

# REVISION OF THE PASSENGER RIGHTS REGULATION

May, 2025

### MULTIMODAL PASSENGER RIGHTS

As multimodal transport expands, it becomes essential to protect passengers in cases of disruptions, missed connections, or liability disputes. A well-designed regulatory framework can address these challenges by clearly defining the rights and obligations of carriers, intermediaries, transport hubs, and passengers. While the multimodal passenger rights proposal is a welcome step forward, certain aspects require refinement to avoid unintended negative impacts for intermediaries and passengers alike. Striking this balance will ensure trust and confidence in multimodal travel systems while fostering their growth.

#### Fair and practical refund processes through intermediaries

ECTAA emphasizes that refunds should always be processed through the intermediary, as customers expect after-sales services from the entity where they booked, particularly where a ticket has been sold as part of a package travel. This aligns with Article 22(2) of the Package Travel Directive, which requires service providers, who cancel their service, to refund package organizers. For this reason, ECTAA recommends that **refunds through intermediaries should be an obligation rather than an option for carriers.** 

Moreover, **refunds should go to the paying customer**, who may not necessarily be the traveller, as is common in business travel. ECTAA suggests replacing "passenger" with "customer" in Article 8 to ensure refunds are returned to the original method of payment and prevent fraud. To **simplify rules in case of delayed refunds**, rather than obliging the carrier to contact the passenger, we suggest that the intermediary informs the customer of the status of the refund process and offers him the option to contact the carrier for a direct refund. The intermediary can also provide the contact details of the NEB in case of possible further recourse.

Finally, the proposed 7+7 days refund period is incompatible with applicable global payment schedules in air transport. The IATA Billing and Settlement Plan (BSP) determines the reporting and settlement times for ticket sales (incl. refunds) through intermediaries, which may vary by country and intermediary. ECTAA proposes to **extend the timeline to 20+10 days to better align with existing payment schedules** and ensure smoother refund processing.

#### In short:

- Refunds must always be processed through intermediaries.
- Refunds must be issued to the 'customer' rather than 'traveller'.
- Rules in case of delayed refunds must be simplified.
- Refund period must be extended.

#### Equal rights for passengers

Passengers traveling as part of a package should enjoy the same rights to information, assistance, care, compensation, and complaint handling as those booking directly with carriers. Article 2(4) should be amended to **ensure the Regulation applies to single multimodal tickets included in packages**, as transport operators are best positioned to provide immediate support during disruptions. This ensures consistent protection for all passengers.

Moreover, the proposal suggests under article 2(5) that there is also a right of refund for passengers traveling as part of a package, unless where a right to reimbursement arises under the package travel directive. First of all, it should be noted that the cancellation of a multimodal ticket does not necessarily trigger a right of refund of the package travel. The organiser will always first find alternative transport to allow the consumer to continue his package holiday, before considering the option of cancelling the whole package. Secondly, there is now an obligation under article 22(2) in the proposal revising the package travel directive, which obliges suppliers to refund an organiser if they cancel a service.

With this in mind, we believe that Article 2(5) should be deleted. This means that the right of refund still applies to passengers travelling as part of a package, but the refund is channelled through the intermediary (Article 8), and if the latter is an organiser, the refund will be used to either arrange alternative transport or to refund the whole package. There should not be a double entitlement of the customer to obtain refund from the carrier and in addition re-routing from the organiser.

#### In short:

- ✓ Extend passenger rights to single multimodal tickets included in package travel.
- ✓ Delete Article 2(5), as refunds are already adequately covered in Article 8.

#### **Consumer data protection**

Travel intermediaries are trusted by customers for handling personal information responsibly, limiting contact sharing to necessary cases. However, carriers often misuse shared contact details for marketing purposes, such as up-selling, promotional offers, etc. ECTAA recommends safeguards to ensure passenger contact details are not used commercially without explicit consent. Additionally, intermediaries should only share contact details when they actually possess them.

In addition, many intermediaries operate advanced systems to inform passengers directly about disruptions. Where such systems exist, intermediaries should retain the right to communicate with passengers instead of sharing contact details with carriers. In return, they would become liable if they fail to transmit passengers the relevant information to continue their journey.

#### In short:

- Prohibit the use of customer contact details for commercial purposes.
- No obligation to share contact details when the intermediary agrees to inform the customer directly and assumes liability for doing so.

#### **Proportionate liability rules**

Article 10 requires intermediaries to refund the full ticket price and pay 75% compensation if they fail to inform passengers about holding separate tickets for a multimodal journey, and the passenger misses the connection. A 175% penalty is disproportionate, as intermediaries typically earn modest fees for their services. While accurate information is essential, the current penalty structure risks severe financial harm, particularly for smaller intermediaries.

In addition, ECTAA strongly recommends against amendments to extend the full set of passenger rights to missed connections in combined multimodal tickets. Requiring intermediaries to provide assistance, refunds, or rerouting for missed connections is unfeasible given the small fees they earn from customers or carriers for the mediation of the services. This would force intermediaries to stop offering combined multimodal journeys, limiting consumer access to diverse travel options and harming customer choice.

#### In short:

- More proportionate liability of intermediaries for missed connections.
- No extension of passenger rights to combined multimodal tickets.

# **ENFORCEMENT OF PASSENGER RIGHTS**

The existing passenger rights legislation provides a high level of protection for travellers across air, rail, bus, coach, sea, and inland waterways. However, challenges persist in the interpretation and enforcement of these rules. ECTAA welcomes the proposed improvements to the existing legislation, which clarify the obligations and rights of intermediaries and establish a structured framework for processing refunds. This is a positive step toward addressing existing gaps. Nevertheless, certain aspects of the proposal require further refinement to avoid unintended negative consequences for both intermediaries and passengers. It is essential to strike a balance that ensures effective passenger rights without imposing disproportionate burdens on intermediaries, thereby safeguarding the interests of all stakeholders in the travel ecosystem.

In addition, ECTAA strongly recommends against amendments to extend the full set of passenger rights to missed connections in combined multimodal tickets. Requiring intermediaries to provide assistance, refunds, or rerouting for missed connections is unfeasible given **they are not present at airports/train stations etc.** and the small fees they earn from customers or carriers for the mediation of the services. This would force intermediaries to stop offering combined multimodal journeys, limiting consumer access to diverse travel options and harming customer choice

#### Fair and practical refund processes through intermediaries

ECTAA emphasizes that refunds should always be processed through the intermediary, as customers expect after-sales services from the entity where they booked, particularly where a ticket has been sold as part of a package travel. This aligns with Article 22(2) of the Package Travel Directive, which requires service providers, who cancel their service, to refund package organizers. For this reason, ECTAA recommends that **refunds through intermediaries should be an obligation rather than an option for carriers.** 

Moreover, **refunds should go to the paying customer**, who may not necessarily be the traveller, as is common in business travel. ECTAA suggests replacing "passenger" with "customer" in Article 8a to ensure refunds are returned to the original method of payment and prevent fraud. To **simplify rules in case of delayed refunds**, rather than obliging the carrier to contact the passenger, we suggest that the intermediary informs the customer of the status of the refund process and offers him the option to contact the carrier for a direct refund. The intermediary can also provide the contact details of the NEB in case of possible further recourse.

Finally, the proposed 7+7 days refund period is incompatible with applicable global payment schedules in air transport. The IATA Billing and Settlement Plan (BSP) determines the reporting and settlement times for ticket sales (incl. refunds) through intermediaries, which may vary by country and intermediary. ECTAA proposes to **extend the timeline to 20+10** 

days to better align with existing payment schedules and ensure smoother refund processing.

#### In short:

- Refunds must always be processed through intermediaries.
- Refunds must be issued to the 'customer' rather than 'traveller'.
- Rules in case of delayed refunds must be simplified.
- Refund period must be extended.

#### Equal rights for passengers

The current Article 8(2) of the Regulation 261/2004 specifies that there is a right of refund for passengers traveling as part of a package, unless where a right to reimbursement arises under the package travel directive. Unfortunately, there have been many instances where air carriers have used this article to waive their obligation to offer the organiser a refund of the flight, invoking that the package travel directive applies.

First of all, it should be noted that the cancellation of an air ticket does not necessarily trigger a right of refund of the package travel. The organiser will always first find alternative transport to allow the consumer to continue his package holiday, before considering the option of cancelling the whole package. Secondly, there is now an obligation under article 22(2) in the proposal revising the package travel directive, which obliges suppliers to refund an organiser if they cancel a service.

With this in mind, we believe that Article 8(2) of the current Regulation 261/2004 (not part of the enforcement Regulation proposal) should be deleted. This means that the right of refund still applies to passengers travelling as part of a package, but the refund is channelled through the intermediary (Article 8a), and if the latter is an organiser, the refund will be used to either arrange alternative transport or to refund the whole package. There should not be a double entitlement of the customer to obtain refund from the carrier and in addition re-routing from the organiser.

#### In short:

✓ Delete Article 8(2) of Regulation 261/2004, as refunds are already adequately covered in Article 8a.

#### **Consumer data protection**

Travel intermediaries are trusted by customers for handling personal information responsibly, limiting contact sharing to necessary cases. However, carriers often misuse shared contact details for marketing purposes, such as up-selling, promotional offers, etc. ECTAA recommends safeguards to ensure passenger contact details are not used commercially without explicit consent. Additionally, ntermediaries should only share contact details when they actually possess them.

In addition, many intermediaries operate advanced systems to inform passengers directly about disruptions. Where such systems exist, intermediaries should retain the right to communicate with passengers instead of sharing contact details with carriers. In return, they would become liable if they fail to transmit passengers the relevant information to continue their journey.

#### In short:

- ✓ Prohibit the use of customer contact details for commercial purposes.
- No obligation to share contact details when the intermediary agrees to inform the customer directly and assumes liability for doing so.

## LIST OF MEMBERS

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