

GBTA Position Paper: EU Passenger Rights Proposals

GBTA supports the EU's improved passenger rights package.

January 2024

The Global Business Travel Association (GBTA) welcomes the presentation by the European Commission of a [revised framework for passenger rights in Europe](#). The proposals represent an ambitious strengthening of existing legislation and address the key issues that business travellers face in terms of reimbursement, provision of information, and standardisation.

We welcome the fact that the Commission has sought to address some of the problems that the business travel industry encountered during the pandemic. The sector represented \$1.4 trillion annually in 2019 and millions of jobs across the globe. Unfortunately, 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 the business travellers' experience highly uncertain, with fears that their flight tickets would be unexpectedly cancelled and then not refunded. In 2020, business travel saw a decline of 52% and posted losses of \$737 billion in business travel spend. In recent years, however, the industry has recovered its vigour, with global spending expected to surpass pre-pandemic figures in 2024.¹

With the experience of the pandemic and other crisis situations, the review of the passenger rights framework will contribute to a better experience for business travellers and more clarity on how they can exercise their rights. Because of this, we call on the European Parliament and the Council to prioritise this legislative package and ask them to consider the following points and proposed improvements.

1. Ensure clarity through better information and enhanced standardisation.

As GBTA explained in its response to the Commission's consultation, the first step to protecting passenger rights in case of flight delays or cancellations should be more clarity for passengers and business travellers. Currently, travellers 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 and by limited compliance from some carriers, but mostly by a patchwork of reimbursement forms which differ across carriers.

In this context, GBTA fully endorses the new requirements for the provision of information and improved standardisation across Europe in the [proposed Regulation on the Enforcement of Passenger Rights](#), specifically the new obligation for intermediaries to share the contact details of the passenger and booking details to the air carrier to solve difficulties that air carriers sometimes face in reaching passengers. In addition, the Regulation clarifies that both intermediaries and air carriers are responsible for informing the passenger of the reimbursement process at the time of booking and on the booking confirmation, ensuring passengers receive the appropriate information in a timely manner. Furthermore, the creation of a common form for

¹ [GBTA's 2023 Business Travel Index](#) forecasts a figure of \$1.517 in global spend.

compensation and reimbursement, that will be accepted throughout the EU will facilitate any claims and improve business traveller experiences across Europe.

2. Guarantee the refunding of travellers within a specified deadline.

GBTA appreciates the revised reimbursement provisions in the [proposed Regulation on Enforcement of Passenger Rights in the Union](#). Firstly, as mentioned, the information requirements that the legislation establishes for intermediaries and air carriers will make business travellers more aware of their rights from the time of booking. Secondly, we fully support the clarification of responsibilities when it comes to reimbursing the cost of cancelled flights and the establishment of a clear timeline, preventing issues such as the lack of clarity on whether intermediaries or air carriers are responsible and guidance on when passengers will receive a refund. However, this provision could be improved with the introduction of fully automated electronic refunds, making the process seamless and removing the need for passengers to manually request compensation for cancelled flights. This would entail an automatic refund via the same method of payment that was used for booking the flight. This would facilitate the passenger experience and remove any form of paperwork. 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.

3. Create better coordination mechanisms between Member States.

In addition, GBTA welcomes the inclusion of better coordination mechanisms between Member States, in particular with the monitoring of compliance and legal requirements by air carriers, airport managing bodies and intermediaries. Cooperation between national enforcement bodies and with the Commission will lead to a better monitoring of the application of passenger rights legislation on the basis of risk assessment. Nevertheless, the pandemic showed that a lack of coordination between countries in the face of a major crises can lead to confusion in the business travel industry and very negative economic outcomes. While European Treaties do not empower the European Commission to ensure an effective coordination of national measures, GBTA urges the Commission and Member States to improve the coordination at the European level in the event of future emergencies by agreeing and clearly communicating on timely measures that are likely to have important consequences for airlines, such as the Covid-19-related quarantines and travel bans as was recommended by the European Court of Auditors in their 2021 special report.²

4. Protecting rights of multimodal passengers

Finally, GBTA values the European Commission's ambition in introducing a [new Regulation to Protect Passenger Rights in the Context of Multimodal Journeys](#) as there was previously no specific EU legislation on the matter, leading to lack of passenger protection in the event of cancellations and delays. GBTA has long [advocated](#) for efficient and robust multimodal travel options in Europe, which would give business travellers the possibility to reduce the carbon footprint of their trips by choosing more sustainable but efficient options. However, while this Regulation is certainly a step in the right direction, multimodal travel options are still scarce in Europe. An ambitious Multimodal Digital Mobility Services (MDMS) regulation is still needed for the EU to promote sustainable travel and meet EU climate goals, in line with the [Sustainable and](#)

² European Court of Auditors, [Air passenger rights during the COVID-19 pandemic: Key rights not protected despite Commission efforts](#)

[Smart Mobility Strategy](#). Therefore, we call on the Commission to deliver a solid MDMS proposal to make multimodal travel a reality in Europe.

Conclusion

The package of reforms presented by the European Commission is a step in the right direction to ensure that passenger rights are properly enforced. GBTA supports the reinforcement of the provision of information obligations, improving the passengers' and business travellers' travel experience. We also strongly back the creation of a common European compensation and reimbursement form, facilitating refund requests from business travellers, who often face complications with reimbursements.

In addition, GBTA supports the inclusion of clear deadlines and responsibilities for reimbursement of cancelled or delayed flights in the Regulation, to prevent issues and unnecessary delays. However, we call on the European Parliament and Council to consider including fully automated electronic refunds in their amendments. This would remove the need for passengers to request compensation for cancelled flights. Alternatively, the co-legislators should consider mandatory automated notification of refund entitlements, which would make passengers fully aware of their rights.

Moreover, GBTA calls on the EU to take on the lessons from the Covid-19 pandemic, as expressed in the mentioned 2021 ECA report and improve coordination mechanisms between Member States in case of emergencies, to ensure passenger rights are protected even in exceptional situations and to provide legal certainty to the travel sector.

Finally, while we appreciate the Commission's intention to establish a framework for passenger rights in the context of multimodal travel for the first time, we believe more needs to be done to increase the availability of multimodal travel options in Europe. A robust Multimodal Digital Mobility Services (MDMS) Regulation is needed for this to become a reality, making travel in Europe much more sustainable and efficient.

About GBTA

The Global Business Travel Association ([GBTA](#)) is the world's premier business travel and meetings trade organization headquartered in the Washington, D.C. area serving stakeholders across six continents. GBTA and its 8,000+ members represent and advocate for the \$1.357 trillion global business travel and meetings industry. GBTA and the GBTA Foundation deliver world-class education, events, research, advocacy, and media to a growing global network of more than 28,000 travel professionals and 125,000 active contacts. For more information, visit [GBTA.org](#) and [GBTAFoundation.org](#).

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