Shaping the Future of Europe via Business Travel

Policy Priorities for the EU 2024-2029 Agenda

GBTA Global Business Travel Association

Travel is a force for good, an opportunity to learn, communicate, share, experience and innovate. **Business travel is on the leading edge for the entire industry**, in that it drives faster improvements for all travellers through corporates' combined buying power to deliver safe, efficient and sustainable travel options. **Business travel brings people together** and fosters economic growth. **The Global Business Travel Association (GBTA) and its members will continue working closely with EU policymakers** to ensure our industry remains a driving force for Europe's competitiveness and green transition.

Suzanne Neufang
Chief Executive Officer,
GBTA

Business Travel:
A Driving Force for the Future of Europe

What is Business Travel?

IT'S TRAVEL FOR WORK

Business travel covers trips undertaken for work purposes, as opposed to leisure trips. It includes travelling to meet business partners or constituents, participate in training, attend events and conferences, or conduct diplomatic and political negotiations. It allows people to connect in person, offers fulfilling career opportunities, and ultimately enables societies and economies to thrive and grow. Without business travel, a connected and united Europe would not be possible.

IT'S DOOR-TO-DOOR JOURNEYS

From the moment a business traveller leaves on a trip to the moment they return home, all the services they make use of are part of the business travel supply chain. This includes transport (ground, rail, air), urban mobility (public transport, taxis, shared rides), hospitality (hotels, restaurants), and ancillary services. GBTA brings together the many voices of global business travel, providing a common platform for buyers and suppliers to shape the future of our industry.

IT'S VERY OFTEN 'MANAGED'

Travel is managed in organisations that prioritise traveller safety and well-being, known as "Duty of Care", to ensure travellers depart and return safely. Managed travel also helps control expenses, costs, and emissions within given budgets. Organisations generally institute a travel policy that reflects these values and preferences, overseen by a travel manager. They normally contract with "preferred suppliers" to provide services that meet the goals of the organisation. Travel managers can therefore use their purchasing power as a lever for change and are increasingly doing so by incorporating sustainability, safety, and diversity requirements in their travel procurement.

Supporting Europe's Competitiveness

ECONOMIC ENGINE

While business travel in Europe was severely affected by the Covid-19 pandemic, travel **spending was expected to reach 90% of the pre-pandemic figures** of €361.3 billion* ($391.9 billion USD) by the end of 2023 and to surpass it in 2025, when it is forecast to reach €382.46 billion* ($414.9 billion USD). In 2027, business travel spend in Europe is expected to reach €414.72 billion* ($449.9 billion USD).

MULTIPLIER EFFECT

Business travel has fostered economic growth across national boundaries for decades. Its multiplier effect benefits a wide range of sectors by boosting employment and sustaining critical trade and logistics infrastructure. **Hotels, restaurants, catering services all benefit from meetings and travel**. In 2023, business travellers in Europe spent, on average, €818.56* ($888 USD) per person (including both managed and unmanaged spending), per business trip.
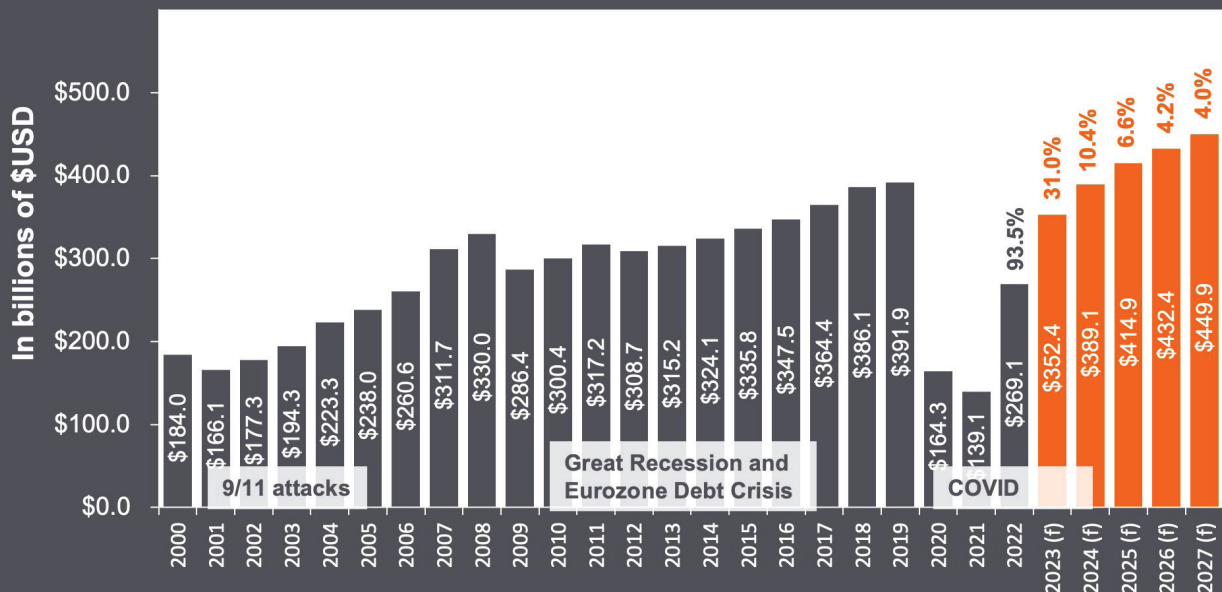
SOCIAL COHESION

Business travel also strengthens social cohesion, by fostering personal career growth, building trust with co-workers, clients and partners, and enabling professionals to discover new cultures and working methods. It enables networking, promotes innovation, and helps market expansion.

Business travel spend in Europe is expected to reach

€414.72 billion
BY 2027

Total Business Travel Spending – Europe
per year

In billions of $USD

Year	Value
2000	$184.0
2001	$166.1
2002	$177.3
2003	$194.3
2004	$223.3
2005	$238.0
2006	$260.6
2007	$311.7
2008	$330.0
2009	$286.4
2010	$300.4
2011	$317.2
2012	$308.7
2013	$315.2
2014	$324.1
2015	$335.8
2016	$347.5
2017	$364.4
2018	$386.1
2019	$391.9
2020	$164.3
2021	$139.1
2022	$269.1 (93.5%)
2023 (f)	$352.4 (31.0%)
2024 (f)	$389.1 (10.4%)
2025 (f)	$414.9 (6.6%)
2026 (f)	$432.4 (4.2%)
2027 (f)	$449.9 (4.0%)

9/11 attacks
Great Recession and Eurozone Debt Crisis
COVID

GBTA Business Travel Index™ Outlook report - August 2023.

Accelerating the Green Transition

MANAGING EMISSIONS

According to GBTA's latest State of Climate Action Report (2023), **93% of European travel managers have integrated, or are planning to integrate, sustainability considerations** into their travel programme. Companies are practicing a wide range of strategies to decarbonise their travel programmes. These include demand management policies, better point of sale information to empower employees to select lower carbon options and partnering with responsible transport and accommodations providers.

INVESTING IN DECARBONISATION SOLUTIONS

Corporates are increasingly **investing in emission reduction technologies** within the business travel value chain. This includes Sustainable Aviation Fuel (SAF), with buyers currently relying on 'book and claim' systems to allow them to purchase SAF certificates without being geographically connected to a SAF supply site.

THE ROAD TOWARDS HARMONISATION

A common pain point for companies is the number of standards and different methodologies that exist. **No harmonised international standard exists for calculating emissions**, so an organisation needs to pick the model that best fits their needs. **GBTA has been playing a key role** in this regard, with the development of sustainable procurement standards for travel, helping to send a strong demand signal to suppliers for more sustainable travel options.

GBTA: A Key Partner for the Incoming European Parliament and Commission

The Voice of Business Travel

GBTA brings together 8,000+ members across four key regions (EMEA, NORAM, LATAM and APAC). Our association members worldwide are individual business travel professionals. On the user side of travel, they are the corporate travel programme managers and travel procurement leads in their organisations. On the supplier side, they are the airlines, hotels, car rentals, ground transportation, travel management companies, corporate booking tools, distribution technologies, travel risk management and payment and expense systems.

8000+ members

Strong Presence in Europe

GBTA has **active chapters** in France and Italy, and **partnerships with leading national business travel associations** including VDR (Verband Deutsches Reisemanagement) in Germany and ITM (Institute of Travel Management) in the UK and Ireland; Austrian Business Travel Association (ABTA); Danish Business Travel Association (DBTA); Finnish Business Travel Association (FBTA); Iberian Business Travel Association (IBTA); Netherlands Association with Travel Management (NATM); Norwegian Business Travel Association (NBTA) and Swedish Business Travel Association (SBTA).

An Active Partner in Brussels

GBTA was formed in 1967 in the US, and has been a partner in making business travel work for all Europeans since 2010. The 2019-2024 mandate of the European Parliament and European Commission has seen **historic transformations for the EU**, with the launch of the European Green Deal, a set of policies aimed at making the continent climate-neutral by 2050. **Business travel has been a partner in this transition, with GBTA presenting the views and priorities** of the sector to EU decision-makers throughout the legislative term. We have contributed to consultations on the decarbonisation of aviation, passenger rights, and multimodal travel among other topics and have joined initiatives such as the Transition Pathway for Tourism.

GBTA has been a partner in making business travel work for all Europeans since 2010.

GBTA's Priorities for the 2024-2029 Legislative Term

1. FACILITATING TRAVELLER MOBILITY

- Digitalisation of travel documents
- Robust framework for passenger rights

2. PROMOTING SUSTAINABLE BUSINESS TRAVEL

- Decarbonisation of aviation
- Promotion of rail and electromobility
- Transparent and comparable information
- Clarity on emissions calculation and reporting rules

3. MODERNISING THE TRAVEL DISTRIBUTION ECOSYSTEM

- Distribution of multimodal journeys

1. Facilitating Travel Mobility Across Europe and Globally

Why it Matters

For the business travel sector to thrive and contribute to Europe's economy and society, the right framework of rules should be in place to improve the traveller's experience and ensure their rights are fully protected. In this regard, the EU has a key role to play in facilitating mobility across its 27 Member States and beyond.

Our Asks to EU Policymakers

DIGITALISE TRAVEL DOCUMENTS

As part of our support for sustainable, efficient, and seamless business travel, GBTA believes travel procedures should be clear and easy to use for travellers, avoiding unnecessary red tape that can create uncertainty and damage economic growth. Because of this, GBTA welcomes the EU's initiatives to digitalise and simplify travel procedures.

▶ The European Travel Information and Authorisation System (ETIAS) will benefit business travellers by easing border control processes providing visa-exempt business travellers with a reliable and early indication of their admissibility into the Schengen area.

▶ The Entry/Exit System (EES) will digitalise passport stamps and allow for the automatic monitoring of the border-crossing of third-country nationals, reducing bureaucracy at the borders.

▶ The Commission's plans to digitalise travel documents would further facilitate international business travel.

The EU and its Member States should support the digitalisation of travel procedures with a swift implementation of the ETIAS and EES and with the introduction of a legislative proposal for the issuance of digital travel documents, cutting unnecessary red tape and facilitating business travel across Europe.

BUILD A MORE ROBUST FRAMEWORK FOR PASSENGER RIGHTS

As business travel is recovering from the impacts brought on by the Covid-19 pandemic, this is a crucial time to rebuild travellers' confidence. We therefore support the European Commission's proposed review of the EU's passenger rights regulations.

The EU must swiftly adopt the new EU passenger rights rules and ensure it makes clear information always available for passengers. It should also make refunds in the event of cancellations easy to obtain. In the event of emergencies, Member States must better coordinate the measures they take affecting travel. A more robust passenger rights framework will facilitate citizens' mobility, allowing people to easily connect and businesses to grow.

2. Promoting Sustainable Business Travel

Why it Matters

GBTA has taken the initiative in recent years to help the business travel sector on its climate action. Our objective is to support the deployment of solutions that help manage and reduce carbon emissions from travel. GBTA is a supporter of the Toulouse Declaration on future sustainability and decarbonisation of aviation, bringing together over 35 European countries, the EU institutions, and numerous industry stakeholders in a commitment to decarbonise air travel by 2050. Our State of Climate Action Report shows the major efforts the sector is making to transition towards more sustainable practices.

Our Asks to EU Policymakers

SUPPORT THE DECARBONISATION OF AVIATION

We recognise and applaud the EU's ambitious push for **decarbonising aviation, a key mode of transport for business travellers**.

- **ReFuelEU** mandates the gradual inclusion of sustainable aviation fuels (SAF) in the fuel blend supplied to operators at EU airports, with the required proportion rising from 2% SAF in 2025 to 70% in 2050.

- **The Emissions Trading System (ETS)** rules have been extended to aviation, meaning the EU's carbon pricing system will now apply to flights. This will create economic incentives to reduce emissions and ETS revenues will be used to speed up the take-up of SAF.

In order to support the decarbonisation of aviation, the EU should provide further incentives for the production of SAF:

- Facilitate the recognition of book & claim: This system, envisioned under RefuelEU, should enable airlines and operators to purchase SAF certificates without being geographically connected to a SAF supply site. This is critically needed while SAF supply remains limited, to avoid generating additional emissions from bringing SAF to airports.

- A robust Innovation Fund: Established with the revenues from the Emissions Trading System, the Innovation Fund should provide the financial support needed for the development of SAF.

- SAF Inclusion in the Net Zero Industry Act (NZIA): the production of SAF should be part of the "Strategic Net Zero Technologies" that will receive financial support under the Net Zero Industry Act.

PROMOTE CROSS-BORDER RAIL AND ELECTROMOBILITY AS VIABLE BUSINESS TRAVEL OPTIONS

Long distance rail shall be easier to book in corporate systems and must be more reliable in terms of on-time performance and better connections between cities. The shift to rail requires further incentives and prioritisation by governments across Europe, to make cross-border trips a smoother experience.

Electromobility also has an important role to play to decarbonise business travel, as more companies seek to incentivise the rental of electric vehicles (EVs) by their employees. To support electric mobility, EU policymakers and European governments should pursue further incentivisation of EV purchases and public investments in charging infrastructure to help boost customer adoption rates.

Ultimately, faced with a growing demand for travel and transport, the EU needs to focus on the decarbonisation across the wider mobility system, to achieve net zero emissions across all modes of transport and facilitate cross-border multimodality beyond air, making ground transport and rail become more viable as business travel options.

EMPOWER TRAVELLERS TO IDENTIFY AND SELECT SUSTAINABLE TRAVEL OPTIONS

Passengers should be able to easily identify and choose the most sustainable travel options in all travel sectors including accommodation as well as transport – across air, ground and rail.

➡ ReFuelEU introduced an environmental labelling scheme for flights that EASA will now develop. Such a label must provide consumers with clear, accurate, and standardised information about the environmental performance of flights.

➡ The Green Transition Directive and the Green Claims Directive aim to protect consumers from greenwashing and ensure they get accurate information about the environmental impact of the products and services they purchase.

> The EU needs to prioritise the adoption of these measures while making sure new rules remain practical, build on industry latest efforts, and do not lead to regional fragmentation.

PROVIDE CLARITY AND TRANSPARENCY ON EMISSIONS ACCOUNTING AND REPORTING

Around 64% of business buyers indicate that their companies track emissions for business travel and 54% mentioned that they have emissions reduction targets. Corporate travel managers find it difficult to track and report emissions data from employees' travel, as there are still many different methodologies available.

➡ The Corporate Sustainability Reporting Directive (CSRD) which started applying on 1 January 2024, creates new, detailed sustainability reporting requirements and significantly expands the number of European and non-European companies that need to comply. The required information includes reporting on Scope 3.6 emissions under the proposed value chain sustainability report.

➡ The CountEmissionsEU proposal, presented by the Commission in 2023, offers a much-needed harmonised framework and solution for this industry-wide challenge. CountEmissionsEU paves the way for businesses to achieve greater transparency and consistency in their emissions reporting.

> Levelling the playing field and establishing clear standards and methodologies for calculating and reporting emissions from business travel is a necessary pre-requisite to decarbonise business travel. GBTA therefore calls on EU policymakers to support a swift adoption and implementation of CountEmissionsEU, and provide clear technical guidance for the implementation of the European Sustainability Reporting Standards (ESRS), including the publication of sector-specific guidance.

3. Modernising the Travel Distribution Ecosystem

Why it Matters

To achieve a more sustainable and efficient travel system, Europe needs a modern and competitive ticket distribution system that supports multimodal options incorporating the display of emissions. Business travel very often involves intermediaries, which are different from the leisure travel ecosystem. These include Global Distribution Systems, Travel Management Companies and Online Booking Tools that companies may use to book trips for their employees. These intermediaries need transparency from travel providers to be able to provide independent comparison and booking options for organisations that use their services.

Our Asks to EU Policymakers

UNLOCK THE POTENTIAL OF MULTIMODAL BUSINESS TRAVEL

Among business travellers, there is a growing demand for multimodal travel, that is, the ability to combine different transport options within one ticket and including greener transportation options. Multimodal trips have been shown to substantially reduce emissions from travel and to increase the efficiency of trips by allowing passengers to enjoy the advantages of different modes.

➡ To take full advantage of this potential, the Commission has been planning to introduce a Multimodal Digital Mobility Services (MDMS) regulation that would make it easier for intermediaries to offer multimodal travel options and for travellers to book them. Unfortunately, the proposal has suffered delays.

The European Commission should move forward with its plans for an MDMS regulation, that would make tickets more accessible through convenient online booking channels, offering passengers more choice. This would make business travellers more likely to consider more sustainable yet efficient choices when booking their trips.

Interested to get in touch?

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