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## ANALYSIS OF THE CONSULTATION ON THE EUROPEAN TOURISM QUALITY LABEL

### 1. RESPONSES TO THE QUESTIONS OF THE CONSULTATION PAPER

The Consultation Paper was composed of 19 questions, the presentation of 3 different operational options and an Annex of definitions and additional 7 questions. The present document summarises and analyses the responses given by the stakeholders and serves as a basis for discussions at the open conference on 25 January 2012.

#### 1.1. Objective

The specific objectives of the ETQ Label were described as follows:

- **For Europe**, it is a **competitive instrument and a promotion tool**: it aims at improving the profile of Europe as a set of high-quality destinations in order to remain Nr 1 tourism destination of the world.
- **For tourism businesses**, it is a **management tool**: it provides tourism establishments and organisations with the possibility of constant monitoring and improvement of their performance to win the confidence of consumers and business partners. It also seeks to facilitate business connections and the exchange of best practices.
- **For consumers** it is an **information tool**: its aim is to empower consumers by raising their awareness on what they could expect from establishments which bear the ETQ logo in comparison with those not recognised by the ETQ Label.

Consumer associations questioned whether quality criteria, which would satisfy the consumers, could be achieved by the ETQ, due to the ambiguity of the scope.

#### 1.2. The scope of application

In the consultation paper European Tourism Quality Label was presented as an “**umbrella**” **label** which assesses and recognises those **quality systems** which comply with the ETQ requirements.

The question whether the ETQ label should be tested in a pilot phase and implemented only for a specific type of tourism establishments and services' quality schemes, (e.g. accommodations) was raised. This would permit the testing of the functioning of the board(s), the criteria, and procedures on a narrower focus and facilitate adjustments before the application of the label on a larger scope.

Q1: Should the ETQ be first "tested" on a target scope and be extended to a wider one after the first experiences and adjustments, or should it be applied from the beginning on a wide general scope?

62% of the respondents<sup>1</sup> supported a pilot phase and introduced several options:

- Testing exclusively on the accommodation sector as it has the most long-term and elaborated quality evaluation schemes in place.
- Testing the ETQ on a restricted territory (e.g. limited number of destinations), but on all kind of services (rather than testing on a certain sub-sector of tourism), in order to provide a holistic approach. This would allow adjustments in a lower-volume of operations. It was also pointed out that applying the ETQ Label on a restricted sub-sector would be problematic, as the existing quality systems often recognise wider range of services than just e.g. accommodation.
- Testing should encompass also the evaluation of financial and administrative burden, impact on SMEs, user acceptance and European added value, which would at the end provide the proof for the extension or discontinuation of the ETQ Label initiative.

Those who opted for an immediate application on a full scope reasoned that applying the ETQ on a full scope would allow real-life application on several different kinds of tourism services and its adaptation to a wider scope. It was also highlighted that quality schemes from the whole value chain should be involved from the very beginning in order to achieve a destination perspective.

### 1.3. The Boards

Administering the ETQ Label requires the creation of one or several specific managing bodies. The creation of the **European Tourism Quality Board** (hereinafter **ETQ Board**) was proposed in all organisational options, while additional governance bodies, the National Boards were proposed in Options 2 and 3.

#### 1.3.1. *The European Tourism Quality Board (ETQ Board)*

The proposed general tasks of the ETQ Board were the development, monitoring and supervision of the ETQ Label.

Moreover, specific tasks may be different depending on the organisational option chosen for the implementation, as certain powers may be delegated to National Boards at different degrees<sup>2</sup>.

The Commission proposed the following **composition for the ETQ Board**:

<sup>1</sup> Please note that the term "respondents" refers to the total number of replies received.

<sup>2</sup> see the organisational Options 2 and 3 presented further below

- a senior official of the European Commission (Chairman)
- a representative of the European Parliament,
- 1-2 representatives, each of the following stakeholder groups:
  - national authorities, (regional or sub-national authorities where tourism a delegated competence of these authorities),
  - national quality systems, (regional/sub-national quality systems where there is no national system present),
  - transnational quality systems,
  - main European associations of the hospitality/tourism industry,
  - main European consumer association,
  - main Trade Union of tourism employees in the EU.

**Q2: Do you think that the composition of the ETQ Board is adequate? If not, please suggest additional members / unnecessary members.**

40% of the respondents agreed to the proposed composition and welcomed the balanced variation of the different types of stakeholder groups.

25% did not agree and provided various solutions.

- Some responses pledged for higher representation of consumer organisations, others thought that the consumer representation is not relevant in the ETQ Board.
- There were answers which suggested that the representation of National Authorities should be lower in number and restricted to those countries, which operate a quality system at national level. On the contrary to this, some other suggestions were made to augment the representative number of public authorities, and diminish the representation of industry stakeholders. There were also replies which advised to have a higher representation of quality systems and lower representation of other industry stakeholders, while yet another recommendation was to make sure that all industry stakeholders, quality systems and all Member States are represented in the ETQ Board.
- Some views doubted the necessity of including trade unions, but solicited for the involvement of employer's associations.
- Certain responses highlighted the need to include local destination managers, or local experts of quality system implementation.
- While some respondents were at the opinion that the composition depends on the operational option implemented at the end, several opinions expressed that the composition should be kept light.

35% of the respondents did not provide a reply to this question.

Finally, a number of questions were raised concerning the composition, such as what is a "main European Association" and how would it be chosen.

In order to ensure the equal possibility for involvement in the ETQ Board to as many stakeholders as possible, the consultation paper proposed a **3-year rotational basis** for the members of ETQ Board.

**Q3:** Do you think that the 3-year rotational basis is appropriate? If not, please suggest new period and explain why.

57% of the respondents agreed to the 3-year rotation for the ETQ members. Some of them also proposed that re-election should be made possible.

8% of the views recommended different solutions: most of them the extension of this period to 4-5 years, while others suggested that the Board should be permanent.

A few opinions also expressed that a 3-year rotation would only be acceptable if a technical sub-committee was formed. In this case the core of the Board would remain permanent.

35% of the respondents did not answer this question.

The Consultation paper proposed the **creation of sub-committees** under the ETQ board:

- a permanent Steering Committee, composed of the officials from the EU institutions and the representatives of the 5 most experienced quality schemes and professional organisations.
- a rotating Technical Committee, composed of the representatives of the other national, regional and transnational quality systems, the main European professional associations and federations, the main European consumer association and trade union of tourism employees.

**Q4:** Do you think that any (or both) of the proposed sub-committees should be created? Why?

48% supported the idea of creating one or two subcommittees. Among these:

- 39% proposed to create only one, a technical committee
- 61% suggested the creation of a steering and a technical committee.

The creation of only one, technical sub-committee was defended suggesting that it could be composed of the representatives of the most experienced quality evaluation schemes, who could carry out the technical tasks, such as the updating of the criteria, evaluations, etc. The rest of the Board would be responsible for the management tasks. In this case a steering committee would be unnecessary.

Those who endorsed the creation of a steering and a technical committee reasoned that the management and coordination tasks should be entrusted to the steering committee, while technical tasks would fall under the responsibility of the technical committee. The rest of the Board (i.e. the representatives of the EU institutions) would elect the sub-committees as well as play a political role.

Those who were against the proposal (25%) reasoned, that the ETQ Board should be kept light, simple and transparent. Creating sub-committees would not only complicate procedures but would raise administrative costs and bureaucracy.

Some other views, also against the creation of sub-committees stated that due to the ETQ label being an umbrella scheme, once up and running, its operation should be relatively undemanding. Therefore the creation of sub-committees is unnecessary.

There were views which stated that the sub-committees could be created on the condition that their roles and competencies are clearly defined. Others considered it to be pre-mature to think of the creation of the sub-committees before the organisational option is decided upon.

Some questions were also raised upon how the first members would be selected, and how would the "most experienced" systems would be judged and chosen.

Finally, 27% did not reply to the question.

The question of the **application of a weighting system** to the decisions of the members according to their representational relevance was raised in the consultation document.

The idea behind the initiative was that applying a weighting to certain members' votes a balance of representation would be created when making decisions. This could be in the interest of the stakeholder groups with lower representation.

**Q5:** Do you think that a weighting system should be applied to the decisions of the members according to their representational relevance? (e.g. members with lower representation would get a higher weighting to balance out the verdicts of highly represented stakeholder groups), or should all verdicts weight the same? Why?

The idea of the weighting system did not receive a high interest among the responders. Those who supported the idea were only 13%, while 45 % defended the "one man – one vote" regime They mostly reasoned by the system being too complicated to apply and not being transparent.

42% did not provide any response to the question.

**The general tasks of the ETQ Board** were drawn up as the following:

- To describe, monitor and revise the common European criteria;
- To carry out occasional inspections of the recognised quality systems;
- To issue recommendations to the recognised quality systems on how to master compliance with the principles and criteria of the ETQ;
- To draw and promote best practices with the aim to support the continuous improvement of existing recognised quality systems as well as to encourage and help future applications' preparation for recognition;
- To ensure smooth communication with the recognised quality systems;
- To provide guidelines on the training of independent auditors;
- To coordinate promotional activities;

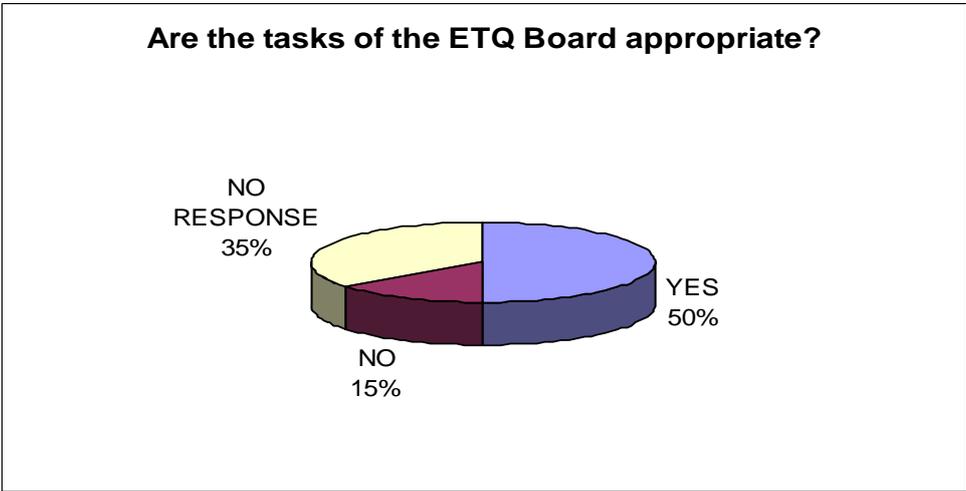
**Q6:** Do you think that the proposed general tasks of the ETQ Board are appropriate? If not, please propose additional / remove unnecessary tasks.

50% agreed to the above list of tasks, while only 15% of respondents were against and 35% of them did not respond to the question.

Those, who did not find the proposed tasks appropriate, presented various arguments to reason with, such as, the ETQ Board should not carry out inspections and should not be involved in training activities. Additionally, it was suggested to remove the encouragement of new applications from the list, as these were of national competence.

Those who previously supported the establishment of a Technical Committee under the ETQ Board advised to entrust the tasks of inspections, training and drawing up of best practices to the Technical Committee.

In relation to promotional activities, while some suggestions were to remove the coordination of promotional activities from the list (due to them being national competence), some others proposed corrections to the description of the task, such as "encourage promotional activities" or "carry out communication campaigns".



**1.3.2. The National Boards**

The establishment of the National Boards is possible under Option 2 or Option 3, with the aim to complement the work of the ETQ Board with different degrees of involvement.

The Commission proposed the following **composition of the National Boards:**  
1-2 representatives of each of the following stakeholder groups:

- national tourism authority,
- national tourism quality systems,
- transnational systems operating in the country,
- main national associations of the hospitality/tourism industry,
- main national consumer association,
- main nation-wide Trade Union of tourism employees.

**Q7** Do you think that the composition of the National Boards is adequate? If not, please suggest additional members / unnecessary members.

The proposed composition of National Boards was one of the most "debated" points in the submitted replies, which is also shown by the large proportion of those who did not agree to the proposed list above (64%). They were split into two groups:

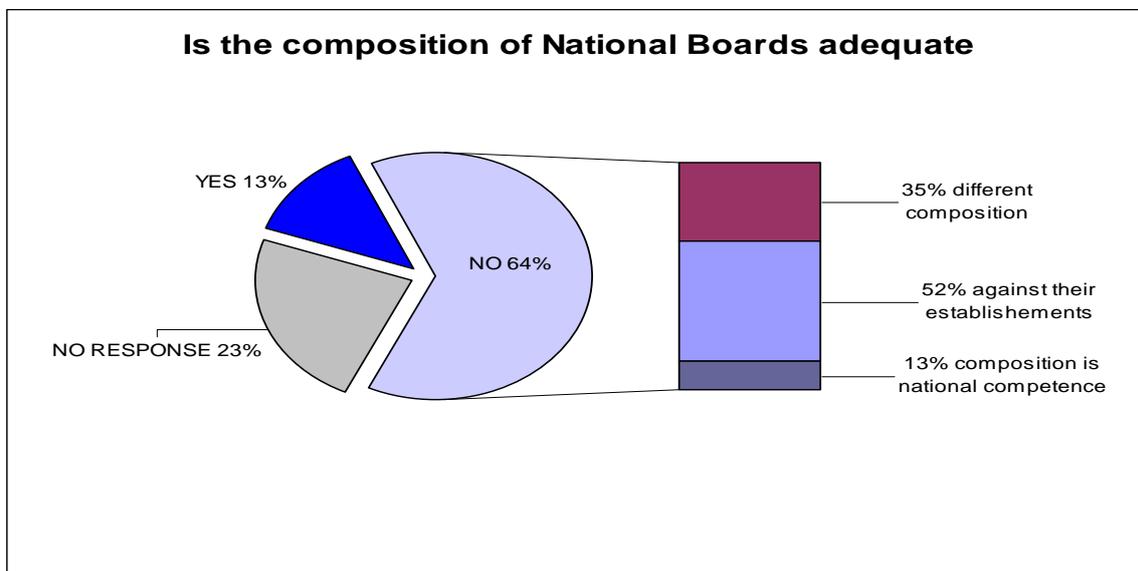
- Just about half of them disagreed with the proposed composition because they did not support the creation of National Boards per se.
- The other half supported the establishments of National Boards, but envisaged different composition for the National Board or thought it should be a national competence.

While some stakeholders suggested excluding the representatives of the national quality systems, others did not find the membership of transnational systems adequate in the National Boards.

A number of respondents suggested including representatives of destination management and tourism employers' associations in the National Boards.

Several replies advised that the composition should be a national competence and the National Boards should be free to make decisions on their own management issues.

As a correction it was also suggested to replace the "main national consumer association" with the "National Consumer Council".



Similarly to the ETQ Board, a 3-year rotation was also proposed for the members of the National Boards. The motivation for the proposal was also the same, namely that with a rotation of the members more stakeholders would be given a chance to participate in the ETQ Board.

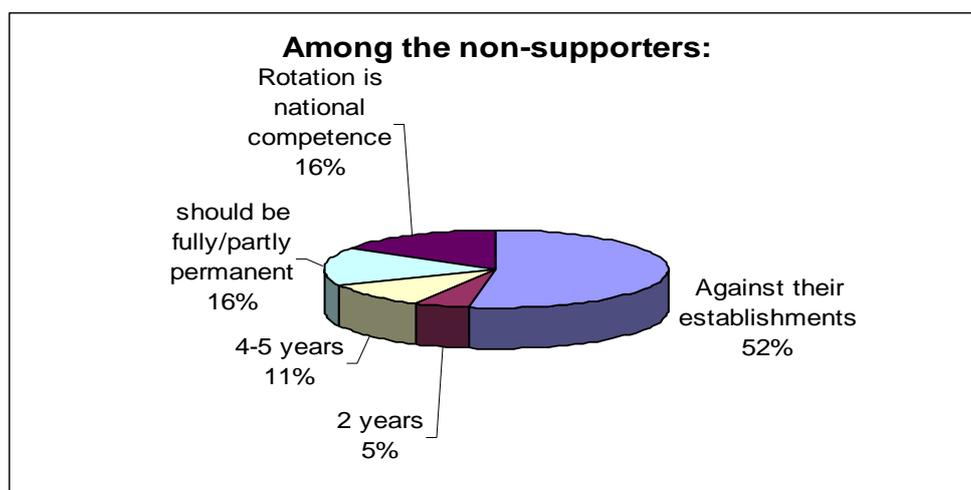
**Q8:** Do you think that the 3-year-rotation basis is appropriate? If not, please suggest new period and explain why.

27% of the respondents agreed with the proposed rotation.

The 40%, who did not find this rotation appropriate were divided into two groups:

- More than half responded so because they were against the creation of National Boards per se.
- The rest of the non-supporters proposed various solutions: some proposed 2 years rotation, while others suggested 4-5 years. There were suggestions to create two sub-committees – 1 permanent and 1 rotating -, while there have been views according to which the National Boards should be permanent, or their composition and management should fall under national competence.

A quite a high percentage did not respond (33 %) to the question.



Again, just as for the European Board and driven by the same motivation as explained before, the idea of a weighting system was proposed in the Consultation document.

**Q9:** Do you think that a weighting system should be applied to the decisions of the members according to their representational relevance? (e.g. members with lower representation would get a higher weighting to balance out the verdicts of highly represented stakeholder groups), or should all verdicts weight the same? Why?

47% of all responders discarded the option of using a weighting system in the National Boards, for the same reasons as in case of the ETQ Board.

Only a 15% of the respondents thought that the application of a weighting system would be useful. Amongst them the idea of testing the weighting system during the pilot phase of the ETQ was raised. There was also an opinion that the weighting system should be used in favour of the National Authorities.

Finally, quite a high percentage (38%) of all respondents did not reply to the question.

#### 1.4. The role of auditors

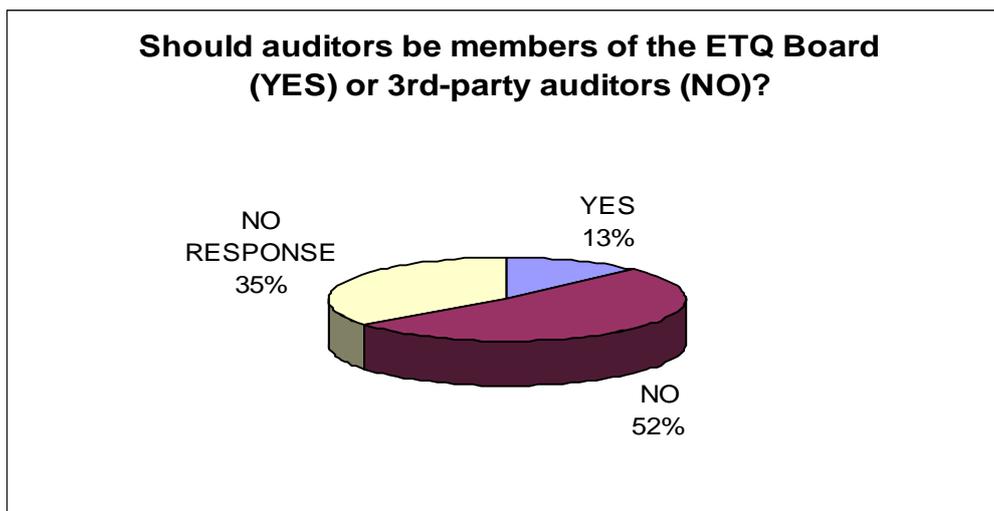
The question of auditors was already discussed during the preparatory workshops, which raised the two possible solutions: either to choose auditors among the members of the board,

or to involve third-party qualified auditors. Either way, the impartiality of auditors assures the credibility and validity of the ETQ Recognition.

Q10: How do you think the independence of the auditors should be guaranteed? Would it be satisfactory if they are appointed from among the members of the board, or should they be third-party auditors?

The replies showed a preference for third-party auditors by over the half of respondents, reasoning that this is the only way to ensure impartiality and independence. However, the motive of those, who opted for the auditors to be chosen from the ETQ Board was that independent third-party auditors increase financial and administrative costs. According to these views impartiality could be ensured even if the auditors were appointed from the ETQ Board, but were not allowed to carry out audits on the quality systems originating from their own country.

Several questions were also raised concerning the auditors, such as how they would be selected, whose responsibility would it be to carry out the selection procedure and who would carry the financial implications of third-party auditors. It was pointed out in several responses that clear procedure should be established at a later stage concerning the selection and operation of auditors.



### 1.5. Principles to be respected

The three operational options proposed by the consultation document are based on the "**3C Principle**": **Clarity, Credibility, Comparability**. Although this suggests a consumer-oriented approach, consumers are not the only beneficiaries of the common European principles. Although the ETQ recognises existing quality evaluation schemes, the businesses, which are certified by these schemes (and the final users of the ETQ logo) will gain not only a management tool for providing high-quality service, but also visibility.

#### *Principle 1 – CLARITY*

Clarity means transparency, open and available information and understandable and unambiguous rules. These not only help to understand the objective of the initiative, but also facilitate its implementation in practice.

The principle of clarity should be applied for all operational issues of the ETQ label: eligibility, criteria, assessment and decision making procedures as well as the implementation.

### ***Principle 2 – CREDIBILITY***

The credibility of the ETQ Label is one of the key success factors of the system. If quality systems, tourism professionals and the consumers do not believe in the advantages and added value of the ETQ Label, it will never achieve acceptance.

**For the applicant quality systems, authorities and suppliers** the credibility of the ETQ Label lies in the independence and impartiality of the assessment, the professionalism of the assessors and the decision makers. The common criteria focusing on processes ensure continuous improvement of the quality of the tourism product.

**For the consumers**, the credibility of the ETQ Label is guaranteed by the voluntary nature of participation, which will ensure the commitment of the recognised labels to fulfil the quality requirements of the ETQ.

Credibility is also ensured by the requirements of consumer satisfaction surveys and complaints handling mechanism (control mechanism through the customers).

### ***Principle 3 - COMPARABILITY***

Comparability is one of the main objectives of the ETQ Label. It provides guidance in respect of quality and a real **European added value** for consumers and businesses.

The comparability of business operations and service quality enables both **existing quality systems and their certified tourism establishments** to improve their competitiveness and customer satisfaction both in Europe and the rest of the world.

Q 11: Do you think the principles are correct and sufficiently described? Would you remove/add any?

Q 12: Do the principles reflect and serve the objective of the ETQ in this context?

59% of the responders agreed with the proposed principles, and 58% thought they serve the objective of the ETQ. Only 10% stated that the principles were insufficient and 4% thought that they did not serve the objective of the ETQ Label. Among the suggestions were to describe them more in detail or translate them into practical actions.

It was also recommended to extend them with the principles of "Rigour" and "Reliability", or to place more emphasis in their wording on service providers.

According to some views, the presented principles did not justify the EU added value, or should be formulated clearer.

Concerns were also expressed that the ETQ in its current format did not provide comparability to consumers, therefore it was suggested to delete this principle.

Finally, according some views the accuracy of the principles depended on the operational option selected.

The proportion of those who did not provide an answer to these questions was 31% and 38% respectively.

## 1.6. Criteria to be fulfilled

The proposed common ETQ criteria are to be fulfilled in all organisational options by those quality systems which decide to apply for the ETQ Label.

During the preparatory works there were two mainstreams of opinions: one advised to keep the criteria simple but smart, so it would be easy to comply with, while the other suggested that the criteria need to be further elaborated in order to ensure quality and to provide added value.

The consultation paper proposed a base-list of criteria, with further options to elaborate on them. It was another point which caused a very diverse debate in the replies.

The current draft **ETQ criteria** are:

- I. **Quality assessment and documented action plan** with relevant measures for the establishments are developed and regularly revised by the ETQ recognised quality systems.

*Possible further elaboration:*

→ *The components of the action plan should be at least the following:*

- *Client satisfaction: evaluation of complaints and suggestions and the results of client satisfaction surveys.*
- *Training plan: analysis of the previous plan and the proposal for the following one.*
- *Implemented improvement plan: analysis of the improvements taken and forecasted. Results are informed and made available to the team employed at the establishment.*

Among the proposed elaboration options above, especially the points on the requirement of a "training plan" and the "improvement plan" triggered various positions. On one hand, some responses stated that these criteria are absolutely necessary for the planning and monitoring of quality management. On the other hand there were several views that these requirements are too difficult to comply with and are unfeasible for a one-person enterprise or a business with no employees.

The question of how it will be monitored that the training plans are put in practice was also raised.

- II. **Employees** at all level of the hierarchy **are involved in the quality process and a quality coordinator is identified** in each establishment and organisation managing an ETQ recognised system.
- III. Reliable and comparable **customer surveys** are carried out and, together with complaints, are systematically taken into account to increase the quality of the establishment's services.
- IV. **Respect and follow national/regional/local laws and regulations, customs, heritage, traditions and identity.**

Numerous responders questioned the necessity/feasibility of the requirement of a quality coordinator for micro or no-employee businesses. As a solution it was proposed to extend the sentence with "as appropriate to location, size and business concept".

Several responses requested the removal of criteria IV from the list reasoning that the compliance with national/regional/local laws and regulations is the prerequisite of legitimacy of any organisation and not a requirement of ETQ membership.

Furthermore, some views stated that as ETQ aims at an integrated European approach, it is inadequate to talk about national customs, heritage, and identity in its criteria.

*Possible further elaboration:*

- *Where possible, customers can submit comments and complaints via the Internet.*
- *There are documented guidelines to deal with complaints or suggestions of the clients. The document is acknowledged and applied by all employees.*
- *There is an available medium for clients to file a claim or suggestion. There is a system that makes easier to collect all complaints and suggestions of guests and is evidently available to the customers.*
- *There is a follow-up of every solution adopted. It is guaranteed that the client is satisfied with the solution offered.*
- *The establishment has a guest satisfaction questionnaire which enables them to know at first hand the clients' evaluation of the service and their degree of satisfaction. The outcome of the questionnaires is analysed and is taken into account in the action plan.*
- *Client's opinion is used to improve service. The company/service uses the results of satisfaction questionnaires, interviews, complaints, suggestions, etc., to identify areas of improvement and to improve service.*

In this block of further elaboration options especially the second and the fourth point generated opposition by the responders. These requirements were deemed to be too strict to be followed by small and micro enterprises or businesses with no employees.

V. ETQ recognised quality systems must provide:

- a) **correct and clear information** accessible to all consumers – irrespective of their abilities - about their services **in at least one relevant foreign language**, if appropriate to location and business concept, besides those required by law, which will be assessed by their ETQ recognised quality systems they belong to on an individual basis.

The phrase referring to information to customers "irrespective of their abilities" was considered to be too demanding to micro-and small enterprises.

The question of how to define the "appropriate location and business concept" was raised, as this phrase was believed to leave too much flexibility for interpretation and compliance.

One of the responses proposed to make English a compulsory language of information.

*Possible further elaboration: This applies also to information provided over the Internet.*

This elaboration proposal was highly welcomed by the responders. However, the introduction of "**reliable**" information was emphasised by several inputs.

b) **information on available local services/products**, for instance transport, activities, cultural and natural heritage, local food, sustainability aspects, accessibility, etc...

c) **evidence of trained or experienced and clearly identifiable employees** at all levels of the hierarchy.

Several opinions doubted the necessity of the requirement / ambiguity of the phrase "clearly identifiable employees" (see also comments on the definition in Annex1).

*Possible further elaboration: There is a training plan for the personnel, in which at least once a year further training courses are planned for every work position.*

d) **customer oriented services and processes** including maintenance, safety and cleanliness;

*Possible further elaboration:*

→ *There is a preventive maintenance plan. There is a document identifying the elements and equipment to be periodically maintained. It contains the following: element and/or equipment, revision/maintenance date, company or person in charge of the maintenance operation, legally mandatory revisions. The preventive maintenance plan is acknowledged and systematically implemented by the employees.*

→ *There is a documented cleaning plan for the facilities and/or equipment. The plan considers: the area and/or equipment to be cleaned, and the frequency of the clean-up operation*

These two elaboration options as well prompted resistance among the responders, reasoning similarly to previous options, that their practical implementation is not feasible in case of micro enterprises and no-employee businesses.

*Possible addition:*

→ *The principles of Corporate Social Responsibility are respected.*

→ *ETQ labelled establishments are insured with 3rd party public liability insurance.*

There were several views that these proposed additional criteria are already required by national legislation therefore it is unnecessary, or even incorrect to include them in the list of the ETQ criteria.

Some other views expressed stated that these issues should be dealt with at a later stage, after the first test of the ETQ.

Q13: Do you think that the criteria are adequate?

→ If not, please propose additional criteria.

46% of the respondents answered "YES" to this question. However, every fourth of them said "Yes, but...".

Several general suggestions complemented the list of criteria, including:

- The criteria should be kept smart and simple, so it's not too difficult to comply with.

- The base-list of criteria should be implemented as a first step, and should be elaborated at a later stage.

31% of the responders did not find the criteria adequate. Every third of them thought that they should be further elaborated, as the list in its current form does not provide added value. Apart from the proposed further elaboration options the following criteria were suggested to expand on:

- Sustainability criteria
- Employee satisfaction
- Criteria related to courtesy and politeness

It was also recommended to develop a capacity building tool for SMEs.

Among those, who did not respond (23%) to the question some reasoned that it is too early to decide on the adequacy of the criteria before the preferred operational option is chosen.

In operational options 2 and 3, where National Boards are established with certain powers delegated to them, the establishment of a set of national criteria was proposed as a possibility. The aim of such criteria would be to make the requirements of "quality service" more country-specific, therefore emphasising and protecting national specificities.

In option 2, National Boards do not have the power to take decisions over the application, but do a pre-assessment of the applications. In this case the compliance with national criteria along with the European criteria would be screened by the National Boards. However, as the final decision would be in the hands of the European Board, it would need to be able to monitor national criteria in each participating country.

Therefore this concept is more feasible in option 3, where the screening of compliance as well as the final decision on the recognition would be the responsibility of National Boards.

Q14: Should the ETQ criteria be complemented by national criteria developed by the National Boards (in option 2 or 3) in order to enhance national identity?

→ If yes, would this have an effect on the overall comparability?

Half of the respondents were against the establishment of national criteria for two reasons:

- the majority of them were against the establishment of National Boards per se.
- the minority found the establishment of National Boards useful, but did not see the added value of national criteria.

25% of the respondents found that national criteria would be necessary to ensure the protection of national heritage and identity, while another 25% of the responders did not provide an answer to this question.

## 1.7. Which type of quality systems could apply for the ETQ Label?

Once a quality system complies with the ETQ criteria and obtains the ETQ recognition, its members, which also fulfil the criteria would be able to display the ETQ logo besides the logo of their respective quality systems.

The preparatory works identified the following type of quality evaluation systems:

- National quality systems governed by the public administration of a given country;
- Regional quality systems, which are governed by and follow the concept of a national system;
- Sub-national, regional or provincial quality systems (depending on the public administration), which operate independently within their territorial scale;
- Private quality systems operating within the territory of one country (even on a smaller territorial scale)
- Transnational quality systems whose operation overarches several countries.

For more precise definitions please refer to the definitions of Annex 1.

The following alternatives were proposed:

- A: All types of quality systems can be recognised by the ETQ Label;
- B: All types of quality systems, except transnational systems can be recognised by the ETQ Label;
- C: Only national or, where not available, sub-national systems can be recognised by the ETQ Label;

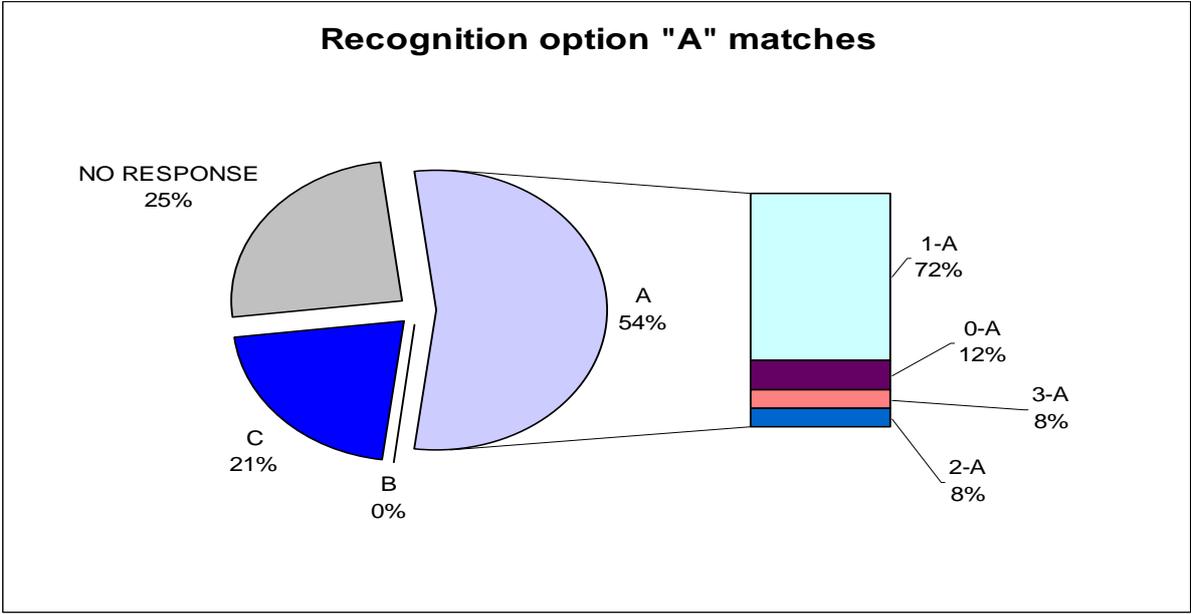
Q15: Which option do you find the most feasible? Why?

54% of the respondents found that option "A (all type of quality systems should be recognised) was the most appropriate approach. They reasoned that this would give equal opportunities to all existing systems for participating in an EU-wide initiative. It was also stated that the ETQ Label will only be successful if there is a good market uptake and implementation; therefore it would not be advisable to limit the number of schemes that could be potentially recognised.

It was also expressed in several responses that any limitation in number of eligible quality systems, including geographical restrictions, would limit competition and the involvement of new, and maybe better quality systems, which would be against the spirit and principles of the operation of the internal market and, according to some views, in breach of the EU services directive or competition rules.

In the context of operational options, the vast majority (72%) supported the implementation of a quality system by full European coordination under which all types of quality systems could be recognised (operational option 1 + recognition option A).

Equal minorities thought that recognition option "A" can also be matched with either operational option 2 (European coordination with national delegation) or 3 (assessment and decision at national level), while 12% did not choose a corresponding operational option.



Recognition option "B" was not chosen as first choice by any of the respondents. There was only one response, which indicated this option as a "second choice".

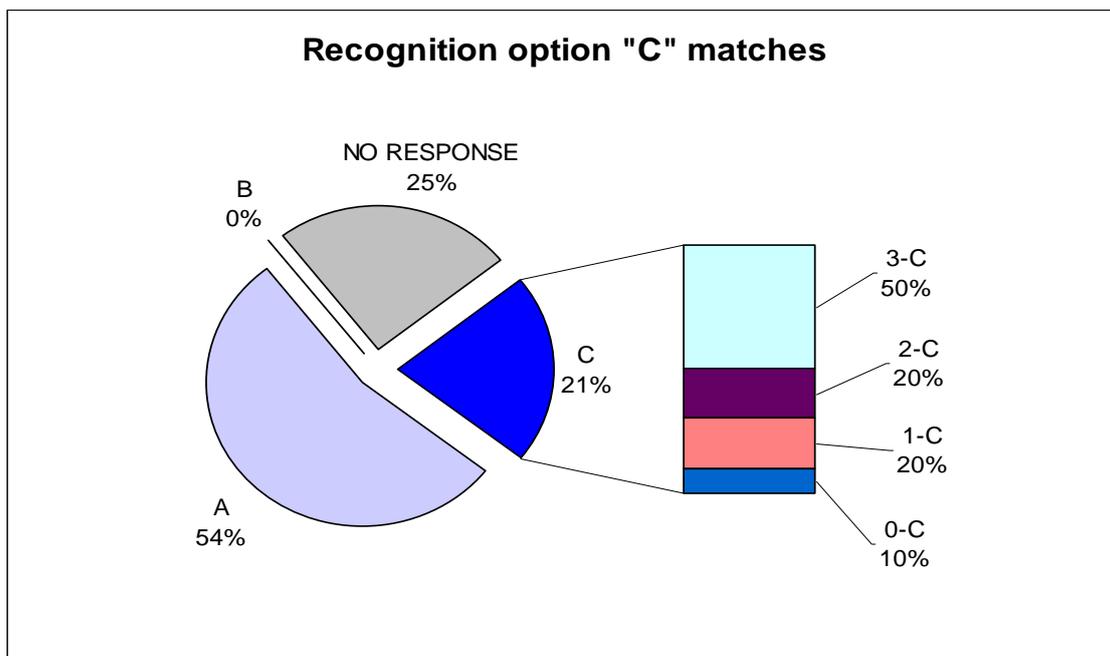
21 % of the respondents found that recognition option "C" is the most feasible to be implemented, which would restrict the scope of recognition to national quality systems, or where not available, to sub-national quality systems. It was highlighted that the advantage of this option would be to respect the national organisational specificities of the Member States as well as that it could be operational quickly.

Some respondents chose option "C", but with the possibility of transnational systems to be recognised separately in each country.

Finally, there was also an alternative solution for option "C" according to which only quality systems at national level should be recognised, not allowing applications by sub-national systems either.

From the point of view of operational options, among those, who opted for recognition option "C":

- 50% supported Assessment and decision at national level (3-C)
- 20 % supported European Coordination with national delegation (2-C)
- 20% preferred Full European coordination ( 1-C)
- 10% did not chose a matching operational option



### 1.8. Eligibility and the validity of ETQ recognition

To obtain ETQ recognition, quality systems should first pass the eligibility criteria, before being assessed on their compliance with ETQ criteria. This would be an element of the credibility of the ETQ Label.

Existing quality systems should present a **proven record** of market relevance. Newly established quality systems should present a record of three years of activities in the field of quality programmes with the involvement and active support of the relevant stakeholders.

However, when thinking through the recognition procedure for existing and new systems, one might argue whether there is really a difference between these two, given that "new systems" will have existed for three years already by the time they apply for ETQ recognition.

Therefore we put forward the following question:

Q16: In this context, is there a difference between an "existing quality system" and a "newly established quality system" with 3 years of activities in the field of quality evaluation?

→ If yes, do you think there should be different requirements to join the ETQ network for already existing quality systems and newly established systems, or should it be the same to all applicants?

56% of the respondents found that either there is no difference between the two, or if there is, the requirements should be the same for everyone to join. The most common reason for this position was that this would be the only way to guarantee equal an impartial assessment of eligibility and avoid any ambiguity in rules as well as complicated administrative processes. Already established systems are not necessarily better than new ones, just because of the fact that they already exist for longer. It was also stated that the fact that they receive EU recognition may be an important decisive factor and stimulus for public sector and businesses for launching or adhering to a quality system, therefore requirements should not be stricter for one than for the other.

13% supported different requirements due to the distinction between the existing and new systems and reasoned that for the credibility of the ETQ, new systems should not only have the 3-year existence, but also should be able to prove the "institutional sustainability" and acceptance of their system. There were also views that new systems should provide the proof of market relevance in addition to the 3-year existence record and support of their business partners and consumers.

Again, quite a large proportion, 31% did not respond to the question.

It was pointed out that it is difficult to define the notion of "proven record of market relevance". See comments on the definitions in Annex 1. Therefore two further options for possible elaboration were proposed:

→ **option A:** *existing quality systems must present a minimum number of certified members (number set proportionately to market size by the ETQ Board). They must require their members to comply with the ETQ criteria and undergo quality checks every 3 years*

This option only received little reaction from responders. A few supported it and said it's quite a valid requirement, while others proposed to use the "minimum number of certified members" as defining the "proven record of market relevance".

The other elaboration option was proposing an alternative solution for newly established systems, giving them flexibility in the way to prove their eligibility.

→ **option B:** *newly established systems must present a proven record of market relevance in the field of quality evaluation or a 3-year existence activities in this field, with the involvement and active support of the relevant stakeholders, if the ETQ Board deems it satisfactory.*

Q 17 (marked as Q14 on pg 13 of the consultation paper): Do you think that it is correct to quantify eligibility by the number of years of existence?

→ if yes, is the 3 years requirement relevant?

These questions triggered various positions among the stakeholders.

Its supporters (29%) reasoned that it is necessary to quantify the eligibility and 3 years seem to be relevant to judge the seriousness of a new system. Other views found that it's a sensible requirement to start with, but it should be accompanied by the condition of a minimum number of members and proven record of market relevance. Some respondents also saw this requirement as a barrier in front of the explosion of newly emerging quality systems.

The opponents (42%) highlighted that the compliance with the principles and the criteria as well as the acceptance of the system by consumers is more important than how long they have been operating. Many of them reasoned that making eligibility depend on the number of years of existence would put unreasonable threshold to new applications, which often represent a new, innovative approach in quality evaluation, while the number of years of existence does not necessarily reflect their quality and reliability.

29 % did not express any views on this question.

Q18 (marked as Q15 on pg 13 of the consultation paper): Do you think that some alternative should be provided for the eligibility requirements (YES) (e.g. proven market relevance or X years of existence, as described in option B above), or should these requirements be fixed and strict with no exception (NO)?

23% found the alternative requirements useful and pointed out that this will give more opportunities for newly established systems to prove their eligibility.

The non-supporters (31%) stated that requirements to join the ETQ should be strict and the same to everyone, providing equal opportunities for all systems to join a Europe-wide umbrella system.

However, the proportion of non-responders is again quite high for this question (46%).

Further rules of eligibility and of validity have also been worked out:

- The ETQ recognition for the quality systems has a limited duration and should be renewed every 3 years. The compliance has to be verified in each quality system through an assessment undertaken by independent and qualified auditors.
- The compliance with the European principles and criteria may be re-assessed within the 3-year recognition period if the recognised system makes changes to its concept.
- The recognised quality systems are responsible vis-à-vis the consumer for the implementation and adoption of the ETQ criteria within their own systems.
- The European principles and criteria are subject to changes over the time and according to experiences. The recognised systems must incorporate these changes before their next 3-year assessment.
- The ETQ criteria are to be displayed and communicated in a way that is easily available and understandable for the customers.
- Quality systems which apply to obtain the ETQ Label but do not comply with the principles and criteria of the ETQ Label, will not be recognised and will not obtain the right of displaying the ETQ logo. Recognised quality systems can lose their recognition at every re-assessment (every 3 years) if they fail to comply with the ETQ Label requirements.
- Recognised quality systems may be subject to a random inspection carried out by a mystery auditor appointed by the ETQ Board. If it comes to the attention of an auditor or the ETQ Board (within the 3-year re-assessment period) that a recognised quality system fails to comply with the ETQ requirements, the auditor may do an extraordinary assessment and the ETQ Board may decide on this basis if the system will keep or lose its recognition.

The only point that we experienced any diversity in the position of the stakeholders during the preparatory works was the issue of displaying the criteria. The other points seemed to be of common understanding and agreement both during preparatory works and in the consultation replies.

Therefore we proposed the following question:

Q19 (marked as Q16 in the consultation paper): Do you think that the **list of criteria** (not the logo!) should be displayed and accessible to customers or is this an "insider" information?

The supporters and non-supporters of this proposal were almost equal (36% and 35% respectively).

Those who answered "yes" highlighted that this is also a reference-point of credibility of the ETQ in the eye of the consumer and should not be treated as insider information.

The opponents stated that the criteria should be available upon request and maybe published on the website, if such exists, but otherwise the display of the logo should be sufficient for informing the consumers of the compliance with the requirements of the European quality system.

29% did not express their views on this question.

## 2. OPERATIONAL OPTIONS OF THE EUROPEAN TOURISM QUALITY LABEL

The three main models below describe different possible operational options, which differentiate between the levels of powers distributed at national or at European level.

The graph below shows the overall preference of the respondents for the operational options, as well as the proportion of those who did not indicate any choice.

### Option 1 – FULL EUROPEAN COORDINATION

The **objective** of the full European Coordination is to **simplify the administrative line** and to **ensure overarching consistent** EU principles and criteria.

This option proposes the **simplest structure**, with the only governing body being the ETQ Board, which carries out the assessment, takes the decision on the recognition and handles all management tasks.

Therefore, its proposed **specific tasks**, besides the general tasks described on page 12, are:

→ To receive and take decision on the applications and award ETQ recognition to those quality systems which comply with the ETQ principles and criteria;

→ To develop auditor training in respect of the common European criteria as well as to appoint and train the independent auditors;

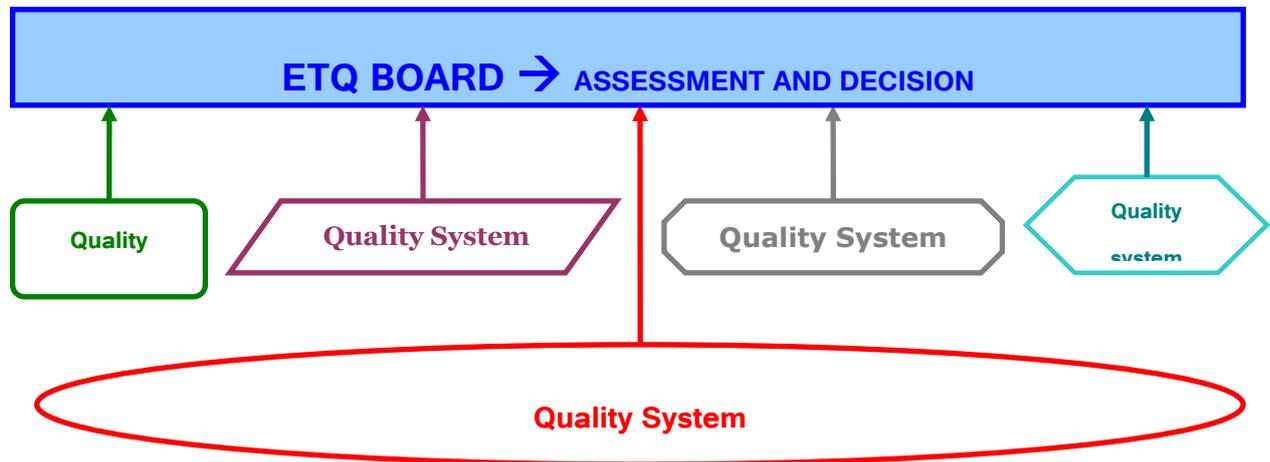
All applications from quality systems should be sent **directly to the ETQ Board**, through an application form.

The main advantage of the option lies in the coherent application of the common principles and criteria. It is also expected to **reduce red tape and facilitate direct contact with the recognised systems**.

Another advantage is that **all quality systems which comply with the criteria may be provided with a level playing field to be recognised**, regardless their national administration's willingness to participate in the initiative.

The disadvantage of this option is considerably **less involvement of the national authorities** as those countries, which rely on tourism and are actively operating a quality system, might **consider the profound involvement of their tourism authorities as essential**.

*The application procedure of Option 1 – Full European coordination*



43% of the respondents indicated "Full European Coordination" as their preferred option.

Most of them agreed with the advantages stated above, namely the simple administrative line and cutting of red tape. It was also emphasised that this option would allow recognition of all types of quality systems regardless their national administration's willingness/capacity to participate in the initiative. It would also facilitate consistent implementation of the European criteria and principles and would allow full comparison between the recognised systems.

Further reasons, such as the option being the most likely to achieve strong engagement from relevant tourism bodies and businesses across the EU and would facilitate direct contact with recognised systems.

It was demanded in several responses which preferred this option to keep the ETQ organisation smart and simple, to avoid undue administrative or bureaucratic burden on participants. These opinions also underlined that a light, easy structure would enable direct contact among ETQ Label members without extending the decision making process. The system should focus on reducing cost and simplifying the acceptance of transnational systems. Such system would create a common language and culture of respect among those who participate as well as enable fluid and successful communication to businesses and consumers.

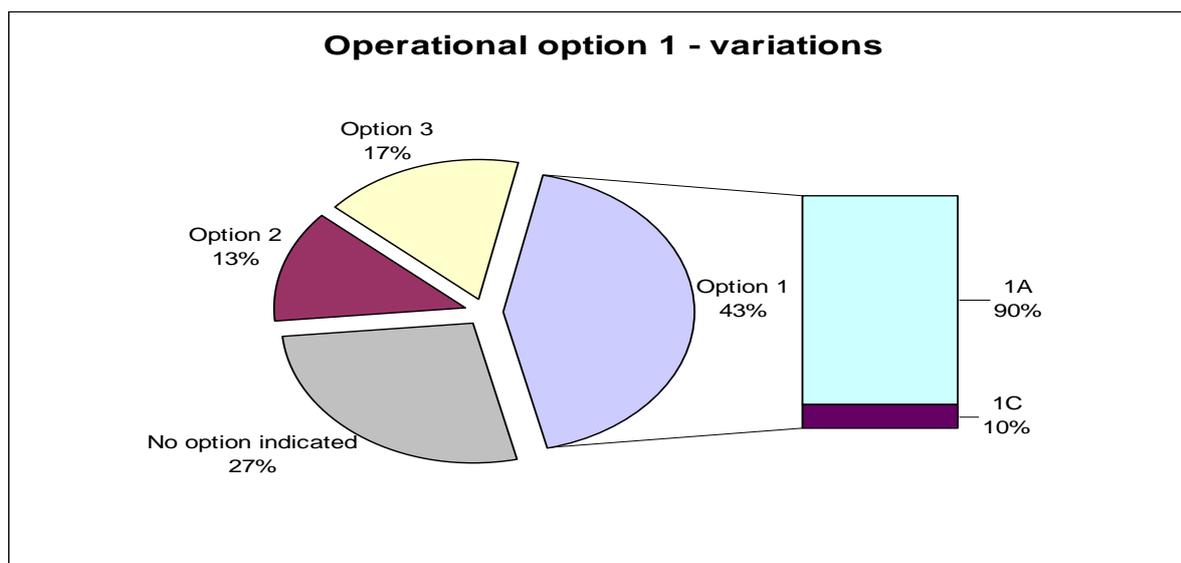
Several responses found the absence of National Boards in this option an advantage, highlighting that the involvement of National Boards with national interests would jeopardise the success and credibility of the ETQ and would cause complications in finding a consensus. It was also stated that it seems appropriate not to create additional structures in a field which is already fragmented.

Among the Member States, which indicated this option as the most feasible, several reasoned that they would not be able to set-up a National Board, due to the heavy administrative costs

and burden it implies. It was also stressed that with the option of “Full European Coordination” the system could avoid double checkpoints which otherwise may cause assessment problems. Many thought that this is the option which best serves the objectives of the ETQ.

The vast majority of respondents (90%) matched this operational option to recognition option A, which would result in full European coordination which recognises all types of quality systems (1-A).

10% of the respondents opted for a combination of full European coordination, where only national, or where it doesn't exist, sub-national or regional labels could be accepted (1-C).



## 2.1. OPTION 2 – EUROPEAN COORDINATION WITH DELEGATION TO NATIONAL BOARDS

The **objectives** of this option are to **delegate the pre-assessment tasks** to the National Boards, therefore ensuring more involvement of the National Authorities, as well as to distribute the administrative tasks between the governance bodies at EU and national level.

The governance structure of this option is **built on two levels**: the ETQ Board and the dedicated National Boards. The **overall coordination and decision remains centralised**, in the hands of the ETQ Board. Besides its general tasks described earlier and the specific tasks under option 1, the **additional tasks of the ETQ Board** would be:

- To ensure smooth communication with the National Boards;
- To coordinate promotional activities with the National Boards under the lead of the European Commission;

Adjusted to the role of the ETQ Board in this option, the **tasks of the National Boards** would encompass the following:

- To receive, pre-assess and pass on the applications from the quality systems to the ETQ Board for decision;
- To promote the ETQ Label in their country in line with the European promotional activities;

- To encourage new applications and communicate best practices to the ETQ Board and to the participating quality systems;
- To ensure continuous communication and information exchange with the ETQ Board and with the recognised systems;

All quality systems would have to apply to the National Boards. Those quality labels, whose country would not set up a National Board, may apply directly to the ETQ Board.

The National Boards would be in charge of the pre-assessments, but would **not be entitled to take decision on the eligibility and the recognition**. All applications would be submitted to the ETQ Board, which is entitled to filter out and reject any application.

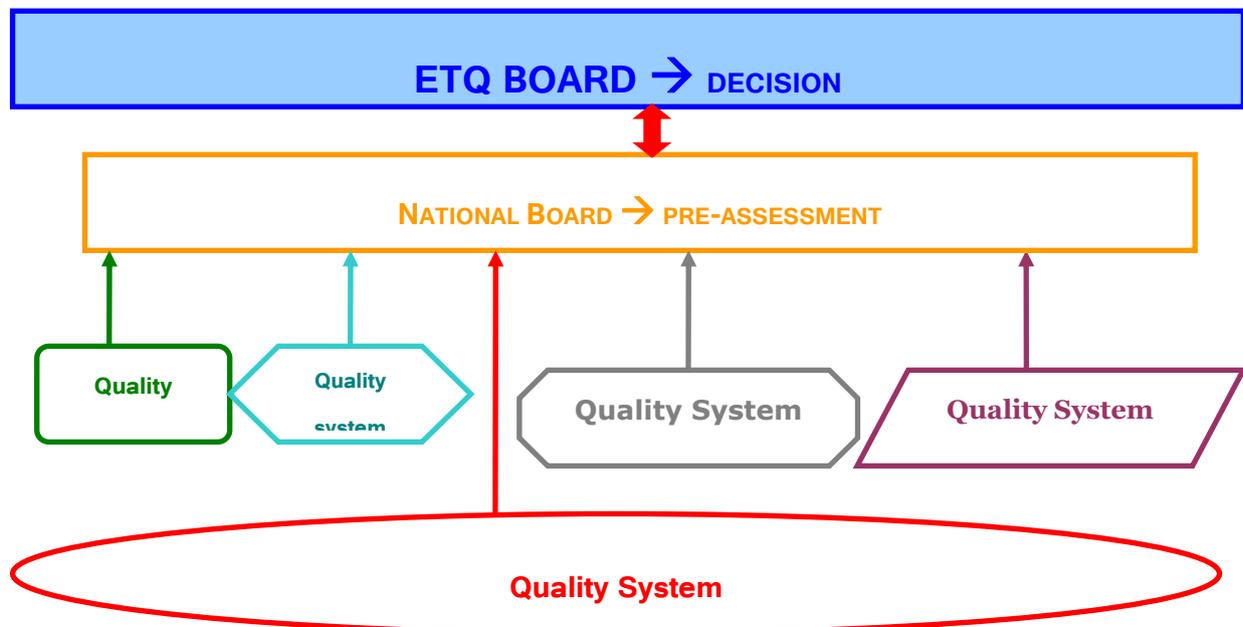
The auditors would be selected by the National Boards, whose training would also be a responsibility at national level.

One of the **positive aspects** of this option is the **decentralised administration**, distributes the administrative tasks more evenly between the participating countries and the ETQ Board and ensures **more involvement** of the private and public participants. Moreover, the fact that the National Boards will not be able to reject any applications ensures the **impartiality** of the Board.

This option proposes **the most complicated administrative circle** among the three operational alternatives, e.g. the double checkpoints of assessment, which is a disadvantage.

Another problem might arise with the **establishments of National Boards**. Not all Member States would decide to establish a National Board, either due to lack of interest or lack of resources. It is quite probable, that this concept will require considerable financial (and human) resources from the national administrations.

*The application procedure of Option 2 – European coordination with national delegation*



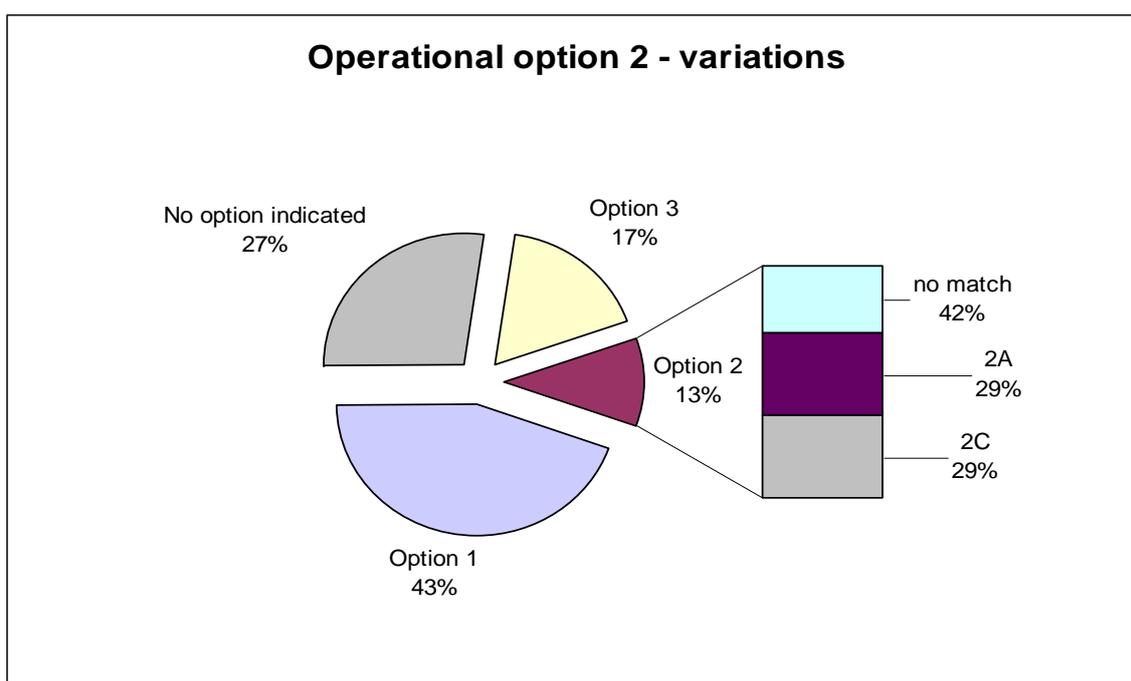
13% of the respondents found Option 2 the most feasible operational option. They emphasised that this option would be the only way to guarantee the equal application of the criteria and principles. The governance structure of this option would leave the decision on

eligibility and recognition to the ETQ Board but would dedicate an important role to the National Boards too.

Some positions stated that although option 2 seemed to be the most adequate, the National Boards should include local level representation. This would bring out the positive aspects of the decentralised structure, guarantee better participation of Member States and ensure direct communication link with end users and local authorities.

Among those, who preferred operational option 2:

- 29% supported full European coordination (2-A)
- 29% opted for assessment and decision at National level (2-C)
- 24% did not choose a match.



## 2.2. OPTION 3 – ASSESSMENT AND DECISION AT NATIONAL LEVEL

The **objective** of this option is to ensure the **thorough involvement** of each participating Member State as well as other stakeholders at national level. It also aims at sharing the administrative costs and burden between the ETQ Board and the National Boards.

In this option the coordination is fully decentralised. The overall coordinator at European level is still the ETQ Board, but **full autonomy is given to the National Boards** as most powers are delegated to them. This requires the **strong commitment of National Administrations** as well as tourism stakeholders at national level.

In this option the ETQ Board mainly has a political role. From an operational point of view, besides its general tasks, the **specific tasks of the ETQ Board** in this option are limited:

- To ensure smooth communication with the National Boards;
- To coordinate promotional activities with the National Boards;

The main **tasks of the National Boards** are the **general management at national level**:

- To receive and assess the applications and award the ETQ recognition;
- To select and train independent auditors.
- To promote the ETQ Label in their country in line with the European promotional activities;
- To encourage new applications and to communicate best practices to the ETQ Board and to the participating labels;
- To ensure continuous communication and information exchange with the ETQ Board and the recognised labels;

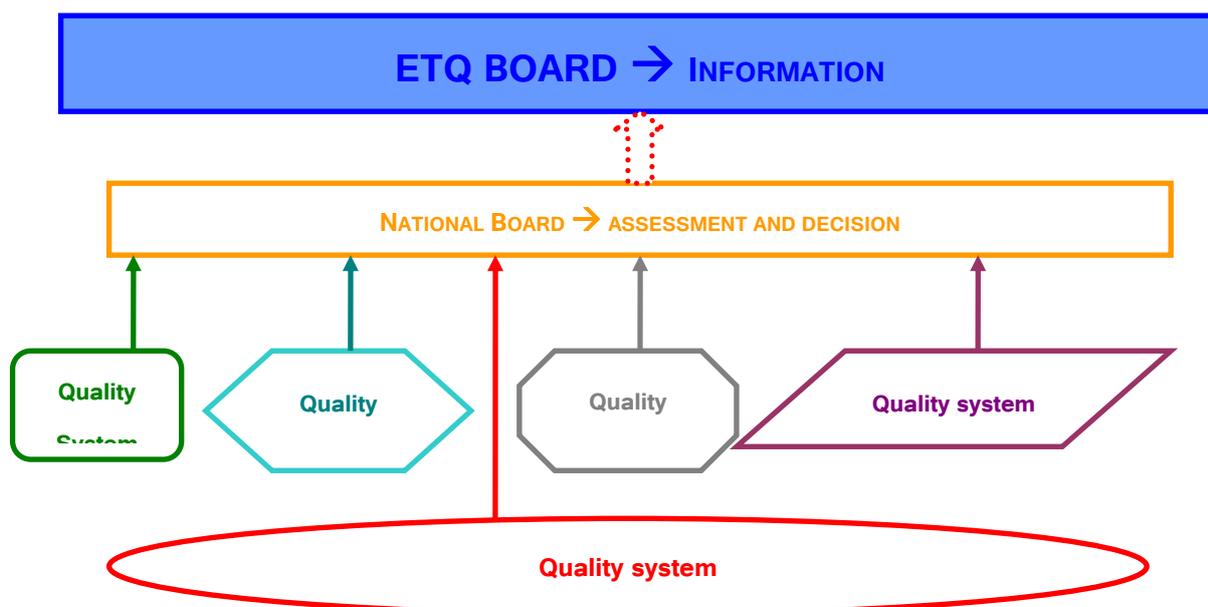
The **assessment and decision** is carried out at national level. All applications should be **submitted to the National Board**, which will carry out the assessment. It will take the decision if a quality system proves to be eligible and awards the ETQ recognition. **The National Boards have the power to filter out and refuse recognition.** The ETQ Board will be informed of the decision and of its main arguments.

One of the **positive aspects** of this option is the **fully decentralised administration**. As this option only implies one checkpoint of assessment, the administrative line is simpler than in the previous case.

The involvement of the **Member States' authorities** may be an advantage for those countries, where tourism is a significant economic activity and have an elaborate public administration system built for it already.

One of the main disadvantages of the previous option remains: the need to **establish National Boards**, as not all Member States will decide to establish a National Board. Moreover, as this option relies even more on the resources of the national administrations, this might even discourage certain countries from opting in into a voluntary initiative.

*The application process of Option 3 – Assessment and decision at national level*



The supporters of this operational option were at the position that this is the structure among the 3 proposed alternatives that best takes into account national tourism policies and the criteria already developed at national level. It was also underlined that this option safeguards

national and territorial identity, taking into account the specific characters of each Member State, its tourism offer and the way tourism administration is organised. It generates close cooperation between public and private stakeholders in quality evaluation processes

There were also views that emphasised that option 3 helps to avoid the proliferation of labels and therefore to reduce possible confusion by consumers and excessive administrative burden on enterprises.

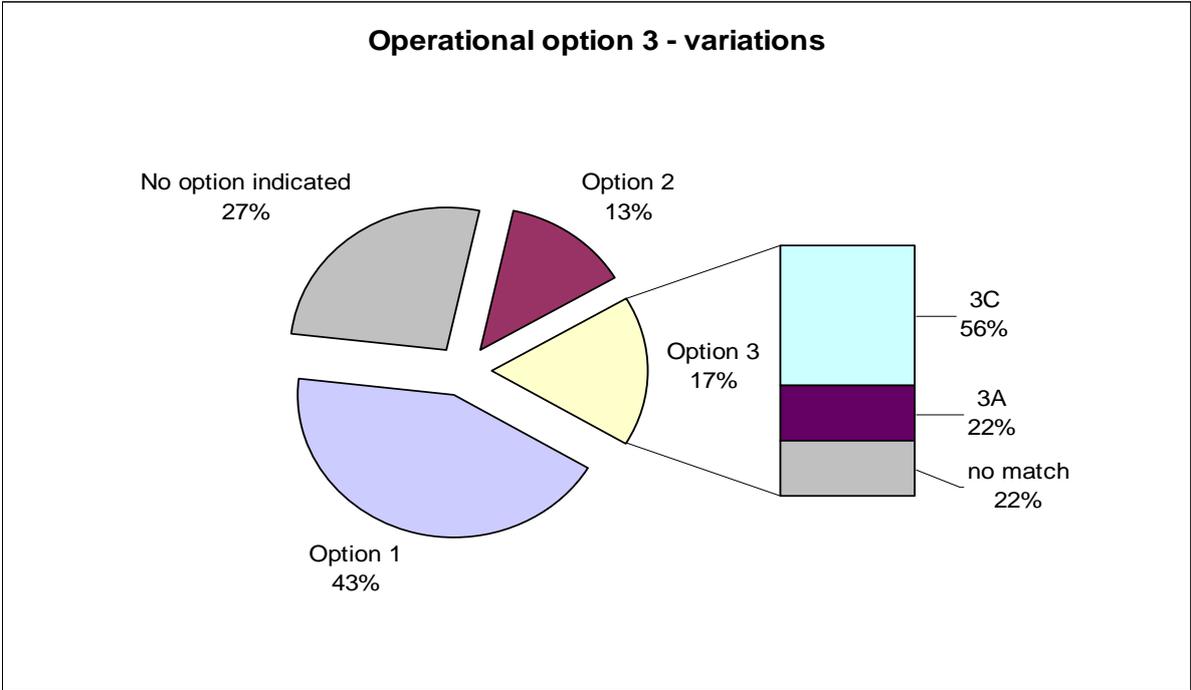
According to some opinions by the implementation of option 3 the ETQ would be more recognisable. This option would create a real "umbrella" label. The National Boards would offer significant assistance to the ETQ Board.

Some views stated that although option 3 seems to be the most realistic, less expensive (no redundancy) and easy to implement, quality systems that operate in Member States without a National Board should not be excluded from the possibility of recognition. They should be able to apply directly to the ETQ Boards.

The graph below shows that 56% of the supporters of this option matched it with recognition option C. This would result in a concept where the management of the label, including the decision on the recognition is national competence in the hands of the National Boards and where the recognition would be targeted at national/sub-national/regional systems.

22% of the responders preferred to match option 3 with the recognition of all kind of quality systems (3-A).

Also 22% of the respondents chose option 3 but did not indicate a matching recognition option.



Finally, there was a proposal for an additional option, a mix between option 1 and 3, which would adopt the concept of option 3 in those Member States where there is a national system, and option 1 in those countries where there is no national quality scheme in place.

### **2.3. Further positions**

As indicated by the chart under point 3 above, almost every third respondent did not provide an answer to the consultation document. Most of them were Member States, but there were also a couple of private organisations among them too.

Some Member States only responded to the specific questions addressed to them, without any reference to the questions of the consultation paper. Others were at the position that no in-depth discussion was carried out with the national tourism administrations on the general necessity and overall objective on the ETQ Label, as well as on why public action is needed in this area. They pointed out that the value added of such a European umbrella label and a clear vision of the role of the EC in this respect should be defined.

They also stated that according to their understanding of quality evaluation, the establishment of a system based on the lowest common denominator is not desirable from a consumer protection point of view.

In addition, some opinions insisted on the principle of subsidiarity and stressed that EU measures should undergo a cost-benefit analysis before being developed. Further opinions demanded that additional burdening the Member States with financial contributions should be avoided. An opinion stated that they fully rejected the provision of additional funds for promotion of tourism.

Among the private stakeholders, some stated that the members of the association were unable to reach consensus on over the operational options, but highlighted that regardless of the implemented concept, the ETQ should receive significant EU financial and promotional support.

Another private association did not support any of the proposed options, as they did not take into account any accessibility aspects.

Finally, it also has to be mentioned that not all of those who did not indicate a preferred operational option were unhappy with the proposal. Some of them answered all or the majority of the questions of the consultation paper and even indicated a recognition option, but did not explicitly make reference to the operational options.

### **3. MEMBER STATES' SPECIFIC QUESTIONS**

Besides the questions included in the consultation document, Member States were also asked some additional questions, in view to gather information on the existence of future plans and their capacity to implement a quality system as well as to join the ETQ initiative.

#### **3.1. Members States' responses to the specific questions**

A few Member States only replied to the specific questions for public administrations, but not to the consultation paper, while it's also true the other way around for some others.

The specific questions addressed to public administrations were:

<p><i>QA: Does your administration currently operate a quality evaluation system in the area of tourism?</i></p> <p><i>If NOT,</i></p>
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*QA-1: Are there any plans to implement one?*

*QA-2: At what stage are the preparatory works of such implementation?*

*In relation to Option 2 and 3:*

*QB: Would you be willing /able to set up National Boards for the ETQ?*

*QB-1: If yes, approximately how much financial resource would you be able to dedicate to the creation and operation of the National Board?*

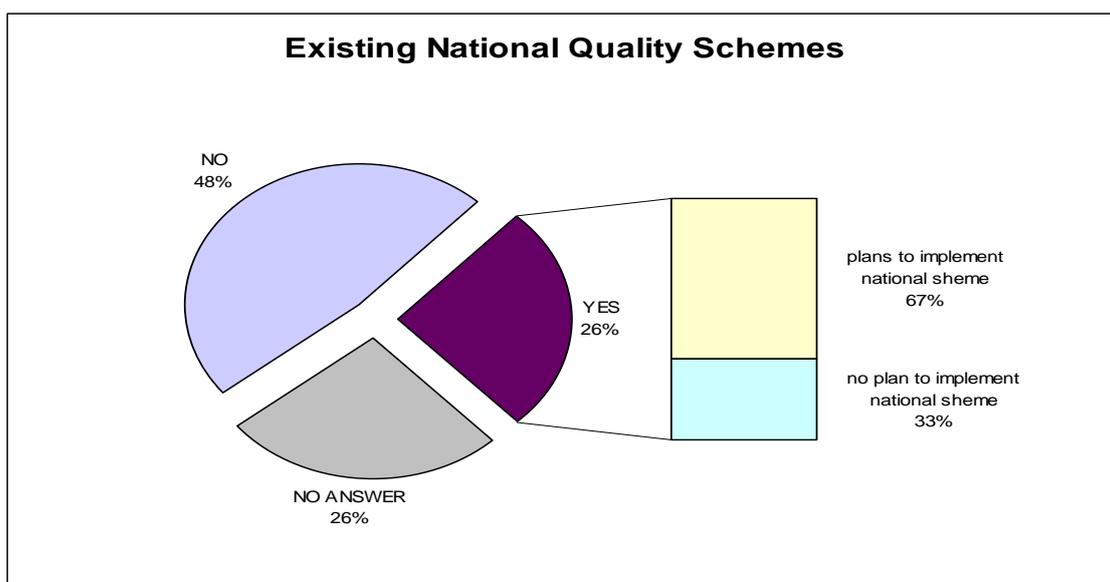
The aim of these questions was to find out how many national schemes exist, or whether there are any future plans to put a system in place. We also wanted to assess if the national authorities would have the willingness/capacity to establish a National Board, should operational options 2 or 3 were the ones to be implemented.

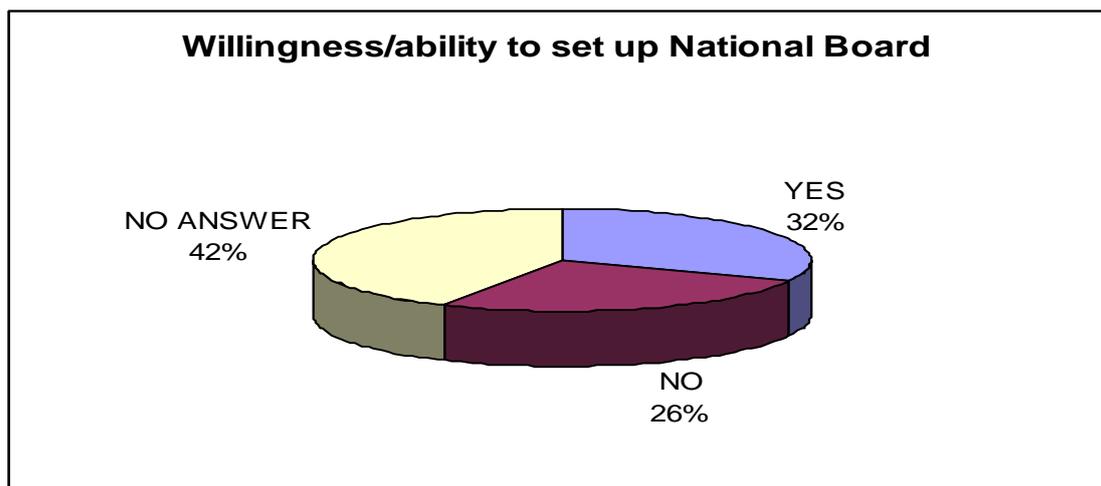
Out of the 19 Member States, only 5 responded that they operate a quality system by the public administration at national/sub-national level. We are certainly aware of quality evaluation systems also operated by regional or provincial authorities.

Among those Member States, which said that they do not operate a quality system, over 60 % has plans to do so in the future and the majority are already in the progress of implementation.

However, when they are asked whether they are willing or have the capacity to set up a National Board in case option 2 or 3 will be chosen to be implemented, only just above 30 % gave a positive answer.

It is also important to point out that the relatively large fragment of those who did not respond to this question, as well as the demands and questions put through to the Commission for further information and analysis of costs indicate, that there are still many administrations which do not feel to be able to make an educated decision on this issue We will address these questions at a later chapter of this summary document.





#### 4. QUESTIONS SUBMITTED IN THE REPLIES TO THE CONSULTATION

Questions previously quoted concerning the operational procedures of the boards and the auditors will be answered at a later stage, when the procedural guide will be drafted. This has already been indicated in the consultation paper, but will only be possible after choosing the appropriate operational alternative. Several questions and request for further information were put through in the replies to the consultation.

1. The EU added value should be demonstrated
2. A detailed, evidence base proof of the demand for the ETQ is needed.
3. Background information should be provided concerning:
  - the number and ownership of existing schemes operating for at least three years (eligible for the proposed European Umbrella Scheme, critical mass);
  - how successful are these labels? Are they well received by the businesses, by the consumers?
  - the number of participating enterprises (and performance) of these schemes;
  - the drivers of this European initiative: private/public sector? countries?
4. More information is needed on how the ETQL process is to be resourced. Is there any element of subsidy from European funding?
5. A cost-benefit analysis should be carried out.
6. Will the costs be the same for established large national schemes as for much smaller sub-national schemes?
7. Is there any data available concerning the influence of labels on the decision-making process of consumers?
8. Is it guaranteed that in all Member States labels exist, that would fall under the ETQ?
9. What if in some Member States no labels or quality evaluation systems exist and the individual tourism establishments and services in these Member States are therefore not able to apply to the ETQ and cannot benefit from it? (distortion of competition)

## 5. CONCLUSIONS

As it can be seen from the analysis, opinions on the two major issues, namely the operational options and the recognition options, are divided. Looking at the overall combination of the answers, the most preferred combination was “1-A” Full European Coordination with all types of quality systems to be recognised.

However, the large proportion of those stakeholders who did not respond to many questions as well as those which expressed their concerns and asked for additional information and further debate should not be overlooked.

The picture will be complete when looking at the administrative costs and burden of each operational option.

The further analysis of the existing quality schemes, the critical mass, as well as the possible administrative costs of the ETQ under the different options is in progress. Furthermore, the Commission is exploring the possibility of carrying out a study on the consumers’ perception on labels and how their decisions are influenced by them.

Finally, the Commission is also examining the different EU legal and operational instruments that should / could be used for the implementation and promotion of the selected ETQ Label proposal.

## ANNEX 1 - DEFINITIONS

The definitions below were proposed in the consultation document with a set of questions on the most debated ones, even though respondents were free to comment on any of the proposed texts.

The majority of respondents found the proposed definitions sufficient and acceptable. There were also numerous comments on certain definitions, which are indicated below. It also has to be pointed out that a large proportion of the respondents did not reply/comment on the definitions.

**Q A1-1:** Would you extend the definitions to other terms as well? If yes, please propose new terms.

The proposed additional definitions were:

- third-party auditors,
- customer satisfaction,
- consumer expectations,
- consumer needs,
- requirements,
- employee satisfaction,
- tourism services,
- successful functioning of the ETQ recognition,
- sub-national quality system,
- sustainable development,
- sustainable tourism,
- sustainability

However, it should be carefully considered which definitions are relevant to the context of the ETQ, as well as whether they need to be defined at all or their interpretation is the question of common sense.

### **Quality management in tourism**

A holistic approach beyond established standards and legal requirements by the participating establishments and organisations towards the continuous improvement of their processes and service based on common requirements in order to achieve a higher-level of tourism product and therefore improve the image of their offer and better serve their customers.

In the context of the ETQ Label it means a common understanding and commitment of the ETQ Label's objectives, principles and criteria by the members of the ETQ Network, who pledge to respect and pro-actively help each other for long term competitiveness and sustainability as well as for an image of Europe as a collection of high-quality destinations.

No comments were received on this definition.

### **European identity**

According to the Declaration on European Identity of 1973, signed in Copenhagen by the nine member states of the then European Community:

"The diversity of cultures within the framework of a common European civilization, the attachment to common values and principles, the increasing convergence of attitudes to life, the awareness of having specific interests in common and the determination to take part in the construction of a United Europe, all give the European Identity its originality and its own dynamism."

To varying degrees, all national identities in Europe contain elements of a European identity, which has a value of its own and exists across national identities. It is based on shared fundamental values, respect for a common cultural heritage enriched by diversity as well as respect for the equal dignity of every individual. All of these shall be promoted and made visible through the ETQ Label.

Q A1-2: Do you find the definition of "**European identity**" adequate? If not, please precise what aspect of identity (in this context) you would include in /exclude from the definition.

A couple of comments were received on this definition. One of them comments on this definition underlined that it confuses the level of values with that of diversity. Shared values and common principles are an important part of European identity, but we cannot use them as competitive factors. The interpretation of European identity should be updated considering the evolution that the EU itself had over the past 10 years and the geopolitical economic and socio-cultural dynamics of the tourism industry. European identity is the sum of all national identities but safeguarding diversity is essential for competitiveness.

Another comment suggested modifying the definition to "...cultural **and natural** heritage" enriched by diversity..."

### **ETQ Network**

A set of various connections between those quality evaluation systems that are recognised by the ETQ Label and bear the ETQ Logo, as well as its operational body/ies. These connections are based on the common understanding and embracing of the ETQ Label's objectives and a mutual respect and ethical support of its member's individual activities.

No comments were received on this definition.

### **Tourism establishments / business**

A form of **physical structure** may it be man-made, built legally and respects all relevant laws or regulations of the area on which it is built, or natural site, administering tourism-related activities of various kinds, e.g. accommodation establishments, natural or man-made attractions / sights, museums, tourism offices, etc.

In case of the ETQ Label, the meaning of tourism establishment referred to in the concept will be defined by the preferred scope of recognition.

### **Tourism organisations**

A commercial or non-commercial **legal entity**, operational and registered, as required by national and/or local laws, administering professional activities in the interest of tourism. Its staff are legally employed and insured. This may mean public authorities in charge of tourism at any level of the public administration system, private professional associations or federations, as well as any legal entity with a direct professional tourism profile.

Q A1-3: Do you find the definitions of "**tourism establishment**" and "**tourism organisation**" clear? If not, please propose new wording.

Several comments pointed out that the definition of tourism establishment was inaccurate, as it may not necessarily have a physical structure. It is "a business that provides or sells a service or and experience to a visitor". It was also suggested to define it as "provider of tourism services" or "enterprise or individual serving the need of travellers".

It was also pointed out that the definition should not refer to the respect of relevant laws and regulations.

For some, it was not clear what the "Tourism organisation" definition is describing, while others suggested to remove these definitions form the list, as they are of little importance.

#### **National tourism authority**

Public body legally recognised by, in charge of and granted powers by the state to administer tourism **at national level**.

No comments were received on this definition.

#### **Sub-national tourism authority**

Governmental bodies of authority over local or regional, smaller administrative entities of a state, which are administratively part of a larger administrative entity: province, municipality, the state, etc.

These may include regional or local tourism authorities in charge of administering tourism at their respective geographical administrative level.

Sub-national competences may be distributed in different ways and are particular in the Members States. Even the existence of these sub-national authorities depends on a given Member State's public administration system.

It was suggested to change title of the definition to "regional and local tourism authorities".

A suggestion to redefine public body in a broader sense to include public and private tourism bodies was also put through in the comments.

#### **National quality system**

A quality evaluation system in tourism which is in charge of evaluating one or several aspects of the quality of tourism services or establishments at national level. It is developed and managed by a national authority.

No comments were received on this definition.

#### **Regional quality system**

A quality evaluation system in tourism, which, under the governance of a national authority or a national quality system, is in charge of evaluating one or several aspects of the quality of tourism services or establishments at regional level.

No comments were received on this definition.

### **Independent regional quality system**

A quality evaluation system in tourism, which, **independently** from a national authority or a national quality system, is in charge of evaluating one or several aspects of the quality of tourism services or establishments at regional level. This kind of system usually exists in Member States where tourism is a regional competence and there is no national quality system present. It is governed by a regional authority. However, in most cases, the independent regional systems follow a common scheme within the same country, with adjustments of regional specificities.

No comments were received on this definition.

### **Private quality system**

A quality evaluation system in tourism which is created and managed by private initiative, often professional associations / federations bringing together tourism businesses / professionals of a specific profile. This kind of initiative does not depend on public administration financing but is financed by its members. However, well-governed private quality systems are often recognised and appreciated by public bodies through their acceptance and adoption by the industry, given by their bottom-up approach.

No comments were received on this definition.

### **Transnational quality system**

A quality evaluation system whose regular professional activity exhibit a cross-border nature and involves undertakings and occupations in at least 40 % of the EU Member States and candidate countries, regardless the volume of their representation in the individual countries.

It was pointed out by one of the comments that the interpretation emerging from this definition is absolutely wrong. The requirement of the presence in 40 % of the Member States is not sufficient to define a true transnational organisation. As a solution it was suggested that a transitional organisation can be considered presenting a Member State if and only if it represents an important part of the companies present in a country (e.g. 20% market share).

Another opinion stated that this definition might adversely affect the integrity of the ETQ because of the last clause "...regardless of the volume of their representation." It could potentially mean recognition of a system that covers a number of countries but with only few members, therefore setting a requirement of minimum membership would be useful.

### **Market relevance**

Market relevance means the active and sustainable operation of a business on the market, meaning economic, social and environmental sustainability, as well as the stable and proven demand for its tourism product offered and steady and durable relationship with its business partners.

Market relevance may be proven by the length of existence of the legal entity, by the stable volume of business operations as well as by the rigorous compliance with heritage protection/environmental/labour/consumer protection rules and regulations.

**Q A1-4:** Do you think that the definition of "**market relevance**" should be made more strict e.g. by quantification? If yes, please propose options.

Some comments suggested that quantifiable criteria may be added to the definition, but always with a view to the specific characteristic of a nation. It was also proposed to quantify market relevance by a minimum number of membership/participation.

Further comments recommended re-phrasing this definition as it should refer to the market relevance of quality schemes and not businesses in the context of the ETQ.

Finally, some inputs highlighted that the definition should not refer to "compliance with heritage protection/environmental/labour/consumer protection rules and regulations".

### **Relevant stakeholders**

Relevant stakeholders encompass the competent European/national/regional/local authorities, service providers and suppliers in relation to the activities of the tourism establishment, as well as the local community and the customers.

Their involvement and active support is demonstrated by sincere and balanced cooperation between the parties with mutual understanding of each others' objectives and acting in a truthful conduct without deliberately causing detriment to the other.

No comments were received on this definition.

### **Independent auditors**

Qualified and trained assessors, who are not affiliated with or otherwise related to the organisation they audit. They have gone through a specific training on the evaluation of compliance with the requirements of the ETQ principles and criteria. They are acting in full absence of conflict of interest and are capable of carrying out an impartial assessment of the eligibility of the applicant quality systems. They should also be able to draw objective and unprejudiced report of the assessment.

The selection procedure, exact role and training procedure of the auditors will depend on the preferred organisational option and will be documented at a later stage.

No comments were received on this definition.

### **Quality coordinator**

A designated employee of the tourism establishment, who has been thoroughly informed of and acknowledges the requirements of the ETQ principles and criteria and is actively involved in their implementation and follow-up. He/she coordinates the involvement of all other employees where relevant and acts as a contact person for assessment under the quality scheme recognised by the ETQ Label.

**Q A1-5:** Under the current wording, do you find that the definition of "**quality coordinator**" is too strict and is difficult to comply with? If yes, please explain why.

Several different comments were received on this definition. It was suggested that it might be too strict to comply with for a micro enterprise, therefore it was suggested to change the phrase "designated employee" to "person within". It was also pointed out that the quality coordinator would need to be familiar with the requirements of the label recognised by the ETQ (and not the ETQ requirements themselves). The development of a more standard job role and competences was also recommended.

#### **Identifiable employees (staff)**

Employees of the establishment, who are distinguished by their appearance and behaviour from the guests in a way, that is instantly recognisable by the customers. Identifiable employees wear functional clothing that fits the purpose of their task and work place where relevant and act in an unmistakeable manner as an employee on duty.

**QA1-6: Do you think that, under the current wording the definition of "identifiable employee/staff" is too difficult to comply with? If yes, please explain why.**

This definition triggered several identical comments, which suggested that it's too restrictive, difficult to comply with for micro and small enterprises. As a solution it was proposed to either introduce a minimum threshold on the size of the business above which it would be required to comply with, or just simply remove it from the list of definitions.

#### **Trained employees / staff**

Employees of the establishment who have taken part in professional training relevant to their post occupied at the establishment, either organised by the employer, or through public or private educational system.

No comments were received on this definition.

#### **Experienced employees / staff**

Employees of the establishment, who have worked in the same or equivalent professional occupation in the past for a satisfactory length of time, which makes them capable to carry out their work with good knowledge and confidence of its objectives and general operating procedures, at their respective hierarchical level.

No comments were received on this definition.

**Q A1-7: Any other remarks?**

Please refer to questions under point 5.

## **ANNEX 2 – LIST OF CONSULTED TOURISM ASSOCIATIONS**

1. AER – Assembly of European Regions
2. AIEST - Association Internationale d'Experts Scientifiques du Tourisme
3. ANEC - European Consumers' voice in Standardisation
4. Assemblée des Régions d'Europe
5. BEUC - Bureau Européen des Unions de Consommateurs
6. BUSINESSEUROPE
7. Conseil des Communes et Régions d'Europe
8. COPA - COGECA - Comité des Organisations Professionnelles Agricoles de l'Union Européenne - Confédération Générale des Coopératives Agricoles de l'Union Européenne
9. ECC - European Cruise Council
10. ECTAA - European Travel Agents and Tour Operators Association
11. EFAPCO – European Federation of Associations of Professional Congress Organisers
12. EFCO & HPA - European Federation of Camping Site Organisations and Holiday Park Associations
13. EFCT – European Federation of Conference Towns
14. ENAT - European Network for Accessible Tourism
15. ESPA - European Spas Association
16. ETAG - European Travel & Tourism Action Group
17. ETIN - European Tourism Industry Network
18. ETLC - European Trade Union Liaison Committee on Tourism
19. ETOA - European Tour Operators Association
20. ETTFA - European Tourism Trade Fairs Association
21. EUFED – European Union Federation of Youth Hostel Associations
22. EUROGITÉS – European Federation of Farm and Village Tourism
23. EUROMARINA - European Federation of Marinas and Yachting Harbours
24. Europarks – European Federation of Amusement Parks
25. F.E.C.T.O. / F.O.T.V.E. - Fédération des Offices de Tourisme des Villes Européennes
26. Federation Loisirs Vacances Tourisme
27. Historic Hotels of Europe
28. HOTREC - Hotels, Restaurant and Cafés in Europe
29. NFI - Naturfreunde International (The Friends of Nature / Amis de la Nature)
30. RDO – Resort Development Organisation
31. UEAPME - Union Européenne de l'Artisanat et des Petites et Moyennes Entreprises
32. WWF - European Policy Office