### **European Commission - Press release**





# Consumer protection: Airlines reimburse over 500,000 flight vouchers as result of Commission and consumer authorities action in COVID-19 pandemic

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The Commission and national consumer authorities have just received the confirmation from 16 major European airlines, that they reimbursed over 500,000 flight vouchers that they had imposed on consumers for cancelled flights during the COVID-19 pandemic. This is the result of the dialogue that the Commission and the Consumer Protection Network (CPC Network) conducted in 2021 to address the consequences of the massive and unprecedented flight cancellations which happened in the early stages of the pandemic.

As part of the 2021 dialogue, the airlines <u>committed to measures</u> to bring their practices in line with EU consumer and passenger rights law. The commitments include: clearing reimbursement backlogs and reimbursing passengers timely; better informing consumers of their cancellation-related rights; and offering consumers to exchange vouchers for money in all cases where vouchers had been imposed on consumers previously.

The airlines' reports on the implementation of the commitments show that airlines cleared the bulk of their reimbursement backlogs and adapted their websites, e-mail and other communication to better inform consumers of their rights when a flight is cancelled. Airlines also contacted more than 2.5 million consumers holding unused vouchers that had been pushed on them and more than 500,000 of those consumers decided to get their money back.

In addition, in light of the current situation, with many travellers impacted by delays and cancellations of flights, these commitments made during the pandemic by airlines remain relevant and applicable. The Commission will therefore continue to closely monitor the situation to ensure that it is dealt with in strict compliance with consumer and passenger rights.

#### **Next steps**

As a follow-up to the dialogue with the airlines, the CPC Network recently launched a dialogue on the practices of four major European airline intermediaries: eDreams ODIGEO, Etraveli, Kiwi.com and Otravo. It addresses mainly the following issues: information on consumers' cancellation-related rights; reimbursements following flight cancellations; and intermediaries' customer service.

In parallel, as announced in its New Consumer Agenda of November 2020 and building on a report issued in 2021, the Commission is currently carrying out a review of the Package Travel Directive, as well as of the Passenger rights rules, taking into account the lessons learnt from the COVID-19 crisis. The Commission intends to present its proposals in 2023.

#### Members of the College said:

Commissioner for Justice, Didier **Reynders** said: "Airlines have overall implemented their commitments regarding the massive cancelation crisis of 2020. The bulk of reimbursement backlogs has been cleared, consumers are better informed of their rights and millions of euros were reimbursed. I however call on airlines to keep up with these efforts, also now as travellers are experiencing again numerous delays and cancellations. We will closely follow up and check how passengers will be reimbursed or paid compensation if relevant to ensure a strict and diligent application of EU rules."

## **Background**

The coordinated investigation of CPC authorities into airlines' cancellation practices was triggered by an alert of the Commission in December 2020 based on information from various sources, including <u>BEUC</u>, the EU-level federation of consumer associations, and the French and Belgian consumer organisations <u>UFC-Que Choisir</u> and <u>Test achats/Test aankoop</u>.

In <u>February 2021</u>, the CPC Network led by six coordinating authorities - Belgian FPS Economy, German Luftfahrt-Bundesamt, Greek Civil Aviation Authority, Italian Competition Authority, Spanish

Ministry of Consumer Affairs and Swedish Consumer Agency - and assisted by the Commission sent a survey to the 16 airlines generating the highest numbers of complaints from consumers across the Union.

Following an evaluation of the replies received from the airlines, the Commission and the CPC Network then elaborated a list of measures and urged the airlines to improve their practices with the help of that list. The commitments proposed by the airlines to undertake relevant measures were discussed and finalised in individual dialogues during the months of August and September 2021.

In spring 2022, the airlines reported to the CPC network on where they stand with the implementation of their commitments.

The coordinated investigation of CPC authorities into the practices of airline intermediaries is a follow-up to the dialogue with airlines that had cast a spotlight also on the role of airline intermediaries in the context of flight cancellations. European Consumer Centres (ECCs), coordinated by ECC France, have transmitted information to the CPC network on the most frequent issues in complaints against airline intermediaries. The four airline intermediaries with whom the CPC Network launched a dialogue operate some of the largest airline intermediary platforms in the EU. The dialogue is coordinated by the Swedish Consumer Agency.

In parallel, following the mass cancellations due to the pandemic, the Commission took <u>legal action</u> <u>against 10 Member States</u> for breaching EU rules package travel. Throughout the crisis, the Commission consistently made clear that consumer rights remain valid and national measures to support the industry must not lower them. On 13 May 2020, the Commission adopted a specific Recommendation on vouchers to support Member States in setting up attractive, reliable and flexible voucher schemes. Currently, all Member States have aligned their national legislations with the EU rules. However, the case against one Member State is still pending before to the Court of the EU.

#### **For More Information**

<u>Consumer protection: Airlines commit to timely reimbursement after flight cancellations</u> – 30 September 2021

Coordinated consumer actions: air travel

Consumer Protection Cooperation Network

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