



October 2023

## What's happening in Brussels

### **Retrospect - MDMS event in the European Parliament**

ECTAA co-organized an event about "The MDMS Regulation: Can it transform how we travel?" on 10 October in the European Parliament. The event was hosted by MEPs Jan-Christoph Oetjen and Jakob Dalunde and ECTAA was speaking on a panel about "What are the obstacles to the development of multimodal ticketing services". We raised our frustration about the much watered down proposal being discussed which in addition is now stuck at the political level. We also highlighted once again the role that resellers play for a functioning marketplace and for competition. A second panel discussed "How MDMS could be a game changer for modal shift towards more sustainable transport modes?". Besides ECTAA, there were speakers from the consumer organization BEUC, the corporate travel association GBTA, the Dutch Ministry of Infrastructure, the European Passenger Federation EPF, eu travel tech, Transport & Environment as well as the Finnish Transport Ministry. Please see an article on the event [here](#). Please also check out our LinkedIn posts including pictures from the event. While there is a reluctance at political level to proceed with an MDMS proposal, we try to keep the pressure up.

### **Friends of MDMS – joint statement and dedicated website**

In parallel to the event on MDMS in the European Parliament, a group of stakeholders including ECTAA published a joint statement that you can find [here](#). It pushes once again for an ambitious MDMS Regulation highlighting the importance for an efficient and sustainable transport system. On 10 October a new website went live as well showcasing with real life examples how an ambitious MDMS Regulation could help consumers to find and book multimodal travel options allowing to save time, cost or emissions. Please check out the website <https://moveyourway.eu/> and spread the word to keep the pressure up.

## **PTD: Impact assessment gets the “greenish” light, proposal to be published on 30 November**

**The impact assessment (IA) of the PTD had been “approved with reservation”** by the Regulatory Scrutiny Board (RSB). This means that the IA still needs some improvement but doesn’t need to be resubmitted to the RSB for approval. As a result **the proposal is scheduled for adoption by the College of Commissioners on 29/11/23 and publication the day after,** in line with the recently published [EC agenda](#).

On the content, latest news indicate the following:

- DG JUST agrees that it will be important that the negotiations on PTD and passenger rights proceed in parallel and mentioned that they will recommend a joint involvement of IMCO and TRAN on these files.
- On cancellation rights for extraordinary and unavoidable circumstances, they mentioned that the plan is to introduce a **B2B refund right but only for cases where the travel service could not be operated.**
- On the **limitation of pre-payments**, they stand firm behind their position that this might actually bring some benefits to consumers. A proposal on escrow account of prepayment made to airlines could be a good solution but believe that it would go beyond the scope of the PTD.
- On the need to **clarify the value of travel advice** and when it triggers cancellation rights, they mentioned that the proposal will include some clarifications. The proposal will not give a black and white solution as to when the advice triggers such rights but more regarding the role it should play in the overall assessment.
- On Linked Travel Arrangements (**LTAs**), it would appear that “LTAs b” (the one triggered when there are 2 traders involved) will be dropped. While unclear, deleting this definition might allow airlines to sell more combinations of travel services via 3rd party without entering in the definition of LTA and the scope of the PTD.

## **ECTAA to discuss PTD with MEPs during the next Tourism Task Force**

ECTAA has been invited to share its views during the next Tourism Task Force (TTF) of the EP Committee on Transport and Tourism (TRAN) on the Package Travel Directive. The meeting will take place during the TRAN meeting of 25 October, 10.30–12.00 at the premises of the European Parliament in Brussels.

## **Concerns about VAT rules for platforms**

The ViDA package ('VAT in the digital age'), presented by the Commission in December 2022, introduces the so-called 'Deemed Supplier Regime' (DSR). The DSR foresees that the provision of short-term accommodation (STR) services by hosts who would otherwise be VAT-exempt should be subject to VAT, if the services are 'facilitated' by a platform. The notions of 'facilitation' and 'platform' are defined so broad, that it will also include supplies of 'untaxed' accommodation services by disclosed and undisclosed agents. At a workshop organised on 12 October for Member States' fiscal attachés and Finance Ministries, ECTAA joined forces with associations representing accommodation hosts, holiday / accommodation platforms and other stakeholders in highlighting the difficulty of implementing such a scheme in a highly complex ecosystem and in raising concerns of VAT and channel neutrality as well as double taxation. ECTAA also stressed that undisclosed agents operating under the special scheme for travel agents should not be subject to the DSR for 'untaxed' accommodation supplies, as this would defeat the very purposes of the special scheme (avoid VAT registration in multiple countries). ECTAA will coordinate further actions with other stakeholders.

## IATA Corner

### **PAPGJC/50**

### **meeting**

The last PAPGJC meeting took place from 11-12 September in Miami. An update of the main outcomes was presented during the joint meeting of the Air Matters Committee and Technology Working Group on 29 September in Anavyssos, Greece. It was agreed that an exchange online session between ECTAA PAPGJC delegates and members from the various local APJC delegates should be organized. This way national APJC agent delegates should have the chance to get first hand and unfiltered information what was being discussed during the PAPGJC meeting. In the past we have been informed about cases where discussions were incorrectly presented to APJCs, e.g. "agreement" at the PAPGJC while there was purely a presentation and even agents openly disagreeing. Once a date for such a call to exchange was found, members will be informed.

## Publications

## **Summer 2023: the hottest on record**

According to the EU's Copernicus Climate Change Service (C3S), the June-July-August season for 2023 was the warmest on record globally by a large margin, with an average temperature of 16.77°C, 0.66°C above average. Closer to home, the European-average temperature for summer was 19.63°C, which was the fifth warmest for the summer season. According to Samantha Burgess, Deputy Director of the Copernicus Climate Change Service (C3S): "Global temperature records continue to tumble in 2023, with the warmest August following on from the warmest July and June leading to the warmest boreal summer in our data record going back to 1940. 2023 is currently ranked as the second warmest, at only 0.01°C behind 2016 with four months of the year remaining. Meanwhile, the global ocean saw in August both the warmest daily surface temperature on record, and it's the warmest month on record. The scientific evidence is overwhelming – we will continue to see more climate records and more intense and frequent extreme weather events impacting society and ecosystems, until we stop emitting greenhouse gases." See more information [here](#).

## **Europe is reestablishing its connection with Asian tourists**

According to the latest [long-haul barometer published by ETC](#), long-haul travellers are showing enthusiasm to explore European destinations this Autumn, with travel intention from key markets remaining steady or seeing an increase compared to last year. Chinese respondents displayed the biggest surge in intention to travel to Europe between September and December this year. The survey also shows that long-haul travellers opt for new strategies to maximise their experience while minimising costs. Low-cost flights and rail passes are the most popular choices for inter-European transport.

# Events

## **Retrospect - Indirect Sales Summit at the World Aviation Festival**

On 26 September ECTAA organized two panel discussions at the Indirect Sales Summit of the World Aviation Festival. In a first panel ECTAA Secretary General Eric Drésin discussed with David Frangeul, Head of Advito Global Multimodal Practice and with Angela Lille, Travel Manager and representing BT4Europe the question "Multimodality as an opportunity for the whole travel industry?". There is a strong demand for more multimodal travel. This offers opportunities for the whole travel industry, but there are still several obstacles on the way

forward. A strong collaboration is needed to overcome these and to seize the opportunities for the industry and for the benefit of consumers. During a second panel moderated by Paul van Alfen, Pascal Burg from Edgar, Dunn & Company, Virgin Atlantic's Keli Sandeman and Michael Wirth from CWT discussed "Consumer payment trends and the impact on B2B payments". The consumer payment landscape is changing and innovating quickly and B2B payments should be adapted accordingly. It became clear that solutions are needed that work for everyone – travel intermediaries, suppliers and customers alike. See also our LinkedIn posts on the event and some impressions below. Mark your calendars – the next World Aviation Festival will take place from 8-10 October 2024 in Amsterdam.







## Save the Date

**18 October:** Webinar Destination Latvia for the English speaking market - [registration](#)

**17-19 October:** A [World for Travel](#), Seville

**20 October:** European Commission REFIT expert group

**25 October:** Discussion on PTD in the EP Tourism Task Force, Brussels, Belgium

**25-26 October:** IATA World Financial Symposium (WFS) and World Passenger Symposium (WPS), Chicago

**30-31 October:** ECTAA semi-annual meeting, Lamego / Douro

**8-10 November:** 7th [Summit](#) of Travel Agents' Associations, Granada

**14-15 November:** IATA Wings of Change Europe, Amsterdam, Netherlands

**23 November:** [VIVA Marketplace](#): Sourcing of Sustainable Products



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ECTAA 127TH SEMI-ANNUAL MEETING PORTO REGION

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