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PRESS RELEASE

ECTAA welcomes IMCO Committee vote on Package Travel Directive revision but cautions against fragmentation and regulatory backsliding

Brussels, 26 June 2025. The European Travel Agents' and Tour Operators' Association (ECTAA) welcomes the European Parliament's Internal Market and Consumer Protection (IMCO) Committee vote on the revision of the Package Travel Directive (PTD), which took place today. The adopted report includes several positive simplifications and improvements. However, ECTAA stresses that key concerns remain ahead of the Plenary vote and the upcoming trilogue negotiations.

Progress on simplification and legal clarity

ECTAA supports the IMCO Committee's efforts to streamline the directive and reduce unnecessary regulatory burdens. Notably, we welcome the **exclusion of business travel** from the scope of the directive, which removes administrative constraints that are irrelevant to corporate services. The **deletion of the "place of residence" criterion** previously a source of legal confusion, is also a step toward clearer and more consistent application. **ECTAA also welcomes the improved definitions**, such as the removal of the definition of package made within 3 hours, which offer greater legal certainty to both traders and consumers.

LTAs removed — but replaced with new confusion?

ECTAA supports the **deletion of Linked Travel Arrangements (LTAs) concept**, which has proven complex to apply and confusing for consumers. Eliminating LTAs could be a major step toward a more coherent and simplified directive.

However, it is concerned that the **new rules introduced for packages booked within 24 hours**, intended to replace the LTA concept, may **replicate the same legal uncertainties and practical challenges**. These rules risk blurring the distinction between package and standalone travel service, **leading to confusion among organisers and consumers alike**, unexpected changes in contract terms, pricing issues, and misrepresentation of the travel products.

ECTAA urges legislators to ensure that any replacement for LTAs genuinely improves clarity and enforceability, rather than reintroducing ambiguity under a different label.

Prepayment rules must preserve the integrity of the internal market

On the matter of prepayments, ECTAA warmly supports the deletion of the controversial **Article 5a**, which would have imposed rigid, one-size-fits-all restrictions on prepayments made by consumers. However, the current proposal allows **Member States to set national limitations**, potentially leading to a **patchwork of rules** across the EU. This approach risks creating a fragmented regulatory landscape across the EU, undermining the internal market, increasing



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compliance complexity for cross-border operators, and distorting competition. ECTAA calls for a harmonised framework that preserves a level playing field for travel businesses across Europe.

Proportionality essential in insolvency protection

ECTAA supports robust consumer protection. However, requiring insolvency protection to always reflect the **highest theoretical level of prepayments**—even during off-peak periods when risks are significantly lower—would impose **unnecessary financial burdens**, particularly on SMEs. This could translate into **higher prices for consumers** without delivering proportional benefits.

Frank Oostdam, President of ECTAA, stated:

“We welcome the IMCO Committee’s push for simplification—but we cannot ignore the risk of new confusions and red tape. Legal clarity and a level playing field are non-negotiable. The next phase must deliver a directive that strengthens—not weakens—the EU travel market.” ECTAA remains committed to constructive engagement with the European institutions to ensure a revised Package Travel Directive that provides **clear, fair and harmonised rules** across the EU.

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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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