

An EU-wide legal framework with adequate consumer protection for the issuance of state-guaranteed and flexible vouchers is needed to ensure consistency for travellers and address the current liquidity crisis.

EU Travel Tech and ECTAA call for the adoption of an EU-wide legal framework setting out consumer protection in instances where travel providers issue refundable vouchers, achieved through a temporary amendment of relevant EU legislation. Such a change must ensure flexibility on the use of vouchers and be protected against insolvency of the operators.

EU Travel Tech and ECTAA welcome the recent discussions held by the Transport Ministers of the EU (April 29) on the issue of vouchers, in particular the expression by several Member States¹ of a favourable view towards finding a coordinated and consistent EU solution to the current cash flow and consumer protection challenges.

The entire air sector is facing a short-term liquidity crisis following national Government instructions to cancel and ground flights, commencing mid-March. This is part of a complete shutdown of travel and tourism globally, with borders closed and movement restricted. From front-line suppliers such as hotels and airlines to intermediaries like online and offline agents, tour operators, Global Distribution Systems and metasearch engines, the tourism sector is not generating any income, despite incurring the same fixed costs.

A harmonized solution at EU level is crucial to protect consumers, standardise expectations and restore consumer confidence in this unprecedented situation while ensuring the short term-financial stability and operation of all the players in the travel distribution chain. Concretely, these vouchers should be flexible in terms of duration and include customer-friendly provisions such as name and destination changes. To best inform customers, contact about the voucher should be made by the provider who distributed their ticket, the terms of the voucher explained in detail and their right to a full refund on voucher expiry explained clearly.

Furthermore, a temporary amendment of the Air Passengers Regulation goes hand in hand with adapting the Package Travel Directive, to ensure that both pieces of legislation are coherent and *de facto* offer the same level of protection to consumers, regardless of the product purchased.

Travel and tourism will be a sector that recovers slowest, as COVID-19 measures at national level are lifted. Extra industry support is required to safeguard many parts of the travel and tourism ecosystem during this unprecedented crisis. The adoption of such legal framework would ensure the survival of industry jobs and travel companies, many of which are SMEs.

¹ <https://www.permanentrepresentations.nl/permanent-representations/pr-eu-brussels/documents/publications/2020/04/29/joint-statement-on-airline-vouchers>

Eventually, the European Union should adopt legal instruments to facilitate loans in a coordinated manner between Member States. A way forward could potentially be for Member States to provide specific support to the travel and tourism industry to address this issue, also extending support to stand-alone accommodations and other pre-paid tourism services. **Denmark's loan to its Travel Guarantee Fund is a model that should be looked at by other EU Member States.** In particular, the measure covers travel packages that were cancelled due to the exceptional circumstances caused by the coronavirus outbreak and the subsequent travel restrictions imposed by the Danish Government.

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About eu travel tech

eu travel tech represents the interests of travel technology companies. eu travel tech uses its position at the centre of the travel and tourism sector to promote a consumer-driven, innovative and competitive industry that is transparent and sustainable. Our membership² spans Global Distribution Systems (GDSs), Online Travel Agencies (OTA), Travel Management Companies in business travel (TMCs) and metasearch sites. For more information on eu travel tech and policy priorities, please visit www.eutraveltech.eu

About ECTAA

ECTAA regroups the national associations of travel agents and tour operators of 29 European countries and represents some 80.000 enterprises. For more information on ECTAA activities, please visit www.ectaa.eu

² eu travel tech's members include Amadeus, Booking.com, eDreams ODIGEO, Expedia Group and Travelport. Associate members include Skyscanner, TripAdvisor and American Express GBT. Strategic Partners include Lastminute.com, etraveli, Trainline, Travix, Travelgenio, Hitrail, OAG and CWT