

The Briefing for BT4 Europe

13 April 2022 – Edition 3

MAIN EU DEVELOPMENTS

- The **EU Commission** is working on an [EU oil embargo](#) on Russia as part of a possible next sanctions package, however nothing has been agreed as of yet. This comes after MEPs in the European Parliament [voted in favour](#) of the move. It is likely the main opposition will come from Germany and Italy who are extremely dependent on Russian oil and gas. Multiple [economic analyses](#) – from the Brussels-based Bruegel Institute, the International Energy Agency (IEA) and ECONtribute – have found that the effects of drastically reducing gas imports from Russia would be far from catastrophic to Germany. German industrialists, backed by German Chancellor Olaf Scholz, however have said that a [sudden embargo](#) on Russian energy imports “from one day to the next would mean plunging our country and the whole of Europe into a recession”.
- In a recent visit to Ukraine EU Commission President Ursula von der Leyen made a [symbolic gesture](#) to Ukrainian president Volodymyr Zelenskyy by bestowing on him a questionnaire that marked the starting point for a **EU membership decision**. Speaking at a press conference, Von der Leyen said that “Russia will descend into economic, financial, and technological decay, while Ukraine is marching towards the European future, that is what I see”.
- Poland has [blocked an EU directive](#) implementing global minimum tax rates of 15% agreed between 137 countries (including Poland) at the OECD. Poland, which supports the minimum tax rates, says it requires legal assurances on simultaneous implementation of another part of the OECD agreement requiring the world’s 100 biggest multinationals to declare profits and pay more tax in the countries where they do business. Unofficially, it has been speculated that Poland has another agenda to block EU initiatives requiring unanimity – it wants access to the €36 billion in loans and grants from the **EU’s Covid recovery funds**. These funds have been stopped by the Commission using a rule of law conditionality mechanism over a dispute centring around [reforms to the judiciary](#) in Poland. This mechanism was subsequently upheld and [affirmed by the CJEU](#).
- Et alors, Macron and Le Pen will go head to head in the [French presidential election](#) on 24 April. The outcome of the election will be very telling for the future of Europe as France decides who will lead their country for the next five years. Macron is typically seen as a liberal-centrist, with a pro-European outlook while Le Pen has a traditional right wing appeal. Le Pen’s campaign is domestic focused in her policies and notably doesn’t want to make any sacrifices to remain a member of the EU. A Le Pen presidency would be a seismic shift for Europe and France from a liberal, international, pro-European government to one that is euro-sceptic, nationalistic and not so inclined to go along with western consensus.

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MAIN EU DEVELOPMENTS RELEVANT TO BUSINESS TRAVEL

1. Recovery Monitor developments relevant to the recovery of business travel from the pandemic

11 April 2022: The Commission has approved 47.5 million in [state aid](#) to Spain under the recovery and resilience facility to support digitalisation of freight transport services.

8 April 2022: The European Parliament publishes [in-depth analysis](#) on the economic repercussions of Russia's war on Ukraine.

8 April 2022: The International Air Transport Association (IATA) has [reported](#) that February 2022 domestic travel was up 60.7% compared to the year-ago period, building on a 42.6% increase in January 2022 compared to January 2021. The figures show that domestic travel in February was 21.8% below the volumes of February 2019

3 March 2022: Revision of the Air Services Regulation. This initiative will shape a more resilient and more sustainable air services sector, including in response to the COVID-19 crisis, while continuing to ensure connectivity and competition, protect consumer interests, and preserve high quality employment. It also includes how prices should be displayed to consumers. [Consultation](#) until 26 May 2022.

1 March 2022: NextGenerationEU: First annual [report](#) on the Recovery and Resilience Facility finds implementation is well underway.

22 February 2022: COVID-19: Council updates [recommendation](#) on non-essential travel from third countries.

21 February 2022: [Research](#) for TRAN Committee: Relaunching transport and tourism in the EU after COVID-19 - Part VI: Public Transport.

Recommended Action: BT4 Europe should consider formally responding to the relevant aspects of the public consultation on the revision to the Air Services Regulation (see above). **Deadline 26 May.**

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2. Sustainability Monitor developments relevant to the sustainability of business travel

21-22 June 2022: The 2022 edition of the [European Development Days](#) (EDD) will take place on 21 and 22 June under the theme ‘Global Gateway: building sustainable partnerships for a connected world’. The event will bring together high-level participants from around the world to take stock of progress on the implementation of the Global Gateway strategy. The EDD will feature a series of high-level panels around five key themes: digital, climate and energy, transport, health, education and research.

8 April 2022: Projects selected from the [Connecting Europe Facility](#) proposals have received EUR 425 million to help deliver a transport network which is environmentally sustainable and with key infrastructure sections for dual civil/defence use.

4 April 2022: IPCC Chair during a [press conference](#) presenting the Working Group III contribution to the Sixth Assessment Report said the ‘time is now for action’. EPV Timmermans spoke of ‘needing to do more’ in the European Parliament.

28 March 2022: EPV Frans Timmermans [spoke](#) at the Lodz Local Government Climate Summit. Highlighted that cities bear the brunt of pollution, however, many trips in cities are short-distance and can easily be electrified or taken by bike. By 2025, the 425 cities along Europe’s main transport axes should develop a plan for sustainable urban mobility to drive the necessary changes.

14 March 2022: EP Tran Committee had a [structured dialogue](#) with Thierry Breton, Commissioner for the Internal Market on the transition pathway for tourism.

7 March 2022: European Parliament ENVI Committee - Exchange of views with Executive Vice-President Frans Timmermans on the effects of the war in Ukraine on climate policies and on the European Green Deal. *Summary on request.*

23 February 2022: Informal meeting of transport Ministers: three major [priorities](#) for the future of European transport.

14 February 2022: European Parliament ENVI Committee - Ensuring a level playing field for sustainable air transport. *Summary on request.*

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7 February 2022: European Parliament TRAN Committee - Revision of the EU Emissions Trading System (ETS) as regards aviation & EU Emissions Trading System (ETS) as regards notification on the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA). *Summary on request.*

2 February 2022: European Parliament ITRE Committee - Ensuring a level playing field for sustainable air transport. *Summary on request.*

Recommended Action: *This is a vast and fast-moving area of significant regulatory change, which will significantly impact the business travel sector. An interim position paper on sustainability would be a good way of raising profile of BT4 Europe, and informing the debate to ensure the voice of business travel is taken into account. Ideally such an interim paper would be produced by July. In the medium term BT4 Europe may wish to consider an event around the formal publication of the position paper to further raise profile, gain recognition and inform debate.*

3. Digitalisation Monitor developments relevant to the digitalisation of business travel.

25 March 2022: A political [agreement](#) between the Council and the European Parliament has been reached and is now subject to formal approval by the two co-legislators. Once adopted, the DMA Regulation will be directly applicable across the EU and will apply six months after entry into force.

23 February 2022: The Commission is [proposing](#) new rules (Data Act) on who can use and access data generated in the EU across all economic sectors. The core objective is to put users and providers – large and small – on more equal footing in terms of access to data.

3 February 2022: Hearing in European Parliament ITRE Committee - European Digital Identity Wallet and Trust Services. *Summary on request.*

25 January: European Parliament IMCO Committee - Presentation of the Council Presidency's programme with Agnès Pannier-Runacher, Minister Delegate for Industry and Cédric O, Minister of State for the Digital Transition and Electronic Communication. *Summary on request.*

Recommended Action: *BT4 Europe may wish to submit comments on the 'Multimodal digital mobility services proposal.' Although the formal public [consultation](#) closed in February 2022, there are still many effective ways of sharing views and expertise. Recommend by end of May.*

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4. Future funding Monitor developments relevant to broadening the financial resources for BT4Europe.

5. Key Other

5 May 2022: European University Institute (EUI) will host a panel discussion entitled 'Transport recovery: which role for railways?' The panel will discuss how the stimulus package can accelerate the decarbonation of transport with railways playing a central role in the process. The event is hybrid with more information at this [link](#).

25 January 2022: French Presidency Priorities: European Parliament [briefing](#).

24 January 2022: European Parliament TRAN Committee - The "Winter Package" proposals: The Trans-European Transport Network (TEN-T), Intelligent Transport Systems (ITS), Urban Mobility, Long-distance rail. *Summary on request*.

1 January 2022: The French Presidency [Programme](#) (until 1 July 2022).

19 October 2021: European Commission Work Programme. [Annexes](#).

6. Published initiatives

2 February – 17 May 2022: [Public consultation](#) on Microplastics pollution – measures to reduce its impact on the environment.

15 February – 10 May 2022: Public consultation on the Revision of the [Package Travel Directive](#). The consultation seeks to assess whether the PTD is still fit for purpose – with a particular focus on some of the issues which have arisen out of the failure of Thomas Cook and the onset of the coronavirus pandemic. For reference, an example of a stakeholder position paper can be found at [this link](#).

7 March 2022 – 30 May 2022: Sustainable transport – revision of [Combined Transport Directive](#) public consultation open. In light of the European Green Deal's call for higher ambition and the need to implement 'polluter pays' and 'user pays' principles, this initiative will review which transport operations should be supported and which support measures would be most effective in this regard.

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16 December 2021 – 23 May 2022: [Trans-European transport network](#) (TEN-T) - revised guidelines Commission adoption open.

Recommend Action: *BT4 Europe should consider formally responding to the public consultation on the Revision of the Package Travel Directive (see above) **Deadline 10 May.***

Summary of Recommendations

- *BT4 Europe should consider formally responding to the relevant aspects of the public consultation on the revision to the Air Services Regulation (see above). **Deadline 26 May.***
- *Sustainability - This is a vast and fast-moving area of significant regulatory change, which will significantly impact the business travel sector. An interim position paper on sustainability would be a good way of raising profile of BT4 Europe, and informing the debate to ensure the voice of business travel is taken into account at this key period in the legislative process. Ideally such an interim paper would be produced by **July**. In the medium term BT4 Europe may wish to consider an event around the formal publication of the position paper to further raise profile, gain recognition and inform debate.*
- *BT4 Europe may wish to submit comments on the ‘Multimodal digital mobility services proposal’. Although the formal public consultation closed in February 2022, there are still many effective ways of sharing views and expertise. **Recommend by end of May.***
- *BT4 Europe should consider formally responding to the public consultation on the Revision of the Package Travel Directive (see above) **Deadline 10 May.***

Notes:

- (i) This is the third Briefing Report for BT4 Europe, it will be updated fortnightly.
- (ii) Further information on request.
- (iii) Can be fine-tuned with feedback following each Briefing Report.
- (iv) Recommended actions now added, for consideration and discussion.

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Glossary of Terms

The EU Commission is the institution which represents EU's interests and is known in that respect as the 'Guardian of the Treaties'. The powers and functions of the Commission are set out in the treaties, in particular under Article 17(1) TEU. The Commission is composed of a College of Commissioners from 27 Member States, who are assigned responsibility for specific policy areas by the President.

More information on the steps towards **joining the EU** can be found using this [link](#). The conditions for membership are known as the 'Copenhagen criteria' and include a functioning market economy, a stable democracy and the rule of law, and the acceptance of all EU legislation, including the euro. For more information about Ukraine's potential accession EU Law Live have produced [a podcast](#) with Ukrainian academic Roman Petrov.

A **Directive** is a legal instrument which is binding as to the result to be achieved, but the choice of form and methods to achieve this is up to the Member States. An example of this is the Renewable Energy Directive which imposes an obligation on Member States to achieve 32% by 2030. Given the various forms of renewable energies and taking account of specific circumstances of Member States (some will prefer solar, others wind depending on geographic location) the Directive leaves it up to Member States to achieve that 32%.

A **Regulation** is a legal instrument that has general application, is binding in its entirety and is directly applicable in all Member States. An example of an EU Regulation is the non-commercial movement of pet animals which sets out identical rules for all Member States on transporting pets around the EU.

EU's Covid recovery funds, formerly known as the EU's **NextGenerationEU**, is the largest stimulus package ever financed in Europe. A total of 2.018 trillion in grants and loans was announced to help rebuild a post-COVID-19 Europe. The fund hopes to build a greener, more digital and more resilient Europe. The centerpiece is the Recovery and Resilience Facility which required Member States to come up with a plan and submit this to the Commission for approval. More information is available at this [link](#).

The Council is one of three legislative bodies and together with the European Parliament serves to amend and approve or veto the proposals of the European Commission. The Council of the European Union (National level Ministers eg. Ireland's Minister for Finance Paschal Donohoe is President of the Eurogroup) and the European Council (Heads of State) are intergovernmental institutions. The presidency of the Council rotates among the EU member states every 6 months with the presidency chairing meets at every level in the Council, helping to ensure the continuity of the EU's work in the Council. The current presidency is held by France which will run until June 2022 when the Czech Republic will take over the role.