



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 17.3.2006
COM(2006) 134 final

COMMUNICATION FROM THE COMMISSION

A renewed EU Tourism Policy: Towards a stronger partnership for European Tourism

1. TOURISM AND THE RENEWED LISBON STRATEGY

1.1. The challenge of growth and jobs

On February 2005, the Commission proposed a new start for the Lisbon Strategy focusing the European Union's efforts on two principal tasks – delivering stronger, lasting growth and more and better jobs¹.

Since 1997, the potential of tourism to generate employment and growth has been recognised at EU level on several occasions.² Globalisation, demographic changes and the evolution in transport are decisive factors in driving the rapid growth of this industry. With its variety of attractions and quality of its tourism services Europe is the world leading tourist destination. Tourism is therefore an activity which can play an important role in the attainment of the Growth and Jobs Strategy goals.

Tourism is a cross-cutting sector, involving a big diversity of services and professions, linked to many other economic activities. It impacts on sectors such as transport, construction, retail and on the numerous sectors that produce holiday products or provide leisure and business travel-related services. Although some big international companies contribute to this sector, it is mainly dominated by SMEs. In its most narrow definition, the European tourism industry creates more than 4% of the Community's GDP, with about 2 million enterprises employing about 4% of the total labour force (representing approximately 8 million jobs). When the links to other sectors are taken into account, the contribution of tourism to GDP is estimated to be around 11% and it provides employment to more than 12% of the labour force (24 million jobs).

The job creation rate in tourism is above average compared to the European economy as a whole. In the last decade, the annual growth rate of people employed in the HORECA (Hotels, Restaurants, and Cafes) sector has been almost always above the growth rate of total employment³. An important reason for the contribution of the tourism industry to job creation, in particular with regard to the employment of women, young and less skilled persons, is the high degree of part-time employment and flexible working conditions. The flexibility of this workforce should be matched by appropriate measures for job security and skills development.

Tourism plays an important role in the development of the vast majority of European regions. Infrastructure created for tourism purposes contributes to local development, and jobs are created or maintained even in areas in industrial or rural decline, or undergoing urban regeneration. The need to improve the attractiveness of the regions acts as an incentive to an increasing number of destinations and stakeholders to turn towards more sustainable and environmentally friendly practices and policies. Sustainable tourism plays a major role in the preservation and enhancement of the cultural and natural heritage in an ever expanding number of areas, ranging from arts to local gastronomy, crafts or the preservation of biodiversity⁴. This in turn impacts in a positive way on employment and growth creation. The

¹ COM(2005) 24 of 2.2.2005

² See: <http://europa.eu.int/comm/enterprise/services/tourismeu.htm#factsandfigures>

³ Eurostat- Statistics in focus 32/2005

⁴ The European Sustainable Development Strategy 2005 – 2010. See: http://europa.eu.int/comm/sustainable/sds2005-2010/index_en.htm

Commission and the tourism stakeholders have recognised this and are actively working on the elaboration of a European Agenda 21 for Tourism.

Thanks to tourism, those visiting European destinations are brought into contact with our values and our heritage. Tourism contributes to a better understanding amongst people and helps in the process of shaping the European identity. It also promotes intercultural dialogue, through contact between various social, economic and cultural groups.

The recent enlargement of the European Union has increased the diversity of European tourist destinations and products, opening up numerous natural and cultural attractions often unknown to many European citizens. The development of tourism in the new Member States and the candidate countries will contribute to the generation of growth and jobs by the European tourism industry.

Tourism is therefore an important sector for the renewed Lisbon strategy; its implementation does not solely concern public administrations. Responding to the Lisbon challenges will need to involve all stakeholders at EU, national, regional and local level in a renewed partnership for growth and jobs.

1.2. Challenges facing tourism

Changes in the demographic structure of Europe will have a major impact on tourism. The number of older people (65 and upwards) will continue to grow, as the overall population enjoys better health, a higher life expectancy and greater spending power than previous generations. Therefore the number of people over fifty who are travelling much more should increase.

Alongside this significant growth in tourism, there will be a change in public demand with regard to types of tourism. Health tourism and tourism relating to cultural and natural heritage are expected to undergo the most significant growth.

Although Europe is the most visited region of the world, international tourist arrivals are growing at a lower rate than the world average. New competing destinations are emerging and developing further, with innovative products and services which further increase the competition the EU is facing at a global level.

It is also widely recognised that tourism can become the victim of its own success if it does not develop in a sustainable way. Biodiversity, ecosystem function, natural resources and non-renewable cultural heritage or even the functioning of urban areas may be threatened by the uncontrolled development of tourism. Economic, social and environmental sustainability are key factors for the competitiveness of destinations and the welfare of their populations, as well as for the creation of employment and for the preservation and enhancement of the natural and cultural attractions.

In order to meet challenges such as changing demography, external competition, the need for sustainability and the demand for specific forms of tourism, Europe must focus its efforts on improving its competitiveness. A more competitive tourism industry and sustainable destinations would also contribute further to the success of the renewed Lisbon strategy, the satisfaction of tourists and to securing the position of Europe as the No1 world tourist destination.

1.3. Dialogue and partnership amongst tourism stakeholders

Tourism is an activity involving a wide variety of stakeholders and policy measures at various levels. These influence and are influenced, both directly and indirectly, by the development of tourism. Dialogue amongst sectoral social partners, stakeholders and with the public authorities is necessary in order to promote the harmonious and sustainable development of tourism.

Partnerships amongst all involved stakeholders are also necessary at every level of the decision-making process related to tourism. Partnerships must be a central component of action at all levels (European, national, regional and local; public and private).

2. A RENEWED EUROPEAN TOURISM POLICY

The challenges European tourism is faced with require a cohesive policy response at EU level. This policy must be focused on clear and realistic goals, commonly shared by decision-makers, employers and employees, as well as by local populations. It should make the best use of available resources and take advantage of all possible synergies. It must build on the whole range of actions already carried out and must clearly offer added value to the national and regional policies and measures. Therefore any European tourism policy should be complementary to policies carried out in Member States.

The Commission intends to put in place a renewed European tourism policy, based on the experiences gained so far and responding to the challenges of today. The main aim of this policy will be **to improve the competitiveness of the European tourism industry and create more and better jobs through the sustainable growth of tourism in Europe and globally.**

In implementing this policy, the Commission will develop a close partnership with Member States' authorities and the stakeholders in the tourism industry.

Following the experience acquired so far and exchanges of views with a broad range of stakeholders, the Commission considers that the most appropriate instruments for the implementation of this policy are co-ordination within the Commission and within national authorities, co-operation between the different stakeholders, and the establishment of specific supporting actions.

The main areas on which the policy will focus are:

2.1. Mainstreaming measures affecting tourism

2.1.1. *Better regulation*

Regulation, in many policy areas, can be of particular importance to the competitiveness of the tourism industry and tourist destinations. Given the large number of policies affecting tourism, it is necessary to actively promote better regulation, both at national and European level.

In its Communication on “Better Regulation for Growth and Jobs”⁵, the Commission has set out a revised approach to further promote better regulation with a view to improving European competitiveness. It focuses on:

- (1) Improving and extending the use of impact assessment (IA) for new proposals This integrated approach ensures that tourism will be fully taken into account in all IA work for proposals likely to affect the sector;
- (2) Screening pending legislative proposals and;
- (3) Simplifying existing European legislation⁶. This will include legislation such as the Package Travel Directive and the Timeshare Directive; the latter is regarded as a priority.

The Commission will continue to consult regularly with stakeholders on how the simplification programme should be further developed over the coming years. Tourism stakeholders are invited to participate actively in this effort to improve the regulatory environment. Such exercises should also be extended at national level to avoid cumulative administrative burden for the tourism industry.

2.1.2. Policy-coordination

Most Community actions aiming to support the competitiveness of European tourism are carried out through the Enterprise policy instruments. Nevertheless many other European policies impact directly or indirectly on tourism⁷.

Each year, the initiatives that may affect tourism, included in the Commission Work Programme, will be identified in order to make sure that their impact on the sector’s competitiveness will be taken into account at an early stage. This is in line with the European Parliament’s demand in the 2005 Report on new prospects and new challenges for sustainable European tourism.⁸

The Commission will continue with its efforts to keep the members of the Advisory Committee on Tourism informed, in an efficient, timely and transparent way on the tourism-related initiatives included in its Work Programme. This will allow the public administrations to also keep the various stakeholders, at national, regional and local level, regularly informed of the Commission initiatives.

The Commission will continue consulting with and informing the tourism stakeholders on issues and initiatives affecting tourism. This is an interactive process which has produced positive results overall and must be strengthened and continuously improved. In this context the currently prepared Green Paper on Maritime Affairs, covering coastal and marine tourism, will constitute another opportunity for numerous stakeholders to provide input to EU policy-making.

⁵ COM (2005) 97 of 16.3.2005

⁶ An example of already adopted legislation is Directive 2005/36/EC which consolidates and modernises the rules currently regulating the recognition of professional qualifications facilitating the provision of services by professionals of the tourism sector

⁷ See: <http://europa.eu.int/comm/enterprise/services/tourism/policy-areas/asures.htm> and other initiatives such as the proposal for a Directive on Services in the Internal Market

⁸ PE 353.597/v03-00

2.1.3. *Improved use of available European financial instruments*

Tourism has benefited greatly from the financial support offered by the various European financial instruments. In the period 2007-2013, the Structural Funds and other EU Programmes, will financially support the development of tourism businesses, services and infrastructure.

The Commission has foreseen the possibility of funding sustainable tourism-related projects through the European Regional Development Fund (ERDF)⁹, in support of socio-economic development. Under the "Convergence" the "Competitiveness and employment" and the "European territorial cooperation" objectives, ERDF shall support more sustainable patterns of tourism to enhance cultural and natural heritage, develop accessibility and mobility related infrastructure and to promote ICT, innovative SMEs, business networks and clusters, higher value added services, joint cross-border tourism strategies and inter-regional exchange of experience.

Environment and transport infrastructures, both of utmost importance for tourism, are also financed by the Cohesion Fund.

Tourism development, given its employment creation potential, is an important domain of the European Social Fund's (ESF) intervention. Amongst others, the ESF co-finances projects targeting educational programmes and training in order to enhance productivity and the quality of employment and services in the tourism sector.

The ESF provides also targeted training combined with small start-up premiums to tourism micro-enterprises. These actions tend to be very effective in creating economic activity and employment. It also co-finances actions that support professional mobility.

Following up on a European Parliament initiative for the introduction of a specific measure under the future 'Leonardo da Vinci' programme (part of the new Integrated Lifelong Learning Programme)¹⁰ in the form of a mobility programme for apprentices and young persons in initial vocational training the Commission launched, in 2005, a preparatory series of studies which will serve to identify the main features of possible European apprenticeship-training models. These studies will offer greater insight into the possible obstacles to mobility in vocational training. Tourism has been identified as a possible pilot sector. This should lead to concrete proposals for solutions which will form the basis of a programme of specific actions to be implemented in phase two of this pilot project.

Rural areas have become more attractive and offer many environmental amenities, thus making, the last decades, rural tourism an important source of diversification of the rural economy, well integrated with farming activities. This may become an important opportunity for new Member States and candidate countries. The new European Agricultural Fund for Rural Development will provide support for:

- Improving the quality of agricultural production and products;
- Improving the environment and the countryside;

⁹ See: http://europa.eu.int/comm/regional_policy/index_en.htm

¹⁰ COM (2004) 474 of 14.7.2004

- Encouraging tourist activities as part of the diversification of the rural economy objective.
- Studies and investments associated with the maintenance, restoration and upgrading of the cultural heritage.

The new proposed European Fisheries Fund (EFF) introduces as a new priority theme “the sustainable development of fisheries areas”. It aims to alleviate the socio-economic effects of the restructuring of the fisheries sector and to regenerate fisheries-dependent areas through diversification and the creation of employment alternatives. One of the areas to which fishermen may redirect their activities is eco-tourism. Small-scale fisheries and tourism infrastructure will also be supported through the EFF. The Fund also supports schemes for retraining in occupations, besides sea fishing, which may relate to tourism.

The proposed ‘Competitiveness and Innovation Framework Programme’¹¹ will support the competitiveness of EU enterprises and especially SMEs.

Research which will be supported under the proposed 7th EC Framework Programme for Research, Technological Development and Demonstration activities¹² may result in benefits for the tourism sector as for example, research on information and communication technologies, satellite applications, cultural heritage and land use. This builds on research supported by previous Framework Programmes which merits further dissemination amongst policy makers and stakeholders.

Member states, regions, local authorities and the industry at all levels should collaborate in order to ensure that tourism profits fully from the European financial instruments and it is taken into account in the planning of all related projects.

2.2. Promoting tourism sustainability

2.2.1. A European Agenda 21 for tourism

Making growth and jobs the immediate target goes hand in hand with promoting social or environmental objectives. The renewed Lisbon Strategy is an essential component of the overarching objective of sustainable development set out in the Treaty: improving welfare and living conditions in a sustainable way for present and future generations.

Already in the Communication ‘Basic orientations for the sustainability of European tourism’¹³ the Commission pointed out that ensuring the economic, social and environmental sustainability of European tourism is crucial, both as a contribution to sustainable development in Europe and world-wide and for the viability, continued growth, competitiveness and commercial success of this economically-important sector. As a result the Commission launched the preparation of a European Agenda 21 for tourism.

The Commission set up in 2004 the Tourism Sustainability Group (TSG) in order to encourage stakeholder synergies and to provide input into the Agenda 21 process for the sustainability of European tourism. The TSG is composed of experts coming from a balanced representation of industry associations, destinations representatives and trade unions/civil

¹¹ COM (2005) 121 final of 6.4.2005

¹² See: http://europa.eu.int/comm/research/future/index_en.cfm

¹³ COM(2003) 716 final of 21.11.2003

society. Member States' administrations and international organisations such as the World Tourism Organisation are also represented. The TSG pays particular attention to environment-related issues.

The TSG will finalise its work and table a report in 2006. The Commission will start organising the follow-up steps on the basis of this and expects to build on the report in order to present, by 2007, a proposal for a European Agenda 21 for tourism.

2.2.2. Specific supporting actions for the sustainability of European tourism

The elaboration and implementation of a European Agenda 21 for tourism is a long-term process. Further to this work the Commission plans specific actions promoting the economic and social sustainability of the European tourism such as:

- To identify national and international measures to support tourism-related SMEs and set up a good practice exchange process.
- To evaluate the economic impact of better accessibility in the tourism sector on macroeconomic growth and employment, business opportunities for SMEs, the quality of services and competitiveness.
- Facilitating the exchange of 'tourism for all' good practice.
- Publishing a handbook on 'How to set up Learning Areas in the Tourism sector' in order to support the upgrading of skills in the tourism sector with the involvement of all stakeholders.
- Studying employment trends in coastal and sea-related tourism sectors.
- Developing official statistics and commissioning *e-Business W@tch* studies to assess future implications and impact of e-business on the tourism industry.
- Continuation of its initiatives and collaboration with the Member States, the industry and the World Tourism Organisation in order to combat the sexual exploitation of children, especially when such crimes are committed by tourists.

2.3. Enhancing the understanding and the visibility of tourism

2.3.1. Improving the understanding of European tourism

Decision-makers at public and private level need harmonised, more detailed statistics, made available in a timely manner. The Council Directive 95/57/EC¹⁴ on the collection of statistical information in the field of tourism will be updated in order to take the evolution of tourism in Europe and the needs of its users into account. It will be substantially improved in matters such as timeliness and punctuality, relevance, and comparability.

A better harmonisation and implementation of the Tourism Satellite Accounts (TSAs) will also be promoted in partnership with the Member States, National Statistical Institutes and other stakeholders, since they can contribute to a better understanding of the true size and

¹⁴ Official Journal L 291, 06/12/1995 P. 0032 - 0039

value of the tourism industry. This work will greatly benefit from the experiences gathered from the pilot projects supported financially by the Commission (2002-2006).

Eurostat will continue to produce special editions and publications, useful to industry and public administrations, such as the 'Panorama on tourism', the 'Pocketbook on tourism' and the various 'Statistics in Focus' on winter and summer trends, ICT in tourism, how Europeans go on holiday, employment in tourism, etc.

2.3.2. *Supporting the promotion of European destinations*

The globalisation of the markets, has created competition pressures but has also opened up opportunities, with tourists from new markets (such as China, Russia and India) able to afford high value vacations. Attracting more tourists to Europe will favour the creation of growth and jobs.

To contribute to the marketing of Europe as a set of attractive tourist destinations the Commission financed the creation of the European Tourist Destinations Portal. It will include practical information about Europe, such as travel planning (transportation, weather and calendar) or recommendations on "where to go" and "what to do" and links towards national web sites. The operational phase will start on March 2006 and the Portal will be managed by the European Travel Commission.

European cities and regions are hosting numerous cultural (such as the European Capital of Culture¹⁵ or festivals) and sporting activities, i.e. events that can play an important role in marketing the image of the host destination, before, during, and after the event itself. Tourism related SMEs, in particular, can benefit greatly from such events, if they are adequately involved in all phases of their organisation.

The Commission will analyse the impact of such events on tourism oriented SMEs. The results of this exercise and recommendations addressed to future event hosts will be presented at a European Conference.

A big number of European tourist destinations are developing successful practices to promote tourism sustainability. Such practices can serve as examples to all destinations wishing to improve their tourism. The Commission, in collaboration with the Member States, will explore the opportunity to promote awareness of such good practices, possibly through a 'European destinations of excellence award'.

2.3.3. *Improving the visibility of tourism: a common goal*

The Commission, in partnership with the national public administrations and industry stakeholders, is continuously working to enhance the visibility and understanding of European tourism since often, due to its complexity, it is viewed only in its narrow definition rather than as a phenomenon which affects many parts of the economic and social fabric.

Each year, since 2002, an Annual European Tourism Forum is hosted by a different Member State. It is organised in close collaboration with the Commission, the Member States and the European tourism industry. The organisation of the Forum in several new Member States (2004 Hungary, 2005 Malta and 2006 Cyprus) gives added value to this event.

¹⁵ See: http://europa.eu.int/comm/culture/eac/other_actions/cap_europ/cap_eu_en.html

The Commission will continue to work in close partnership with all involved actors to:

- Ensure that the matters discussed are relevant to the current context;
- Increase the ownership of the Forum by the tourism stakeholders and;
- Improve the visibility of this event throughout Europe.

Also a number of Council Presidencies have been organising Tourism Ministerial meetings, specific Conferences and events or co-organising the European Tourism Forum with the host countries. Such events are valuable since they facilitate close contacts amongst decision-makers and stakeholders, highlight specific issues and provide high visibility to European tourism. The Commission will continue to actively support such initiatives and to encourage future Presidencies to do likewise.

3. CONCLUSION

The complexity of tourism and the broad diversity of involved actors require the collaboration of all stakeholders in the planning and implementation of related European policies and measures. Community institutions, national administrations, professional organisations, employers and employees, NGOs and researchers, should build up partnerships at all levels to improve the competitiveness and demonstrate the importance of European tourism. The development of the collaboration and partnerships in the framework of the renewed policy can be reviewed regularly during the European Tourism Forums.

This Communication presents what and how the Commission intends to do in the area of tourism within the current EU legal framework in order to better exploit the growth and job potential of the sector in a sustainable way. It also highlights the way the various stakeholders can be involved in the Community actions. The renewed policy addresses all principal aspects of European policy making and allows the constructive collaboration of everyone concerned. Its degree of success depends of the response and active involvement of all stakeholders.