

EVALUATION AND POTENTIAL REVIEW OF THE EU CRS CODE OF CONDUCT FOR COMPUTERIZED RESERVATION SYSTEMS (REGULATION 80/2009)

Preserve the CRS Code of Conduct

The CRS Code of Conduct is an important tool for granting transparency and consumer choice in flight fares. In view of its possible review, we strongly recommend to preserve it. The Code of Conduct brings benefits to our industry and consumers as it

- encourages neutrality in the CRS as the central global marketplace for flights.
- helps increase competition between airlines thus benefitting both the travel industry and consumers by granting a wide choice of flights and transparency of fares. This is particularly the case where it guarantees visibility of offers and prices of smaller airlines who compete with airlines or airline groups with stronger marketing power.
- has contributed to a reduction of IT costs for airlines and travel companies as it helped limiting the number of IT systems for flight sourcing.
- protects commercial data of travel companies (MIDT).
- guarantees neutrality of distribution and visibility of flight fares of smaller airlines, thus strengthening competitiveness in the airline market.

Modernize the CRS Code of Conduct

The Code of Conduct was originally conceived for Global Distribution Systems (GDS). This no longer corresponds to reality. In addition to computer reservation systems, there are a large number of distribution and comparative platforms that make it possible to compare flight connections and prices. In the case of these providers, however, the information is often not neutral but influenced by commercial factors. The Code of Conduct should therefore be modernised with a view to maintaining and increasing its effectiveness in order to adapt it to current market developments and to achieve competitive neutrality.

It should

- consider new „unbundled“ offers by airlines, which tend to sell ancillary services separately, thus making it difficult to compare fares and offers.
- Include new sources, content providers and platforms that have emerged in recent years and that offer similar technical solutions as a CRS by offering access to schedules, availabilities, fares and inventories.

Position paper

- include IATA initiatives like New Distribution Capability (NDC) that have a major impact on distribution as they help favor airlines groups' own direct distribution channels and thus weaken competition and transparency, leading to an increase of prices for consumers.
- ensure an effective full content of the carriers' offer in GDSs. Airlines should be encouraged to make the full range of fares available in all GDSs.
- provide for an effective enforcement. Currently the Code of Conduct does not stipulate deadlines for investigations in the event of infringements. This undermines its efficiency especially in view of the dynamic evolution of the market.

We remain at the Commission's disposal for any additional information and consultation.