

Visitas priorities for the upcoming EU-legislative period 2024-2029







Visitas priorities for the upcoming EU-legislative period 2024-2029

Introduction

The Swedish Hospitality Industry – Sweden's most vibrant industry – consists of everything from restaurants, hotels, camping sites, amusement parks, hostels, spa, and ski resorts. As the Swedish Hospitality Industry's business association, Visita helps our 6000 companies to grow and develop and is the hospitality industry's representative in political matters.

Other than the fact that the industry provides a silver lining to people's lives the Swedish hospitality industry provide work and builds trust, through meetings, between people living in and coming to Sweden, helps to attract foreign investments by offering attractive places to live in and offers one of the world's most sustainable tourist destinations. Sweden is the leading country in Sustainable Travel Index which confirms that our position within sustainability is strong in the world.¹

The Swedish Hospitality industry mostly operates in Sweden, provide work for approximately 200 000 people, and generate SEK 100 billion in revenue in export. However, Visitas also has member companies that operate in other countries and due to the hospitality industry's increasing digitalization more and more of our services can be offered abroad. And even though we mainly operate in Sweden and the tourism export is also generated *in* Sweden, the conditions for our companies to be able to offer services are determined both in Sweden and the EU.

The Swedish hospitality industry represents, together with our European colleagues, one of the backbones of the European Tourism Industry and economy in general. With the right conditions and a fair level playing field we can continue to contribute to a prospering, innovative and even more vibrant, European economy not only for now but also in the future.

¹ Euromonitor International's Sustainable Travel Index 2021 and 2022.

Key priorities

EU-legislation fit for purpose.

The conditions for the Swedish hospitality industries are determined both in Sweden and the EU. Since the Swedish hospitality industry mostly operates in Sweden, the regulations and conditions at home are of vital importance. Visita would like to see less regulation than what has been presented during the 2019 - 2024 European Commissions mandate. However, a complete regulatory breathing space is not necessarily what is needed. More importantly, new regulations, especially directed towards SMEs, should be demand driven and when presented well prepared. As guardians of the Treaty the European Commission should also make sure that the legislation is correctly implemented and in due time evaluated. For the hospitality industries sake this is especially important for digital files such as the Digital Service Act (DSA) and the Digital Markets Act (DMA). Furthermore, Visita welcomes that the European Commission, in its communication from March 2023 on the 30th anniversary of the single market, specifically highlighted obstacles for tourism services a priority to work with.² Our hope is that the European Commission during their mandate 2024-2029, together with the industry concerned, identify and remedy important regulatory simplifications and burdens. Examples of what should be one prioritized regulatory simplification is a guide for the Schengen acquis to inform Member States of how registering foreign hotel guests can be done digitally without compromising with security. Visita would therefore like to propose the following:

• RSVP - A rule simplification program addressing the tourism ecosystems need.

The twin transitions.

The hospitality industry is highly involved in the green and digital transitions. As for sustainability, Sweden has perhaps the most sustainable hospitality industry in the world. Visita works to create the right conditions that can promote and facilitate our companies to further intensify their sustainability work.³ The hospitality industry in Sweden will contribute to achieving the goals of the Paris Agreement and the UN's global goals for sustainable development, as well as the EU's climate roadmap. As a result of the green transition, the demand for sustainable experiences and a focus on sustainable tourism will continue to grow. The hospitality industry must do its part to help Sweden achieve the climate transition and reach the goal of net zero green-house gas emissions by 2045. However, Visita asks for a shift in focus in the European Commission's sustainability policy from an increased regulatory burden on companies to incentives for consumers to make "the right choice".

² See page 11, 14 and 16 in the communication <u>The Single Market at 30</u>.

³ For more information on Visitas sustainability work see our <u>Sustainability program</u>.

As for digitalization many of the Swedish hospitality businesses in Sweden offer their services via online platforms. In many cases, the relations between different businesses are based on the principles of fairness and good business relations. However, even with many legislative interventions over the last decade such as the DMA and DSA, hospitality SMEs are still daily faced with unfair business practices imposed by powerful online platforms. For example, we are especially concerned with the situation on the food delivery market and reservation platforms that are not in the focus of legislators and authorities. Restaurants and similar establishments, of which most of them are microenterprises are confronted with unfair conditions and raising fees, without being able to negotiate them. Visita remains concerned with business practices and transparency of online platforms active in the accommodation and restaurant sector. To accelerate the twin transition Visita supports:

- a revision and reinforcement of the Platform to Business Regulation⁴,
- a well-monitored implementation of the DMA and DSA to ensure meaningful changes in how platforms interact with consumers and business users,
- a continued focus to ensure a more level playing field amongst traditional accommodation providers and short-term rentals whereas we welcome new rules on host registration and data-sharing as well as proposed improvements on VAT collection,
- efforts that address uncertainties of the origin of reviews,
- efforts to make it easier to access existing EU and national funding for SMEs and micro-enterprises to implement the objectives of the twin transition rather than short term fundings, greater political governance and increased state support as it is not the solution to build sustainable growth in the European tourism industry. However, there are exceptional cases such as a pandemic and natural disasters where state aid is needed.
- Increased monitoring and focus on compliance with current rules to counter greenwashing instead of increasing the regulatory burden in the form of the proposed Green Claims directive.
- A balanced evaluation of the Single use Plastic directive with an involvement of the stakeholders.⁵
- A Framework for Sustainable Food Systems with focus on strengthened competitiveness throughout the food chain.
- Rules on labeling must be well-founded and proportional.

⁴ The EU Regulation on platform-to-business relations (P2B Regulation) is the first ever set of rules for creating a fair, transparent, and predictable business environment for smaller businesses and traders on online platforms.

⁵ An evaluation of the Single use plastic directive, Directive (EU) 2019/904 of the European Parliament and of the Council of 5 June 2019 on the reduction of the impact of certain plastic products on the environment, is planned by 3rd of July 2027.

Job creation and attractiveness

Visita considers education and training, free movement of workers and labour migration and the improvement of the attractiveness of the sector as part of the solution of the sectors staff shortage. The effect of staff shortage was rightly highlighted in von der Leyen's state of the union speech in September 2023. Visita therefore supports important steps and initiatives already taken by the EU that will help attract, train, and retain the workforce such as Eures and exchange of best practice within the Pact for Skills.

Furthermore, for Visita is it of utter importance that the opportunity for the Swedish labour market partners to more closely regulate employment conditions for the industry in collective agreements is maintained. That the parties' self-determination in this part is maintained is both necessary and many times a prerequisite for Visita's member companies' ability to conduct business and important for the development of the industry and its attractiveness. Therefore, Visita does not support the European Commission's interference in national labour market models with initiatives such as the minimum wage directive and the pay transparency directive. The conditions on the labor market are a national issue. Challenges in other member states labor markets should not be solved with legislation at the European level. To support job creation and increase the attractiveness of the sector Visita supports;

 support from the EU to build and develop strong, independent systems for cooperation between the labor market parties at national level where necessary,

Through the industry-adapted collective agreements, opportunities are created for unions and employers to jointly achieve practical and operational solutions. The model creates good conditions for the employees while at the same time protecting the companies' competitiveness. It creates stability in the labor market. When a collective agreement applies, a duty of peace prevails between the parties.

The ability to easily change the collective agreements means that the parties can quickly face challenges that arise, regardless of whether it concerns working conditions in a pandemic or reforms for adjustment in a changed working life. For models to work, it is important that the social partners and the state respect each other's roles and interests.

 $^{^6}$ "In the peak of the tourist season, restaurants and bars in Europe are running reduced hours because they cannot find staff." – 2023 State of the Union Adress by President von der Leyen.

⁷ The Swedish labor market model, or "the Swedish model" as it is also called, means that the labor market parties – trade unions and employers – regulate wages, employment conditions, working environment, restructuring, occupational pensions, insurance and much more in industry-specific collective agreements. The legislation constitutes a framework within which the parties have great freedom to regulate and in many cases improved conditions. Negotiations can take place at central as well as local level and the content and design of the collective agreements can look very different, however, the common thing is that the negotiations take place without government interference.

- the build-up of the EU Talent Pool⁸ a platform aiming at connecting employers in the EU with possible third-country national employees,
- the promotion by the EU of different types of employment such as part-time, fixed-term, temporary agency and casual work which are important for job creation and growth in Europe,
- the promotion by the EU of the possibility of flexible hours for childcare to create better conditions for working in the hospitality industry in every stage in life and
- a focus on upskilling and reskilling of the workforce to ensure that the needs
 of the employers in the hospitality sector are matched with suitable talents.

Facts about Visita

Visita is the trade and employer organization for the Swedish hospitality industry and represents approximately 6000 member companies of which almost 50 % are microenterprises and more than 30 % are small- and medium sized enterprises. Our companies employ approximately 200 000 employees all together. Visita signs the industry's collective agreement and is a member organization of the Confederation of Swedish Enterprise, HOTREC and FoodServiceEurope.

⁸ The EU Talent Pool is an EU-wide platform for international recruitment, where skilled third-country workers could express their interest in taking up a job in the EU, and EU employers and migration authorities could identify potential workers who align with their needs.

