Consumers should not be forced to foot the bill of bailing out the travel industry

Consumers are facing enormous economic difficulties due to the COVID-19 health crisis. They are under increasing pressure due to job losses and are worrying about how they will pay their bills. At the same time, BEUC members across Europe are being inundated with consumer complaints about their travel rights being undermined.

At the top of many people’s concerns are several misleading practices in the travel industry. These practices are particularly noticeable due to the actions of several European airlines.

Some European Member States are now introducing measures to force consumers to accept vouchers for their cancelled travel, instead of allowing people to claim a direct reimbursement.

EU rules on this are clear: consumers have a right to a reimbursement if their package travel, flight, or train journey are cancelled due to no fault of their own. Times of crisis should be when consumers are most protected, not an opportunity to get rid of consumer rights and leave people out of pocket.

Consumer groups are aware of the huge financial strain put on the travel industry due to the COVID-19 crisis, yet in order to support the travel industry and consumers, the European Commission and countries should work together to find solutions that are balanced and fair for both. We call for a European travel emergency fund that would cover reimbursement claims and protect consumers in case of insolvency of a travel operator.

Monique Goyens, Director General of BEUC, commented

"It is unacceptable that consumers are being forced to accept vouchers instead of a monetary refund. Vouchers, even if insolvency protected, are often not suitable because people cannot travel any more. Neither is postponing reimbursement a good solution, because a few months’ delay will not be enough to help the travel industry nor should consumers have to provide the industry with interest-free loans when they need money the most. We need solutions to ensure that both consumers and industry can cope with the crisis. As such, we urge the European Commission and the Member States to set up travel funds that can cover insolvency due to COVID-19 plus cover reimbursement claims of consumers. State aid measures to this effect like in Denmark are particularly effective”.

Note to Editors
BEUC wrote to Didier Reynders (European Commissioner for Justice), Adina Vălean (European Commissioner for Transport) and Thierry Breton (European Commissioner for Internal Market) on 2 April 2020 to express its concerns on these issues.

ENDS

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