

Ref : CONPAX-PTD- Letter Cab Breton

Mrs Ursula von der Leyen
President of the European Commission

Mrs Adina Valean
European Commissioner,

M. Didier Reynders
European Commissioner

Rue de la Loi 200
1040 Bruxelles

Brussels, 23 October 2023

Dear President von der Leyen
Dear Commissioner Valean,
Dear Commissioner Reynders

Subject: Concerns over the uneven Revisions of Passengers and Package travellers' rights

ECTAA, the European Travel Agents' and Tour Operators' Association would like to express its concerns about the ongoing revision of the Package Travel Directive (PTD), expected to be released on 29 November 2023.

Aligned with the objectives of the [Commission's Inception Impact Assessment on the PTD](#), our association has long advocated a thorough and joint examination of the PTD and Regulation 261/2004 on Air Passenger Rights. Particularly considering the shortcomings exposed by the COVID-19 pandemic within the context of these two legislative frameworks, the delays in airlines reimbursing passengers for cancelled flights and the impact these actions had on travel intermediaries called for a robust legislative response.

Unfortunately, over the past months the lack of political ambition and diverging objectives of the Directorates General have become clear, jeopardising the potential for meaningful reform. While the majority of issues concerning passenger protection that emerged during the pandemic were directly linked to airline practices, it is surprising that DG MOVE seems to lean toward imposing minimal obligations on airlines in its upcoming passenger rights review. In contrast, DG JUST is poised to recommend more stringent requirements for travel agents and tour operators, despite their limited involvement in the issues faced during the pandemic.

The travel intermediaries are particularly concerned about the intention of DG JUST to introduce a limitation of pre-payments in the forthcoming revision of the PTD, specifically aimed at package

organisers. In our perspective, this is unnecessary, as the current Directive already provides significant safeguards for travellers in the event of package organizers' insolvency. In contrast, the upcoming review of the passenger rights framework will lack corresponding measures as no limitation of prepayment is foreseen. Even protecting passengers' payments against airline insolvency will not be included or might merely be addressed as an obligation to inform consumers on the availability of insurance (at an additional cost) to protect them from this risk. We already communicated, with together with other industry and consumer associations, about the lack of such product on the market.

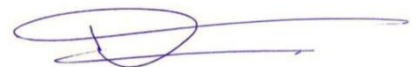
To make things worse, according to the latest information gathered, there are considerations to narrow the scope of the PTD by excluding loose combinations sold by airlines via third party traders (e.g. car rental company, accommodation platform) from being categorized as linked travel arrangements (LTA). Should the definition be indeed changed, airlines will be able to sell combinations of travel services without having to adhere to any of the obligations set forth in the PTD, including the more limited LTA retail requirements. This potential loophole would favour larger airlines that could offer unprotected combinations and disrupt fair competition to the disadvantage of smaller intermediaries.

In our views, the lack of coordination and concerted efforts on these two important initiatives is a missed opportunity and the discrepancies between the two revisions under consideration will only exacerbate the existing fragmentations. An imbalanced approach could erode a level playing field in the travel industry and ultimately harming consumers by reducing the availability of travel packages due to new burdensome, onerous obligations for organisers, particularly small and medium-sized enterprises (SMEs).

Considering the potential adverse effects of these initiatives may have on smaller businesses, we would welcome the opportunity to discuss on our concerns and explore alternative solutions in a meeting at your earliest convenience.

We thank you for your time and consideration.

Yours sincerely,



Frank Oostdam
President of ECTAA