

Opening Remarks for Jan Eric Frydman

Head of Unit for Tourism and Cultural Instruments, Directorate-General for Enterprise and Industry,
European Commission

Tourism and Competitiveness: delivering results for growth, sustainable development and European Citizens (30 November, 2012, in COR, Brussels)

Ladies and gentlemen,

It is a great pleasure for me to be here in Cyprus today, as the new Head of Tourism and Cultural Instruments in the European Commission. It is a particular pleasure to be here as a Swede; I know that my country is a great contributor to tourism in Cyprus, and having had a chance to explore your beautiful country for a little while yesterday, I can certainly understand why this is so.

The theme of today's conference links tourism and competitiveness, and doing so is very relevant. Tourism, of course, is a key industry in Cyprus.

On the importance of the tourism sector

But this is true also for the whole European Union. In fact, tourism, broadly defined, is one of the most important industries in our economy. It represents the third largest economic activity in the EU (after the trade/distribution and construction sectors). In fact, tourism is estimated to generate over 10 % of the European Union's GDP and provide approximately 12 % of all jobs. And if you look at the trend over the past ten years, there is more employment created in the tourism sector than in any other sector of the economy.

In addition, the European Union remains the world's No 1 tourist destination.

On the EU legal/political framework for tourism

With the Lisbon Treaty (Article 195), the European Union got the competence to support, coordinate and complement actions that Member States take in tourism.

To define what this means in practice, the Commission adopted in June 2010 a new strategy for tourism.

Our strategy focuses on 4 main priorities:

- (1) To increase the demand for tourism, both within the EU and from third markets;
- (2) To improve the supply of tourism services by diversification of products as well as by enhancing the quality of services;
- (3) To carry out particular, cross-cutting actions of value to all tourism businesses; and
- (4) To maximise the potential of other EU policies and financial instruments to make sure that, where it's possible, they will support tourism.

Basically, it's all about creating more growth and jobs! Let's have a look at what this means in practice:

1st priority - *Increasing tourism **demand**, both within the EU and from third markets*

If we manage to stimulate more travel in the EU, and also to the EU from other countries, we will also manage to stimulate growth and jobs. We have a number of actions to achieve this:

- We propose measures to support travel in the low season. In fact, "seasonality" is one of the most important issues that we face. Europe, of course, consists of many different kinds of destinations

that work under different agendas, traditions and circumstances. If we manage to develop off-season tourism within the EU, it would mean that more people would travel throughout the year, that hotels can stay open for longer periods, and this means additional opportunities for many tourist destinations, and more jobs. One of our actions, "Calypso", focuses on facilitating off-season travels for families with low income or disabled people. We also focus on senior citizens travel.

- We also look at good practices in this area in different Member States and candidate countries. Very soon we will launch a specific action to support an exchange of good practices in the tourism sector.
- It is not enough to increase tourism demand within the EU. We also need to make sure tourists from countries outside the EU would like to come to visit. Last month, we launched a promotional campaign in 6 different countries (China, India, Russia, Brazil, Argentina and Chile) entitled "Europe: whenever you're ready." The slogan speaks for itself. Europe is always ready to welcome tourists from outside the EU. And we are ready...at any season!
- The Commission also cooperates with the European Travel Commission (ETC, the organisation consisting of the National Tourism Offices of the Member States). Our goal is to establish a long-term strategy for the promotion of Europe.
- Another activity is called "50 000 tourists", and the purpose is to strengthen the flow of tourists from and to some specific countries: Argentina, Brazil and Chile during our respective low seasons.
- We also focus on promoting Europe's unique culture to stimulate demand.

This is a proactive marketing and branding strategy, and we need to carry it out together with the Member States and their regions to make sure that European destinations have great visibility. We must increase tourism flows both within and towards Europe, to make sure we keep our position as the number 1 tourist destination in the world!

2nd priority- *Improving tourism supply by diversification of products as well as by enhancing quality of services*

More diversified destinations, and higher quality of the products and services offered, will also help stimulate more tourism. Also on the supply side, the Commission carries out a wide range of actions:

To diversify,

- We cooperate with the Council of Europe on cultural itineraries and routes to improve how networks between areas are governed, and to create a more coordinated communication strategy and a common “branding”.
- We also have calls for proposals on projects for “transnational thematic tourist products”. They should have a clear pan-European dimension and can contribute to the diversification of tourism supply.
- The Commission expects to organise a conference on cultural tourism and cultural routes next spring, the so-called “Carrefours d’Europe”, to promote alternative trans-European tourism offers.
- We also continue to support non traditional but small and sustainable destinations (that we call “EDEN destinations”) and partnerships on transnational thematic tourism products.

Increasing the quality of tourist products and services is also part how we can improve tourism supply:

- Information and Communication Technology (ICT) is an important area which can improve quality of supply. Ever since the emergence of the Internet, travel information searches and reservations has been one of the most popular on-line tasks. The Commission is creating an "ICT and Tourism platform" to facilitate for SMEs to connect to distribution networks at affordable costs with all relevant market players; this way they can participate in the digital value chain. We also promote interoperability to make sure all systems can talk to each other properly.

- An important aspect of quality is skills. A major driver for growth and job creation will be the tourism sector's capacity to deliver high quality services, for that we must make sure people are trained to get the skills industry needs for the future, and that industry can find them, all over the EU.
- Making tourism facilities and services more accessible to elderly and disabled is an additional catalyst for growth – in addition to improving people's lives. It is estimated that up to a fourth of the EU population are or will be in need for more accessible services in order to be able to travel. This represents an important business opportunity.
- We are also preparing the first legislative initiative related to tourism by proposing a quality label for European Tourism. The idea is to recognize and give added value to the existing quality labels, be they public, private, local, regional, national or transnational, and increase the transparency and consistency of quality evaluation at EU level. We believe that this would give businesses a management tool, facilitate consumer choice, and raise consumer confidence.

3rd priority - *cross-cutting actions of value to all tourism businesses*

It is important that tourism operators have access to information, statistics and other socio-economic information in order to better plan their actions and prepare for the future. At the same time, such information is not easily accessible on the EU level, and in some cases don't even exist. We are therefore supporting efforts to obtain and compile essential information of relevance to the tourism industry and to policy makers alike, and expect to create an on-line data base, a "European Tourism Observatory", to make this information available to all.

It is also important that tourism is sustainable, and that the practices are responsible, and we therefore promote a Charter for responsible tourism to make sure that business is done the right way.

I mentioned earlier our international activities, and we are also working with tourism authorities and policy makers in specific international markets, like the Mediterranean region and China, to improve cooperation.

4th priority - *Maximising the potential of EU policies and financial instruments for developing tourism*

Tourism is a cross-cutting sector, covering many industries and activities that often are interconnected. This also means that tourism is affected by many EU policies. It is important that we make sure that these policies take tourism into account, so that they reinforce the competitiveness of the industry.

Let me give you an example: we recently proposed a simplification of the procedures for applying and issuing visas to help boost tourism flows from other countries to Europe to the benefit of the competitiveness of the whole sector.

I would like also to highlight the important role of the various European networks involved in tourism activities, such as the Enterprise Europe Network, to promote business and innovation partnerships as well as clustering activities. We also need to look at how we use our various financial instruments that can benefit tourism.

With that, I would like to open this conference. I am looking forward to hearing more about your efforts!

Thank you very much for your attention.