





PRESS RELEASE

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"A rushed agreement on Package Travel will severely harm the hotel industry", says HOTREC to the Competitiveness Council

<u>Brussels, 3 December 2014</u> – As the Competitiveness Council will discuss tomorrow a Presidency compromise on the new Package Travel Directive, HOTREC, the European association representing the European hospitality industry, calls on the Council to postpone any agreement until workable solutions are found to avoid the damaging effect the current compromise would have on the hospitality industry.

While recognising the efforts made by the Italian Presidency, the European hospitality industry considers that the current compromise text to be discussed by the Competitiveness Council will harm hotel business across Europe, as it fails to address some of the long-standing issues the hotel industry has with the Commission proposal.

"This text suffers several drawbacks and is simply not workable as such. Given the negative impact the current text would have on hotel businesses, the Council should not rush into an agreement for the sole reason of completing the first reading before the end of the year. Both the industry and consumers deserve better" commented Christian de Barrin, CEO of HOTREC.

Indeed, the compromise proposed by the Italian Presidency would transform into packages many hotel services currently not considered as such by the existing Directive. This would result in strong additional costs that many hotels across Europe cannot sustain, while it is one of the few industry that keep creating thousands of jobs in spite of the economic context.

Moreover, it would indirectly and un-intentionally prohibit many promotional offers for early and late stand-alone hotel bookings, as the text ignores that many of these promotional offers are available on websites such as Expedia and similars, where they can be combined by consumers in packages.

HOTREC therefore calls on the Competitiveness Council to refrain from agreeing on a general approach on the Package Travel Directive, in order to have the time to find workable solutions for the European hospitality industry.

What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. This industry includes around 1,8 million businesses, of which 99% are small and medium sized enterprises (91% of them micro enterprises, i.e. employing fewer than 10 people). These businesses make up some 59% of industry value added. The hospitality industry provides some 10.2 million jobs in the EU alone. Together with the other tourism industries, the sector is one of the largest industries in Europe. HOTREC brings together 42 national associations representing the sector in 27 different European countries.

For further information: www.hotrec.eu

PRESS CONTACT: Alexis Waravka, Public Affairs Manager, +32(0)2 513 63 23, alexis.waravka@hotrec.eu