



**ANNUAL REPORT
2017**

EUROPEAN TRAVEL COMMISSION

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PRESIDENT'S FOREWORD

Dear friends and partners of ETC,

I am particularly glad to write this foreword, as it is evidence of the trust that all members of the European Travel Commission have decided to grant me in 2017, by re-appointing me as President of ETC for the next 3-year term. I feel proud of what we have achieved in the past years and I am committed to return that trust to the best of my capabilities, to continue supporting ETC in further establishing itself as the voice of tourism in Europe, a solid organisation prepared for present and future challenges.

As I look back on 2017, I see a year of hard work and great achievements for ETC and for the entire tourism sector in Europe. With an unprecedented growth in international tourist arrivals, higher than the worldwide average, Europe is confirming its role as the leading tourist destination worldwide. For the European Travel Commission and its members, the signs are positive and prove that Europe is resilient to global challenges and increased competitiveness. It also encourages further work to secure a long-term development of the region's inbound tourism from long-haul markets, in line with the mission at the heart of our organisation. The development of a new marketing strategy and the milestones achieved during the course of 2017 in setting its strategic direction, certainly prove that the organisation is committed to this long-term goal.

In the past year, the European Travel Commission has continued its work to bring tourism high on the agenda of the EU, by proving its remarkable contribution to job creation, economic growth and social development. ETC's message has been well received by the EU institutions and, as President of ETC,



I am very proud to have witnessed, on the occasion of World Tourism Day on 27th September 2017, the organisation of a conference dedicated to tourism by the European Parliament in Brussels, chaired by President Antonio Tajani. It is a major development in the recognition of the role of the tourism industry and acknowledgement of our work.

During 2017, ETC has also been very dedicated to establishing the foundations of the EU-China Tourism Year 2018, object of a newly awarded grant from the European Commission. Capitalising on the results of past grants, ETC has gained further trust and is now seen

as a reliable partner in the implementation of cooperative marketing campaigns in long-haul markets. With this new grant, ETC has considerably raised its aim and increased its scope of work, and it has effectively ensured another year of renewed commitment as well as resources to follow the achievement of its core mission.

To conclude, I would like to again thank all the members of ETC for supporting and sharing my vision for the future of our organisation, and to renew my commitment to all of them. I would also like to thank the Executive Unit in Brussels and ETC Executive Director, Eduardo Santander, for their relentless work in transforming this vision into reality.

I believe that 2018 will be a year of big challenges for ETC, and I trust that, together with all ETC members and with the support of the Executive Unit, we will be successful in turning these challenges into great achievements.

Yours sincerely,
Peter De Wilde



ETC EXECUTIVE UNIT

The Executive Unit has eleven full-time employees in the following fields - Marketing and Communication, Digital, Public Affairs, Research, Finance and Administration.

Every year, ETC includes a number of trainees - students with a strong background in tourism who were given the unique opportunity to gain work experience along with a privileged insight into European tourism.

The Executive Unit works on basic principles of integrity, respect, teamwork and adaptability to dynamic environments.

In 2017, the Executive Unit was proud to include staff members and trainees from eight different countries - Bulgaria, Czech Republic, Germany, Italy, Ireland, Romania, Spain and Turkey.

ETC EXECUTIVE UNIT¹



Eduardo Santander
Executive Director



Teodora Marinska
Head of Finance and Public Affairs



Miguel Gallego
Head of Marketing and Communication



Jennifer Iduh
Head of Research



Iulia Niculică
Partnerships Manager



Güneş Vural
Digital Manager



Lyublena Dimova
Research Project Manager



Giulia Andrighetto
Project Manager Corporate Communication and Membership



František Reismüller
Marketing Project Manager



Sophie Mc Guirk
Administration Project Manager



Yasemin Volders
Marketing Project Manager

The following trainees joined our team during 2017:



Michela Gusso
USI - Università della Svizzera Italiana



Elena Catavel
University of Milan Bicocca



Gizem Tüdeş
SKEMA Business School

¹ Updated according to current structure at the date of publication in May 2018.



MESSAGE FROM ETC EXECUTIVE DIRECTOR

THE FUTURE OF TOURISM IN EUROPE

The challenges European tourism is facing - in particular climate change, security threats, social upheaval, disruption through new technologies - are not easy to address. Since 1948 the European Travel Commission has been providing a framework under which European destinations can contribute to address challenges and, more importantly, to offer solutions.

The continued growth of tourism in Europe needs leadership and clear support from policymakers and civil society. As Europe invented modern travel and tourism, and then exported it to the rest of the world, European destinations have the important task of setting the example to follow. In line with this perspective, ETC needs to see its role in a wider context and take a stand on issues that are of importance to the entire sector.

Whilst indisputably being a force for good and wealth, the tourism sector still needs to become more transparent and to earn trust. To achieve this, an increased cooperation and cohesion among destinations and the private sector is required, together with a strong commitment to issues such as sustainability, improved connectivity, as well as the use of data and measurement to ensure accountability.

Tourists coming to Europe want and need to be seen as individuals rather than being lumped into simple categories, groups, markets or niches. The rise of a sharing and collaborative economy, with growing personalisation of tourism services, is part of this shift to guarantee each tourist a customised—or customisable—experience.

But individuality is also becoming a growing element of disruption; sentiments of separation, populism and nationalism have taken the spotlight



in many parts of Europe over the past year. It is important for the tourism sector, public and private, to recognise the issues and concerns behind these movements and to respond by proving that open and free travel can be a solution rather than an additional burden. To keep everyone engaged in

this mission, it is also important for the whole sector to take into account and find solutions for local concerns, including the challenges of overcrowding and destination degradation.

Success and sustainable growth will depend on how well-prepared Europe is to face the evolution of present circumstances, whether forecasted developments or unpredictable events. European destinations need to be forward looking and continue making improvements to accommodate the new international travellers that are expected to travel in the next decade. This will require investment and infrastructure, paired with increased collaboration, open-minded approaches, and joint tackling of shared challenges.

ETC sees these challenges as opportunities. The founding principle of our organisation is to promote tourism as a catalyst for peace, understanding and respect. This original mission is still very present and it should be reiterated here.

Our President, Vice-Presidents, Board of Directors and members of our General Meeting deserve a special mention for their forward-looking guidance and for keeping the spirit of collaboration among our members and partners.

Once more, I would like to thank my team at the Executive Unit in Brussels for their extraordinary work.

Yours sincerely,
Eduardo Santander

TOURISM TRENDS

EUROPEAN TOURISM TRENDS - PERFORMANCE 2017 AND OUTLOOK 2018

In 2017, Europe consolidated, for the eighth consecutive year, its position as the leading destination worldwide, welcoming 671 million international tourist arrivals and accounting for 50% of the share of worldwide tourism.

This represents an outstanding 8% increase, which is four times higher than in 2016. Growth was supported by economic growth in major source markets and the strong recovery of destinations previously affected by security concerns (i.e. Belgium, France and Turkey).

Europe's appeal as a tourist destination proved resilient and continued to attract millions of international travellers despite terror-related disruptions and socio-political volatility and uncertainty.

ETC's forecast for 2018 also remains positive with international tourist arrivals expected to increase by around 3-4%.

In the UK, weaker exchange rates and, consequently, the surge in travel costs seem not to have deterred British tourists' desire to travel abroad. At the end of 2017 several European destinations reported double-digit increases in arrivals from this market.

Russian travel demand to Europe has revived as the economy recovers from two years of grinding recession. In 2017, Europe hosted some 14.9 million Russian arrivals. Turkey saw the greatest increase in Russian visitor arrivals (+465%) after the Russian government lifted its ban on charter flights to the country.

However, the fact that Russia will resume flights to Cairo after two years of suspended air links, following the downing of a passenger jet, suggests some softening of Turkey's share of Russian holidaymakers.

International tourist arrivals from the US to Europe reached 30.6 million in 2017, a 12% increase compared to the year prior. In the US, the relative strength of the dollar, the accelerated economic growth and decreasing air fares have contributed to a strong

Impact of Tourism on European Union Economy in 2017 (total contribution)

€ 1,573 billion EUR

27,304 million jobs



of total EU GDP



of total EU employment

Growth in international tourist arrivals in 2017 (% YTD on previous year)



Europe



World

performance of this market.

China continues to be a source of huge growth arrivals to European destinations. Tourism growth is driven by improving air connections between China and Europe and its growing middle class. In 2017, Europe welcomed 12.1 million Chinese visitor arrivals, a remarkable performance (+16%) compared to the flat growth rate seen in 2016.

International Tourist Arrivals by European Subregion in 2017



 Southern/Mediter. Eu.	267 million	 Central/Eastern Europe	133 million
 Western Europe	193 Million	 Northern Europe	78 million

Source: ETC Executive Dashboard, UN World Tourism Organization (UNWTO) and World Travel & Tourism Council (WTTC)

Strengthening resilience and securing tourism growth in Europe calls for a strong cooperation among European destinations and tourism stakeholders to put in place a comprehensive and proactive approach for the long-term sustainable development of tourism.

MARKET INTELLIGENCE GROUP

THE MARKET INTELLIGENCE GROUP (MIG) IN 2017

Chairperson: Sérgio Guerreiro (Portugal)

Vice-Chairperson: Emil Kukalj (Montenegro)

Vice-Chairperson: Emőke Halassy (Hungary)

Co-ordinators: Jennifer Iduh (ETC Executive Unit); Lyublena Dimova (ETC Executive Unit)

ETC Executive Unit on behalf of the Market Intelligence Group would like to place on record our appreciation and gratitude to Emőke Halassy and Tünde Mester (Hungary) for their contribution, commitment and support to ETC.

ANNUAL MEETING OF THE MARKET INTELLIGENCE GROUP AND MARKETING GROUP (MKG) 2017

The 2nd Annual Meeting of the ETC Market Intelligence Group (MIG) and Marketing Group (MKG) took place on 1-3 March in Budva (Montenegro). The meeting gathered the research and marketing directors of ETC member countries,



The 2nd Annual Meeting of the ETC Market Intelligence Group (MIG) and Marketing Group (MKG), in Budva (Montenegro).



as well as representatives of ETC research partners – The World Tourism Organization (UNWTO) and the European Tourism Association (ETOA). The meeting offered ETC members a chance to take stock of the latest trends in research and tourism and provided a platform for the exchange of best-practice and research findings.



From left to right: Emil Kukalj (Montenegro), Emőke Halassy (Hungary) and Sérgio Guerreiro (Portugal).

CHAIRMANSHIP OF THE MIG

During the 2nd Annual Meeting Mr. Sérgio Guerreiro (Portugal) was named Chairman of the Market Intelligence group (MIG), supported by Mr. Emil Kukalj (Montenegro) as Vice-Chairman.

PARTNERS

ETOA - Tom Jenkins / Paul Rickard

UNWTO - John Kester / Michel Julian

MIC MEETINGS

The Market Intelligence Committee (MIC) comprises a group of volunteers from the research departments of ETC members. Three meetings were held in Madrid, Vienna and Santiago de Compostela.

CALENDAR 2017

- MIC Meetings - April (teleconference), June, September, November 2017
- MIG Meeting - March 2017
- Webinar European Tourism Competitiveness in a Transforming Global Marketplace - June 2017
- 13th TourMIS Users' Workshop and International Seminar on Residents' Attitudes towards Tourism - September 2017
- Webinar Chinese Media Consumption Patterns and their Influence on the Purchasing Behaviours of Travel Products - October 2017
- ETC-UNWTO International Seminar on Marketing Transnational Tourism Themes and Routes - November 2017
- Webinar European Tourism Trends & Prospects - April, June, October, January 2018

MARKET INTELLIGENCE COMMITTEE IN 2017

Ana Rodriguez Valer (Spain)
 Barbara Zmrzlikar (Slovenia)
 Emil Kukalj (Montenegro)
 Emőke Halassy (Hungary)
 Holger Sicking (Austria)
 Joachim Scholz (Germany)
 Kirstine Tolstrup-Nielsen (Denmark)
 Miklós Máder (Hungary)
 Nessa Skehan (Ireland)

Patricia Seguro (Portugal)
 Peter Nash (Ireland)
 Piret Kallas (Estonia)
 Saša Popovac (Croatia)
 Sérgio Guerreiro (Portugal)
 Steven Valcke (Visit Flanders)
 Tania Sultana (Malta)
 Tünde Mester (Hungary)
 Vincent Nijs (Visit Flanders)

RESEARCH ACTIVITIES



CLOSELY MONITORING EUROPEAN TOURISM PERFORMANCE

The ETC quarterly reports, *European Tourism – Trends and Prospects*, provide readers with insights into the status quo of European tourism and the broader macroeconomic environment, as well as the status of short and long-haul travel to Europe. The reports provide the information necessary to monitor the short-term development of European tourism.

New features have been incorporated in recent years to give a fresh look to the report and provide improved content to the reader. The report now includes a 'special feature' on topics relevant to travel and tourism trends under current discussion.

In 2017, Europe registered an all-time record 8% growth in international tourist arrivals, a notable increase compared to 2016. The region welcomed 671 million travellers last year, consolidating its position as the leading destination

worldwide. Growth momentum has been helped by encouraging economic conditions in major source markets and the recovery of destinations that faced security concerns such as Belgium, France and Turkey.

The reports are publicly available on ETC's corporate website www.etc-corporate.org/trends-watch

STUDY ON CHINESE TOURIST FLOWS TO THE EUROPEAN UNION (EU)

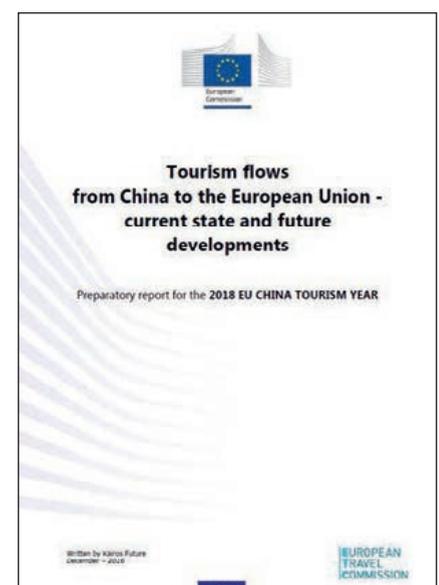
The report on *Tourism Flows from China to the European Union* is one of the many initiatives carried out to set the foundations for a successful 2018 *EU-China Tourism Year*. The project was funded as part of the World Bridge Tourism pilot project supported by the European Union.

The Chinese outbound travel market is not only growing in size, it is also maturing and becoming more diverse. This means a shift from packaged tours to independent travel, from ticking off attractions

to a focus on experiences, and from travel to the most famous destinations to an interest in less explored destinations.

The study provides an overview of the current state and prospects of the Chinese outbound travel market, with a focus on the impact of recent economic and political developments and subsequent expectations on tourist flows. The reader will also be able to gather insights into the opinions of the Chinese internet users as expressed on social media, focussing on travel to and within Europe. This is contextual qualitative information on travel themes and tourist behaviours trending in conversations.

The report is available online on the official publications page of the European Union website – www.publications.europa.eu



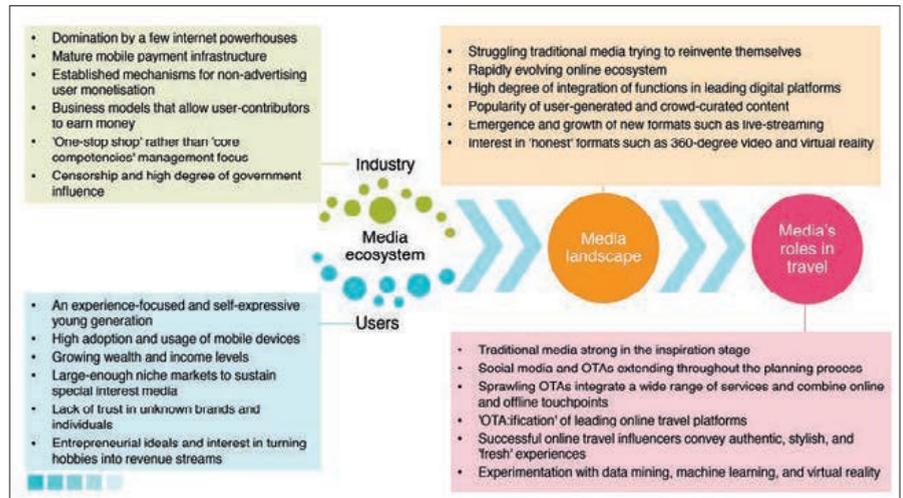
PREPARING FOR THE 2018 EU-CHINA TOURISM YEAR

In 2017, ETC has been forging the path for a successful 2018 EU-CHINA tourism year. Among other EU Grant activities, two research projects were launched by ETC:

Study on Chinese Media

Consumption Patterns: The study investigates Chinese media consumption patterns in the decision-making process of a travel destination. Through this report the reader will be able to:

- Achieve an in-depth understanding of Chinese on and offline media consumption patterns and their influence on the buying behaviour of travel products
- Understand possible channels, interaction points, and approaches for connecting with Chinese consumers
- Collect strategic recommendations on how to leverage marketing strategies, digital technologies, and audio-



visual tools to connect to Chinese consumers.

Ultimately, through this report, promotional efforts can be effectively tailored and adequately targeted to leverage and optimise marketing strategies, digital technologies, and audio-visual tools to connect to Chinese consumers.

Monitoring Chinese willingness to travel to Europe: Through the *ETC long-haul travel sentiment index and survey*, ETC delved into the

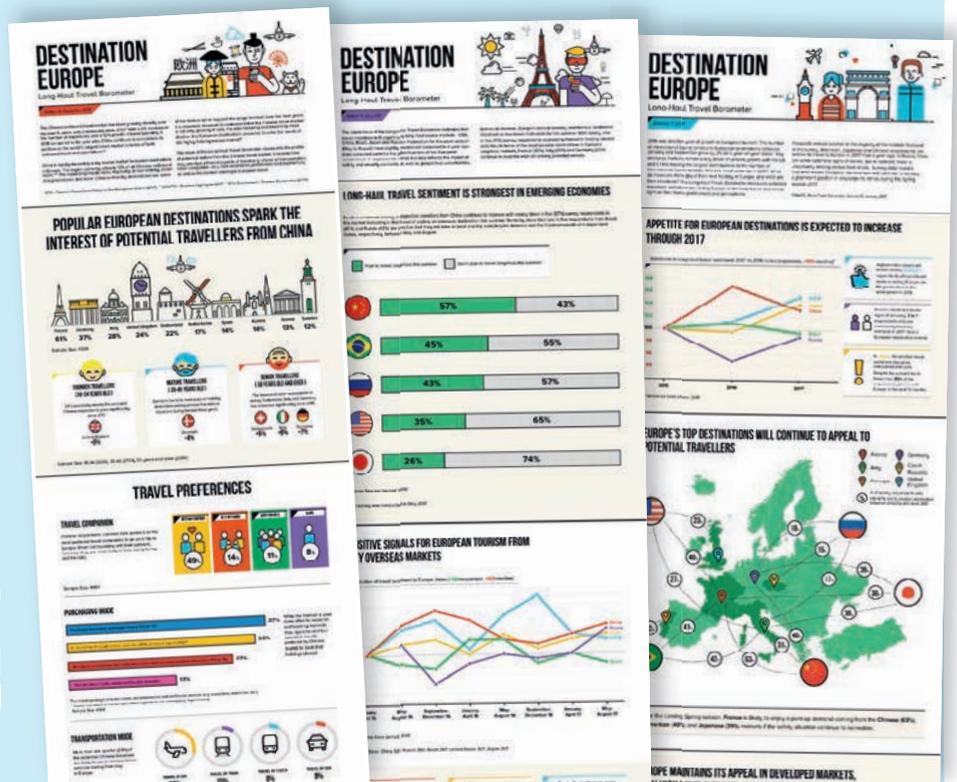
topic of Chinese intention to travel internationally. Results revealed that in 2017 the travel intention for the Chinese market remained positive throughout the year with travel demand stimulated by an increasing number of airport-pairs served by Chinese airlines and easier visa procedures, which have made travel more accessible and less time-consuming.

NOTE: Results are based on 1,000 interviews conducted in China. The project is a joint initiative of ETC, the Eurail Group G.I.E. and the European Tourism Association (ETOA) and is executed by TCI Research.

ETC MONITORS TRAVEL INTENTIONS IN HIGH-VOLUME OVERSEAS MARKETS

In 2017, ETC released five issues of the Long-Haul Travel Barometer (LHTB), a set of infographics aimed at providing forward-looking information about willingness to travel overseas from the most relevant source markets for Europe.

The LHTB gathers key information about short-term travel trends and preferences among potential travellers from Brazil, China, Japan, Russia and the US, and discloses their motivations and barriers related to travelling to Europe. Results are based on 1,000 interviews conducted in each market every four months. The LHTB is launched with the support of the European Travel Association (ETOA) and the Eurail Group G.I.E.





Nature-Active Travellers

Who are they?

-  Average age **36 years**
-  Annual income **16,800\$**
-  Average spend per trip **\$947**
-  Length of stay **10 days**

How can you nurture a relationship with them?

Destinations that offer good conditions for adventure sports, outdoor experiences and nature-based activities are likely to earn a sustained competitive advantage.

Why they are important?

Adventure travel is one of the fastest growing categories of tourism today. It grew by 65% between 2009 and 2012.

Compared to the mass tourism where 80% of the revenue from a trip goes to airlines, hotels and other international companies, 65.5% of the adventure travellers' expenses remain in the destinations they visit.

42% of all tourists from North America, Europe and South America participated in one or a range of adventure activities



Traits:

The nature-active travellers are early adopters and often seek to find new travel destinations, dive into new experiences and take part in uncommon activities before most people. Often the destination choice depends on the areas' natural beauty, climate, culture and the available activities. The average age of the adventurous travellers is 36 years old. They are highly educated and often perceived as a group with a high household income. The highest proportion of them travel accompanied - 33% travel with a spouse or partner, 30% with family and 21% with friends.

Sources: Adventure Travel Trade Association- Adventure Tourism Development Index 2015; UNWTO- Global Report on Adventure Tourism 2014; The George Washington University & Adventure Travel Trade Association- Adventure Tourism Market Study 2013
Image: © Ollyy

HOW ATTRACTIVE IS EUROPE FOR ADVENTURE SEEKERS?

Adventure tourism has gained significant popularity over the last decade. Increasingly, travellers are fervently looking for natural areas that provide conditions for adventure sports, outdoor experiences and nature-based activities, combined with an authentic set of cultural assets. Adventure travel is regarded as one of the fastest growing tourism segments that attracts high-income travellers, supports local economies and sustainable development.

In 2017, ETC published a snapshot report providing an overview of the characteristics, holiday preferences and satisfaction levels of adventure travellers with regards to individual aspects of a trip (e.g.

accommodation, transportation, etc.). In addition, this short report showcases Europe's performance compared to other world regions and provides recommendations to support ETC members in targeting this niche market.

ETC-UNWTO INTERNATIONAL SEMINAR ON MARKETING TRANSNATIONAL TOURISM THEMES AND ROUTES

The international seminar was kindly hosted by the Xunta de Galicia and was jointly organised by the European Travel Commission (ETC) and the World Tourism Organization (UNWTO).

The two-day event brought together industry professionals from different national tourism

organisations, tourism boards, renowned international associations and organisations dealing with themed-based tourism products and services. Participants had the opportunity to share best



practices and discuss approaches to successfully develop, manage, and promote transnational tourism themes and routes. The joint seminar was also the opportunity to officially launch the *ETC-UNWTO Handbook on Marketing Transnational Tourism Themes and Routes*.

ETC REPORT ON EUROPEAN TOURISM COMPETITIVENESS IN A TRANSFORMING GLOBAL MARKETPLACE

International tourism has become one of the fastest growing economic sectors in the world and remains

an important driver of economic growth and social development. Europe is acknowledged as the world's number 1 tourist destination. The region has seen growing visitor numbers over the past eight years marked by a record figure of 671 million tourist arrivals in 2017.

Considering the increased competition to gain market share from fast-emerging destinations, and the substantial shifts in



the business environment, a destination's competitiveness is an imperative basis of growth and a key success factor.

The report *European Tourism Competitiveness in a Transforming Global Marketplace* investigates the competitiveness of the European tourism industry in light of shifts resulting from a transforming business environment in a global context. The aim of the report is to provide European tourist destinations with insights and guidance on how to adapt to, and extract advantages from, a transforming marketplace.

Personality without People

Digitisation and automation are inevitable in the long-term – but how are consumer attitudes affecting uptake of these services?

Where do mentalities today stand around online remote service? In-person automation?

Depopt

The Depopt trend shows how strong appetite for automated services in the real world is between generations and regions. From self-check-in at the airport to self-service terminals at a fast-food restaurant, automated services are slowly but surely making their way into an increased number of contexts.

Constructive Tourism

As the modern life is becoming more hectic by the minute, consumers are taking on over their lives – even when on holiday. How will they balance this to avoid leisure less lives? Are there still avenues for enjoyment?

The Leisure Upgrade

- Optimization and control have made their way into the world of leisure beyond the
- Consumers are beginning to embrace their leisure with (social) active activities and
- The (travel) industry will be strongly affected by the consumer need for self-

Mobile Control

The 10 weekly Smartphone activities by Region.

Region	1. Check News	2. Access a social networking site	3. Take photos	4. Communicate using a social networking site	5. Manage my personal life	6. Manage my work/school life	7. Watch video content	8. Play games
Global Average	1	2	3	4	5	6	7	8
European Average	1	2	3	4	5	6	7	8

How important is it for consumers to have some time with no commitments or nothing specific to do?

The global device-use throughout the average consumer's day

Device usage is not only constant throughout the day, in fact the consumers stick to devices as they move from one activity to the next. Crucially, it can be seen how technology and

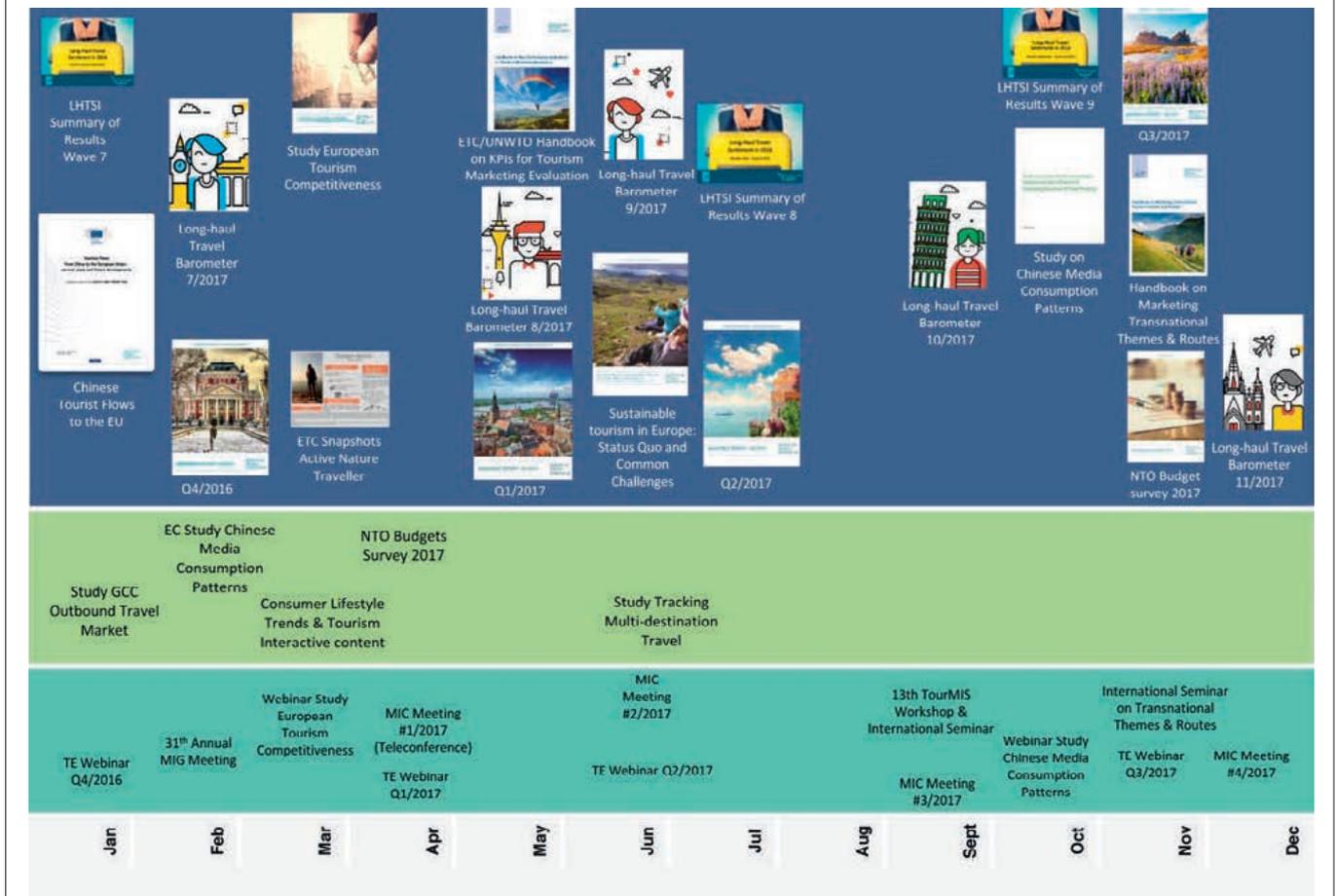
A NEW APPROACH FOR SHARING MARKET INTELLIGENCE!

Advances in digital technology have transformed today's business communication and increased the demand for innovative knowledge sharing formats. In light of this digital shift, ETC has undertaken a new approach to disseminate tourism market intelligence through an interactive web content.

The first interactive content is based on the *ETC Study*

on Consumer Lifestyle Trends and Tourism and allows ETC members, partners and the broader audience to quickly interact with data and discover insights on their own. The interactive content presents the existing kaleidoscope of consumer lifestyle trends from a global perspective and provides an overview of the same for the European tourism sector in a highly visual and interactive way.

ETC RESEARCH ROADMAP 2017



The study also uncovers competitive gaps between Europe and other world regions and offers best-practice examples of political and managerial practices that allowed destinations to increase their competitiveness. Practical guidance and strategic recommendations on how to increase overall competitiveness are also provided.

SUSTAINABLE TOURISM IN EUROPE: STATUS QUO AND COMMON CHALLENGES

This post-graduate research has been developed within the framework of a scholarship awarded to the author by the European Travel Commission (ETC). The study is part of the ETC's advocacy programme towards the promotion of sustainable tourism development in Europe.

Sustainable Tourism in Europe:

Status Quo and Common Challenges analyses the current state of sustainable tourism amongst National Tourism Organisations

- members of the European Travel Commission - and benchmarks sustainable tourism practices within the formal environment of European NTOs.

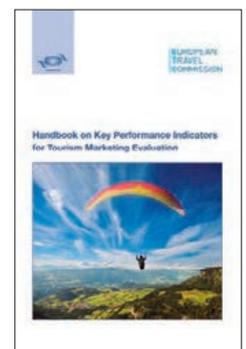
ETC & UNWTO HANDBOOK ON KEY PERFORMANCE INDICATORS FOR TOURISM MARKETING EVALUATION

The *ETC & UNWTO Handbook on Key Performance Indicators*



for Tourism Marketing Evaluation presents a comprehensive overview of performance indicators for tourism marketing evaluation.

The study provides a framework for understanding contemporary marketing evaluation, how to measure results from marketing and promotional activities, and how to evaluate overall marketing effectiveness within the context of business or destination impacts. Complemented with a number of case studies and best practice examples, the handbook offers both a theoretical and practical approach to guide national and destination management organisations towards better digital marketing evaluation.



BRAZIL OPERATIONS GROUP

FACTS & FIGURES



BRAZIL RANKS 5th AMONG ALL OUT-OF-REGION OUTBOUND TRAVEL MARKETS (excluding Russian Federation)



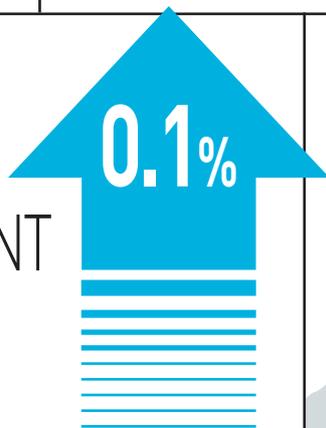
EUROPE'S SHARE OF TOTAL BRAZILIAN OUTBOUND TRAVEL IN 2017

3.9
MILLION



TOURIST ARRIVALS IN EUROPE IN 2017

AVERAGE ANNUAL DEVELOPMENT THROUGH TO 2022



FACTS

While in Europe...

- Brazilians expect to see beautiful old small towns with great architecture, diverse gastronomy and charming cafés.
- A widespread dream is to travel around by train.
- Travelling to Europe is seen as a wonderful way to spend valuable time in a region that is considered both developed and 'ancient' at the same time.

Sources: Oxford Economics data (2018), ETC – The Meaning of Travel and Perception of Europe as a Travel Destination 2016.

TRAVEL TRADE

SUCCESS AT KEY BRAZILIAN TRAVEL TRADE SHOW, FESTURIS

The Brazil Operations Group hosted 50 operators and journalists in a networking reception on 10 November during FESTURIS – Festival do Turismo de Gramado, which is the most important travel trade show in south Brazil.

Six ETC Members welcomed the guests and presented the latest data and research on the market, as well as what is new in Europe for the 2018 season.

The networking reception had the support of Azul Brazilian Airlines.



ETC Members in Festuris.



Participants in the Destination Europe roadshow in Florianopolis.

DESTINATION EUROPE ROADSHOW

The Destination Europe Roadshow visited three cities in the south region of Brazil (Florianopolis, Porto Alegre and Curitiba) from 4 to 6 July.

The south region of Brazil has recently improved its connectivity and has a high potential for European destinations given its historic ties to the old continent.

The region has the highest GDP in the country and hosts big settlements of different nationalities, such as Italian and

German (European diaspora).

A total of six ETC Member NTOs participated in the roadshow. In each city, the format of the event featured technical presentations followed by one-to-one meetings between destinations and the participants.

More than 60 outbound tour operators, travel agents and travel professionals participated in each event.

In addition to educating operators and travel agents, the roadshow also contributed to the expansion of ETC's network in Brazil.

PRESS AND PR

EUROPEAN COMMUNICATION AWARD

The traditional award promoted by the Brazil Operations Group reached its 28th edition in 2017. The prestigious award recognises exceptional achievements by Brazilian journalists and storytellers in communicating new and unique European travel experiences.

The Brazil OG Members, together with a jury of experts in journalism, travel and tourism, selected the award winners among the 235 entries.

The winners were announced during an award ceremony on 25 September in the residence of the Consul General of Belgium in São Paulo, which was attended by a hundred participants from local travel trade and media as well as the award finalists. The award winners took part in a trip to Croatia, Slovenia and Portugal in December. The award was supported by TAP-Air Portugal.



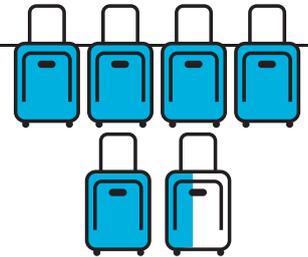
The winners of the European Communication Award 2017.

CANADA OPERATIONS GROUP

FACTS & FIGURES



EUROPE'S SHARE OF TOTAL CANADIAN OUTBOUND TRAVEL IN 2017



5.4 MILLION

TOURIST ARRIVALS IN EUROPE IN 2017

AVERAGE ANNUAL GROWTH THROUGH TO 2022



FACTS

Europe as a travel destination...

- Is perceived as exciting, liberated, warm, wise, vibrant, surprising, picturesque, multicultural, historical, enriching, dynamic, colourful and beautiful.
- History is the single most compelling feature which more than anything else differentiates the region from the US and Canada.
- A competitive feature of Europe is the ability to go on a multi-destination trip with relative ease.



Sources: Oxford Economics data (2018), ETC - The Canadian Outbound Travel Market 2014.

Chair: Dana Welch, Ireland **Vice-chair:** Antje Splettstößer, Germany

NEW CHAIRWOMEN

ETC General Meeting #93 appointed Dana Welch, Manager for Canada at Tourism Ireland, and Antje Splettstößer, Director of the German National Tourist Office, as the new Chair and Vice-chair respectively of ETC Operations Group in Canada.

Dana has over ten years of experience in strategic marketing. Since 2014, she has been responsible for leading Tourism Ireland’s marketing operations in the Canadian market. Antje joined the GNTO in 2014 after eight years of working both in Germany and Canada as an expert in market research, strategy, project management and sales.



Dana Welch (left) and Antje Splettstößer.

CONSUMER MARKETING

The Canada Operations Group partnered up with local operator Air Canada Vacations to carry out an integrated online advertising campaign aimed at delivering a standout message of Europe as an attractive holiday destination. The campaign was designed to increase awareness among 40 to 65-year old Air Canada and Air Canada Vacations consumers in Toronto, Montreal and Vancouver.

The campaign ran for three weeks in spring, during the main booking window for Canadians travelling

long haul. It used display banner ads on Air Canada Vacations’ digital portfolio, and across various travel, lifestyle and news websites, as well as email marketing and a Facebook contest to generate new social media leads. A dedicated landing page highlighted Europe’s cultural, heritage and food value proposition and inspired consumers to book their European vacation.

The campaign landing page received more than 45,000 visits. The social media contest registered more than 23,000 entries and 12,000 e-zine sign ups. Overall the co-op advertising campaign drove a 104% year-over-year incremental increase in passenger package bookings to Europe.





USA OPERATIONS GROUP

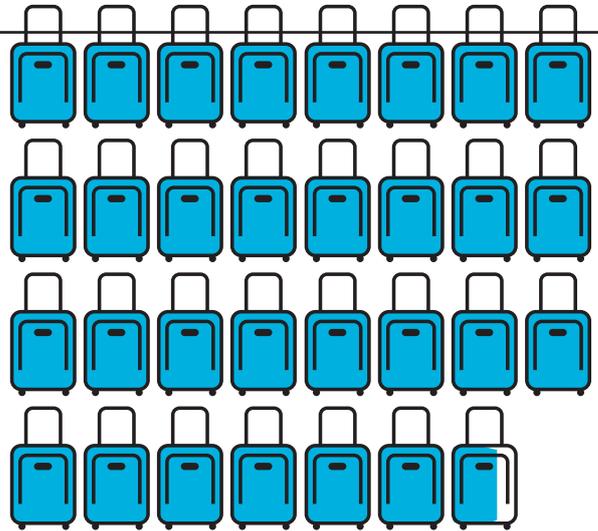
FACTS & FIGURES

27%

EUROPE'S SHARE OF TOTAL US OUTBOUND TRAVEL IN 2017

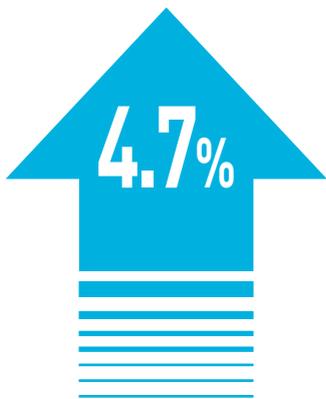


1st UNITED STATES RANK 1ST AMONG ALL OUT-OF-REGION OUTBOUND TRAVEL MARKETS (excluding Russian Federation)



30.6 MILLION TOURIST ARRIVALS IN EUROPE IN 2017

AVERAGE ANNUAL GROWTH THROUGH TO 2022



FACTS

- US outbound travel to Europe peaks in June whereas February is the least-travelled month.
- Europe's nature, renowned attractions, historical and cultural heritage and gastronomic delicacies are perceived as major reasons to visit Europe.
- American travellers wish to return home with tales of special personal experiences that they might have gained from insider tips from locals – something that money cannot buy.

Sources: Oxford Economics data (2018), ETC/EC Research Snapshot on the US Travel Market 2018, ETC - Image of Europe in the US and Canadian Social Media 2015.

CONSUMER MARKETING

Youth travel is an important segment for the tourism sector, both in Europe and worldwide. Youth travellers are recognised as valuable visitors, seeking new and engaging experiences that go beyond leisure. They demand complementary ways to develop personal skills, social ties and cultural links.

ETC's research indicates that youth travellers from the USA engage in non-leisure activities. One in ten university graduates from the USA earned credit points abroad, half of them having studied in Europe. Destinations may benefit from building a relationship with tomorrow's travellers early on in their travelling careers.

Based on this premise, ETC and its Associate Member, STA Travel,



partnered up to drive US passengers, specifically millennial and Gen Z travellers, to Europe. Together, they rolled out an integrated campaign that highlighted a variety of activities in numerous European destinations. The two-month campaign included digital advertising (web and social

media), trade engagement and sales incentives. A dynamic body of content encouraged travellers to understand the benefits of travelling to and around Europe. The campaign delivered a 15% increase in passengers to ETC focus destinations.

TRAVEL TRADE



ETC Members on the Europe stand at The New York Times Travel Show.

THE NEW YORK TIMES TRAVEL SHOW

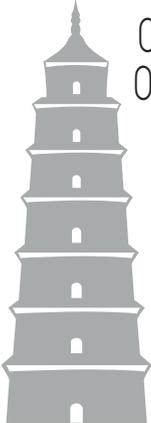
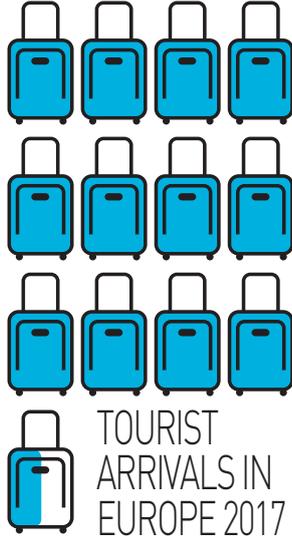
Four ETC member destinations (the Czech Republic, Poland, Slovakia and Serbia) presented under the European umbrella during The New York Times Travel Show in New York City (27 to 29 January 2017). The New York Times Travel Show is the largest trade and consumer trade show in North America. The three-day event had a focus on Europe with two dedicated panel discussions on what is new in the most visited

and undiscovered destinations in Europe. Both panels included speakers from different ETC member NTOs based in New York City.

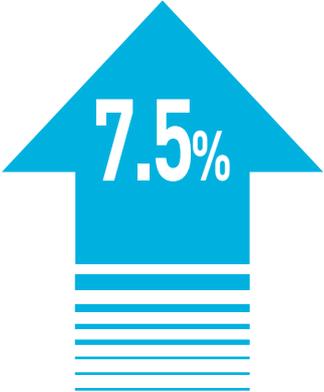
The Europe stand, organised by the European Commission as part of the communication campaign *Europe. Wonder is all around*, invited visitors to embark on a 360-degree virtual tour of 28 countries and to find travel tips by locals about European 'wonders' and off-the-beaten-path destinations on a virtual map.

CHINA OPERATIONS GROUP

FACTS & FIGURES

<p>2nd CHINA RANKS 2nd AMONG ALL OUT-OF-REGION OUTBOUND TRAVEL MARKETS (excluding Russian Federation)</p> 	 <p>14% EUROPE'S SHARE OF TOTAL CHINESE OUTBOUND TRAVEL IN 2017</p>	<p>12.5 MILLION</p>  <p>TOURIST ARRIVALS IN EUROPE 2017</p>
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AVERAGE ANNUAL GROWTH THROUGH TO 2022



7.5%

FACTS

- The biggest peak in outbound travel occurs in August, while March to June is low season.
- The beauty of European natural landscapes, small towns, and architectural landmarks are a paradise for a growing number of Chinese who are part of the photography craze sweeping China.
- Emerging themes and travel products among Chinese are the local life in Europe, Europe's café culture, the notion of a quiet and relaxing Europe as well as a Europe that provides Chinese services.

Sources: Oxford Economics data (2018), ETC - The Meaning of Travel and Perception of Europe as a Travel Destination 2016.

Chair: Ludivine Destrée, Belgium - Wallonia **Vice-chair:** Inese Liepina, Latvia

NEW CHAIRWOMAN

ETC General Meeting #94 appointed Ludivine Destrée, China Market Manager at Wallonia Belgium Tourism as the new Chairwoman of the ETC Operations Group in China. Educated in Belgium and China, Ludivine has been in charge of the Chinese market for Wallonia Belgium Tourism since 2015, proving her extensive knowledge and understanding of China from a strategic and linguistic perspective. She replaced Noemi Benešová-Guerrero from CzechTourism.



Ludivine Destrée,
Chair of ETC's
China Operations
Group.

was organised in cooperation with the Guangdong Province Tourism Association and supported by ETC Associate Member Emirates, Finnair and the Czech crystal company, Preciosa.

Fourteen ETC Member NTOs, grouped in 7 pan-European clusters, presented their destinations to an audience of 70 operators and 30 journalists gathered in the Soluxe Hotel Guangzhou. ETC Associate Members, Welcome Chinese and Value Retail, were also present. In addition to educating travel operators, agents and journalists about new transnational itineraries and products, the seminar served to introduce the 2018 EU-China Tourism Year.

TOWARDS THE 2018 EU-CHINA TOURISM YEAR

ETC has geared up to capitalise on the importance of China as a source market by deepening cooperation with the Chinese authorities and the local travel and tourism industry in preparation for the celebration of the EU-China Tourism Year in 2018 (ECTY). In this context, ETC's participation in ITB China and the World Bridge Tourism served as the first preparatory actions towards ECTY. Both actions were co-funded by the European Commission.



Eduardo Santander's opening keynote speech at ITB China Conference.



The Europe pavilion at ITB China hosted 60 exhibitors.

ITB CHINA

Europe was the first ever partner destination of ITB China, the new marketplace for the travel trade industry in China. ETC coordinated a dedicated pavilion at ITB China in Shanghai from 10 to 12 May 2017. The Europe pavilion hosted 60 exhibitors from a multitude of destinations, paired with strong individual national presentations of other major European destinations. A total of 945 prescheduled appointments between co-exhibitors and Chinese-hosted buyers were arranged at the Europe pavilion during the three-day event.

European culture was also showcased during the official opening ceremony of ITB China, which featured four cultural performances - Austrian classical music, a Walloon saxophone show, a Czech piano performance and Italian opera.

Exhibitors of the Europe pavilion highlighted the leveraged brand visibility, the establishing of new business contacts and the easy and concern-free participation as the main reasons for participating in ITB China under the umbrella of ETC.

TRAVEL TRADE

DESTINATION EUROPE SEMINAR

The Guangdong province is China's third outbound travel source region after Beijing and Shanghai. Being aware of its significance and potential, ETC hosted a **Destination Europe Seminar** for travel trade and media in Guangzhou on 19 September 2017. The seminar



Marketing Project Manager František Reismüller presenting the 2018 EU-China Tourism Year.

WORLD BRIDGE TOURISM

The World Bridge Tourism initiative (WBT) was implemented jointly by ETC and ETOA with the aim of increasing the flow of visitors from China to the EU. The WBT comprised two major events, one in China and one in Europe. The first event took place in Shanghai from 9 to 10 May 2017 and was held in conjunction with ITB China. The second took place in London from 2 to 3 November 2017 and was held in conjunction with the Global European Marketplace (GEM). All types of European tourism operators were invited to take part in the events and participation was free of charge.

Both WBT events combined a conference and a B2B workshop between European destinations, SMEs (suppliers) and Chinese operators (buyers). The primary purpose of the conferences was to share knowledge and experiences by key market players on how to cater for the needs of the Chinese travellers, as well as to improve awareness about EU actions at the horizontal level. A total of 225 professionals attended the first conference in Shanghai. The second and final conference in London saw the presence of 559 attendees.



Plenary room of the WBT Conference in Shanghai.

The B2B matchmaking workshops were specifically designed for small and medium tourism operators. Participation was open to businesses that have a proven record of working in China or could demonstrate investments aimed at approaching the Chinese market. During the first B2B matchmaking workshop in Shanghai, a total of 151 European companies met with 117 Chinese buyers selected among top Chinese tourism operators. The second workshop



The WBT London workshop in conjunction with GEM was one of the biggest B2B travel matchmaking events ever held in Europe.

in London welcomed 157 selected European enterprises and 102 Chinese operators. Over 11,000 appointments were assigned over the course of the two B2B matchmaking events.

As a valuable add-on, ETC organised a series of familiarisation trips for the Chinese operators that participated in the WBT event in London, in order to extend their knowledge of Europe as a communal entity of inter-connected destinations. The fam trips took place the week before WBT London. The group of 86 Chinese operators



The group of Chinese operators in the Austrian Alps.

was divided into seven groups, each of which followed simultaneously different pan-European itineraries based on their particular interest and product portfolio.

The World Bridge Tourism project was supported by an extensive programme of research and webinars aimed at enhancing the understanding of Chinese visitors' needs within the European tourism community.

CONSUMER MARKETING

In recent years, video has proven to be a powerful channel for information, education and entertainment, particularly in the travel and hospitality industry. Video is a powerful influencer and represents a major opportunity for destinations to reach a broad audience and inspire travel.

ETC China Operations Group released a series of short animated videos with practical information and tips on **how to travel in Europe**. The video series titled 'Zhi Ouzhou' (literally translated as 'Go to Europe' or as a wordplay in Chinese 'Get to Know Europe') addresses the main challenges and barriers that Chinese tourists, primarily Free Independent Travellers (FITs), face when planning a trip to Europe. Each 90-second video tackles a different topic as identified by research conducted by ETC, namely, how to get a visa for Europe, how to deal with money and tax refunds, how to travel around, and how to stay connected in Europe.



The series was produced in cooperation with ETC Associate Members Global Blue and Eurail Group and co-funded by the European Union. They were disseminated on multiple platforms including the **VisitEurope.com** Chinese portal (www.VisitEurope.com.cn), **VisitEurope.com**, Chinese social media handles (Sina Weibo and WeChat) and popular Chinese video hosting platforms such as YouKu, Tencent Video and Miaopai. For a European audience, the videos are available on **VisitEurope.com** YouTube channel. The 'How to travel in Europe' videos received almost a million views.

MARKETING GROUP

MARKETING GROUP

Chair: Elke Dens, Belgium – Flanders

Vice-chair: Radana Koppová, Czech Republic

Coordinator: Miguel Gallego, ETC Executive Unit

HORIZON 2022

Early in the year, the ETC Marketing Group embarked on a process to develop a five-year marketing strategy that addresses the changes and challenges the industry is facing, and prepares Destination Europe to balance the economic, social, and environmental benefits of smart, sustainable tourism.

The process was research based, inclusive and co-created, with several validation milestones along the way. A total of twenty National Tourism Organisations, either at CMO or CEO levels, engaged at some stage in the development of the new strategy. The process was facilitated by a team of senior strategic consultants and coordinated by the Executive Unit in close collaboration with all working groups of the organisation - Marketing Group, Market Intelligence Group and overseas Operations Groups - with input from the Board of Directors.

To complete each stage in the strategic planning process, the Marketing Group hosted three workshops during the year. This framework allowed for transparency

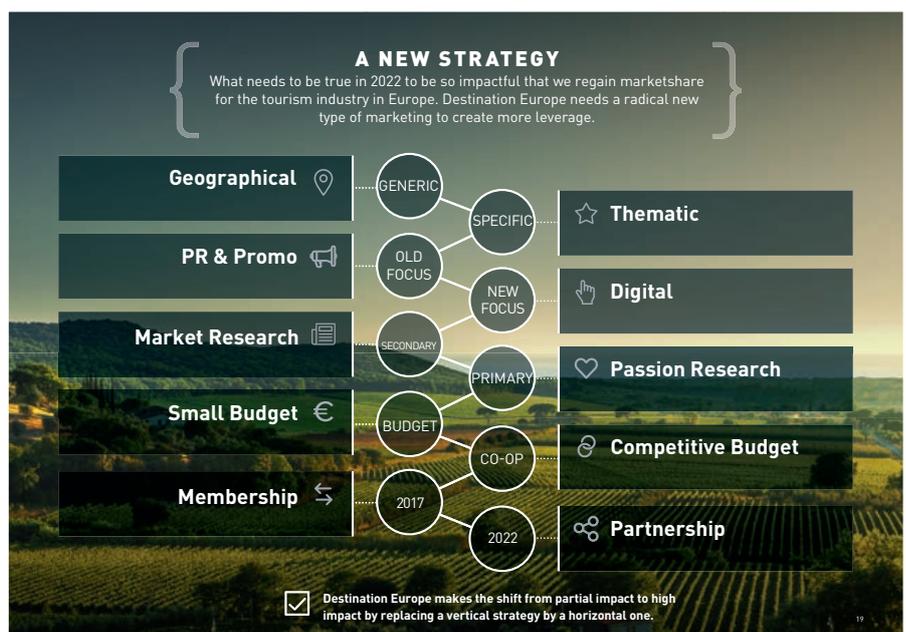
and clarity in the decision-making process as all members had the opportunity to collaborate and influence the final outcome.

The plan aims to secure regional dispersion and to create sustainable growth, not just for tourism but for all sectors in Europe. In the present era of destination marketing, a one-size-fits-all approach to marketing prevents ETC from creating more value. As a result, the ETC will identify its target groups according to their motivations and interests and engage them separately through themes. Although destinations continuously need to invest in their quality of place, potential visitors will only respond if we relate to them and their passions. Therefore, Destination Europe will shift the direction of its marketing - from a

vertical, geographical approach to a horizontal, thematic one.

Horizon 2022 is an ambitious strategy because it stands for a big increase in marketing funds, people and commitment to work for European tourism.

The new strategy was validated by the General Meeting #84 in Budapest in November 2017. Participants' feedback has been notably positive and members are eager to proceed with next steps. Identifying common measurable goals, streamlining resources and communication, and securing funding make this project both exciting and mutually beneficial to those involved. The Marketing Group is confident that Horizon 2022 will have a lasting impact on European tourism.



DIGITAL MARKETING

EUROPE E-ZINE

The Europe online magazine brought monthly travel inspiration to more than 165,000 subscribers across North America. Twenty-eight countries were featured in the e-zine over the year, with an average of 21 destinations appearing in each issue. This year's editorial line covered a broad range of pan-European themes according to season such as World Heritage sites, literary escapes, gastronomy, craftsmanship and luxury travel experiences.

All issues of the Europe e-zine are also published on the **VisitEurope.com** portal. A selection of articles was regularly shared and boosted on all **VisitEurope.com** social media channels.

The magazine accumulated around 330,000 unique readers throughout 2017.



VISITEUROPE.COM REVAMP

The second quarter of 2017 saw the redevelopment of the **VisitEurope.com** portal based on the new marketing vision proposed in the Horizon 2022 strategy. The website, with its brand-new look, has been envisaged as a multi-purpose platform able to provide consumers with different insights on Europe.



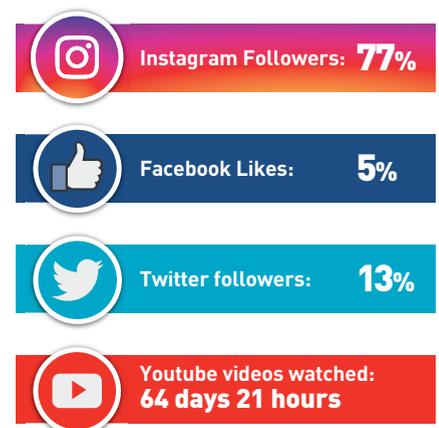
While the old website was structured around the macro-regions of Europe, the shift of perspective towards a psychographic targeting has led ETC to rethink the usability of **VisitEurope.com** and focus the attention on experiences and themes more relevant to the end-consumer. Important changes were made on the platform:

- **TastingEurope.com** was incorporated onto **VisitEurope.com**, with gastronomic events, recipes, products and routes forming part of the 'Experience' section
- An innovative 'Inspire Me' section was added, aimed at proposing experiences and trips based on the preferences of consumers
- The 'Trips' section was improved and is now based on storytelling techniques that underline the importance of pan-European travel experiences
- A new feature was implemented which allows users to build their own trip based on content they have liked throughout the website and then display this as an interactive map in a dedicated personal space
- A new 'Events' section was also added, envisaged as an

informative source that will position **VisitEurope.com** as the main hub for events in Europe.

In addition, the platform will serve the ETC membership programme in displaying content from partners and members more vividly. It will provide more space for featured content and allow approved Partners and Members to directly upload information onto the platform through a new and innovative content management system. All this will strengthen the interaction with consumers in a highly engaging manner.

KEY FIGURES 2017: SOCIAL MEDIA ORGANIC INCREASE



ASSOCIATE MEMBERS

ETC EXPANDS THE SCOPE OF ITS ASSOCIATE MEMBERSHIP PROGRAMME

In 2017, ETC gained two new associate members and further developed its Associate Membership programme to accommodate requests for deeper involvement of the private sector in the organisation's activities.



Any private entity wanting to join ETC now has a choice to opt for:

Basic Membership includes PR activities, liaison and involvement with organisations such as the EC, UNWTO and OECD; access to ETC forums, seminars, information and best practice; mentions in ETC corporate communications; and access to our Research Help Desk.

Marketing Partnership allows associate members to partner with ETC in promoting Europe. This includes all the Basic Membership benefits plus exposure on **VisitEurope.com**, our social media channels and our monthly newsletter; access to the ETC stand in trade/travel shows, participation in marketing-related events and the chance to develop ad-hoc joint marketing campaigns under the Europe logo.

Research Partnership enables associates to establish partnerships with ETC on selected research projects. Similar to the Marketing Partnership, this package also

includes the benefits of Basic Membership, with access to the ETC Dashboard and Library, inclusion in our monthly newsletter and participation in research events.

Premium Associate Membership brings together all the benefits of the Basic Associate Membership, Marketing Partner and Research Partner into one package.

NEW MEMBERS

ETC Would like to welcome Adara and HiSeas International as they join our European tourism association!



ADARA

ADARA is the world's travel data co-op providing a unique holistic understanding of travel patterns, trends and behaviour. It's a safe and secure way to share and analyse historical and real-time data about more than 750 million monthly unique traveller profiles from more than 190 of the world's top travel brands.

The ADARA data co-op fuels three core business areas: Advertising, Measurement & Analytics, and Traveler Intelligence. Together

"Amadeus respects and supports the highly-important role that ETC plays in promoting Europe as an attractive and sustainable tourist destination. We work closely with ETC to underwrite mutually-important objectives that are critical to European tourism. Such an important sector needs the commitment and support of industry leaders and Amadeus is happy to extend such support to ETC."

Amadeus, Senior Advisor Industry Affairs, Elizabeth Aston

they provide unparalleled access to insights and knowledge allowing travel marketers to increase marketing efficiency, maximise revenues and grow their brands.



HISEAS

HiSeas International Travel Group is a leading European and North American destination management company dedicated to the Asian market, with its biggest market share in mainland China. Founded in Lausanne, Switzerland, in 2011 and currently headquartered in Chengdu, China, HiSeas is focussed on delivering systematic solutions of European tourism resources for Asian business partners.

Basic services include providing hotels, coaches, museum tickets and other land-operating resources and services for Asian tourism wholesalers. It also operates actively and has sales offices in Indonesia, Thailand, Cambodia, Vietnam and South Korea. In Europe, subsidiaries and offices are spread widely in cities such as Paris, London, Munich, Budapest, Malta and Lausanne, with seven managed hotels in Switzerland and coach companies in Slovakia and France.

ADVOCACY

THE EUROPEAN MANIFESTO FOR GROWTH AND JOBS CELEBRATES ANOTHER SUCCESSFUL YEAR

2017 was another year of achievements for the European Tourism Manifesto, an initiative launched in December 2015 which outlines the views of the European public and private tourism stakeholders on how tourism contributes to growth and jobs and how the European Union should shape its future tourism policy.

In its second year, the Manifesto initiative has enhanced collaboration between stakeholders who continued to share opportunities among each other and jointly find solutions to common challenges. Following the worrying developments in the visa waiver reciprocity mechanism applied by the European Union to citizens of the United States and Canada, the group issued a Common Statement on visa-reciprocity.

Another advancement for the group in 2017 was the open letter addressed to the President of the European Commission, Jean-Claude Juncker, which called for a comprehensive strategy to support the tourism sector.

The industry, united with a common voice, brought the visitor economy to the attention of other European decisionmakers, especially the President of the European Parliament, Antonio Tajani, who recognised the Manifesto initiative in his opening speech of the High-level Conference on Tourism held on 27th September 2017 in Brussels.

The full Manifesto is available for download at www.tourismmanifesto.eu

TourismManifesto FOR GROWTH & JOBS

12th January
The group adopted the revised Manifesto document

11th July
Meeting with newly elected President of the European Parliament, Mr Antonio Tajani
Credit photo: © European Union – Source: EP

20th March
Common Statement on visa-reciprocity

27th September
Manifesto document available in 23 languages of the European Union on www.tourismmanifesto.eu

17th July
Open Letter regarding the Revision of the EU 2010 Tourism Strategy

2017/2018
41 stakeholders

TOURISM IN THE SPOTLIGHT IN THE EUROPEAN PARLIAMENT

In 2017, ETC focussed its efforts on bringing the attention of the policymakers to the importance of tourism for the European economy and the contribution of the sector to job creation and sustainable economic growth. The event, organised on the occasion of World Tourism Day - September 27th, by the President of the European Parliament, Antonio Tajani, was the first of its kind, and thus marked a major development in the recognition of the tourism industry and its significant contribution to the EU.

The High-level Conference on Tourism gathered MEPs, Commissioners and various key tourism stakeholders. The event opened with a poignant speech from President Tajani which highlighted the importance of job creation, attraction of investment, digitalisation and joint promotional activities within the sector.

The President commented on ETC's work in promoting Europe as a prime destination and the progress of ETC initiative, The European Tourism Manifesto for Growth and Jobs. He said: "In this increasingly competitive field, it is in our very best interests to join forces. In a way, we are already doing this through the work done by this Parliament and the Commission, in cooperation with many regional governments in the NECSTouR network and the European Travel Commission, and through the European Tourism Manifesto."

ETC was also mentioned in President Tajani's conclusion, within the framework of the 2018 EU-China Tourism Year, of which ETC is an implementing body, and the Parliament's adoption of policies for the promotion of tourism. He commented: "I am thinking here of the host of pilot projects proposed by these MEPs: the preparation of the EU-China Tourism Year, and support for the European Travel Commission, UNESCO and the Cultural Routes."



President of the European Parliament, Antonio Tajani, opening the High-level Conference on Tourism. ©European Union 2017 - source: EP.

Commissioner for DG Grow, Elzbieta Bienkowska spoke on the importance of funding for competitiveness of tourism in Europe and the work being done with ETC, while MEP István Ujhelyi declared ETC as "one of the most important tourism stakeholders in Brussels".

ETC President, Peter de Wilde, and Executive Director, Eduardo

Santander, were also invited as speakers and discussed the necessity of visa facilitation and increased connectivity as factors to enhance tourism.

The event proved to be a major success for ETC and all parties involved, bringing tourism to the forefront of the EU agenda and consolidating its status as an essential sector within the EU.

ETC CONTINUES ITS EFFORTS TO PROMOTE SUSTAINABLE TOURISM DEVELOPMENT IN EUROPE

2017 marked the third consecutive year of ETC's engagement with sustainability in tourism. Together with the Foundation for European Sustainable Tourism (FEST), ETC organised the 5th edition of the Summer School in Leadership and Governance for Sustainable Tourism, hosted by Sila National Park. The aim of the event was to foster the planning and delivery of transformative tourism projects and initiatives to generate a sustainable visitor economy, and the 2017 edition contributed to the International Year of Sustainable Tourism for Development focussing on 'sustainable tourism between product development and carrying capacity'.

Another important ETC initiative was the publication of the study *Sustainable Tourism in Europe: Status Quo and Common Challenges*. The research paper benchmarks sustainable tourism practices within the formal environment of European NTOs. The study outlines key challenges and advantages and proves the wide acceptance of sustainable tourism development as a driver of a destination's long-term competitiveness. The report will become a foundation upon which the ETC will build recommendations for public organisations to work towards a sustainable and competitive future for the industry in Europe.

PARTNERSHIPS

ETC PREPARES FOR THE EUROPEAN YEAR OF CULTURAL HERITAGE 2018

Last year saw many positive steps towards an increased and enhanced cooperation between ETC and the heritage sector in view of the European Year of Cultural Heritage 2018.

The inextricable link between tourism and cultural heritage is becoming progressively evident, now more than ever. Thus, ETC decided to capitalise on its long-standing relationship with Europa Nostra, the pan-European federation of heritage NGOs, joining forces to create synergies and improve collaboration.

A memorandum of understanding was signed between the two organisations on the occasion of the ETC General Meeting held in Porto in May, outlining a framework for joint cooperation and objectives. An agreement was made to promote Europe as a unique cultural tourist destination and to support the growth of the tourism industry while simultaneously protecting cultural heritage and maintaining its positive social and environmental impacts.

In June 2017, ETC also signed a memorandum of understanding with the International Institute of Gastronomy, Culture, Arts and Tourism (IGCAT) to raise the profile of gastronomy in Europe and enhance the international promotion of pan-European thematic tourism.

IGCAT is a non-profit organisation whose aim is to empower local communities by guiding, facilitating and supporting local stakeholders to understand the potential of their distinct food, culture, arts and sustainable tourism assets.

IGCAT also manages the Regions of Gastronomy Platform, an initiative that facilitates the development of high-quality and sustainable visitor experiences that promote local food and traditions. The new partnership between both organisations will ensure that the European Regions of Gastronomy receive prominent visibility on the VisitEurope.com portal among other future joint promotional activities.

In addition to the agreement with Europa Nostra and IGCAT, ETC further extended its collaboration with the sector through the European Heritage Alliance 3.3, a



ETC President, Peter De Wilde, signs a memorandum of understanding with Piet Jaspert, Europa Nostra Vice-President.

pan-European platform coordinated by Europa Nostra, bringing together over 40 European or international networks active in the wider field of cultural heritage. ETC had the opportunity to join this dynamic alliance in April, and on October 18th had the pleasure of hosting the Alliance Meeting at its headquarters in Brussels.

ETC participated in an additional Alliance meeting which took place in December, alongside the official launch of the European Year of Cultural Heritage 2018 in Milan which was attended by the Commissioner for Education and Culture, Tibor Navracsics, as well as many other high-profile personalities and decision makers in the field of cultural heritage and beyond.

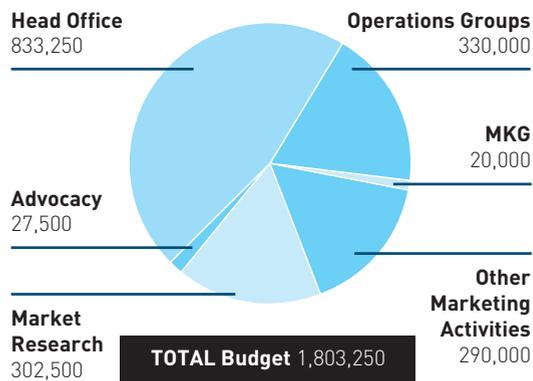
ETC has been preparing its activities for the European Year of Cultural Heritage 2018 alongside Europa Nostra and the European Cultural Tourism Network (ECTN), a fellow Alliance member and signatory of the Tourism Manifesto for Growth and Jobs.

The three organisations are set to launch a joint awards scheme in 2018 promoting sustainable cultural tourist destinations. The progress of this joint effort was particularly highlighted at the International Conference for Cultural Tourism in Europe, organised by ECTN in Sibiu, where speakers from each organisation came together.

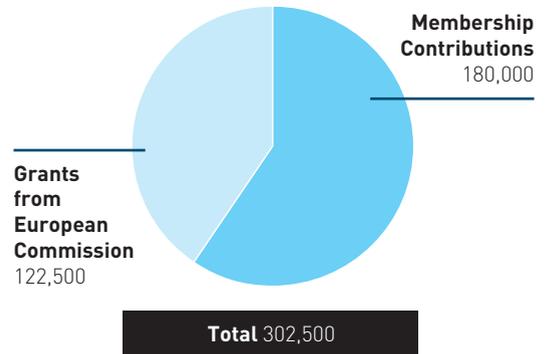
ETC very much looks forward to engaging in further collaboration with our colleagues in the heritage sector in the framework of the European Year of Cultural Heritage 2018.

FUNDING

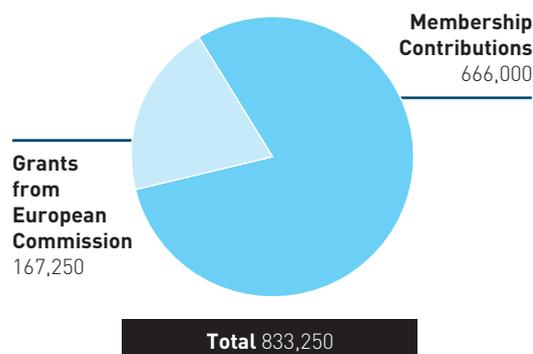
TOTAL 2017 BUDGET



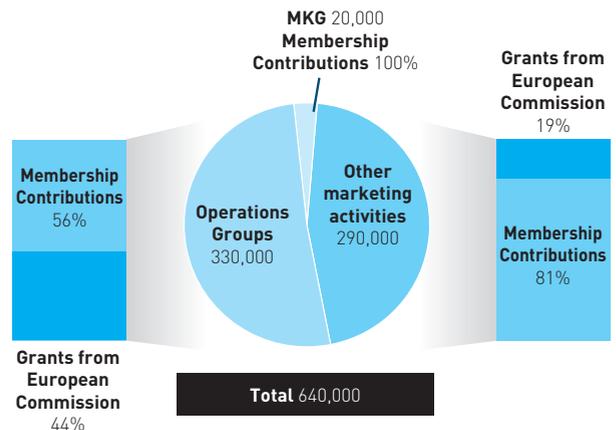
2017 MARKET RESEARCH BUDGET



2017 HEAD OFFICE BUDGET



2017 MARKETING ACTIVITIES BUDGET



All figures are in Euros.

The European Travel Commission is constituted under Belgian law as an International Association Without Lucrative Purpose (AISBL/IVZW).

Being a non-for-profit organisation, the ETC is subject to tax on legal entities, which is not applied on global income but only on income derived from specific sources, i.e. real estate.

The main source of income is from membership contributions, the level of which is approved each year at the ETC General Meeting.

In 2017, ETC was awarded an operational grant by the European Commission to continue its efforts to promote 'Destination Europe' in third markets (the Destination Europe 2020 programme).

WHO WAS WHO AT ETC IN 2017

PRESIDENT



Peter de Wilde
(Belgium-Flanders)

BOARD OF DIRECTORS



Petra Stolba
(Austria)



Paavo Virkkunen
(Finland)

VICE-PRESIDENTS



Mark Henry
(Ireland)



Michel Vankeerberghen
(Belgium-Wallonia)



Anne Hoffmann
(Luxembourg)



Ólöf Ýrr Atladóttir
(Iceland)



Kristijan Staničić
(Croatia)



Mircea Titus Dobre
(Romania)



Preiti Antonio Nicola
(Italy)



Monika Palatkova
(Czech Republic)



Manuel Butler
(Spain)

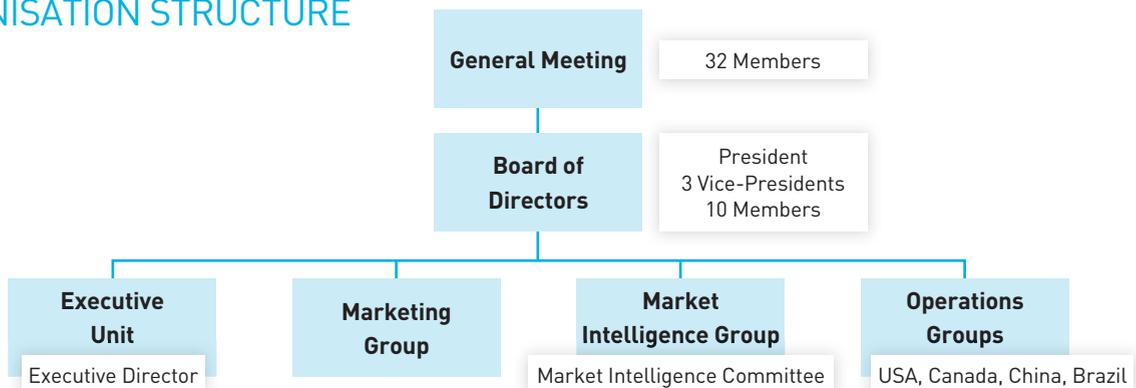


Petra Hedorfer
(Germany)



Leslie Vella
(Malta)

ORGANISATION STRUCTURE



ETC MEMBER ORGANISATIONS

FULL MEMBERS

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