

PRESS RELEASE

ECA report confirms many airlines not refunding despite massive state aid

Brussels, 29 June 2021 - *eu travel tech*, the industry association for technology travel services and **ECTAA**, the European travel agents' and tour operators' association, have raised numerous times the issue of European airlines' continued failure to comply with their legal refund obligations during the COVID-19 pandemic - to the detriment of the entire travel ecosystem and customers alike. The European Court of Auditors (ECA) confirmed this systemic failure in a special report published today.¹ *eu travel tech* and **ECTAA** support ECA's activities in this regard and call on the European Commission to address this issue.

Despite more than 25bn Euro in direct state aid received by EU airlines alone, many airlines have repeatedly failed to comply with their obligation to refund customers in a timely manner (7 days) or imposed vouchers in lieu of refunds, either directly or via their travel agents. Customers were thus forced to carry the risk of the ca. 50 million cancellations resulting from the crisis themselves, as there is no airline insolvency protection scheme in place. *eu travel tech* and **ECTAA** have been advocating for many years to establish an insolvency protection scheme for airlines. The lack thereof and the resulting negative consequences for travelers are highlighted in the ECA report. *eu travel tech* and **ECTAA** thus also support ECA's recommendation to directly link airline state aid to passenger rights, a proposal which intermediaries had already put forth at the beginning of the pandemic.

eu travel tech and **ECTAA** support a coordinated action between the European Commission and National Enforcement Bodies (NEBs) regarding airlines' handling of flight cancellations. However, this action should lead to clear commitments by airlines to immediately address their disregard for the legal refund obligation under EU passenger rights legislation.

Said **ECTAA** Secretary General, Eric Drésin: *"Airlines not refunding as required by the air passenger rights regulation is damaging for consumers across Europe. At the same time companies through which tickets are sold are massively hurt financially as well."* Many travel companies are still waiting for airlines to process refunds for their customers.

This puts travel companies not only under financial, but also reputational pressure as travellers are often claiming their refunds through them. Emmanuel Mounier, Secretary-General of *eu travel tech* said: *"Consumers should not be harmed by airlines' refusal to process refunds, particularly in light of the large amount of state aid received by them. As a consequence, we support the EC's recent call on*

¹ [Air passenger rights during the COVID-19 pandemic: Key rights not protected despite Commission efforts](#)

airlines to comply with the law before September 1², but highlight the need for immediate action to relieve customers. Too many passengers are still waiting for their money, we call on the EC and the Member States to fix this issue swiftly, before they will reinforce the passenger's rights within the coming months."

-ENDS-

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 membership^{[i][2]} 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.eutraveltch.eu

About ECTAA

ECTAA represents some 70,000 travel agents and tour operators in Europe, which provide consultancy and sell transport, accommodation, leisure and other tourism services as well as combined products to leisure and business customers. More about our activities, please visit www.ectaa.eu

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² [Consumer protection: Commission and consumer authorities call on airlines to improve handling of flight cancellations](#)