

## Press release

### Security situation in Israel – big challenges for package travel organisers

***The current unstable situation in Israel and possible further complications in the region force tour operators to massively cancel booked package travels. Package travel organisers have to reimburse customers often before getting prepayments reimbursed by service suppliers. Some airlines do not play fair by only offering vouchers instead of refunds.***

Brussels, 18 October 2023 – Following the massive attacks on Israel and Israel's military defence reaction, the security situation in the country is intense and insecure. As a reaction several countries issued travel warnings. Many airlines stopped flying to Israel or got only engaged in evacuation flights bringing home foreign nationals. Tour operators had to cancel trips to Israel as they were no longer able to (securely) perform their obligations.

Package travel organisers face big challenges in this situation. While airlines cancel flights often on short notice based on the ability to safely operate a flight, package travel organisers usually have to cancel their packages longer term based on the inability to perform their contractual obligations for the whole travel programme including several services.

Once a package organizer cancels a travel package, a customer is entitled to a refund within 14 days according to the Package Travel Directive. For package travel organisers to refund their customers in time however, those service suppliers that hold the prepayments (e.g. airlines) must refund to tour operators quickly. Without a timely recovery of monies from service suppliers it is extremely challenging for package organisers to fulfil their contractual obligations towards their customers. During the last pandemic the main reason why some package organisers could not refund their customers stemmed from their inability to recover the traveller's monies from service providers (in particular airlines).

In the current situation, some airlines once again offer only vouchers for flights that are no longer operated instead of refunding in cash. To prevent this, an obligation to refund a package traveller should also apply to service providers who hold the prepayments. That obligation should be applied to all services that are part of a package, in particular the air transport segment. The refund of prepayment should be processed in the same way the payment of the services composing the package was done. If applied, travel intermediaries who do not hold the prepayments will be in a position to refund the travellers back and fulfil their refund obligations.

This can be achieved through amendments within the Package Travel Directive. Similarly, such changes should be mirrored in the Air Passenger Rights Regulation. Said Frank Oostdam, President of ECTAA: "The current situation shows once again that we urgently need a better harmonization between the Package Travel Directive and the EU Air Passenger Rights Regulation. If the European Commission wants to effectively protect travelers, such a harmonization should be a priority for the upcoming revisions."

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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. For more information, please contact:

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