

The Consumer Voice in Europe

# **MULTIMODAL JOURNEYS**

How to make sure passengers are better protected?



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## Why it matters to consumers

Having a wide choice and flexibility is very important to passengers. Moreover, some passengers like having environmentally-friendly alternatives. This is why there are more and more offers on the market for multimodal journeys which include different modes of transport to complete one journey. However, consumers do not want to compromise on their passenger rights. Consumers need to be able to rely on them in case of incidents or disruptions and should not be penalised because they opted for this new travel model.

## Summary

The establishment of passenger rights is considered one of the EU's big achievements. They already provide a high level of passenger protection, even though some improvements could still be made.

Unfortunately, a growing number of passengers choosing multimodal travelling cannot fully take advantage of this protection. At the moment, consumers who decide to combine different modes of transport, even if they bought a single ticket for their entire trip, are covered for each segment of their trip separately by different EU instruments. In practice, this can often lead to serious disadvantages for these consumers.

In order to promote a wider use of multimodal transport and allow consumers to benefit from these offers fully, the EU should develop a new regulatory framework to better protect consumers and better inform those opting for this model of travelling.

#### 1. Introduction

The European Parliament has called on different occasions for more clarification and legal certainty for European passengers choosing multimodal journeys. As a result the European Commission has launched a public consultation to assess whether an EU initiative is needed in the field of passenger rights in multimodal transport.

This paper aims at providing the views of consumer organisations on the most important elements of this topic.

#### 2. Consumers need clear rights

Multimodal journeys are a growing trend across the EU and an important element of the future of transport and sustainable mobility. Allowing different means of transportation to be combined in an integrated journey by using the advantages of each of the transport modes makes transport more efficient. This is why multimodal transport should not only

<sup>&</sup>lt;sup>1</sup> For example, most recently in the European Parliament resolution of 16 February 2017 on an Aviation Strategy for Europe (P8 TA-PROV(2017)0054), see point 23.



be promoted but also made accessible to more consumers. It would give them easy and reliable new options to choose from.

Unfortunately, under current EU rules, passengers who choose a multimodal journey often lack full protection throughout their entire journey; instead, they are covered by different legal acts for each segment of their trip. This creates a state of legal uncertainty and is the source of many consumer disappointments.

Comprehensive passenger rights are the backbone of an attractive multimodal system. Without them consumers will be reluctant to use these kinds of offers. Their uncertainty needs to be addressed when developing the regulatory framework for this new mobility concept.

After successfully creating a set of legal instruments regulating passenger rights in the EU in specific modes of transport (air, rail, bus/coach or ship passenger rights), the natural next step should be to link those instruments and create a new, comprehensive set of rules that clarify the situation for consumers who choose multimodal transport.

An important element of a new set of rules would be a comprehensive system for dealing with consumer claims. Globalisation has meant that transport companies are transnational and may not have their headquarters in the same country as the consumer and may very well use other languages. In addition, claims are often very complex and the consumer does not know who the responsible service provider is. Every country and sector has their own regulatory system and different national enforcement bodies may be competent. This issue is particularly important in the case of complaints that are not satisfactorily dealt with or not dealt with at all, where a consumer needs to use an alternative dispute resolution system or start a legal dispute. A solid enforcement system is an essential part of the future framework for multimodal transport.

In order to strengthen enforcement, the powers of the national enforcement bodies (NEBs) should be increased so that they efficiently monitor the compliance with the passenger rights legislation. Moreover, complaint handling bodies (ADRs) should be available in all EU countries for consumers having problems with their multimodal journeys. In order to improve the consumer redress in this area, all operators should be obliged to adhere to an ADR scheme, without prejudice to the right of the parties to seek a legal action in court. Better coordination between different NEBs and ADRs should also be proposed.

All travel operators should put in place complaint handling procedures including deadlines to respect when dealing with complaints. They should be accessible to consumers and put standard complaint forms (off and online) at their disposal.

Below are two options proposed by BEUC on how to tackle this subject (in order of preference):

#### Option 1:

A horizontally consolidated framework for EU passenger rights, including rules on multimodal journeys.

### Option 2:

If option 1 is not feasible, a separate legal instrument should be proposed covering multimodal journeys. It should be linked to the existing legal acts focused on specific transport modes. Such a legal instrument must offer the highest available level of protection to consumers.



Concretely, new legislation should specify that consumers can rely on the application of the most favourable passenger rights in their case (taking into account different EU regulations that apply to the modes of transport that were included in the specific multimodal journey). For this purpose, the European Commission should prepare an easily understandable comparison table for European consumers, which would allow them to assess what are the most favourable rights in their case.

In any case, we believe that assessing which rules need to be applied should always depend on the interest of consumers and not on the type of a ticket bought, for example. The latter situation could lead to abuses, for instance in an air-rail journey, transport operators could sell rail tickets for those trips in order to avoid having to pay higher compensation foreseen in the Air Passenger Rights Regulation<sup>2</sup>.

Finally, passengers who bought a single ticket for a multimodal trip, should always have the possibility to complain to the operator who has issued their ticket. This right should remain without a prejudice to the right of this company to seek compensation from the other travel operators on the basis of their prior agreements.

#### 3. Information is key

It is crucial for passengers to have complete, easily accessible, immediately updated and comparable information in order to effectively plan their journey, especially, if they decided to use a multimodal connection. If they buy a ticket for a multimodal journey, it should always include the details of their entire itinerary. This information should be centralised and made available on all types of devices as well as at airports, train stations or ports. All operators should have a specific customer support service providing all necessary information and serving as a point of contact with the other operators.

Passengers also need to be informed about who they should complain to if something during their trip goes wrong.

Unfortunately, on many occasions this information is not provided to them. Reasons behind this can vary, e.g. this can be due to poor cooperation between travel operators or to IT services that are not properly adapted.

In any case, if information about multimodal journeys is not available in full, passengers tend to opt for a traditional traveling model even if it goes against their environmental or convenience preferences for example, multimodal transport allows passengers to choose alternative transport solutions and avoid taking a highly polluting flight for example to the airport in a nearby city. To avoid this situation in the future, there has to be more consumer trust and convenience. This trust can only be achieved with complete information and legal certainty as regards to the passenger rights.

## 4. Most common consumers' problems

On the basis of our members' feedback (consumer organisations across Europe) we have identified problems that are the most common in the field of multimodal journeys:

 $<sup>^2</sup>$  Regulation (EC) 261/2004 of the European Parliament and of the Council of 11 February 2004 establishing common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights



- Missed connections due to delays that occurred in the first segment of the trip;
- Lack of assistance for passengers in cases of missed connections;
- Consumers are not sure who to complain to in case something goes wrong during their multimodal journey;
- Problems with checking-in after changing the mode of transport;
- Timetables not matching and not adapted to the passenger's change of transport mode;
- Lack of cooperation or sufficient exchange of information between operators responsible for different segments of the multimodal journey;
- Lack of efficient cooperation between the national authorities dealing with the enforcement of passenger rights;
- Lack of information that is complete allowing consumers to easily compare different offers (total cost of the trip, its duration, possibility to cancel or modify the trip etc.);
- Often information on travel schedules and fares provided to consumers is not complete.

On the other hand, our members report that many general problems also affect passengers choosing the multimodal journey model. In some cases, those problems can even aggravate due to the absence of a regulatory framework in this field. Passengers suffer for example from:

- No-show clauses included in the multimodal journey contracts;
- Lack of sanctions against operators non-complying with passenger laws;
- The ticket is not transferable to another person;
- No reimbursement in case of cancellation of the trip (even if done well in advance);
- High additional fees for correcting any spelling mistakes made during the online booking;
- Difficulty to obtain compensation. Passengers often need to go to court even if a
  favourable opinion has been issued in their case by a national enforcement
  authority. Since the opinions of the national enforcement authorities on the
  application of the passenger rights legislation are not legally binding, passengers
  often question the usefulness of the enforcement procedures set up in the
  passenger rights legislation.
- Insufficient or no information about delays;
- In case of the insolvency of the travel operator, passengers are often left with no guarantee or support to recover their lost money;
- Delayed or lost luggage.

Due to those issues consumers often have the perception that multimodal transport is unreliable. This could change if consumers can fully count on their passenger rights and receive complete and reliable information for their entire journey.

At the moment, consumers who decide to use multimodal travel do not have the same rights as when they travel with one mode of transport. This is without doubt an unfair situation which discourages many from making use of this simpler, more convenient, sustainable and environmentally friendly travel solutions.





### Consumers' frustrations - example 1

John and Mary booked a plane ticket from Brussels to a French oversees island. The first part of their journey is a train ticket from Brussels to Paris Orly airport. They oversleep and miss their train but they drive to Paris and manage to get there on time to catch the plane. However, they are refused on board since they did not check in on time in Brussels. They have to buy a new ticket.



Anna buys her trip from Brussels to New York with a major European airline. Her single ticket includes a train from Brussels to Cologne, followed by a flight from Cologne to New York. Unfortunately, on the way to Cologne her train breaks down and as a result she arrives to the airport with a three-hour delay, too late to catch her flight to New York. She heard about the EU air passenger rights and that in case of a missed flight connection due to a delay she could have a compensation as high as 600€. She is very unpleasantly surprised when she hears that this will not be the case for her, just because her first connection was with a train and not a plane. According to the current legislation, in her case, instead of 600€ compensation she has the right to a compensation worth of only 15€ (50% of the ticket price for her delayed train). On top of this, she does not have the right to any type of assistance while waiting for her new connection (meals, accommodation etc.) which she would have had if she took a flight to Cologne instead of a train.

#### 5. Unfair contract clauses in passenger contracts

BEUC is concerned about the number of unfair contract clauses that appear in passenger contracts and often render consumers defenceless against travel operators. Consumer organisations across Europe have challenged many of those clauses in court on the basis of EU horizontal legislation (e.g. Unfair Contract Terms Directive<sup>3</sup>) but national judgments do not have EU-wide effect and therefore cannot serve all EU consumers.

<sup>&</sup>lt;sup>3</sup> Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts.



Unfair clauses are also present in multimodal journeys, e.g. the no-show clause, which allow the airline to cancel reservations of passengers who have missed either: (a) the first leg of a multi-leg itinerary; or (b) the outbound flight of a round-trip itinerary. The use of this clause in this sector risks causing a lot of harm to consumers. For example, if they are late for their train to another city, from which they were planning to take the plane, and go there by car instead or if they deliberately decided to give away their train ticket and buy a new one to reach that city two days in advance from their flight. In both cases, they might be refused boarding of their plane. Since consumers are often not aware of the existence of a no-show clause in their contract, they risk facing a very unpleasant surprise.

Moreover, many other clauses, present not only in the field of multimodal journeys but in the contracts of passengers travelling with a single mode of transport, can also harm consumer interests, e.g.:

Non-transferability of tickets.

This clause can be extremely costly for EU passengers who are punished even if their journey is cancelled through no fault of their own.

- No reimbursement in case of cancellation of the trip (even if done well in advance).

We consider the clause preventing the passenger from doing so as unfair, especially that the operators often reuse their tickets (e.g. via overbooking) and therefore are paid for them twice.

- High additional fees for correcting the spelling mistakes made during the online booking;
- Additional charges for baggage (passengers should always have the right to carry one piece of luggage, within the weight limits, included into the ticket);
- The abusive charge of e.g. EUR50 for issuing a boarding card, for the ticket purchased online, at the airport.

We are of the opinion that a new proposal in this area could be a chance to eliminate some of the unfair clauses in the EU market, at least insofar as multimodal contracts are concerned.

#### 6. Conclusions

BEUC strongly supports the idea of a new legislative instrument that would better protect EU passengers using multimodal transport and give them legal certainty regarding their passenger rights.

Currently, consumers often perceive multimodal transport as unreliable. Moreover, they are often unaware of the problems they could encounter when they travel in a multimodal way. This could change if consumers can fully count on their passenger rights and receive complete and reliable information throughout their entire journey.

Multimodal passenger rights would therefore contribute to the promotion of this model of travelling across Europe, benefitting consumers and the environment.





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