

## **Press Release**

September 5, 2017

## AETTA held a round table on ways to improve business environment in the EU tourism sector

The Association of European Travel and Tourism Agencies (AETTA) held a round table "Road map for improving business environment in the EU tourism sector" at its headquarters in Brussels on September 5, 2017. The conference gathered 39 participants from strategic AETTA members and industry experts from a number of public and private European institutions.

Anticipating the 16th European Tourism Forum that will be held on 18-19 October, 2017 in Tallinn, AETTA has undertaken a study among its members on the issues they face in the fields of regulation, taxation and governance. The findings from the study were summarised and discussed at the round table with the purpose to elaborate AETTA's position for the upcoming European Tourism Forum.

Addressing the round table participants James Woods, President of AETTA said, "European economy looks to be on a strong recovery path. Budgetary constraints have eased in most EU countries. However, we see that some aggressive regulatory and taxation approaches introduced during the austerity periods are still not levied in a number of markets. AETTA, a strong advocate of the level playing field for all its members is concerned with the situation. The purpose of our round table is to discuss the findings of AETTA's internal study and develop the common position of our Association on how to harmonise the regulatory environment in the tourism sector within EU."

Eduard Wurzman, AETTA's Competition Task Force Coordinator, commented, "Over the course of this year we conducted a study of the regulation and taxation rules that our members face in their countries. Our research has revealed important differences, which in fact are striking considering all the talk about harmonisation that we heard from EU policy makers over the recent years. For example, VAT rates for hospitality services vary from 3% in Luxembourg to as high as 25% in Denmark. For transport services and restaurants the VAT rates range from 3% to 27%. We believe that such discrepancies distort markets, create unnecessary opportunities for arbitrage between countries and contribute to shadow economy. We do not feel this is in the long term interests of both market participants and consumers."

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Note to the Editor: Association of European Travel and Tourism Agencies (AETTA) brings under one roof over one thousand travel and tourist agencies working in Europe or serving European destinations. Each year these collectively serve 8.4 million clients, generate a total turnover of some €4.9 billion and employ directly 21 000 people.

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