

GBTA's feedback to the European Commission's Call for evidence for an impact assessment on the protection of passengers and their rights

GBTA welcomes the opportunity to contribute to the European Commission's call for evidence through its feedback consultation on better protection of air passenger rights. This initiative is particularly timely as COVID-19 has impacted business travel over the last two years and rendered obsolete the Commission's [2013 proposal](#).

The business travel industry represents \$1.4 trillion¹ annually and millions of jobs across the globe. The pandemic and travel restrictions left our industry struggling despite the efforts of governments to provide clear public health guidance and deliver COVID-19 vaccinations to all. The subsequent patchwork of restrictions as well as the rapid evolution of the pandemic made business travelers' experience highly uncertain, with a fear that their flight tickets would be unexpectedly canceled and not refunded. In 2020, business travel saw a decline of 52% and posted losses of \$737 billion in business travel spend. Considering the current situation, we do not believe we will see a return to pre-pandemic travel levels until 2024.

Building on the experience of our industry pre- and post-pandemic, as well as on the [Special Report 15/2021: Air passenger rights during the COVID-19 pandemic](#), GBTA would like to highlight three points that should be the guiding principles for a revision of the Air Service Regulations:

1) Ensure clarity through better information and enhanced standardization

Protecting passenger rights in case of flight delays or cancellations should first and foremost start with more clarity for passengers and business travelers. Currently, travelers experiencing a delay or cancellation lack the necessary information to undertake the actions to obtain a compensation or refund. This is partly explained by the lack of information at airports, by a limited compliance from some carriers to provide compensation in case of cancellation but mostly by a patchwork of reimbursement forms which differ across carriers.

GBTA therefore calls on the European Commission to consider proposing measures that will enhance the display of standardized and relevant information at airports and on carriers' online platforms as well as to create an EU-wide standardized reimbursement form for flights departing from or arriving to the EU where the delay was an airline's fault.² Such system would consequently improve consumer awareness and ease the process of going through a refund.

Additionally, GBTA calls on these standardized measures to be similar across transport modes in order to properly boost multimodality of packaged travels.

¹ Figure for the full year 2019.

² In line with the definitions laid down in Regulation (EC) 261/2004

Finally, GBTA calls for more transparency and a framework that would prevent airlines from making last-minute decisions that do not allow passengers to rearrange their travel without significant cost and inconvenience.

2) Guarantee the refunding of travelers within a specified deadline

The COVID-19 pandemic has also exacerbated some of the challenges linked with the reimbursement of passengers faced with a cancelled or delayed flights. The initial flight cancellations were compensated with vouchers or reimbursed later than the legal deadline of seven (*for airlines*) or fourteen (*for travel package organizers*) days. This is explained by the fact that airlines suffered the economic consequences of massive airplanes grounding. While air carriers are not responsible for this situation, the protection of business travelers' rights is a key priority even in times of crisis.

For these reasons, GBTA calls for a regulatory framework which ensures that passengers are fully refunded, including all taxes. Passengers should also not be charged additional costs for canceled tickets that are moved to another date.

In addition, GBTA advocates the introduction of fully automated, electronic refunds, using the same payment method used at the time of booking. Electronic and automated refunds would facilitate the passenger experience and remove any form of paperwork, making refunding as easy as booking a flight. If such an option is not possible, we call for the application of a mandatory automated notification of refund entitlements to be sent to the passengers concerned.

Finally, GBTA calls on the European Commission to set up a guarantee fund for cancellations of flights and of travel packages that include flights within a specified deadline, which would enable airlines, travel agencies or package organizers to borrow from this fund to refund passengers.

3) Create better coordination mechanisms between Member States

The last two years have been marked by a lack of coordination that was translated by national blanket lockdowns, quarantines, and travel bans which brought confusion throughout the international business travel industry and contributed to the temporary collapse of the air travel industry. While European Treaties do not empower the European Commission to ensure an effective coordination of national measures, we urge the European Commission and Member States to improve the coordination at the European level by providing timely measures that are likely to have important consequences for airlines, such as quarantines and travel bans as recommended by the European Court of Auditors.

Additionally, we call on the European Commission to make ReOpenEU a hub where information is updated regularly and is user-friendly in order to limit the COVID-19 and future crisis' consequences on air travel and air passenger rights.

Conclusion:

GBTA calls on the European Union to revise its legislative framework to ensure that passengers' rights are fully upheld by enhancing clarity of procedures through standardization and increased information. In addition, we call on the European Union to better support air carriers through guarantee funds in order



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to continue to fully reimburse passengers without putting airlines in economic difficulty. Lastly, better coordination of travel restrictions at the EU level and the regular updating of the ReOpenEU hub have the potential to significantly decrease the violation of air passenger rights and the need for refunds.

About us: The Global Business Travel Association (GBTA) represents over 9,000 business travel professionals from every continent and is considered the world's largest professional association representing the \$1.4 trillion business travel industry. Collectively, our members directly control more than \$345 billion of global business travel and meetings expenditures annually, and also represent every facet of the global travel industry marketplace.