GBTA Advocacy Round in Brussels – Nov 2023

In November 2023, GBTA representatives gathered in Brussels to advocate for the unique priorities of the business travel sector. They embarked on a comprehensive series of meetings with various stakeholders from the travel ecosystem, including policymakers, trade associations and industry.

The goal of these engagements was to address key challenges and opportunities faced by the industry, in particular promoting multimodality, the promotion and adoption of Sustainable Aviation Fuels (SAF), the harmonisation of emission tracking and reporting, and the improvement of passenger rights.
STAKEHOLDERS GBTA MET WITH IN BRUSSELS

Policymakers
European Commission
- Cabinet of Transport Commissioner Valean
- The European Commission’s Directorate-General for Mobility and Transport (DG MOVE) – Unit: Sustainable and Intelligent Transport (DG MOVE B.4).
- The European Commission’s Directorate-General for Mobility and Transport (DG MOVE) – Director for Aviation (MOVE DDG2 E)

European Parliament
- Member of the European Parliament – Jakop Dalunde (Greens, Sweden)

Missions to the EU
- United States Mission to the EU

Trade Associations and other EU organizations
- Airlines for Europe (A4E)
- FuelsEurope.
- ALLRAIL - The Future of Passenger Railways
- e-Fuel alliance
- EU Travel Tech: European Travel Tech Organization
- Community Of European Railway and Infrastructure Companies (CER)

Industry
- Boeing EU Office.

Events attended
- EU Tourism Manifesto meeting
Key Takeaways

GBTA’s priorities include advancing multimodality, the promotion and adoption of Sustainable Aviation Fuels (SAF), the harmonisation of emission tracking and reporting, and the improvement of passenger rights. To ensure that policymakers and other EU stakeholders understand the needs and concerns of the business travel sector, GBTA actively engaged on these matters during their latest EU outreach round. Below are key takeaways on the priority topics for GBTA and its members:

Facilitating multimodal travel: Multimodal Digital Mobility Services

- The Multimodal Digital Mobility Services (MDMS) file is a key upcoming EU initiative that aims to facilitate multimodality across the region. However, the European Commission confirmed that, unfortunately, the legislative proposal will not be presented by the current Commission and will be left for the next one, taking office at the end of 2024. The proposal had been initially presented to make it easier for passengers and intermediaries to compare different travel options, to promote sustainable choices by facilitating business-to-business commercial agreements for services reselling mobility products as well as agreements on journey continuation. The MDMS file would have improved the sustainability and efficiency of travel in Europe, however, it faced several hurdles, including:
  - difficulties solving commercial imbalances in multimodal travel,
  - obligations on continuing journeys across the EU,
  - measures concerning the Code of Conduct for computerised reservation systems.

A new MDMS proposal will be drafted but it will not be presented until after the European Parliament election of June 2024.

- Member of the European Parliament Jakop Dalunde (Greens, Sweden) was disappointed about the MDMS’s postponement but hoped the next Parliament will be able to work on the future proposal, even if he will not be running for re-election.
• Key rail stakeholders also have varying views on the scope of the MDMS, with new rail entrants (ALLRAIL) asking for an obligation for all ticket vendors to sell every trip, and incumbents (CER) arguing that the main problem is the lack of a standard that rail companies can use cross-border to facilitate data sharing through commercial agreements between companies. Incumbents added that they are willing to work with any vendor, but they do not favour obligations to reach commercial agreements. Airlines representatives (A4E) shared this view and added that that they do not fear competition from rail.

• GBTA supports an ambitious MDMS regulation that would promote sustainable and efficient travel and help the EU meet its climate goals, however, commercial agreements should be left to the companies to decide. Users’ needs should be put at the heart of the Regulation by ensuring that relevant rail and air tickets can be conveniently booked via MDMS. GBTA is advocating for a prompt introduction of a legislative proposal by the Commission on this topic.

Decarbonising air travel: Sustainable Aviation Fuels

• For the European aviation sector to decarbonise, a wider uptake of Sustainable Aviation Fuels (SAF) is needed. The EU is already incentivising SAF via the RefuelEU Aviation Regulation, adopted in October 2023, that establishes a clear mandate for the supply of SAF at EU airports, from a minimum target of 2% in 2025 to 70% in 2050.

• To incentivise the production of SAF needed to comply with those mandates, the EU is also considering the inclusion of SAF as a strategic technology that can receive state support in its flagship Net Zero Industry Act (NZIA). Commission officials supported this addition, which was absent from the first draft. Airlines for Europe indicated the aviation industry is counting on the NZIA to ramp up production of SAF as airlines are willing to buy, but supply is currently limited. The eFuel Alliance, however, disagrees with the EU’s approach of mandating the end-use of eFuels, and limiting them to hard to abate sectors only such as aviation and shipping. E-fuel producers consider investment in eFuels for road transport are
also needed for the technology to develop, although they support the inclusion of broader “sustainable alternative fuels” in the Net Zero Industry Act.

- In parallel, the Commission is working on a study on a possible application of the Book and Claim System to SAF that will be presented by 1 July 2024. This system would enable airlines and operators to purchase SAF certificates without being geographically connected to a SAF supply site. The US Mission expressed that it was a missed opportunity for Europe not to have included such a system directly in RefuelEU.

- The European Commission will take part in the Third ICAO Conference on Aviation and Alternative Fuels taking place ahead of COP 28 in Dubai, to try to consolidate the international framework on SAF (although in the form of aspirational goals).

- Within the framework of the RefuelEU regulation, the EU Aviation Safety Agency (EASA) is currently working on a voluntary labelling scheme to inform passengers on their greenhouse gas (GHG) emissions on a flight basis, which will be presented in January 2025.

- GBTA believes that in addition to the EU mandates, further financial incentives are needed to help scale Sustainable Aviation Fuels (SAF) production in Europe. GBTA aims for the proposed Net Zero Industry Act to extend direct support to the aviation sector by including tangible financial incentives for SAF in the Act. This is particularly imperative as the US actively bolsters SAF production through the Inflation Reduction Act.

**Harmonising Emissions Tracking and Reporting**

- In July 2023, the European Commission presented the proposed CountEmissionsEU regulation. This initiative will provide a common methodology to calculate transport emissions for all modes of transport and bring the necessary harmonisation to GHG emissions calculations, allowing for better comparability across transport options and ultimately promoting more sustainable choices. The lack of a common methodology to calculate transport emissions creates
unnecessary burdens for transport providers, who often need to use a variety of methods to calculate and report emissions, and this proposal aims to address this.

- The European Commission shared that this initiative, although uncontroversial, will probably not be adopted before the European Parliament election in June 2024.
- GBTA supports this initiative, as consistent and accurate measurement of transport emissions is critical to help business travellers make informed travel decisions and track sustainability improvements.

**Improving passenger rights**

- After the disrupting experience of the pandemic, the European Commission decided to review the legal framework for air passenger rights, to ensure it is robust against widespread travel disruption and to include options for multimodal tickets. This includes clarifying the role of intermediaries in refunds, allowing refunds for passenger-initiated cancellations in cases of force majeure in the country of destination (e.g., war), and allowing refunds in case of airline insolvency. It should cover all modes and protect combined transport users. The focus will be on the enforcement of passenger rights, as the rules exist but are sometime patchy across transport modes and not applied consistently across Member States. The European Commission is now set to present its proposed reform of passenger rights on 29 November 2023.
- Airlines for Europe expects the proposal to clarify responsibilities for passenger rights. EU Travel Tech mentioned that they will argue for regular passengers to be as well protected as travellers on a packaged trip.
- GBTA has argued that any revision of existing legislation should include better information and enhanced standardisation, protecting passengers’ rights in case of flight delays or cancellations, guaranteed refunding of travellers within a specified deadline, and better coordination mechanisms between Member States.
Next Steps

Following GBTA’s outreach in Brussels, numerous opportunities and next steps have emerged to bolster the business traveller’s voice within EU policymakers and stakeholders. Here are some promising opportunities for collaboration and engagement:

- GBTA will maintain contact with key policymakers, such as Rachel Schmit and Pablo Fabregas from the Transport Commissioner’s Cabinet, and Axel Volkery, from the Commission unit in charge of multimodality, as they will define priority matters for the EU for 2024.

- GBTA will contact the Commission’s Competition Directorate General as they will also have a say on the multimodal travel initiative.

- GBTA met with Axel Volkery, acting Head of Unit “Sustainable and Intelligent Transport” at the European Commission’s Directorate-General for Mobility and Transport, on 22 November, 2023 as part of the Friends of MDMS coalition, which gathers several stakeholders supporting EU action to enhance multimodal travel.

- GBTA will consider joint communications with EU partners (e.g., invite CER to discuss its position on MDMS in a podcast).

- GBTA will request additional information from DG MOVE on the SAF book and claim study and will suggest the involvement of some GBTA members in the design of the EASA label for flights.

- GBTA will consider joining the Renewable and Low-Carbon Fuels Value Chain Industrial Alliance, a public-private partnership recently launched by the European Commission. It is chaired by the European Commission and its goal is to ensure that aviation and waterborne transport have sufficient access to renewable and low carbon fuels,

- GBTA will join the European Commission’s event on SAF at COP28 in Dubai.

- GBTA wrote a statement reacting to the European Parliament’s vote on the Net Zero Industry Act (NZIA) during the plenary session on 21 November.
GBTA will follow the presentation of the Passenger Rights Regulation on 29 November and communicate details to GBTA members in the Daily News Brief and seek members opinions of the regulation to further analyse the impact.