

Press release**Swedish competition authority acts to combat Finnair's abusive practices harming consumers - Systemic solution needed through MDMS Regulation**

Brussels, 11 July 2023 – After many months of investigation, the Swedish Competition Authority (KKV) has [accepted](#) commitments by Finnair regarding anti-competitive restrictions forced upon Online Travel Agencies (OTAs). Finnair has committed to remove the abusive restrictions only for Swedish flights and faces fine of SEK 100 million fine. The outcome of the case clearly shows the need for an EU-wide regulatory solution.

The case revolves around Finnair's policy, which all Online Travel Agencies cooperating with the airline must follow. Finnair forbid OTAs from advertising ticket prices below Finnair's reference price on metasearch engines. This means that if Finnair were to sell a ticket for EUR 100, an Online Travel Agency like Seat24.se was prevented from advertising the ticket for EUR 95 on a metasearch site like Skyscanner. It is important to note that OTAs always pay the full reference price to Finnair, they can simply make a commercial decision to make up for any price differences themselves.

The negative impact of a mandatory policy that prevents different distribution channels from competing based on price is evident, as it directly affects the offers that are visible to consumers. As the KKV notes: "the present case has been investigated as a form of unlawful vertical price control, which by its nature is a particularly serious restriction of competition". EU travel tech is glad to see commitments by Finnair to remove such restrictions declared unlawful based on clear principles of EU competition law that are applicable to all flights beginning or ending in the European Union. Even if the commitments taken by Finnair before the Swedish competition authority are limited in scope to the Swedish territory, it is clear that Finnair must put an end to this restriction in all affected markets so that all European customers, and not only Swedish customers, can benefit from this landmark decision.

The limited commitments are understandable when considering that this is a purely Swedish investigation. Nonetheless, they highlight the pressing need to systematically address the growing trend of large transport operators seeking to limit consumer transparency on, and competition from, independent booking channels. Finnair's anti-competitive practices are only one example in a long line of similar cases currently being handled by competition authorities.¹²³ "The EU must step in to address these growing challenges in a horizontal manner, through its upcoming Regulation on [Multimodal Digital Mobility Services \(MDMS\)](#). In the interest of consumer transparency and fair competition, independent sales channels must be enabled to distribute tickets freely, without undue restrictions and distortions." said Emmanuel Mounier, Secretary General of eu travel tech.

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¹ See recent Bundeskartellamt [decision](#) against Deutsche Bahn for abusive distribution practices, 26.06.23

² See recent [commitments](#) by Renfe in DG COMP investigation into distribution practices, 26.06.23

³ See recent [order](#) by the Chilean Competition Tribunal against LATAM, 09.06.23

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eu travel tech

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 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 our policy priorities, please visit www.eutraveltch.eu

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