The Euro and tourism

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Generating a total revenue of ECU 1.1 trillion in 1997 and employing 19.1 million people, the EU tourist industry is one of the most important sectors of the European economy. Although the EU industry accounts for nearly 60% of the world market, its market share has fallen by some 10 percentage points since 1960. The Committee, in a report drafted by Helena TORRES MARQUES (PES, P), argues that the arrival of the euro could help reverse this trend and enable Europe to benefit from the expected growth in world tourism. The creation of a single currency will make it much easier to travel and invest in the euro zone, and tourists will be among the first to experience the direct benefits of the euro, with the disappearance of commission charges and of the discrepancy between buying and selling rates. To ensure that maximum advantage is obtained from these and other benefits, the committee urges firms in the tourist industry to adapt their practices to take account of the single currency as soon as possible, e.g. by denominating their prices in euros. It also calls for measures to be taken to promote the euro and its benefits among potential tourists both inside and outside the EU. The move to a single currency will at the same time be a major challenge for tourist companies, many of which are SMEs, and the committee therefore recommends that special finance programmes be set up to assist these companies with the transition to the euro. It is equally important, says the report, to devise training programmes to prepare staff for the change-over, as they will play a crucial part in informing millions of customers about the euro. Finally, the committee highlights the particularly difficult situation of the tourist industry in regions bordering on the future euro zone and recommends that EU programmes such as Interreg be stepped up to counter such problems.