



LEASEUROPE

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Reply to the Consultation on an “Agenda for a Sustainable and Competitive European Tourism”

Question 1

Which of the identified key challenges do you consider to be more important for the sustainability and competitiveness of European tourism?

Very important:

Challenge 1: Reducing the seasonality of demand

Challenge 2: Addressing the impact of tourism transport

Challenge 5: Minimizing resources use and production of waste

Challenge 8: Using tourism as a tool in global sustainable development

(If you wish, please elaborate)

- According to the TSG report, car-related emissions are responsible for 41% of CO2 equivalent emissions from intra-EU tourism travel. It shall be specified that generally, rented cars are not older than 6 months and therefore have the latest technical advances to reduce emissions and noise. This is often not the case of privately owned cars. Therefore, both modes of road transport (own car and rented car) and their environmental impact must be differentiated in order to give a clear picture of car-related emissions in tourism.

In many cases, travelers use rented vehicles to do a part of their trip in combination with other more environmentally friendly modes of transport, such as rail transport. This allows using a more sustainable means of transport while guaranteeing the accessibility to their final destination, which is not always well linked. The alternative would be traveling the whole way by private car, which would be much more polluting. Promoting the combined use of rented vehicles with other transport modalities would be an example of good practice and a way of reducing the environmental impact of road transport; the number of kilometers traveled; the noise and the traffic congestion.

- Promoting the combined use of rented vehicles with other transport modalities can also contribute to “continuously improving integration between different types of transport service and ease of use by tourists” (as mentioned on page 10 of TSG report).

Question 2

Which “responsibilities for action” addressed to your group of stakeholders (page 27-33) would you/your organization be willing to implement?

- Code of best practices
- Brochures encouraging and giving tips for environmental friendly driving for customers
- Eco-friendly rental cars

Question 14

Several options on how to support businesses’ and trade associations’ effort are put forward in the following list. Which of these initiatives could have the greatest positive impact and added-value on the sustainability and competitiveness of European tourism?

Create a database for the *analysis of periods of low occupancy* (“down” time) in order to measure seasonality and to identify causes for seasonal fluctuation and its effects on the tourism industry.

Final Comments

Leaseurope would also like to bring to your attention a very environmentally unfriendly practice linked to tourism and transport which has a negative impact on sustainable tourism.

Currently, when a car rental company rents a vehicle to a customer wishing to travel from one EU country to another, for example from Brussels to Paris, once the vehicle has been delivered by the customer to the rental agency in Paris, the agency cannot re-rent it to circulate in France. The vehicle has to be re-patriated to Brussels empty, driven by an employee.

This increases pollutant emissions and noise nuisance in an unjustified and useless way. The impact on traffic congestion is also high. In conclusion, the prohibition to re-rent vehicles is absurd from a sustainable transport point of view.

However, governments prefer to protect themselves from the risk of losing fiscal revenues than allowing re-rental. This is specially linked to the differences among national Registration Taxes.

Recognizing that countries will want to protect their revenue by not exposing their vehicle sales and registration taxes and fees to erosion by enabling local residents and nationals to acquire vehicles in other jurisdictions it could be considered that a concession on the renting of foreign cars be granted where the renter is a non national/non resident of the country in which the foreign car is rented. This concession could clearly be seen to be aimed at "Visitors"/ "Tourists" and would be relatively controllable through country fiscal and VAT audit procedures which already exist. An initiative such as this would enable car rental companies with a specific tourism focus to take more business cost effectively and so generate additional VAT revenues as well as incentivising companies with a lower than average tourism component in their business mix to increase their focus in this area.

As an alternative to the above comment it could be considered that a tourism boosting initiative such as offering lower levels vehicle registration charges and/or VAT where a certain percentage of usage of the rental vehicle was associated with rentals to non nationals/non residents be offered. Similar local initiatives are known to exist or to have existed in countries such as Ireland and Denmark with some success in attracting incremental tourism spend within the country with positive impact on overall VAT take from both the car rental and associated tourism industries (airlines, hotels, gasoline sales etc.)