

PRESS RELEASE

Passenger Rights: Refund of Intermediation Fees Put Travel Agents at Risk

Brussels, 24 June 2025 – ECTAA is disappointed and concerned about the European Parliament's vote in the TRAN Committee in favour of two passenger rights proposals introducing a right to refund of the intermediation fee when a passenger is entitled to a refund of the ticket due to cancellation of the transport service. A right of refund of intermediation fees threatens the viability of travel agents—98% of whom are micro- or small-to-medium enterprises (SMEs).

It is important to understand that intermediaries, such as travel agents, get no or only minimal, non-viable commissions from air and rail operators. As a result, they must charge customers an intermediation fee to sustain their services.

This fee covers a range of essential activities, including connecting travellers with service providers, offering a choice of travel options, handling reservations as well as service requests and managing the booking process. Travel agents also provide valuable expertise, advice, and support throughout the entire travel planning and booking journey. Their services extend to processing payments, issuing tickets, facilitating changes or cancellations, and managing refunds. All of these services are provided independently of the underlying transport service and should be remunerated by the customer, regardless of whether the booked service is ultimately cancelled.

Importantly, travel agents have no control over the actual transport service and should not incur financial loss if carriers fail to fulfil their contractual obligations.

Said President of ECTAA, Frank Oostdam: *"It is unfair to require intermediaries to refund their intermediation fee when the travel agent has already delivered its service, which is distinct from the transport service. Requiring intermediaries to refund their fees when the carrier fails to perform the transport service would unjustly penalize them for circumstances entirely beyond their control."*

ECTAA urged the TRAN Committee to reconsider the compromise amendments and ensure that intermediation fees remain non-refundable when the intermediary has fulfilled their contractual obligations. Fair compensation for services rendered is essential to maintain a healthy and competitive travel market in Europe.

Background:

The European Commission has proposed two key legislative initiatives to improve passenger rights: one to strengthen enforcement of existing passenger rights across all transport modes, and another to establish new rights for multimodal journeys involving multiple operators. Among their objectives, these proposals seek to clarify and streamline the refund process, especially when tickets are purchased via intermediaries, and set out clear procedures and deadlines for refunds from carriers through intermediaries to passengers. The European

Parliament's TRAN Committee has gone beyond the Commission's proposals, suggesting that passengers should be entitled to a full refund of the ticket price—including the intermediation fee charged by the intermediary—when a transport service is cancelled. This approach raises concerns for intermediaries, as it will require them to refund fees for services already rendered, despite having no control over the underlying transport service.

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About ECTAA

ECTAA represents the interests of 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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