



Statement from Benjamin Smith, Chairman of A4E, ahead of the publication of EC Recommendations on EU 261 / Passenger Rights

The EU's Passenger Rights Regulation (EC 261/2004) was never designed to deal with mass cancellations caused by a global pandemic, when travel restrictions have brought air travel to a standstill. This type of protracted crisis was certainly not foreseen when the legislation's obligation to refund passengers within seven days was introduced. A fair balance in this situation would ensure that passengers are not out of pocket, while airlines are not forced to take steps that threaten their economic viability.

In late April, no less than 16 Member States (representing around 70% of Europe's citizens), asked the European Commission to propose a temporary amendment to Reg. 261, allowing airlines – faced with up to €82 bn in revenue losses this year -- the chance to offer passengers a delayed reimbursement of their tickets in the form of a refundable voucher. To be clear, passengers have a right to reimbursement of their tickets. But these 16 Member States have recognised that refundable vouchers represent a fair and reasonable compromise given the unprecedented liquidity situation airlines are facing. It is remarkable that the European Commission is ignoring the will of the majority of EU Member States in this regard.

As this crisis continues, it is in the long-term interest of passengers that Europe's highly competitive air travel market is preserved. Vouchers will maintain the

value of purchases made by passengers, merely defer reimbursement, and encourage a return to travel as soon as possible – representing a critical and necessary lifeline to boost Europe’s economies. We remain hopeful that the European Commission will listen to its Council members and propose a temporary amendment to Reg. 261. to safeguard the future of Europe’s air transport sector and the 720 million passengers A4E airlines proudly serve each year.