EUROPEAN FILE

1990, European Tourism Year



COMMISSION OF THE EUROPEAN COMMUNITIES February 1990 2/90 1990 is European Tourism Year. This was decided by the Council of Ministers of the European Community, responding to a suggestion made by the European Parliament with the support of the European Commission. The ministers responsible for tourism in the Community governments held their first formal meeting on 14 December 1988 and adopted an action programme, which stresses the integrating role of tourism in working towards the large area without frontiers after 1992 and the creation of a true People's Europe.

- □ Intra-European tourism enables people, particularly the young, to enrich their knowledge of the cultures and life-styles of the 12 member countries of the Community, thus becoming more aware of what Europe is really about.
- □ Tourism is an economic sector of prime importance for the Community and its Member States: it represents about 5.5% of the Community's gross domestic product, 8% of private consumption, 4.5% of currency inflow and outflow. It employs 7.5 million people, providing up to 6% of total employment; it is one of the Community's main job-creating industries.

Objectives and lines of action

The economic, cultural and political impact of tourism explains the decision to devote a 'European Year' to it and accounts for the aims and lines of action adopted.

The ministers defined the two major objectives of European Tourism Year:

- □ To prepare for the establishment of the large area without frontiers, turning the integrating role of tourism to account in the creation of a People's Europe.
- □ To emphasize the economic and social importance of the sector, in regional policy and job creation and in other respects.

To these ends the ministers decided to initiate or to support a range of coordinated activities by the Community, the Member States and private organizations involved in tourism. These activities would be aimed particularly at promoting:

- □ Greater knowledge among the citizens of the Member States, particularly young people, of the cultures and life-styles of the other Member States.
- □ Intra-Community tourism, particularly by facilitating the movement of travellers, as well as tourism from countries outside the Community.
- □ A better distribution of tourism over time and location, with proper respect for the quality of the environment, particularly by encouraging the staggering of holidays and the development of alternatives to mass tourism, of new destinations and of new forms of tourism.

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For the ministers, the most serious problem confronting tourism in the Community is its over-concentration in the high season. The consequences are well known both to the experts, and the tourists themselves are becoming more aware of them: congestion of transport and accommodation services, deterioration of the natural and man-made environment — with under-utilization of capital and human resources in the low season. European Tourism Year must therefore contribute to greater awareness of the possibilities and advantages which an extension of the tourist season would offer both to holidaymakers and to the various regions of the Community; it should be a golden opportunity to promote a better use of existing tourism infrastructure and equipment.

The European Commission was given the task of organizing European Tourism Year and is assisted by a steering committee composed of one or two representatives from each Member State. Representatives of the European Free Trade Association (EFTA) are invited to meetings: the Community ministers responsible for tourism insisted on the need to approach the task on a continental scale and the EFTA countries made clear their interest in the initiative. Observers from major tourism associations also participate as observers in the work of the committee.

The Community and EFTA Member States have each established a national committee to identify and propose projects for Community co-financing, to examine their sponsorship or patronage and to support the preparation of various events, including the launching of the Year in each country.

A Year rich in initiatives

European Tourism Year should see a very wide range of initiatives by public and private operators in all the member countries. The European Community is involved not only in its coordinating role, but also in co-financing selected projects, financing information campaigns and awarding prizes for competitions on tourism-related themes.

- □ The Community and the national European Tourism Year committees are willing to give their support or patronage, as well as the right to use the logo of the Year, to voluntary activities undertaken by public or private operators with the aim of facilitating or promoting tourism to or within the Community, in accordance with the Year's general objectives or its specific themes. These activities can be very diverse: exhibitions, fairs, festivals, conferences, competitions, publicity campaigns, projects to protect or improve the natural or man-made environment, etc. The Community does not intend to impose directives or any programme to limit the range, but as a beginning it has defined three kinds of activity which it is prepared to support:
 - Coordination of price reductions in transport and accommodation during the low season. Public and private bodies in the member countries could designate target periods — November 1990 and March 1991, for example

- for the prolongation of the tourist season. For these periods there should be clear price reductions for the public on all means of transport and on the various tourism services. Cultural activities should also be provided during these periods, as well as good information on all the possibilities for tourism and the general advantages of holidays out of season.

- Use of the common logo and slogan of the European Year, particularly in railway stations, ports, airports, etc., as well as in regular publicity campaigns.
- Distribution of information on the Year through the mass media. National tourism bodies whether public administrations or private organizations are invited to produce or promote the production of films, videos, radio programmes and press articles on the themes of European Tourism Year, for the general public and for operators in travel and tourism. Journalists and the mass media are invited to join in these efforts and convey them to their readers, listeners and viewers.
- □ The Community has decided to co-finance a range of projects initiated by private or public operators in the Member States. To receive Community aid, these projects must contribute towards at least one of the following purposes:
 - Promotion of out-of-season tourism.
 - Promotion of cultural, rural, social and other forms of tourism as alternatives to mass tourism.
 - Promotion of travel by young people under 27, which will help them to improve their knowledge of the cultures and life-styles of other Community countries.

The participating States are asked to make an initial selection among the national projects and to submit their proposals to the European Commission. The Commission makes its own selection from the pan-European projects which are submitted directly to it. Before making a final selection for the two types of project, the Commission gets the opinion of the organizing committee for the European Year. The projects chosen are declared 'Community projects for European Tourism Year' and can obtain Community aid of up to 40% of their cost. A total of ECU 2.5 million¹ in Community credits is available for this aid. The main criteria for selection are as follows:

• The European character of the project, in other words the extent to which it encourages European tourism.

¹ 1 ECU (European currency unit) = about £ 0.72, Ir£ 0.77 or US\$ 1.19 (at exchange rates current on 18 January 1990).

- Its contribution to the completion of the single market, through the development of transnational cooperation between those who work in tourism in European countries.
- Its contribution to employment out of season.
- Its contribution to the development of new tourist destinations.
- The innovative character of the product or form of tourism envisaged.
- The exemplary character of the project, particularly the part it can play as a pilot for other projects in other countries or regions.
- Its environmental characteristics: projects chosen must have a positive, or at worst a neutral, effect on the quality of the natural and man-made environment.
- □ The Community has also decided to carry out a series of information and publicity campaigns, and to fund various competitions and prizes up to a total of another ECU 2.5 million.
 - The purpose of the information and publicity campaigns is to stimulate the interest of people working in travel and tourism, to draw the attention of travel agents and the public in countries outside the Community to this exceptional opportunity for travel to Europe, and to remind all Community citizens of the advantages of low-season tourism, of cultural, social and rural tourism and of alternative destinations.
 - A series of European and national competitions, some organized by the steering committee and some by the national European Tourism Year committees, will have prizes awarded by the European Commission after consultation with the steering committee. Other prizes may be obtained from public or private sponsorship. Among the themes chosen are: the best-kept European town, the best arrangements for handicapped people, a tourism research project, tourism in photographs, a literary competition and a schools' poster competition.

Beyond 1990

The effects of European Tourism Year should be prolonged long after 1990. It is a prime opportunity to consolidate and develop, in a long-term strategic framework, the Community's various activities in the field of tourism. An overall Community framework has already been established. In December 1986, the Council of Ministers decided to set up an advisory committee on tourism-related questions, composed of representatives of the Member States and presided over by the European Commission.

Conscious of the importance of tourism to the European economy and of its increasing role in the context of the large market and the People's Europe, the

Community has set itself the principal objectives of facilitating intra-Community tourism, promoting tourism in Europe, improving working conditions in the tourist industry, encouraging a better seasonal and geographic distribution of tourism and improving awareness of the sector.

- □ A range of measures already adopted or in preparation help towards realizing the first of these aims: facilitating tourism within the Community.
 - First among these measures is the elimination of obstacles at the frontiers between Community member countries. Intra-Community tourism has been made easier by the abolition of border checks, the gradual raising of the tax-free allowances granted to travellers, the elimination of frontier checking of green motor insurance cards and the introduction of the Community passport. The checks still carried out at borders, for fiscal, security or health reasons, will have to disappear by the end of 1992 so that the Community becomes like a single country for the traveller. People from outside countries will also have their journeys made easier, as they will be able to travel freely from one member country to another after having been checked once and for all at one of the Community's external frontiers.
 - There has been a marked liberalization of currency transfers. The regulations which still govern them in certain member countries are no longer an obstacle to the traveller's freedom and will, in any case, be eliminated by 1992. Moreover, it may be hoped that the use of the ecu in tourism and the 'interoperability' of electronic card payment systems (for which the Community's banks have made preparations, with the help of the European Commission) will simplify payments and withdrawals of money in all member countries.
 - In liaison with the European consumer protection programme, the Community is in the process of harmonizing certain national regulations on package tours. Common basic norms will help to guarantee the quality of services supplied by tour organizers.
 - A series of measures pertaining to the Community's transport policy also facilitates European tourism. These include the decisions already taken or still under discussion for the gradual liberalization of air transport, in regard to fares, capacity, access to the market and the application of competition rules; the result should be to encourage the development of new links and lower prices. Trips by coach and bus will also be made easier by the revision of rules on international road transport of passengers by road and by the formation of European networks. As for rail transport, it

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will be greatly improved by the creation of a European network of high-speed trains, as well as by the Channel tunnel and other big infrastructure projects.

- □ The Community intends not just to facilitate tourism but to promote it as well.
 - In the first place, it supports investment in the tourism sector.
 - The European Investment Bank grants direct loans for fairly largescale projects (such as hotels and integrated tourist complexes), as well as global loans to intermediary institutions which re-lend the funds to small and medium-sized tourist enterprises. The Bank's financing of infrastructure for transport, water supply and quality improvement of coastal waters also makes a concrete contribution to the development of tourism in many regions.
 - The Member States are caling more and more on subsidies from the European Regional Development Fund to finance tourist projects in their less-developed regions. The recent reform of the Community's structural Funds is aimed not only at substantially increasing their budgetary allocation, but also at a greater concentration of aid on the least-favoured regions of the Community, which are often areas with great potential for tourism.
 - In addition, the Community supports the promotion in third countries of holidays in Europe. Since 1986, in collaboration with the European Travel Commission (ETC), which includes the national tourism organizations of 20 Western European countries, it has conducted advertising campaigns in the United States. More recently this activity has been extended to other major partner-countries, such as Japan and Canada, always in cooperation with the competent organizations in the Member States. The Commission has no wish to take the place of these bodies but seeks to help them in their efforts.
- □ The third aim of this European policy is the improvement of working conditions in the tourist industry.
 - Community legislation provides millions of entrepreneurs and other self-employed workers in the sector with freedom of establishment in all Member States, freedom to offer services, and free movement of capital. By 1992 the few remaining difficulties in this regard ought to be eliminated, so that these freedoms are complete. Terms of competition will also tend to be equalized throughout the Community as rates of VAT are brought closer together. Unhindered competition within a market of 325 million consumers certainly poses a challenge but it also provides new opportunities for expansion to the thousands of small and medium-sized enterprises in the sector.
 - The imminent prospect of the large internal market underlines the need for good professional training, including knowledge of languages. The

European Social Fund can assist certain training programmes for workers in tourism, but its resources are in demand from many other sectors and are insufficient to cover all training needs. The European Commission is therefore seeking other means. In cooperation with the Hotels and Restaurants Committee of the European Community, it has established an exchange system for trainee work experience in the hotel and restaurant business. The Commission pays the travel and administration costs, the hoteliers pay the rest. It is to be hoped that other associations will follow this example.

- □ The fourth aim of the Community's tourism policy is a better seasonal and geographic distribution of tourism. In December 1986 the Council of Ministers of the Community adopted a resolution asking the Member States to encourage a better spread of holiday periods and the creation of alternative tourist destinations. This resolution can serve as a basis for coordinating the efforts of Member States and of the European Commission. Everyone knows that better seasonal and geographic distribution of tourism would not only make for better investment and employment conditions in the sector, but would also help preserve natural and cultural resources. In 1989 the Commission began publishing announcements in the press of all Member States, drawing people's attention to the benefits of tourism out of season. As was mentioned above, this aim of diversification is also one of the priorities for European Tourism Year.
- □ To back up its other efforts the Community aims to improve scientific knowledge of the tourism sector and provide better circulation of information among the Member States. The stakes are high. To reduce seasonality and excessive geographic concentration of tourism requires better knowledge of data, and particularly statistical data, at European level. It is also necessary to disseminate the experience already gathered by Member States in their efforts to spread out holiday times and in their search for alternatives to mass tourism. The European Commission is studying these questions with specialist consultants and preparing reports of interest to those working in tourism in all the Community countries. The Commission has also presented a proposal to the Council of Ministers, on the harmonization of statistics on tourism.

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As the 1992 deadline approaches, European Tourism Year is making its contribution to the establishment of a Community without frontiers and of a People's Europe. It should also serve as a springboard for the development of a Community tourism policy befitting the aspirations of the people of Europe: they

¹ For fuller information on the Community's tourism policy, see *European file* No 9/87 'The European Community and tourism'.

want to live, travel and take their holidays in the best possible conditions — and feel at home everywhere in the rich diversity of Europe's landscapes and cultures \blacksquare

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