EU ministers must find a fair solution for consumers and business for cancelled travel – imposed vouchers are not acceptable

This week will be crucial for European travellers’ rights as ministers discuss at the EU Council meetings how to support the tourism and transport industries during the COVID-19 crisis. Across Europe, airlines and travel operators have been openly flouting EU consumer law, refusing to reimburse consumers for cancelled travel, while many European governments have turned a blind eye or adopted national laws to impose vouchers or postpone reimbursement claims.

The COVID-19 crisis is hitting the travel industry hard. But consumers are also suffering economic harm. Many have lost their jobs and are taking a hit financially. On top of this, consumers across Europe have experienced difficulties since the crisis began in claiming a reimbursement for pre-paid travel that were cancelled due to the pandemic, from flights to package holidays.

The European Commission has been proactive in reminding national governments and the industry about EU consumer law: in case of cancellation of a package travel arrangement or a ticket for a flight, bus, train or boat trip, consumers have the right to a monetary refund. Airlines and travel operators who only provide voucher to consumers do not comply with the law. This week, European ministers will discuss potential steps to protect their tourism and transport industries. This must not come at the expense of consumers.

Instead, we need sensible solutions. Countries like Denmark have already moved to safeguard travel organisers’ liquidity, allowing them - via a grant from the government - to quickly reimburse consumer claims. These solutions should also be extended to cover flights and other single travel tickets to ensure that consumers who want to can be reimbursed. European or national travel funds should be established quickly. Member States should stop infringing EU consumer law by forcing consumers to accept vouchers, especially if these are not fully insolvency protected.

BEUC Director General Monique Goyens said: “COVID-19 is putting consumers under enormous financial strain. Their right to reimbursement for cancelled travel is more important than ever. However, we’ve seen countless examples of airlines and travel companies undermining consumers’ rights by trying to push people to accept vouchers. Moreover, consumers should not be forced by governments to pick up the bill to bail out the travel industry. We need solutions that protect both the travel industry and consumer rights, without which consumer confidence in the travel industry could be permanently damaged”.

Read BEUC’s position paper on travellers’ rights in the COVID-19 context

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