

Consultation Brief

Proposal for a Directive on package travel and assisted travel arrangements, amending Regulation (EC) No 2006/2004, Directive 2011/83/EU and repealing Council Directive 90/314/EEC COM (2013) 512)

The European tourism industry is an engine for growth in the EU. The total contribution of European travel & tourism, including related sectors, accounts for around 10% of EU GDP.

The adoption of [Directive 90/314/EEC](#) on package travel in 1990 created important rights for European travellers purchasing package holidays, typically consisting of passenger transport and accommodation. This Directive ensures that consumers receive essential information before and after signing a package travel contract. It provides that organisers and/or retailers are responsible for the proper performance of the package, even if the services are provided by subcontractors, and regulates what happens if there are changes to the package travel contract. It also ensures that travellers receive a refund of pre-payments and are repatriated in the event of the organiser's and/or retailer's insolvency.

However, in 1990 the structure of the travel market was much simpler than today and internet did not exist and as highlighted in the 1999 Commission's report on the implementation of the Directive, significant differences remain in the laws transposing the Directive, due to its minimum harmonisation approach, the broad discretion given to Member States, e.g. with regard to the liable party or parties, and ambiguities in the text.

The modernisation of Directive 90/314/EEC responds to requests from the co-legislators, the European Economic and Social Committee, as well as the European Consumer Consultative Group. A large part of the industry and consumer organisations have also asked for a revision. A revision of the Directive is explicitly mentioned in the European Citizens' Reports, the European Consumer Agenda and in the Single Market Act II.

The objectives for this Proposal are to:

- Ensure a more competitive and fairer level playing field for the businesses operating in the travel market;
- Increase the cross-border offer of package travel services by reducing costs and obstacles to cross-border trade in the package travel market;
- Reduce consumer detriment and increase transparency for travellers who buy combinations of travel services;
- Clarify and modernise the scope of travellers' protection when purchasing combinations of travel services for the same trip or holiday by bringing in particular on-line packages and assisted travel arrangements within the scope of the revised Directive, whilst clarifying, in a targeted manner, the scope of protection for bookings through traditional brick and mortar travel agents. This will lead to increased transparency for all market players.
- Ensuring that travellers are better informed about the travel products they are buying and grant them access to clearer remedies if something goes wrong, thus substantially reducing the detriment they suffer.
- Minimise obstacles to cross-border trade and reduce compliance costs for traders who want to sell packages across borders;

This Proposal will eliminate internal market fragmentation causing obstacles to cross-border trader and distortions of competition, as well as enhance the protection of consumers, taking into account new market developments.

The Proposal seeks to establish a level playing field between operators, remove legal obstacles to cross-border trade and reduce compliance costs for businesses. At the same time, it aims to achieve a high level of consumer protection and reduce consumer detriment by clarifying which combinations of travel services are protected under EU package travel rules and replacing unclear and outdated provisions. It contains mandatory rules for the protection of travellers, which Member States or traders may not derogate from to the detriment of consumers.