

Europe needs a smarter visa policy

Europe's Tourism

Tourism – Engine of Economic Growth



Tourism's contribution to the EU's employment and GDP is crucial and growing.

- More than **10% of the EU's GDP** comes from tourism (directly or indirectly), with forecasts of around 3% year-on-year annual growth to 2020
- The tourism sector **employs nearly 20 million people** in the EU and has links to other key sectors.
- In 2011, **tourists from non-EU countries spent about €400 billion in the EU**. This figure is estimated to reach €500 billion by 2020 (Source : European Commission, WTO)
- World travel and tourism have grown faster than the global economy in 2013 (Source : IPK International)

Europe is the World's No 1 Tourist Destination

Although Europe boasts a healthy tourism industry, emerging markets are now posing a growing threat to the continent's capabilities of attracting travellers from international territories. Europe has gradually lost market share in world tourism from a comfortable 64% in 1980 to 51% in 2010 and if things remain unchanged, is expected to fall to a level of 41% by 2030, according to UNWTO. Tourism in Europe is reliant on domestic tourists while other competing destinations are luring international tourists in a better way.

To retain Europe's position of No 1 destination, Europe has to keep on attracting tourists from fast-growing third countries.

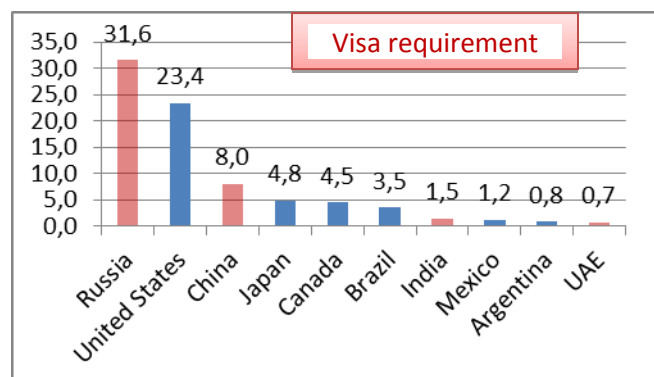
European Tourism Source Markets - Potential for Growth

- Two of the three most important European source markets of international arrivals require a Schengen visa, notably China and Russia.
- China and Russia are ranking as number 1 and 4 biggest spenders on international tourism for the year 2013, according to UNWTO.
- China has been, and still is, by far the fastest-growing tourism source market in the world (UNWTO).

European Source Markets 2013

Tourist Arrivals (Millions)

Source: ETOA using data from UNWTO, WTTC, etc.



Impact of visa policy

72 % of the world's population need a visa when travelling to Europe



Visa obligations have a considerable **impact** on tourism worldwide. The costs to visa applicants, both the direct monetary cost and indirect costs such as wait times and travel expenses associated with obtaining a visa, are a deterrent to would-be travellers and **divert demand** to destinations with an open or a less restrictive visa policy.

Europe is considered to be one of the most restrictive regions in terms of visa requirements. In 2012, 72 % of the world's population needed a visa before arrival when travelling to Europe.

A study by UNWTO/WTTC on the impact of visa facilitation on job creation in the G20 economies has demonstrated that **visa facilitations have historically led to an increase of tourism influx by 5-25 % in the respective markets** following the implementation of facilitating measures.

Link to study: http://www.wttc.org/site_media/uploads/downloads/Visa_facilitation.pdf

EU visa study

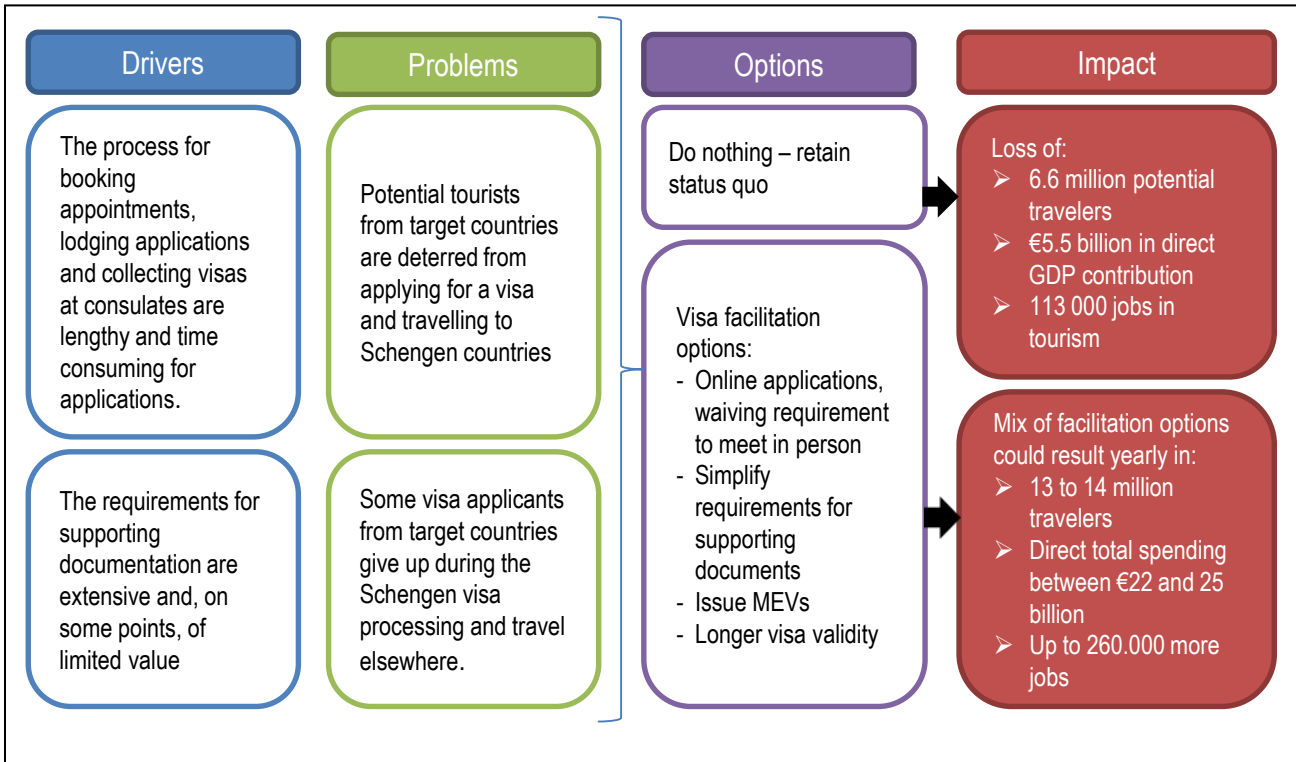
The European Commission DG Enterprise commissioned a study on the economic impact of short stay visa facilitation on the tourism industry and on the overall economies of the EU Member States part of the Schengen Area. The study focused on travellers to the Schengen area from six target markets: China, India, the Russian Federation, Saudi Arabia, South Africa and Ukraine, which together comprised almost two thirds of the visa travellers to the Schengen area in 2012.

The study identified the most important issues from the perspective of visa applicants of the six target countries, estimated the economic impact of visa procedures in terms of deterring tourists and business travellers to the Schengen area, reviewing various visa facilitation options and their impact in terms of generating additional travellers, revenue and ultimately jobs in Europe.

The study concluded that significant benefits would accrue if changes were made to the existing visa code. More flexible and accessible visa rules could lead to an increase in trips to the Schengen area of between 30% and up to 60% from these six countries alone. Different facilitation scenarios could lead to a total of 13 to 14 million travellers, leading to between EUR 22 to 25 billion in total direct spending per year.

Link to study: http://ec.europa.eu/enterprise/sectors/tourism/files/visas_study_2013/final_report__visa_facilitation_en.pdf

Study on the economic impact of short stay visa facilitation on the tourism industry and on the overall economies of the EU Member States part of the Schengen Area



Visa package proposal

Recognising that the EU must be ‘open’ to visitors, as travellers contribute to economic growth, the European Commission adopted on 1st of April 2014 a visa package proposal, consisting of two Regulation proposals. The first Regulation proposal proposes a number of amendments to the existing Regulation establishing the visa code, the aim of which is to make the visa application process simpler, less costly and shorter, thus facilitating travel to Europe for legitimate travellers, in particular for frequent travellers. The second Regulation proposal establishes a new type of visa called ‘touring visa’ for travellers touring Europe and thus staying longer than the 90 days in any 180 day period foreseen by the Schengen short-stay visa.

The most important changes to the Schengen visa rules include the following:

- Reducing the deadline from 15 to 10 days for processing and making a decision;
- Making it possible to lodge visa applications in other EU consulates if the Member State competent for processing the visa application is neither present nor represented;
- Substantial facilitations for regular travellers including mandatory issuing of multiple entry visas valid for three years (see table on the next page);

- Simplified application form and online applications permitted;
- Possibility for Member States to devise special schemes granting visas at the borders for up to 15 days in one Schengen State;
- Possibility for Member States to facilitate the issuing of visas for visitors attending major events;
- A new type of visa (Touring visa) allowing legitimate travellers to circulate in the Schengen area for up to 1 year (without staying in one Member State for more than 90 days in any 180-day period).

Procedural facilitations foreseen in the visa package proposal

	Lodging in person	Collection of fingerprints	Supporting documents	Visa to be issued
First-time applicant – not registered in VIS	Yes	Yes	Full list corresponding to all entry conditions.	Single entry corresponding to travel purpose. However, a MEV may be issued, if applicant is considered reliable.
VIS registered applicant (but not a regular traveller)	No	No, unless the fingerprints have not been collected within the last 59 months.	Full list corresponding to all entry conditions. Copies of original supporting documents accepted, unless doubt about authenticity.	Single entry or MEV.
VIS registered regular traveller	No	No	Only proof of travel purpose. Presumption (because of ‘visa history’) of fulfilment of entry conditions regarding migratory and security risk and sufficient means of subsistence. Copies of original supporting documents accepted, unless doubt about authenticity.	First applicant: 3 year MEV. Following applications: 5 year MEV.

Link to the visa package proposal and other useful information:

http://ec.europa.eu/dgs/home-affairs/what-is-new/news/news/2014/20140401_01_en.htm