

25 January 1996

A4-0016/96

REPORT

on the Commission's Green Paper on the role of the Union in the field of
tourism
(COM(95)0097 - C4-0157/95)

Committee on Transport and Tourism

Rapporteur: Mr Pavlos Sarlis

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By letter of 24 April 1995 the Commission presented to the European Parliament a Green Paper on the role of the Union in the field of tourism.

At the sitting of 15 May 1995 the President of Parliament announced that he had referred the Commission's Green Paper to the Committee on Transport and Tourism as the committee responsible and to the Committee on Economic and Monetary Affairs and Industrial Policy and the Committee on the Environment, Public Health and Consumer Protection, the Committee on Regional Policy and the Committee on Social Affairs and Employment for their opinions.

At its meeting of 23 May 1995 the Committee on Transport and Tourism appointed Mr Sarlis rapporteur.

At its meeting of 26 September 1995 the committee decided to include in its report the following motions for a resolution pursuant to Article 45 (2) of the Rules of Procedure:

-B4-0556/95 by Parodi, Ligabue and Viceconte, on behalf of the Forza Europa Group, on European Union action in the field of tourism, referred to the Committee on Transport and Tourism as the Committee responsible and to the Committee on Legal Affairs and Citizens' Rights for its opinion on 13 July 1995;

-B4-0560/95 by Parodi on European tourism policy, referred to the Committee on Transport and Tourism as the Committee responsible and to the Committee on Legal Affairs and Citizens' Rights for its opinion on 20 September 1995;

It considered the Commission's Green Paper and the draft report at its meetings of 24 May 1995, 21 June 1995, 18 July 1995, 26 September 1995, 21 November 1995, 20 December 1995 and 23 January 1996.

At the last meeting it adopted the motion for a resolution by 23 votes to 1, with 1 abstention.

The following were present for the vote: Cornelissen, chairman; Parodi and Lüttge, vice-chairmen; Sarlis, rapporteur; Castricum, Eriksson, Farthofer, González Triviño, Grosch, Harrison (for Watts), Jarzembowski, Killilea, Klironomos (for Panagopoulos), Koch, Le Rachinel (for Bellere), McIntosh, Megahy, Nicholson, Pelttari, Piecyk, Salafranca Sánchez-Neyra, Schlechter, Simpson, Sindal, Sisó Cruellas, Stenmarck, Stewart, Tamino (for van Dijk) and van der Waal.

The opinions of the Committee on Economic and Monetary Affairs and Industrial Policy and the Committee on the Environment, Public Health and Consumer Protection are attached.

The Committee on Regional Policy and the Committee on Legal Affairs and Citizens' Rights decided not to deliver opinions.

The report was tabled on 23 January 1996

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.

A
MOTION FOR A RESOLUTION

Resolution on the Commission's Green Paper on the role of the Union in the field of tourism (COM(95)0097 - C4-0157/95)

The European Parliament,

- having regard to the Commission's Green Paper on the role of the Union in the field of tourism (COM(95)0097 - C4-0157/95)
- having regard to the opinion of the Economic and Social Committee on the Green Paper,
- having regard to the motions for a resolution pursuant to Rule 45 of the Rules of Procedure by
 - a)Mr Parodi, Mr Ligabue and Mr Viceconte, on behalf of the Forza Europa Group, on European Union action in the field of tourism B4-0556/95,
 - b)Mr Parodi on European tourism policy B4-0560/95,
- having regard to its previous resolutions on the role of the Union in the field of tourism¹ and its resolution on the EC Treaty and the Intergovernmental Conference²,
- having regard to the Council Decision of 13 July 1992 on a Community action plan to assist tourism³,
- having regard to Declaration No 1 on civil protection, energy and tourism, annexed to the Treaty on European Union, and Article 3(t) of the Treaty,
- having regard to the Committee on Transport and Tourism public hearing of 18 July 1995 on the Green Paper⁴,
- having regard to the relevant provisions of its Rules of Procedure,
- having regard to the report of the Committee on Transport and Tourism and the opinions of the Committee on Economic and Monetary Affairs and Industrial Policy and the Committee on the Environment, Public Health and Consumer Protection (A4-0016),

¹See its resolution of 11 June 1991 (OJ C 183, 15.7.91, p. 74), resolution of 18 January 1994 (OJ C 44, 14.2.94, p. 61) and the resolution of 15 December 1994 (OJ C 18, 23.1.95, p. 159).

²OJ C 151, 19.6.1995, p. 56 (resolution by Bourlanges/Martin).

³OJ L 231, 13.8.1992, p. 26.

⁴PE 214.443.

- A.whereas tourism is an economic and social activity, is globally viewed as an industry and is an important and independent sector of the economy at local, regional, national and Community level, and whereas the tourist industry produces goods and provides services estimated to represent 5.5% of the GDP of the European Union and Community tourist enterprises provide employment for approximately 9 million European citizens, while at least the same number of people's jobs depend on the industry,
- B.whereas tourism in the less-developed areas of the Community accounts for a relatively greater share of economic activity compared with the Community average, up to 75% greater in some island regions, and thereby plays an important role in the redistribution of wealth and as an instrument of economic development,
- C.whereas tourism can make a major contribution to understanding and solidarity between peoples, promoting awareness of other cultures and ways of life,
- D.whereas tourism policy as a whole must unquestionably be centred around tourists themselves and their environment,
- E.whereas the governments of the Member States did not include a specific title on tourism in the Treaty on European Union signed at Maastricht on 7 February 1992 whilst negotiations were being held at the same time between practically all the countries of the world - in which the Commission participated as the representative of the EC - with a view to concluding an agreement, within the framework of GATT, on the liberalization of trade in services, including tourism services,
- F.whereas, when the Treaty on European Union is revised in 1996, tourism - in both its Community and international aspects - must be a specific and separate common policy with a separate legal basis and a special title,
- G.whereas a common tourism policy, on the one hand, must aim - in so far as the principle of subsidiarity allows - to improve the competitiveness of Community tourist enterprises and to create favourable conditions for their development through provisions similar to those contained in Article 130 of the Treaty establishing the EC, and on the other hand, must ensure cooperation and coordination between the EC bodies and services which act in established Community policy fields so as to ensure a joint approach to the planning and implementation of common objectives such as the protection of tourists, improving workers' training and skills, the diversification of supply through new forms of tourism which will help break the pattern of purely seasonal tourism and the impact of tourism on the natural heritage, the environment, the cultural and artistic heritage and other sectors of the economy,
- H.whereas the promotion of sustainable tourism is the key to a successful tourism industry,
- I.whereas initiatives to improve and harmonize working conditions, professional qualifications, train workers, boost employment, exchange information and best practice between all those involved in tourist industry and coordinate the national initiatives of the Member States with the aim of bringing them into line with one another so as to ensure

quality provision of services, are an integral part of the common tourism policy,

J. whereas it is important to point out in this context the substantial beneficial effects a single European currency will have for European tourism, and calls on the Commission to pursue its efforts to bring it about,

K. whereas the European Parliament has already expressed its support for option 4⁵ and whereas it is surprising that it is being consulted again,

L. stressing the significance of the Commission's Green Paper (COM(95)0097 final) as an important discussion paper which takes the right approach and as a catalyst for disciplined and fruitful dialogue between the EC institutions, the Member States and the social agents involved in tourism.

M. whereas this nevertheless cannot but be the first step, and stressing that it now expects the Commission to come forward with proposals for a common policy framework in its expected White Paper,

1. Regrets that, the Member States did not include provisions on a Community tourism policy in the Treaty on European Union signed at Maastricht on 7 February 1992, although the European Parliament had urged them to do so;

2. Calls on the Commission to support the creation of a Community tourism policy with a separate legal basis in the Treaty establishing the European Community through the report it will submit to the Council pursuant to the Declaration No 1 to the Treaty of European Union when that Treaty is revised at the 1996 Intergovernmental Conference, and, while respecting the principle of subsidiarity, calls for this legal basis for tourism to cover certain limited but important areas of actions;

3. Points out that there could not be a Community tourism policy without the inclusion in the EC Treaty of provisions on the important and independent sector of tourism, one of Europe's biggest industries, similar to the provisions already adopted at Community level for other, often smaller sectors of the economy;

4. Considers that a sustainable Community tourism policy should seek to accomplish the objectives set out in Article 2 of the Treaty on European Union, focus its efforts on intra-Community tourism and international tourism, in accordance with the principle of subsidiarity, and should concern:

-ensuring the quality and competitiveness of the Community tourist industry within the framework of a system of free market competition, while speeding up the necessary adjustments to deal in particular with the internationalization of the market, the increasing competitiveness of new tourist destinations in third countries and the growing demand in the field of international tourism,

⁵See resolution of 13 July 1990 (OJ C 231, 17.9.1990, p. 234).

- creating favourable conditions for the development of Community tourist enterprises, particularly small and medium-sized undertakings, by ensuring that they can have direct market access, facilitating access to the 'information society', adopting and applying new technologies, encouraging new forms of tourism which will help break the pattern of purely seasonal tourism, etc,
- taking initiatives to improve and harmonize working conditions, train workers and boost employment,
- cooperation and coordination in a transparent manner of the European Union bodies and services operating under established Community policies with a view to taking a uniform and effective joint approach and to provide the best guarantees to the issues of the protection of tourists and the effects of tourism on transport, the environment, water resources, society, cultural heritage and various sectors of the economy,
- promoting cooperation between all those involved in tourist activities (Member States, local authorities, non-member countries, tourist enterprises, consumers, workers, institutes and organizations) to ensure improved and timely exchanges of information and best practice, in order to achieve support for safeguarding the European natural and cultural heritage, and hence contribute towards greater overall synergy between tourism and regional economic development,
- coordination of national measures by the Member States in the field of Community and international tourism which will facilitate efforts to harmonize national policies and create the conditions for taking additional and/or supplementary initiatives at Community level,
- introducing the possibility of concluding agreements between the European Community and third countries or international organizations on matters relating to international tourism, in accordance with the procedure provided for in Article 228 of the EC Treaty,
- undertaking initiatives to finance research, restoration and conservation work and tourist infrastructure projects on the basis of pre-determined criteria, aiming at replacing quantity by quality and concerned mainly with conservation of the environment and cultural heritage of Community tourist destinations;

5. Recalls its previous resolutions and calls on the Commission in the forthcoming White Paper on tourism to deal with the following subjects:

- the protection of specific rights of tourists in the broadest meaning of the term, such as the establishment of a compulsory insurance, but also their obligations with reference to safety and the protection of the environment, not excluding guidelines for a European code of conduct for tourists,
- tangible proposals to ensure that the concept of sustainable tourism and environmental protection are reflected in the redefining of the objectives, guidelines and environment-friendly management of the tourism sector,

- an analysis of the effects on revenue and economic activity of applying a special rate of VAT and other similar taxes to tourism and hospitality activities as a whole,
 - the joint promotion of Europe, and especially of the European Union, as a destination for tourists from third countries,
 - initiatives to improve and harmonize study programmes, working conditions, and the vocational training and further occupational training of workers with a view to improving their prospects of mobility, thus upgrading the tourism profession and boosting employment,
 - initiatives to facilitate the access of young people, the elderly and those with limited financial means to tourism by developing the potential of youth and other forms of social and associative tourism,
 - the volume of increase of the financial resources allocated to the sector in the Community budget resulting from the establishment of a Community tourism policy,
- 6.Calls on the Commission to comply with the request already made by the European Parliament and adopted by it on 15 December 1994 (by 351 votes in favour, 9 against and 3 abstentions - total number of votes 363 - cf. voting list for the plenary in Strasbourg - PE 185.379) regarding the creation of a European tourism agency and to take the appropriate steps to this end;
- 7.Instructs its President to forward this resolution to the Council, the Commission, the governments of the Member States, the Economic and Social Committee and the Committee of the Regions.

B
EXPLANATORY STATEMENT

1Introduction

1.1. Tourist activity is an economic activity. Viewed in global terms as an 'industry', it is an important sector of the economy at local, regional, national and Community level. Tourism is a service industry and accounts for an estimated 5.5 % of GDP in the European Union.

The tourist product consists of services of different kinds, although they all have in common the fact that they are concerned with people, 'tourists', who want to spend periods away from the place where they normally live and work for the purposes of relaxation, recreation or education.

These services include intervening for the arrangement of travel, accommodation, and participation in local events (tourist offices and travel agencies), providing tourist accommodation (hotels, rented rooms, campsites, etc.), arranging excursions and organizing cultural, educational and recreational events (tour buses, leisure craft, festival organizations, conference organizations, leisure centres, etc.) providing food for tourists (restaurants), and so on.

An important and essential characteristic of the tourist product offered to the tourists is that it is directly related to and dependent on the use of public assets which are not treated as an investment but, according to the classic economic definition, as an 'inalterable free gift', such as the natural environment or the cultural heritage.

The content of the tourist product, in other words the number and type of services involved, differs according to the age, economic and physical situation and special interests of the persons concerned. In other words, 'tourism for young people', 'tourism for senior citizens', 'tourism for people with special needs', or 'quality tourism' are all products which are or can be offered by tourist enterprises if the demand exists.

The tourist product also differs according to the type of public property which is to be used by the tourist (e.g. rural tourism, mountain climbing, etc.).

1.2. What do we mean by the term 'tourist enterprise'? A tourist enterprise is one whose normal business is exclusively or almost exclusively to provide services and in general a tourist product that meets demand. This will inevitably involve an expansion or contraction of its activities, being directly linked to the growth or reduction in demand for the tourism product it offers.

Tourist enterprises are mainly companies for the operation of hotels, campsites and other tourist accommodation, travel and tourism companies, large numbers of restaurants, cafés, leisure and recreation centres, companies operating cruise ships or other leisure craft, tour buses, and so on.

Tourist services and a tourist product in general can also be provided by companies which cannot be considered as tourist enterprises as defined above. For example, air, sea and road passenger transport companies are not tourist enterprises as such, but do provide different kinds of tourist services to a significant extent.

Unfortunately, there are no statistics available on the economic scale of the product produced by tourist enterprises proper, although reliable estimates would suggest that it is in excess of 70% of the total tourist product.

Tourism and travel agencies are an important category of tourist enterprise, acting as intermediaries between the tourists and other sectors of the industry. Travel agencies are more than merely salesmen and representatives of hotel and transport companies, simply selling tourist services on commission. Nowadays they devote their efforts to developing the tourist product and run major commercial risks themselves by financing the promotion of the product, through partly pre-paid long-term rentals of hotel and tourist accommodation, and other such ventures. Tourism and travel agencies are becoming large-scale enterprises and are now the driving force behind the development of the tourist industry.

Finally, according to reliable estimates, more than half of all tourist enterprises are small and medium-sized undertakings (SMU). However, no statistics are available regarding the scale of the economic contribution of SMU to the tourist product as a whole.

1.3. Tourist enterprises employ approximately 9 million workers in the Member States of the European Union, the equivalent of about 6% of total employment. This workforce consists mainly of unskilled part-time workers, young people and women. Working conditions and hours are irregular and frequently erratic. The seasonal nature of tourism means that employment is uncertain, which in turn means that workers' incomes are unstable. This forces them to find second jobs as an additional source of income. It is also worth noting that increases in tourist activity lead to much faster growth in employment than in other economic sectors.

1.4. Tourist activities influence and are influenced by the public property which they use free of charge. They may have an adverse effect on the natural environment of the locality as well as on local communities. This raises the question of the proper use and conservation of public property in tourist areas, be it the natural environment or the cultural heritage in all its different forms.

The proper use of public property is mainly a matter of ensuring that local, regional and national authorities introduce proper regulations. The conservation, restoration and improvement of public property depend mainly on finding and making available economic resources and should be seen as a tourist infrastructure project.

The proper use and, above all, the sound and lasting conservation of the public property used by a tourist enterprise represent a factor in the development of that enterprise. In other words, the relationship between

the tourist industry and the environment is bound to be a positive one because of the very nature of this economic activity.

1.5. Tourism as an economic activity is closely connected with and mutually dependent on another economic activity, namely passenger transport.

1.6. Finally, it is worth mentioning that tourism involves the movement of tourists (a) within the territory of a Member State (domestic tourism), (b) from one Member State to another (intra-Community tourism), and (c) from third countries to Member States and vice versa (international tourism). The practical significance of this distinction does not appear to have been given sufficient consideration.

2 The GATT Agreement and the Community action plan for tourism

2.1 Even though the European Parliament urged the Member States to include provisions on a Community tourism policy in the Maastricht Treaty signed on 7 February 1992, they did not do so. They merely noted in the Treaty establishing the European Community (Article 3(t)) that measures in the sphere of tourism are included in the activities of the Community for the purposes set out in Article 2 of the Treaty and decided not to examine the question of whether to include a title on a Community tourism policy in the Treaty until the 1996 Intergovernmental Conference on revision of the Treaties (Declaration No 1).

Unfortunately, the governments of the Member States vacillated at a time when, it is true, negotiations were being held in Geneva between the Commission, on behalf of the Member States, and the other countries of the world on the signing, within the framework of the GATT, of an agreement on the liberalization of trade in services, including tourism services. That agreement (General Agreement on Trade in Service) was finally signed in Geneva in December 1993; however, no one knows whether the Commission raised the problems and demands of the Community tourist industry during the negotiations - an industry, moreover, which consists to a very large extent of small and medium-sized enterprises. In addition, the Commission was not required or rather not legally empowered to take the relevant initiative in this matter. In contrast, it is known that hard bargaining took place over other branches of the Community services industry - such as air transport, sea transport and telecommunications - because those sectors were covered by titles of the Maastricht Treaty.

2.2 Council Decision 92/421/EEC implemented a three-year Community action plan covering the period from 1 January 1993 to 31 December 1995. There are no statistics permitting even a *prima facie* assessment of the action plan's effectiveness. Moreover, the Commission has not yet presented to Parliament the evaluation report provided for in Article 6 of the Decision.

Nevertheless, it is clear from a glance at the specific measures selected for inclusion in the action plan that there is a lack of direction, i.e. there is no framework for implementation of the measures and there is no objective which the measures serve.

3The Green Paper

3.1.The Commission's Green Paper (COM(95) 97 final), on which Parliament is required to give its opinion, is an important contribution.

The paper takes the right approach to the problem and the conclusions in the form of the four options which the Commission proposes (without taking a position itself), are well-founded although criticisms could be made of certain points of the analysis. The theory that there are three dimensions to tourism - development, satisfying the tourist and the protection of heritage - is, perhaps, acceptable, although others would rightly add other aspects. The problem lies elsewhere: since the issues of the tourist as a consumer, the environment and the cultural heritage are already covered by existing Community policies, what is needed in this particular case is across-the-board cooperation and the coordination of the competent European Community bodies and services. However, there is no Community policy on the tourist industry, which is an independent sector of the economy.

In other words, what is required is not a three-dimensional or multi-dimensional tourism policy but, firstly, Community provisions on the tourist industry, similar to those in Article 130 of the Treaty establishing the European Community and, secondly, cooperation and coordination between European Community bodies and services which take action under existing Community policies with a view to taking a joint approach to the issues of the protection of tourists and the effects of tourist activities on the environment, the cultural heritage, etc.

3.2The European Parliament is required not only to decide which of these options to support, but also to justify that opinion through disciplined dialogue called for by the Green Paper.

The opinion of the European Parliament on the options is of particular importance given that the Commission undertook in Declaration No 1 annexed to the Final Act of the Treaty on European Union to submit a report to the Council by 1996 at the latest on the question of whether to include a title on tourism in the Treaty following the 1996 review.

4The fourth option

4.1The European Parliament has always been a firm supporter of greater Community intervention in the tourism sector and the inclusion in the Treaty of a Community tourism policy⁶.

The need for such a policy is not in question, given not only the serious problems facing the tourist industry, but also the importance of this economic activity for harmonious, lasting, balanced and environment-friendly economic development and economic and social

⁶See resolutions of 11 June 1991 (McMillan-Scott report, A3-0155/91), 18 January 1994 (Cornelissen report, A3-0352/93) and 15 December 1994 (Diez de Rivera report, A4-0080/94).

cohesion. The Council of Ministers has also formally expressed support for the fourth option⁷.

A further reason why a Community tourism policy is necessary is that the provisions of the General Agreement on Trade in Services⁸, signed recently within the framework of the GATT negotiations, have created problems of competitiveness for the Community tourist industry. The problem is particularly acute because most Community tourist enterprises are small and medium-sized undertakings.

4.2. Having taken this firm position as a starting-point, the question arises:

What kind of Community tourism policy do we want to incorporate in the Treaty and what will the substance of that policy be?

Your rapporteur believes that the following points must be taken into account in formulating this policy.

4.2.1 First, the general thrust of the policy should focus on the economic activity that constitutes the tourist industry and specifically (a) tourist enterprises (b) tourist activities, i.e. the tourist product, and (c) workers and employment in tourist enterprises generally.

At the same time, the effects of tourism on the environment, culture, consumers themselves (tourists) and other sectors of the economy, should be tackled jointly and in collaboration with the bodies and services of the European Community and with other public or private organizations acting within the framework of existing Community policies on the environment, culture, consumer protection, transport, etc.

The approach described above is broadly the same as that taken by the Community's common transport policy as developed in recent years on the basis of Articles 74 to 84 of the EC Treaty.

4.2.2 Second, the common tourism policy should seek to accomplish the objectives set out in Article 2 of the Treaty on European Union.

4.2.3 Third, the common tourism policy should focus its efforts exclusively on intra-Community tourism and international tourism, in accordance with the principle of subsidiarity.

4.2.4 Fourth, the lines of action for the common tourism policy could be as follows:

(a) ensuring the competitiveness of the tourist industry within the framework of a system of free market competition, while speeding up the necessary adjustments to deal in particular with the internationalization of the market, the increasing competitiveness of new tourist destinations in third countries and the growing demand in the field of international tourism;

⁷See the second recital of Council Decision No 92/41/EEC on a Community action plan to assist tourism.

⁸The Agreement also covers services in the tourism sector.

- (b) creating favourable conditions for the development of Community tourist enterprises, particularly small and medium-sized undertakings (access to the 'information society', diversification of the tourism product to meet demand, use of new technologies, etc.);
- (c) taking initiatives to harmonize working conditions, train workers and boost employment.
- (d) promoting cooperation between all those involved in tourist activities (Member States, non-member countries, tourist enterprises, consumers, workers, institutes and organizations) to ensure improved and timely exchanges of information.
- (e) coordination of national measures by the Member States which will facilitate efforts to harmonize national policies and create the conditions for taking initiatives at Community level.
- (f) introducing the possibility of concluding agreements between the European Community and third countries or international organizations on matters relating to international tourism, in accordance with the procedure provided for in Article 228 of the EC Treaty.
- (g) contributing to research and financing for tourist infrastructure (conservation, improvement and restoration of public property) on the basis of criteria to be determined in advance.

MOTION FOR A RESOLUTION

tabled pursuant to Rule 45 of the Rules of Procedure
by the following Members: Parodi, Ligabue and Viceconte
on behalf of the Forza Europa Group

on European Union action in the field of tourism

B4-0556/95

The European Parliament,

A.whereas international tourist activity within the Union has increased
ten-fold over the past twenty years,

B.whereas 10-12% of all jobs in the Union would be lost were tourism to
undergo a crisis,

Calls on the Council to:

- 1.Give tourism a more important role as a means of human integration;
- 2.Ameliorate specific problems of tourism as regards the movement of persons
across frontiers and working conditions in the tourist sector;
- 3.Take account of the requirements of tourism in the Integrated Mediterranean
Programmes and other measures financed by the ERDF, EIB, EAGGF, Social
Fund, etc.;
- 4.Increase the budgetary allocation for tourism, which currently totals only
ECU 340 000;
- 5.Calls on the Commission to submit further directives concerning:
 - (a)a European law on travel contracts
 - (b)a standard definition of the profession of tour manager
 - (c)the protection of tourists abroad and uniform legislation on compensation.

MOTION FOR A RESOLUTION

tabled pursuant to Rule 45 of the Rules of Procedure
by Mr Parodi
on European tourism policy

B4-0560/95

The European Parliament,

-having regard to its earlier resolutions on this subject,

-having regard to the Commission Green Paper on the role of the Union in the field of tourism (COM(95)0097),

A.whereas the Treaty on European Union does not include a specific chapter on tourism,

B.whereas tourism is of vital importance to economic growth and job creation in the European Union,

C.whereas tourism helps to reduce regional disparities and to promote awareness of linguistic, historical and cultural diversity,

D.whereas tourism also serves to reinforce the concepts of European citizenship and a common cultural identity,

1.Calls for a specific chapter on tourism to be inserted in the Treaty on European Union when the Treaty is revised;

2.Calls for a European Conference on Tourism to be organized in the first half of 1996, to establish with a view to the revision of the Treaty the objectives and basic instruments of the Union's future policy in this area, together with a detailed legal and institutional framework for Community powers in the field of tourism.

O P I N I O N

(Rule 147 of the Rules of Procedure)

of the Committee on Economic and Monetary Affairs and Industrial Policy
for the Committee on Transport and Tourism

Draftsman: Mr Lyndon Harrison

At its meeting of 24 May 1995, the Committee on Economic and Monetary Affairs and Industrial Policy appointed Mr Lyndon Harrison as Draftsman.

At its meetings of 20 July, 16 October and 13 November 1995 it considered the draft opinion.

At the last meeting it adopted the conclusions as a whole unanimously with one abstention.

The following took part in the vote: von Wogau, chairman; Harrison, draftsman; Argyros (for Areitio Toledo), Arroni (for Mezzaroma pursuant to Rule 138(2)), Billingham, Blokland (for de Rose), de Brèmond d'Ars, Carlsson, Cassidy, Caudron, Christodoulou, Alan J. Donnelly, Ebner (for Friedrich), Ewing, García Arias, Garosci, Glante, Hendrick, Herman, Imaz San Miguel, Konrad, Kuhne (for Randzio-Plath pursuant to Rule 138(2)), Langen, Lulling, Miller, Murphy, Peijs, Pérez Royo, Rapkay, Read, Sisó Cruellas (for García-Margallo y Marfil), Spindelegger, Thyssen and Watson.

Introduction

1. Awareness of the importance of tourism as an economic activity led to the inclusion in the Union Treaty of the provision that the activities of the Community shall include measures in the sphere of tourism (Art. 3(t)). A declaration annexed to the Treaty leaves the decision as to whether to introduce a Title for the subject into the Treaty to the 1996 Intergovernmental Conference, working on the basis of a report which the Commission is to submit to the Council by 1996 at the latest. The present Green Paper is to be seen in the context of the process of preparing that report.
2. The European Parliament has traditionally favoured an increased role for the Community in the tourism sector. This is not only on account of tourism's economic importance (some 9 million people are estimated to hold jobs directly linked to tourism products and activities, corresponding to almost 6% of total employment): various resolutions have made the point that tourism is also a social phenomenon that encourages recognition of cultural diversity and the reduction of regional disparities, and that it as such can contribute to the concept of European citizenship.
3. Parliament's resolution (A4-0102/95) on the functioning of the Treaty on European Union with a view to the 1996 Intergovernmental Conference - Implementation and Development of the Union, adopted on 17 May 1995, asserts (paragraph 10(x)) that tourism should form a separate and distinctive common policy with a separate legal basis and chapter in the revised Treaty.
4. The Green Paper describes the actions currently undertaken by the Community in the tourism sector and seeks to shed some light on the potential added value of a more interventionist Community-level approach. It concludes by presenting four options for the future role of the Union in the field of tourism and solicits opinions as to which of the four to pursue. The draftsman deems it appropriate in his draft opinion to concentrate on the economic aspects of the issue, without however losing sight of the need to take account of the interests of consumers as tourists and of environmental issues, and will seek to make a recommendation to the Committee on Transport and Tourism on the basis of these considerations.

The economic case for tourism

5. The tourist industry accounts for 5.5% of the Union's GDP, but this average figure masks wide variations between the member states for some of which the figure is as high as 10%. To the 9 million mentioned above as working directly in the tourism industry should be added, according to some analyses, at least as many whose jobs depend on the industry. However, the very diffuse nature of the industry makes it difficult to say with any degree of precision how many people's incomes derive from it. What is clear, though, is that the tourist business is very seasonal by nature, with irregular working hours and conditions, which accounts for the large number of part-time and unskilled workers it employs. The workforce consists mainly of young people and women.
6. It is a further characteristic of the tourist sector that a particularly high proportion of the businesses engaged in it are small and

medium-sized enterprises. Indeed the preponderance of SMEs in the industry is another sign of its fragmentary nature. The Commission's December 1993 White Paper on Growth, Competitiveness and Employment made the point that it is largely in the SME sector that future job creation is to take place. It will be shown below that the Community can contribute to help the SMEs adapt to the structural and technological changes that are under way, and thereby contribute to increasing growth in the sector.

7. Commission analyses show that tourism is one sector of economic activity that has enjoyed a long period of steady growth. However, this growth in the sector has perhaps rather disguised a significant loss of global market share. In the Green Paper the Commission quotes the case of the tourist destinations in Eastern Asia and the Pacific, to which the Community countries as a whole have lost 11% in terms of arrivals and 14% in receipts between 1970 and 1994. The Commission rightly points out that market share is an incomplete measure of the economic performance of an industry - as is, for that matter, relative growth in percentage terms. The potential for continued increases in the volume of tourist arrivals must be set against the real or potential saturation point on the supply side: Canterbury and Venice are examples of European towns in which means are being examined for limiting the vast inflows of tourists which are threatening to damage the towns' very fabric. It is clearly necessary to find a balance between quantity, quality and profitability for the benefit of both the industry and the tourists themselves.

8. This much said, cities such as those mentioned above remain the exception, and most European towns and regions would be only too happy to increase numbers of visitors. Fortunately, conditions for further growth in the numbers of tourists are favourable on the demand side. There are many reasons for this, including the ageing populations of the industrialised countries, higher levels of education, longer paid holidays and shorter working hours. The challenge for the European tourist industry is to harness this potential increase in demand to the local (i.e., European) supply, and not let too much of it be diverted to destinations outside the Union area. One of the best ways to achieve this is to draw up and implement a policy geared to the highest satisfaction of tourists' needs in terms of safety and quality of service. The development in market shares suggests that the industry has not been too successful at this so far.

9. We are, then confronted with a sector where there is apparently enormous potential for expansion, for the reasons quoted in paragraph 8 above, and in which the Community must surely have an interest in promoting expansion because, as mentioned in paragraph 6, the sector is dominated by SMEs and it is amongst these that jobs are to be created, but also because tourism can encourage the recognition of diversity and a feeling of cohesion and identity with the people of other European countries and is a field where citizens as tourists could clearly benefit from a policy which takes proper account of their needs. The questions are *whether* there is a greater role for the Community in promoting the interests of the industry and, if so, *what* this role should be.

The role of the Union in tourism

10. The Commission introduces a three-pole model for the successful expansion of tourism as an industry, in which all three poles are of equal importance and growth can not be said to be satisfactory (and will in any case only be short-term) unless all three are advanced simultaneously. The three poles are enterprise growth, tourist satisfaction, and protection and renewal of the heritage. Enterprise growth is a means of creating employment and must therefore be seen as a goal for any one sector in the economy of the European Union. Increasing tourist satisfaction, which in itself should be one of the principle objectives of a policy in the field of tourism, is of course a way of sustaining and raising tourist numbers. Protecting and renewing the heritage is one means of increasing tourist satisfaction, so enterprises in the tourist sector will not grow unless the heritage is protected, and conversely, increasing income in the tourist sector can increase the availability of funds for investing in heritage.
11. As mentioned above, the Commission presents four options for the possible future role of the Union in the development of the tourist industry. Options 1 and 2 are for reducing or eliminating specific Community actions (1) and for retaining the current framework and level of intervention (2). They are based on the fact that the Community already has in place policies that at least marginally pertain to the tourist industry, policies dealing with for instance the single market, the environment, transport, competition, consumer protection, education and vocational training etc., where option 1 argues that the interests of tourism are already sufficiently served by these existing policies, and no specific coordinating measures are called for, and option 2 suggests that the Community can continue to provide for the tourist industry on the basis of its mention in Art. 3(t) of the Treaty. The draftsman discounts these two options, in the light of the unremarkable results achieved so far.
12. Option 3 would strengthen Community action by means of the provisions of the existing Treaty. Within the framework of the policies mentioned above, the Community would be able to advance all three poles of the Commission model described in paragraph 10 by, for example, further supporting the development of the trans-European networks and of the information society, pushing for the completion of the single market and in particular for the introduction of a single currency, and, as far as the other policies mentioned above are concerned, by always bearing in mind the tourism angle and trying to take greater account of specifically tourism-related interests.
13. At a time when subsidiarity has become something of a watchword for all new initiatives at Union level, this third option certainly has its attractions. As the Commission itself points out, simply retaining the existing framework would not rule out Commission initiatives to strengthen the internal coordination of its activities in order to make them more coherent with tourism. However, the draftsman feels that the time is right to go a step farther and to establish a Community Tourism Policy with its own Title in the Treaty and Chapter in the Budget. For only this would enable the Commission to assume the role that, in his view, belongs to it, namely as a centre for the dissemination of information and "best practice" between the many parties concerned (the

member states and regional authorities, professional organisations, consumers, third countries, international organisations and in particular the SMEs operating in the industry), as a coordinator, at Union level, of the actions of these many parties - with each other as well as with other Community actions with an impact on tourism - and as an initiator of common policies where appropriate (e.g. in the field of hotel standards and classification) (This is the Commission's fourth option).

Conclusions

14. Tourism is, by its very nature, a single-market issue: being a consumer of the tourism "product" involves in many cases travelling across the single market, and many of those who work in the industry, and thus supply the product, are working in a member state other than their home country. Therefore tourism should be, at least in part, the province of the authority - the European Union - that oversees the single market. Two other factors which have been dealt with above further emphasize the necessity of a more interventionist Union-level approach: the size of the industry and its diffuseness. And the draftsman notes that the overwhelming majority of speakers at the European Parliament's recent hearing on the subject of the Green Paper supported the idea of increased Community involvement in the industry. Option four then is the recommendation of the Committee on Economic and Monetary Affairs and Industrial Policy to the Committee on Transport and Tourism.

15. In endorsing the Commission's fourth option the Committee wishes to emphasise that it sees the Commission's role as that of coordinator and of "idea bank" and, by all means, of originator of initiatives that can advance the European tourist industry, stimulate growth and create jobs and enhance the quality of services offered to consumers to the benefit of all. A Community Tourist Policy must *not* result in the introduction of unnecessary regulation but should on the contrary seek to reduce the level of red tape.

O P I N I O N

(Rule 147 of the Rules of Procedure)

of the Committee on the Environment, Public Health and Consumer Protection
for the Committee on Transport and Tourism

Draftsman: Mrs Díez de Rivera Icaza

At its meeting of 23 May 1995 the Committee on the Environment, Public Health and Consumer Protection appointed Mrs Díez de Rivera Icaza draftsman.

At the meetings of 26 June 1995 and 8 September 1995, it considered the draft opinion.

At the last meeting it adopted the conclusions unanimously.

The following took part in the vote:

Collins (chairman), Jackson (vice-chairman), Díez de Rivera Icaza (draftsman), Alber (for Burtone), Baldi, Blokland, Bowe, Cabrol, Eisma, Estevan Bolea (for Gaigg), Florenz, González Álvarez, González Triviño (for Apolinario), Graenitz, Grossetête, Johansson, Kestelijn-Sierens (for Dybkjaer), Kuhn, Lange (for Kokkola), Lannoye, Leopardi, Marinucci, McKenna, Pollack, Redondo Jiménez (for Oomen-Ruijten), Sandbaek, Schweitzer, Thyssen (for Poggiolini) and Virgin.

INTRODUCTION

- The Committee on the Environment, Public Health and Consumer Protection believes that the Green Paper on tourism presented by the Commission lacks, amongst other things, a clear-cut, definitive and firm commitment on environmental issues, and virtually ignores the question of protection and safety for tourists as consumers.

- Since 1983, no less, this Parliament - and not only its Committee on the Environment - has been calling⁹ for a Community policy on tourism which would, inter alia, take full account of the importance of the need to protect the environment and natural resources in any tourist policy. In its resolution based on the report by the Committee on the Environment concerning the European Year of Tourism¹⁰, Parliament recalled that 'the quality of the environment is the basic resource of a tourist economy'¹¹, which principle was included, alongside important aspects of consumer protection, in Mr McMillan-Scott's report for the Committee on Transport and Tourism, and subsequently, in Parliament's final resolution on the European Year of Transport aforementioned¹².

- More recently, Parliament's resolution based on Mrs Díez de Rivera Icaza's report for the Committee on Transport and Tourism¹³, referred to in the introduction to the Green Paper, mentioned the *acquis communautaire* in the tourist sector and established the essential points to be included in the Green Paper when it came out¹⁴.

- These objectives, which were adopted by Parliament at the sitting of 15 December 1994, with only 8 votes against, merely demonstrated Parliament's determination to establish that tourism, in its European aspects, was a common policy with its own legal basis, as stated in paragraph 10(ix) of the Bourlanges-Martin resolution¹⁵.

- The objectives set out in the above-mentioned resolution reflect Articles 2, 3(k) and 130r(2) of the Treaty on European Union, which refer to aiming at a higher level of environmental protection and the fact that 'environmental protection requirements must be integrated into the definition and implementation of other Community policies', and also Articles 129 and 129a concerning health protection and consumer protection.

⁹OJ C 10, 16.1.1984, p.281

¹⁰OJ C 231, 17.9.1990

¹¹OJ C 231, 17.9.1990, p.234

¹²OJ C 19, 28.1.1991, p.238

¹³OJ C 18, 23.1.1995, p.159

¹⁴OJ C 18, 23.1.1995, p.359

¹⁵A4-0102/95, 17.5.1995

- The Green Paper on Tourism should therefore have included not only a definition of the sector's specific concerns, but also guidelines in the following areas: social and labour issues, the environment, culture, protection of tourists as consumers and users of health centres, etc. Only in this way would it have constituted a response not only to what the European Parliament had requested, but also to the Treaty on Union, the Fifth Environmental Action Programme, the Delors White Paper and the European Parliament's repeated requests concerning the tourist sector.

- There can be no hiding the fact that the Green Paper is threadbare and hollow, nor that it is bereft of any innovative spark in so important an area -intimately linked as it is to the concept of Union citizenship and constituting, as it does, a primary source of wealth and employment. For the nth time, the Green Paper cites the established programmes already under way, the need to diversify tourist activities and products, stagger holidays, promote rural tourism, etc., while evading any specific commitment in these and other areas, as if it were frightened either of the Council, whose disinclination to tackle the tourist sector is well known, or perhaps of the opinion of certain tourism lobbies which advocate leaving things exactly as they are in the sector as soon as there is any question of attempting to place tourists and their surroundings at the centre of any Community tourist policy.

CONCLUSIONS

The Committee on the Environment, Public Health and Consumer Protection believes that the Green Paper makes no constructive contribution to any of fields which fall within its remit, and fails even to respond to the repeated requests made by the European Parliament in this area¹⁶, particularly as it ignores the institutional opinion adopted by Parliament in the Bourlanges-Martin report in May, which called for tourism, in its European aspects, to form a separate and distinctive common policy with a separate legal basis and chapter in the revised Treaty¹⁷.

The Green Paper, for example, lacks:

- 1.any consideration of the tourist as a consumer, a key issue which does not even merit a chapter;
- 2.any reference to tourists suffering from handicaps of any kind or to the mobility of the elderly etc., despite Parliament's repeated requests in this connection. It further lacks any reference to health: reimbursement of medical expenses, European emergency health cards, international health cover for tourists, etc.;
- 3.any kind of clear-cut, firm commitment to protecting the environment and natural resources, or to the initiatives which the tourist sector itself should be taking to adapt its infrastructure to comply with such requirements, such as redefining the objectives and guidelines for this sector in the medium and long-term, to make it possible to balance the provision of tourist facilities with environmental concerns, or drawing up

¹⁶See footnotes 1, 2, 4 and 5

¹⁷ See footnote 7

environmental audits on the efficient use of natural, energy, transport and land resources etc, to ensure that tourist establishments operate in a manner compatible with sustainable development, so that this concept does not consist of fine words with no substance.

For that reason, the Committee on the Environment, Public Health and Consumer Protection, while considering that the most appropriate step would be for the Commission to withdraw the present text, redraft it to include fresh - and more specific - proposals in accordance with what this Parliament has actually been called for, as set out above, on the basis of a resolutely three-pronged, multidisciplinary approach based on tourism, the environment and the consumer, and then re-submit this Green Paper as soon as possible, believes that, should this not be possible, the Conclusions of the committee should be taken into account.