



EUROPEAN COMMISSION
Impact Assessment Board

Brussels,
D(2012)

Opinion

Title

DG JUST - Impact Assessment on the revision of the Council Directive on Package travel, package holidays and package tours

(draft version of 24 October 2012) *

(A) Context

The adoption of the Package Travel Directive (PTD) in 1990 made a significant contribution to the development of a single market for an important part of the travel market, and created important guarantees for European travellers. The PTD applies to pre-arranged packages, typically consisting of transport and accommodation (and/or other significant tourism services) sold together. Nowadays, an increasing number of consumers, in addition to buying pre-arranged packages at their travel agent's, put together their trips themselves according to their own needs based however on specific offers coming from one or more, commercially linked, traders. The applicability of the Directive to all these new travel products has become uncertain; in particular to those products sold on-line, while some are clearly not covered by the current scope of the Directive. A modernisation of the PTD has repeatedly been asked for by the industry as well as consumer organisations. The revision of the PTD is also explicitly envisaged in the European Consumer Agenda and is mentioned in Annex II to the Single Market Act II.

(B) Overall assessment

The report presents a thorough assessment of the impacts of the main options but should be improved in a number of respects. Firstly, the problem definition should be developed in order to provide a more complete overview of Member States' package travel legal frameworks and the inconsistencies among them. It should also explain more clearly the specific aspects not covered by other pieces of legislation and why they need to be addressed. Secondly, the report should simplify the presentation of the objectives and the options and improve the intervention logic. It should also explain why a full harmonisation option has not been considered. Thirdly, the report should improve the assessment of options by developing the analysis of social impacts and by better explaining how Member States will be affected by the overall set of envisaged measures. Finally, the report should more systematically describe stakeholders' views thorough the report.

* Note that this opinion concerns a draft impact assessment report which may differ from the one adopted.

(C) Main recommendations for improvements

(1) Provide a more complete overview of the identified problems and the context in which they evolve. The report should provide a more detailed presentation of Member States' package travel national frameworks, in particular, their differences regarding the interpretation of the term 'package', the right to termination, prescriptions periods or who is liable in case of a problem. In addition, the report should provide a more complete overview of the context of the initiative, including more detail on the protection already guaranteed by other pieces of legislation, e.g. regarding air passengers' rights. On this basis, the report should provide greater clarity on the specific gaps that the envisaged changes to the PDT aim to fill and why.

(2) Enhance the presentation of the objectives and options and strengthen the intervention logic. The current presentation of the objectives is confusing and should be clarified. In addition, the set of options, sub-options and sub-sub-options renders the analysis overly complicated and should be streamlined, e.g. by presenting in the main report only the retained sub-options and by moving details to an annex. In addition, the report should explain why, given that the reported implementation differences at national level are partly seen as a problem, a full harmonisation option (e.g. via a Regulation) has not been considered. For all options, the report should clarify which elements represent full harmonisation and which only minimum harmonisation. The report should also enhance the intervention logic, notably by reinforcing the coherence of the identified options, both with the described problems and with the objectives that the planned action aims to attain. To this end, the report should clarify why, despite the problems described in earlier sections, option 8 (Travel Directive) is rapidly discarded. Additionally, the set of identified objectives should be reviewed since some of them pre-empt the preferred solution and render options, such as options 2 (Guidelines) and 4 (Repeal of the Directive), rather irrelevant. Moreover, vague and generic objectives, such as 'clarify rules' should be rendered more operational and measurable (e.g. 'increase the cross-border offer of package travel services).

(3) Improve the assessment of impacts. The analysis of impacts should be rebalanced by developing the assessment of social impacts, notably on employment. The report should also clarify what the expected impact on simplification of the planned measures is. It should assess the impact of different choices regarding full versus minimum harmonisation in the options and link this to the magnitude of the respective problems. It should further explain why the impact on businesses of the retained measure regarding the right of termination is considered to be very limited. In addition, the report should better present the overall impact on Member States of the envisaged changes, e.g. by merging the current piecemeal detail on the impact of the different sub-options and, thus, providing a clearer overview. Furthermore, the report should clarify the impact on on-line package travel organisers based outside the EU.

(4) More systematically present stakeholders' views. The main report should better describe the views of different stakeholders groups through the report, in particular, when stakeholders have expressed concerns regarding the envisaged measures.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report

(D) Procedure and presentation

The coherence of the report should be improved, in particular, cross-references need to be checked and the content of the endnotes verified. Additionally, the charts' readability should be improved and endnotes should be converted into footnotes. The executive summary should read as a stand-alone document.

(E) IAB scrutiny process

Reference number	2010/JUST/273
External expertise used	No
Date of IAB meeting	21 November 2012