

PACKAGE TRAVEL DIRECTIVE ECTAA 2nd reading position

Established in 1961, ECTAA is the European Federation of Travel Agents' and Tour Operators' Associations. All together, the travel trade in Europe counts some 70 000 enterprises in 31 EU and EEA Member States, employing nearly 500 000 people. The majority of European travel agents and Tour operators are SMEs.

The Package Travel Directive (PTD) was adopted in 1990 and was covering most of the holiday market at the time of its adoption. However, consumer patterns have changed over the last 23 years, and new distribution channels have emerged thanks to technological developments and the widespread usage of internet. Today, the European Consumer has access to multiple distribution channels from the classical paper brochure to mobile applications.

Taking into consideration these market changes, the European Commission has published a proposal for a revision of the Package Travel Directive in July 2013, the European Parliament voted a first reading report in March 2014 and the Council adopted a general approach in December 2014.

With the start of negotiations between the European Parliament and the European Council, ECTAA would like to make the following suggestions concerning the proposed directive.

ECTAA considers that the revision of the Package Travel Directive should be driven by the following core principles:

- Ensuring an indispensable level playing field among all market stakeholders.
- Ensure that any consumer across the EU and the EEA benefits from the same level of protection when purchasing a combination of travel services, irrespective of the distribution channel.
- Preserve and foster the competitiveness of the European Tourism industry, through an equitable balance between rights and obligations of both enterprises and consumers.

ECTAA's KEY ISSUES ON THE PTD PROPOSAL:

The European Travel Industry wishes to make the following proposal for a better Directive on PTD.

1. “**Click-through**” combinations should be considered as package (**Parliament’s amendment 43**);
2. The definition of **Linked travel arrangements** (LTA) should be wide enough to capture looser combinations of travel services (**Council’s amendments**);
3. ECTAA supports the **Council’s proposal** to exclude all types of **business travel**, both managed and unmanaged;
4. The **liability** should be **alternative (organiser or retailer)**. A joint liability will imply the duplication of insurance costs for the same risk, without increasing consumers’ benefits.
5. The **definition of Unavoidable and Extraordinary Circumstances** (UEC) should not recognise the traveller’s own force majeure, usually covered by insurance (**Against Council’s proposals**);
6. Consumer should be able to cancel a package in the event of an UEC if the latter is based on sound data such as **official travel advises (Parliament’s amendments 22 and 99)**;
7. If a Package has a transport component, **the costs and duration of assistance in case of a force majeure event should match the corresponding passenger rights regulations** (New);
8. ECTAA **supports the Council’s proposals concerning the financial security** for package organiser but requests the **deletion of recital 34b** which would be too burdening;
9. ECTAA supports any approach concerning the financial cover for LTA as long as the proposal ensures an effective level playing field (a consumer should be covered against the insolvency of any actor of the value chain) and reasonable costs for SMEs (a SME should not cover the insolvency of a large transport company for instance);
10. **ECTAA opposes the introduction of a right of withdrawal**, even limited, as it will put intermediaries in the value chain in an unsustainable position vis-a-vis their service suppliers not fulfilling this obligation (**against Council’s proposal**);
11. **A change in flight times should not be considered as a significant modification of the package contract**. It will be disproportionate that a consumer cancels at the last minute a package due to a late flight. Other tools to ensure the delivery of the service and an appropriate compensation are already in place (**Against Parliament’s amendment 91**).

Please do not hesitate to contact ECTAA’s secretariat at secretariat@ectaa.org should you need our full position on the revision of the Package Travel Directive.