

Press release

Revision of the package travel and passenger rights' legislations: Are airlines untouchable?

The European travel agents' and tour operators' community deplores the lack of ambition of the European Commission to impose equal obligations on players in the travel value chain.

Riga, 9 June 2023. At the eve of the Summer break, the European travel agents' and tour operators' community debated in Riga the attempts of the European Commission to review legislation on Protection of Passengers and the Package Travel Directive. The current rules are being reviewed to ensure their resilience to extensive travel disruptions, such as those that have occurred during the Covid-19 pandemic.

ECTAA welcomed the intention of the Commission of dealing with passenger rights and package travel in parallel. It has called for a harmonised approach to the rights of passengers and package travellers in order to address the shortcomings witnessed during the pandemic but also to rebalance the liabilities in the travel value chain.

The Package Travel Directive is by far the most protective travel legislation, putting the full responsibility of the trip on tour operators and securing travellers' payments in case of the tour operators' insolvency. This protection is yet to be matched in other parts of the travel ecosystem, such as air transport, and the gaps in the existing legislations have an important role to play in the delays of refunds recorded during the C19 pandemic. But, after more than two years of discussions, it becomes increasingly clear for ECTAA that the European Commission will only propose more stringent rules for tour operators without similar rules for other players of the value chain.

The Commissioner Reynders is expected to announce a limitation of the prepayment by consumers to 20% of the package price. No similar limitation will apply to airlines. Frank Oostdam, the president of ECTAA, stated "the Commission is turning a blind eye on the main source of consumers' prejudice during the pandemic. While traveller's complaints peaked during the pandemic, that was mostly targeting airlines. Complaints about standalone flights were 4 times higher in 2020 and 10 times higher in 2021".

Worth to be reminded too is that the customers' money is protected in case of package travel, whereas no equivalent protection applies for customers and for tour operators when an airline, which has collected the full amount of the price ticket upfront, goes bankrupt. Moreover, on the passenger rights side, the European Commission is expected to make travel intermediaries liable to refund travellers in case of a cancelled flight before receiving the refund money from the airline, putting additional financial pressure on their shoulder. By doing so, small intermediaries would essentially be acting as interest-free banks for the large airlines.

Said Frank Oostdam, President of ECTAA: "These developments are worrisome! The pandemic could have been a good opportunity to balance the rights and obligations in the travel value chain and ensure a better protection of travellers. But the Commission seems to be short of ambitions. By focusing on travel intermediaries, it is choosing for the easy way and missing the target."

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About ECTAA

ECTAA represents some 80,000 travel agents and tour operators in Europe, which provide consultancy and sell transport, accommodation, leisure and other tourism services as well as combined products to leisure and business customers.

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