

TRAVEL VOUCHERS - AIRLINES NOT HAPPY ABOUT THE EU DECISIONS



The EU Commission recommends that travel vouchers for trips that had to be cancelled because of the coronavirus should be valid for at least one year. According to this recommendation, airlines and travel providers should grant customers the same flight and travel conditions in their vouchers as in the original booking. Those who ultimately decide not to use their voucher, after all, should have the right to full reimbursement - up to twelve months after the voucher was issued. Member States are being called upon to guarantee such vouchers. This should encourage customers not to insist on a refund.

This decision is driving airlines crazy. "The EU's weak leadership will not solve the airlines' problems, but may make them even worse," wrote the associations, Airlines for Europe (A4E), International Air Transport Association (IATA), Airlines International Representation in Europe (AIRE) and European Regions Airline Association (ERA) in a joint statement.

In other words: **the fact that the EU has not decided, but only recommends, leaves a great deal of room for interpretation.** In addition, the EU ignored the airlines' request for an emergency suspension of the EU Passenger Rights Act 261 allowing reimbursements to be made at a later point in time.

The associations went on to write: "The EU recommendation is disappointing and confusing because the recommendations are not binding but raise expectations regarding the terms of the vouchers. Some airlines are perhaps better placed than others to meet the conditions formulated by the EU. Moreover, the recommendations may be interpreted differently in different EU markets, which encourages market distortion. Likewise, passengers remain uncertain as to what they can now expect in concrete terms from the travel voucher schemes, especially as these will differ from country to country".

The airline associations seem to be able to get along with the other recommendations of the EU - for example, that airlines do not have to keep the middle seats free, but that passengers within the EU in aeroplanes and at airports are subject to compulsory masking. At least not a word is written about this.

As of 2 May, according to the associations, around 9.2 billion EUR are owed for refunds alone - and this only concerns Europe; worldwide, according to IATA, this figure is estimated to be around 35 billion EUR. This may be in accordance with the law, but this law was never formulated to deal with such mass cancellations. That is why the airlines had wanted to change the regulation of air passenger rights at least temporarily since March, by the emergency law. Despite early negotiations, nothing has now been decided on this.

Thomas Reynaert, Managing Director of A4E, explains: "Passengers have a clear right to reimbursement of their tickets. However, we believe that a voucher or a delayed refund is a fair and reasonable compromise, given the unprecedented liquidity problems of many airlines". 16 EU member states have expressed support for such voucher solutions, as well as countries outside the EU such as Canada. The fact that the EU had not even responded to this was a "huge disappointment". **Now up to 6.7 million jobs with airlines are in danger, according to reports.**

Sylviane Lust, Director General of AIRE, explains: "This catastrophic situation will ultimately harm consumers, as it will mean fewer routes and higher prices. We needed real leadership from the EU Commission, with uniform rules for all airlines, and now we are getting the opposite, with recommendations that only distort the market".

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