

**Ms. Adina Vălean**

European Commissioner for Transport

**Mr. Thierry Breton**

European Commissioner for Internal Market

**Mr. Didier Reynders**

European Commissioner for Justice

Brussels, 30 March 2020

**Subject: COVID-19: Airlines Application of Regulation (EC) No. EU 261/2004**

Dear Commissioners,

We, the undersigned, are writing to call on you to find a sensible and pragmatic solution to ensure the respect of consumers' rights, especially passengers' rights, while supporting the transport and tourism sector in this period of crisis.

More specifically, when it comes to the aviation sector, there are concerning reports in numerous media outlets about airlines lack of transparency as regards passengers' rights, as well as airlines neglecting their obligations under Regulation (EC) No. EU 261/2004, despite the very welcome interpretative guidelines presented by the Commission on 18 March 2020.

It is clear that the current situation is causing great strain on airlines in Europe, and across the globe. It is also understandable and commendable that airlines are prioritising repatriation and rebooking of citizens who are stranded due to flight cancellations or entry restrictions.

In recent days, however, as cancellations across the world have mounted, we have seen the tendency of airlines in Europe to provide misleading information to customers with regards to their rights in the event of cancellation, by the airline, of their service. Specifically, many airlines are not informing customers of their right to a full reimbursement of the ticket price paid, and are rather offering a travel voucher for future credit.

While it is an airline's right to offer, instead of a refund, a credit for future travel to customers, this does not absolve the carrier of the responsibility to inform customers that "*this offer cannot affect the passenger's right to opt for reimbursement instead.*", as stated in the interpretative guidelines.

It is clear that many airlines are facing current financial and cash-flow difficulties, and in this respect, the Commission Temporary Framework released on 19 March 2020 that enables Member States to help companies to cope with liquidity shortage and needing urgent rescue aid is very welcome. It is also understandable that processing a refund for customers will take longer than usual, and we believe airlines must be given more time than the length of seven days as currently set out in point (a) of Article 8 paragraph 1 of the Regulation(EC) No. EU 261/2004.

Moreover, in the spirit of ensuring the respect of EU passengers' rights and to avoid the consumer having to interpret each carrier's specific terms & conditions on relief measures in this time of crisis,

the possibility for transport, tourism and travel operators to offer a credit voucher due to the Covid-19 crisis should be explored. If this is deemed necessary, the conditions for offering such a voucher should be clarified and applied uniformly and be covered by appropriate insolvency protection.

In this respect a credit voucher should be reimbursable in the form of future travel with the provider or the full cash value, at the customer's discretion. The customer's right to choose the form of ultimate reimbursement should be reactivated as soon as, or within a minimal period of time after, the current travel restrictions imposed in Europe, and on European travellers, are lifted.

Therefore, we call on the Commission to:

1. Examine how to temporarily derogate from the seven days provision in point (a) of Article 8 paragraph 1 of the Regulation(EC) No. EU 261/2004 in order to provide airlines with flexibility and a reasonable timeframe to ensure that they are able to offer cash refunds, when requested.
2. Evaluate how to develop a derogation which would allow airlines to offer an ad hoc Covid-19 credit voucher which fulfils the conditions outlined in this letter, with particular emphasis on minimising the duration of the limitation of the passenger's right to choose the form of reimbursement they will ultimately be provided, as set out in the current Regulation(EC) No. EU 261/2004.
3. Require that all airlines subject to Regulation(EC) No. EU 261/2004 display clearly the rights of customers to choose a cash refund on their Covid-19 information pages.

We also urge you to extend these same requests to passengers' rights and carrier's obligations in the other transport sectors and to consumers' rights in the travel and tourism sector (Directive (EC) 2015/2302 on package Travel and linked Travel arrangements) which are also experiencing a drop in demand, therefore a drop of revenues and an increasing requests for refunds. This should apply to any existing booking for package holidays that are being cancelled by the operator due to the COVID-19.

A sensible and pragmatic solution must be found and the Commission should bear in mind the difficult situation many transport, tourism and travel operators currently face while ensuring that consumers are not put in a position where they must pay for services which they have not received, as a result of circumstances beyond their control.

Yours Sincerely,

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