. The event will be held on 27 September in Budapest.

On the New Deal for Consumers, Rapporteur Dan Dalton published his draft report on the modernization and enforcement of the rules, including changes in how penalties are calculated, where the funding from penalties should go and calling for the creation of an app that would enable consumers to obtain information on their rights and submit complaints.

Finally, the Parliament discussed its position on the reduced VAT proposal, with a non-binding committee vote expected on 3 September.

## **Tourism**

### **Visa code proposal linked to wider migration debate**

Source: Intelligence gathering

The Council of the EU has reached a general agreement on the visa code proposal. As expected, there is an attempt to link this issue with third country cooperation in the relocation of migrants, effectively making this proposal a tool in the wider migration debate.

Key issues in MS discussions were:

- A link between visa policy and readmission (basically making it more difficult for third countries to get visas, when they do not cooperate in migrant readmission); and
- Provisions that visa applications may be examined and decided upon not only by consulates but also by central authorities. This was challenged by some Member States, who note that local embassies and consulates are better positioned to judge visa applications.

On the Parliament's timelines, a draft report is expected in September / October, with a committee vote possible in October / November.

***Based on current intelligence, a key bone of contention between the Parliament and Council seems to be the use of the visa code as a tool in migration policy.***

Meanwhile, the European Parliament Committee on Transport and Tourism (TRAN) has [published](#) its draft opinion on the Proposal for a Visa Code.

The draft opinion states that "More flexible visa rules will boost growth and job creation". Rapporteur for Opinion Istvan Ujhelyi (S&D, Hungary) is particularly calling for:

- The validity period of the multiple entry visa to be increased.
- Longer validity periods for multi-entry visas, instead of the "cascade system" proposed in the regulation, which many stakeholders thought it was too complex.
- Mr Ujhelyi proposes that a visa applicant should be able to apply for a visa at another Member State, if the consulate of the competent Member State is more than 500km away.
- He also proposes that a part of the increased fee be used to support the joint promotion of the European tourism strategy.

***The draft opinion has been broadly welcomed by various actors in the tourism sector and the proposed changes are consistent with the positions***

***advocated by them. The focus will now be to ensure that these amendments make it to the final version of the text.***

### **Parliament formally approves ETIAS proposal**

Source: [European Commission](#) – 05.07.2018

On 5 July the European Parliament formally adopted the proposal of the European Travel Information and Authorisation System (ETIAS), which had previously reached political agreement by the European Parliament, Council of the EU and European Commission.

ETIAS will carry out pre-travel screening for security and migration risks of travellers benefiting from visa-free access to the Schengen area. When arriving at the EU borders travellers will need to have both a valid travel document and an ETIAS authorisation.

By way of reminder and of particular interest for IAAPA, the proposal foresees an authorization fee set at €7, which has not been changed, despite some discussions during the course of the legislative process.

### **World Tourism Day to focus on innovation and digital transformation**

Source: [UN World Tourism Organisation](#) (UNWTO) – 17.07.2018

The UNWTO has announced that this year's World Tourism Day will focus on the importance of digital technologies in tourism; providing opportunities for innovation; and preparing the sector for the future of work.

The event, to be held on 27 September in Budapest, will explore technological advances including big data, artificial intelligence and digital platforms, placing them on the map of sustainable development. Digital advances and innovation are seen as part of a solution to combining continued growth with a more sustainable and responsible tourism sector.

### **General**

#### **New Deal for Consumers: Rapporteur publishes draft report**

Source: [European Parliament](#) – 20.07.2018

Rapporteur on the New Deal for Consumers Dan Dalton (UK, ECR) has [published](#) his draft report on the enforcement and modernisation of consumer law proposal. Mr Dalton has proposed the following points of interest:

- **Penalties:** the draft report removes the obligation of Member States to consider whether an infringement has harmed consumers in other Member States when calculating the fine. A trader's annual turnover and profits are maintained among the criteria to be considered.
- **Use of revenues from penalties:** Mr Dalton also calls for revenues generated from fines to be used to promote the "protection of the general

interest of consumers, including through the establishment of a fund dedicated to providing redress in cases of consumer harm, and, where applicable, of any other harms, such as harm to environmental interests or harm to other protected public interests, suffered as a result of the infringement”.

- **Mobile application:** Dalton also tables an amendment calling for the creation of a mobile application serving as a point of entry for citizens seeking information on their consumer rights and for consumers seeking out-of-court resolution of disputes. This application should provide a model electronic complaint form which can be filled in by the consumer, as well as enabling the consumer to submit the completed complaint form to an ODR platform or to the competent European Consumer Centre. It should also provide information on consumer rights and guarantees related to buying goods and services.

### **Parliament discusses reduced VAT rates**

Source: Intelligence gathering, European Parliament

The Committee on Economic and Monetary Affairs (ECON) discussed the draft report on reduced VAT rates by MEP Tibor Szanyi (S&D, Hungary).

During the debate, Mr Szanyi emphasised that there is cross-group agreement for his draft report as well as the direction of some of the amendments. The MEPs stand together in supporting the destination principle, as well as the introduction of one additional reduced rate. Mr. Szanyi also called for an up-to-date online portal that would provide relevant data for companies on the VAT rates of different Member States.

Some disagreements still exist, notably between the Greens and EPP, e.g. on the question of reduced and super reduced rates.

In terms of next steps, an ECON vote is scheduled for 3 September and plenary is scheduled to vote on 2 October. As this is a tax issue, the European Parliament may only submit a non-binding opinion. Member states will make the actual decision by unanimity.

### **EU events**

- 27 Sep - World Tourism Day & European Tourism Day, Brussels
- 1-2 Oct - ETF in Vienna