

# ..in five minutes..

28 June 2012

ECTAA met with the Cabinet of Commissioner Kallas responsible for transport to get a feeling of the Commission's priorities in the field of air transport. Compared to a year ago we feel the Commission is treading very carefully on the path of further legislation, acknowledging the fact that European airlines are in a financially tight position at the moment. Their priority is to ensure that existing passenger rights are better applied and enforced while keeping in mind the cost burden for the airline industry. So, we will see some changes to 261/2004, which may even include something on no-show policy (sequential use of coupons). Transparency of air fares is also a priority. However, when it comes to airline failures, the Commission does not consider that the passengers' inconvenience and financial loss justifies another expense for the airlines. This despite the recent announcement of IATA that European airlines are expected to post \$1.1 billion losses in 2012, causing a serious risk to the financial viability of some airlines and a clear possibility that some airlines will collapse.... So ECTAA will pursue this matter with the European Parliament and Members should raise this issue at Member State level.

#### Michel de Blust

For more details, see e-mails sent on 6 and 27 June 2012

#### Package Travel Directive: Commission listens to views of stakeholders

The various options of the revision were reviewed and discussed at a stakeholder meeting on 5 June and also at a meeting of ECTAA with the Commission Director in charge of the PTD revision on 25 June. The package travel label is unlikely as a behavioural study did not allow concluding that the label would be effective. However, a lot of other options are still open. The impact assessment study will be examined by the Commission in September.

For more details, see e-mails sent on 19, 21 and 27 June 2012

#### IATA: IATA is proposing a new distribution model

IATA has launched a wide public campaign alleging that the GDS technology is too old and planning to introduce a New Distribution Capability (NDC), including for indirect distribution. The project aims at enabling airlines to distribute personalised products through all distribution channels, i.e. directly to end-consumers, through travel agents via some form of Direct Connect system, and through "distributors/aggregators" connecting to travel agents.

For more details, see e-mail sent on 22 June 2012

#### IATA: Global financial criteria/guidelines revised

IATA has circulated a revised draft for global financial criteria/guidelines. The main positive amendment is that the proposal is more clearly defined as guidelines. But most other changes make the criteria even stricter, in particular with a systematic requirement for audited accounts. Members have been invited to provide their input on the revised proposal before 4 July.

For more details, see e-mail sent on 20 June 2012

### IATA: Follow-up to IATA's handling of the Malev insolvency

IATA is planning to deposit into judiciary escrow accounts the money collected from agents in February 2012 for Malev ticket sales. IATA asserts that through these proceedings, agents will be able to present their arguments regarding the ownership of the funds and their disbursement, which will ultimately be decided by the courts.

For more details, see e-mail sent on 22 May 2012

#### **TOURISMLink: First meeting of the Focus Group**

The first meeting of the Focus Group established in the frame of the TOUSIMLink project is scheduled on the 10<sup>th</sup> of July. During the meeting the main features of the framework will be presented and participants will have the opportunity to express their views and suggest changes. The Focus Group is open to all interested parties.

For more details, see e-mail sent on 21 June 2012

#### Air transport: Another EP own-initiative report on passenger rights

This time the report is targeted at all transport modes. It deals with better information, application and enforcement, liability in case of extraordinary circumstances and luggage incidents, intermodality as well as airline failures. Members have been invited to write to their MEPs.

For more details, see e-mail sent on 18 June

#### Air transport: Results of air passenger rights consultation

The Commission has published the results of the air passenger rights consultation and the presentations of the stakeholder meeting scheduled on the 30<sup>th</sup> of May 2012. As could be expected, consumer organisations are in favor of more and better enforced passenger rights, while airlines are strongly against it. Travel agents and tour operators have expressed similar views to those of airlines, with some exceptions.

For more details, see e-mail sent on 18 June or consult directly the <u>results of the public consultation</u> and the <u>presentations</u> of the <u>stakeholder meeting</u>

# Airport taxes: Increase of Spanish airport taxes unlikely to apply retroactively to tickets already issued

Airport charges in Spain are expected to rise significantly, especially in Madrid and Barcelona (+50%). With the collective support of ECTAA Members, our Spanish colleagues have managed to get an amendment to the draft law avoiding that the increase of airport taxes applies retroactively on tickets already issued on or after the date that the tax becomes effective. The law should be adopted before the end of June

For more details, see e-mail sent on 21 and 26 June

## Visa policy: Consistent breaches of visa application rules by Member States are not tolerated

DG HOME of the European Commission is interested to hear about examples of consistent breaches of Schengen visa application rules by Member States' consulate offices and is willing to consider practical solutions to improve the visa application rules and process in the review of the EU visa code scheduled next year.

For more details, see e-mail sent on 25 June

#### Passports: As from 26 June 2012 children of EU citizenship must have their own passport

A large number of countries have already implemented this rule some time ago (e.g. BE, DK, EE, HU, LV, MT, PT, ES, SE, SW and the UK), while others are only implementing it as from 26 June, notably CY, CZ, FI, DE, IT, NL, PL, SK, as well as AT (as of 15 June). This means that children can no longer be added to a parent's passport but they will need an own passport to travel abroad (unless they have another valid ID document).

For more details, see e-mail sent on 21 June

#### VAT: Survey on the implementation of the TOMS in Member States

Following the recommendation of the Fiscal Committee, ECTAA is carrying out an extensive survey on the transposition of the special VAT scheme for travel agents into national legislation. The questionnaire has been sent to Fiscal Committee delegates, but all Members can participate.

For more details, please contact the Secretariat (Christina)