WEEKLY BRIEFING 9 June 2023

ECONOMIC, POLITICAL AND SOCIAL UPDATE

Rishi Sunak and Joe Biden reset Special Relationship with new 'Atlantic Declaration'

Rishi Sunak and Joe Biden sought to reset the UK-US special relationship with a partnership that will embrace the US President's economic vision and see the West closing ranks against hostile countries. With a post-Brexit full trade deal no longer on the cards, the Prime Minister headed to Washington with a plan to seek a more targeted economic agreement with the US. He met with President Biden in the White House where the two announced a new "Atlantic Declaration" giving the UK greater access to US industry, including closer defence industry ties and a data protection deal. The partnership is designed to be the first step in a long-term plan for reshaping the economic ties between the UK and the US in the wake of global tensions, foreign threats and Brexit. Welcoming the PM in the Oval Office, President Biden stressed the importance of cooperation on peace and security and said the US did not have a "closer ally" than the UK.

"Together we're providing economic and humanitarian aid and security assistance to Ukraine in their fight against the brutal invasion of the Russians," he said, adding: "As Nato allies, we're working together to help provide collective defence for all of us."

UK to have one of highest inflation rates in G20 this year, but should narrowly avoid recession, new forecast shows

The latest update from the Paris-based body sees risks ahead from energy prices, which could leap substantially again ahead of the coming winter, and rising interest rates. Britain will have one of the highest inflation rates in the G20 this year but should narrowly avoid recession, the Organisation for Economic Co-operation and Development (OECD) has said in its latest set of forecasts. However, looking at its broader membership, the UK's inflation rate, while high, will be outpaced by a number of other countries, including Sweden and Iceland.

Wildfires: UK to set up new Mediterranean-style specialist units

Firefighters will deploy new techniques learnt in the world's worst wildfire hotspots as climate change raises the risk level in the UK this summer. Last year's heatwaves saw thousands of fires break out, one even destroying homes at Wennington, East London. This year has already seen hundreds of grass fires and one of the UK's largest ever has been burning in the Scottish Highlands for the past two weeks. Fire chiefs are particularly looking to expand the number of specialist teams trained in "burn suppression" techniques - the deliberate burning of land to keep a fire contained. At the moment, just five UK units across more than 50 fire and rescue services specialise in the "fighting fire with fire" technique, mostly in moorland areas.

Rachel Reeves waters down Labour £28bn green investment pledge

Labour has rowed back on its pledge to invest £28bn a year in green industries if it wins power, saying it needs to be "responsible" with the public finances. In 2021, Labour promised to spend £28bn a year until 2030 on green projects. Instead shadow chancellor Rachel Reeves said she would now ramp up investment over time from a 2024 election win, reaching £28bn a year after 2027. She told the BBC that after the Tories "crashed the economy" it was important not to be "reckless" with spending. Speaking to Radio 4's Today programme, Ms Reeves added that after prices and interest rates increased "financial stability has to come first".

TRADE UPDATE

Trade reports late sales surge despite strikes and lack of cheap deals

The trade has reported surging late sales, despite a lack of traditional cheap summer deals and industrial action planned throughout the peak season. Travel agents say there has been no sign of a slowdown in sales as the market enters the latest period prior to the school summer holiday.

Advantage Travel Partnership's chief commercial officer, Kelly Cookes, reported "strong demand for late bookings" as well as for 2024. "There is a mixture of people continuing to book for this summer and getting ahead for future seasons," she said, adding that members weren't seeing "any impact" from fears of strikes, before they were confirmed by Unite on June 7. The Unite union confirmed 31 days of strike action beginning on June 24 on June 7, with walkouts involving more than 2,000 security officers at Heathrow. The stoppages at Heathrow Terminals 3 and 5 are due to hit every weekend, Friday to Monday, throughout the school holidays.

European air traffic nears 2019 level as UK outpaces Germany

Passenger traffic at Europe's airports returned to within 8% of

2019 levels in April, with a 21% increase on April 2022, latest data from airports association ACI Europe reveals. Traffic in the first three months of this year remained 11% down on the first quarter of 2019. The UK was the strongest of the major outbound markets, with air passenger traffic 9% down on April 2019, while France was 13% down and Germany 26% down. Heathrow was the best performing of Europe's five biggest airports, handling 6.4 million passengers in April, up 26% year on year and just 6% down on April 2019. The airport reclaimed its pre-pandemic position as Europe's busiest last October.

New York flights delayed as Canada wildfire smoke limits visibility

Flights at major New York airports have been delayed because of smoke from wildfires in Canada limiting visibility. The US Federal Aviation Administration (FAA) said on Wednesday evening: "The FAA has slowed traffic to and from New York City area airports due to reduced visibility from wildfire smoke." Among the airlines with direct flights to or from the UK on Thursday or Friday are American Airlines, British Airways, Jetblue Airways and Virgin Atlantic. A spokesperson for Virgin Atlantic said its flying programme remained as scheduled but that it was monitoring the situation.

This brand new airline wants to shake up UK-US travel

Global Airlines is aiming to provide a new premium alternative for transatlantic air travel – and it launches in 2024. Air travel between the USA and UK has seen a massive boost in the past couple of years. Not only have many new routes launched between the two countries, but there are a greater number of budget options. A brand new carrier called Global Airlines has acquired its first plane, ready to launch new routes from London to New York and Los Angeles by spring 2024. . In other words, we could see a new player in the transatlantic flight game as soon as next year.

Eurostar poised to suspend London-Amsterdam service for almost a year

Due to works at Amsterdam Centraal station, which will include demolishing and replacing the station's international rail terminal, the route is due to be suspended from June 2024 to April 2025. Eurostar currently operates four trains a day between London and the Dutch capital, offering capacity equivalent to around 20 flights at a fraction of the carbon output. Eurostar estimates passengers' carbon footprint from just one London-Amsterdam flight is equivalent to seven Eurostar journeys between the two capitals.

AIRLINE UPDATE

British Airways - British Airways has celebrated its inaugural flight to Cincinnati, which has become the carrier's 27th US destination. The first flight arrived at Cincinnati/Northern Kentucky International Airport from Heathrow on Monday (June 5). Services between Cincinnati and Heathrow operate five times weekly during the current summer flying season and four times weekly during the winter flying season.

Pegasus Airline - Pegasus Airlines is gearing up to operate its biggest flight schedule yet from Stansted this summer. The budget Turkish carrier is offering 55 direct flights per week to five destinations across the country: Istanbul, Antalya, Dalaman, Ankara and Izmir. Since launching from Stansted in 2007 with a single scheduled flight to Istanbul, the airline has now carried six million passengers on routes from the Essex airport. **Air Canada** - Air Canada has resumed direct services between Edinburgh and Toronto as part of its plans to increase connectivity to the North American market. The carrier, which initially announced the resumption of services in late March, said the schedule will go up to daily flights during the summer season, moving to three times a week into the winter. "Our customers in Scotland will benefit from this direct link to our Toronto hub and beyond to destinations across the Americas in both the summer and winter seasons," Air Canada general manager Stephen Gerrard said on Thursday (8 June).

United Airlines - Actors Ryan Reynolds and Rob McElhenney, owners of Wrexham FC, have announced United Airlines as shirt sponsor. Fans of the Welsh football team, recently promoted to League Two, will see the airline's name and logo on shirts from the beginning of the 2023-2024 season, for the mens and womens teams. The stars said: "We seek out sponsors that match the spirit of both Wrexham Association Football Club and the people of Wrexham. The team, town and fans around the world are united as never before and United Airlines is committed to elevating our story and journey."

Qantas - Australian airline Qantas has relaxed its gender-based uniform rules, allowing male employees to wear makeup and have long hair. Its new style guide means female employees will no longer have to wear makeup and heels while on duty. Along with being able to wear flat shoes, both women and men will be allowed to wear the same sorts of jewelry, including large watches. "Fashions change, and so have our style guidelines over the years," Qantas said in a statement on Friday. "We're proud of our diversity as well as bringing our guidelines up to date," it added.

TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

TUI tour guides switch to cycling as part of green initiative

TUI tour guides in Rhodes have switched to pedal power as part of the company's drive to be more sustainable. The pilot cycling project is part of Co-Lab, which sees TUI work with the governments of the South Aegean and Greece to develop greener holidays. The team of 250 guides are now able to travel between hotels on a fleet of 30 e-bikes and 30 cargo bikes. The e-bikes are for distances longer than a 40-minute walk, while regular bikes will be available to the team for distances longer than 20 minutes. The number of cars available will be more than halved, from more than 100 to 60. By 2024, this number will be further reduced.

TUI announces new group sustainability director

TUI Group has announced Kathrin Möllers will succeed Charlotte Wwiebe as group director for sustainability and ESG (Environmental, Social, and Governance) on July 1. Möllers began her career at TUI in 2014 as a consultant in project and process management, later taking on various management positions in the group's international airline organisation. She is currently head of aircraft asset and business management. In her new role, Möllers will report to Thomas Ellerbeck, member of the group executive committee and chief sustainability officer of TUI Group.

Jet2.com sets its sights on the slopes as 2024/25 ski programme goes on sale

Seven of the airline's ski destinations are now on sale from 10 of its UK bases for winter 2024/25. Jet2.com has set course for winter 2024/25, giving skiers and snowboarders early choice with services to the French, Swiss, Austrian and Italian Alps on sale earlier than ever. The service comprises 34 ski routes and over 60 weekly flights during peak periods. Steve Heapy, CEO of Jet2.com and Jet2holidays, said: "Customers have been telling us how much they want to secure their place on the slopes next winter, so we have responded to that demand by putting a brilliant ski programme on sale for Winter 24/25 nice and early from across ten UK bases".

Discover stateside luxury as Lusso launches latest brochure

The luxury operator has launched its brand new printed USA brochure to reflect the growth in the demand the company has seen for holidays to the States. The brochure includes some of the latest additions to Lusso's USA roster, including the dramatic landscapes of Utah; the must-see cities of Seattle and Philadelphia; and its new range of Tauck Escorted Tours. The operator also plans to expand its website with additional regions including the wider Capital Region and the Great American West made up of Idaho, Montana, North Dakota, South Dakota and Wyoming. "From our experience, the best trips to the United States focus on a particular area, giving clients time to relax, make the most of the activities on offer and interact with the local people," said Lusso's senior product manager for the USA.

British Airways Holidays Reveals Travel Trends: All-Inclusive on the rise and holiday packages in vogue with millennials

British Airways Holidays has launched its first Travel Trends Report, examining the behaviours and attitudes that are shaping travel trends today. Findings include that 63% of consumers say that holidays are the main way they treat themselves, more than half of Gen Z and millennials plan to book a package holiday this year and 40% of consumers associate 'all-inclusive' with luxury. The report also highlights some of the most popular travel destinations on the cards for UK consumers this year, with the likes of Antalya, Maldives and Rhodes seeing surges in searches compared to pre-pandemic. More than 70% of consumers now prefer to book their holidays via trusted providers for extra security. Consumers are also balancing their desire to live for the moment with a need for tighter holiday planning. All-inclusive hotels and holiday packages are the antidote to unexpected costs.

SOCIAL UPDATE

TikTok expands 'Series' content monetisation offering

TikTok is giving more creators the opportunity to make money in the app, with an expansion of its 'Series' subscription. Series enables eligible creators to share collections of content behind a paywall, with creators able to include up to 80 videos in each Series set, facilitating long-form content subscriptions within the app. All creators over the age of 18, with 10,000+ followers, are now able to activate the programme depending on their regional availability. This will help TikTok compete with the monetisation models of other social media platforms.

Twitter expands the tweet editing window to one hour

Twitter Blue subscribers now have more time to edit their tweets. Subscribers now have an hour to edit their tweets, up from the half-hour originally allocated when tweet editing was first launched last October. This will give users more opportunity to catch any errors or to respond to feedback from people who read their tweet. This could boost the amount of users who take-up a Twitter Blue Subscription.

MICE UPDATE

Cash prize for 'incredible' association meeting almost tripled to \$20,000

A cash prize of \$20,000 (USD) will be awarded to the association that can show their event had the greatest positive impact on society. The news came as BestCities Global Alliance and the International Congress and Convention Association (ICCA) unveiled changes to their Incredible Impacts Programme. Starting this year, the programme will award one association a grant of \$20,000 – a change from previous years, where three grants of \$7,500 were distributed. Celebrating the 'beyond tourism' value of international association meetings, the programme provides a global platform for meetings that have proven impact while recognising their contributions with a cash reward. The new selection process will involve a jury shortlisting three finalists, who will each present their entry during a plenary session at the annual ICCA Congress in November. The Incredible Impacts Programme will also provide a seed grant of \$5,000 to associations seeking to start a new legacy programme.

LIGHTER NOTE

How a crocodile made herself pregnant in the first known 'virgin birth'. Read more <u>here</u>.