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Public Hearing

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EUROPEAN
COURT
OF AUDITORS

Special Report N°15/2021

**Air passenger rights during the
COVID-19 pandemic: Key rights not
protected despite Commission efforts**



Why did we do this audit?



What questions did we ask?



What did we find?



What do we recommend?



Why did we do this audit?

- The EU has taken steps to ensure a **harmonised level of protection** of passenger rights.
- Passenger rights are **defined at EU level**, applied by transport providers and enforced by national bodies.
- The EU's policy on protecting passenger rights has **direct impact on citizens** and is highly visible. It is also a policy that the European Commission considers a **success story**.
- During the pandemic, **passengers were facing severe problems**.



What questions did we ask?

Air passenger rights during COVID-19

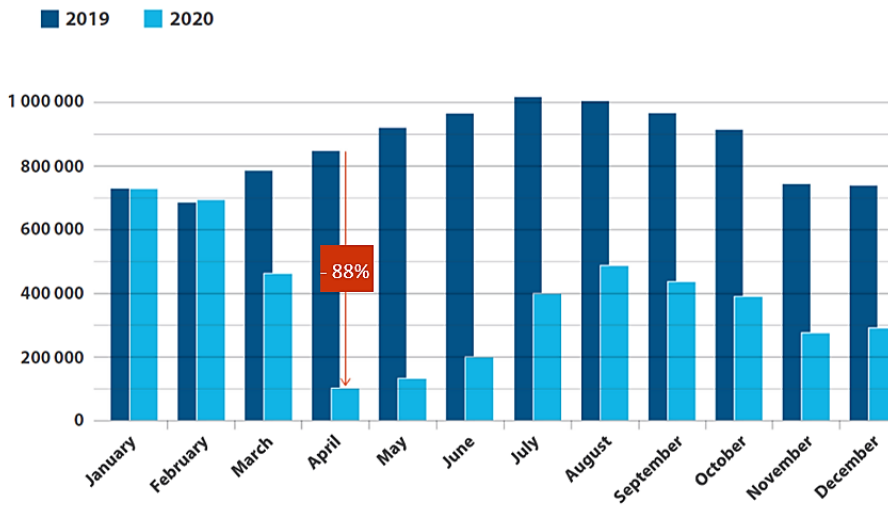
- The **objective** of our audit was
 - to check whether air passenger rights were protected during the first year of the COVID-19 pandemic
- In particular, **we examined** whether
 - the Commission has taken the necessary action to safeguard air passenger rights;
 - the EU's current legislation is adequate to deal with such crises



What did we find?

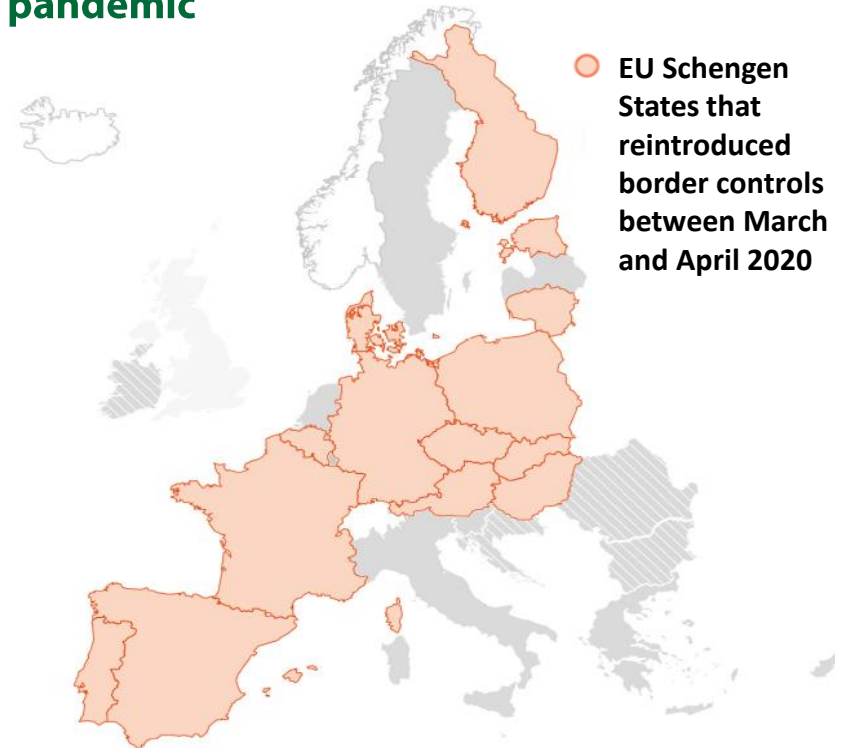
1. Collapse of air travel – A return to a Europe with Borders

The effect of the pandemic on European air traffic: European Air traffic 2019 vs 2020 (in number of flights)



Source: ECA analysis based on data from the Single European Sky Dashboard.

Overview of EU Schengen countries having introduced internal border controls to passenger traffic because of COVID-19 pandemic

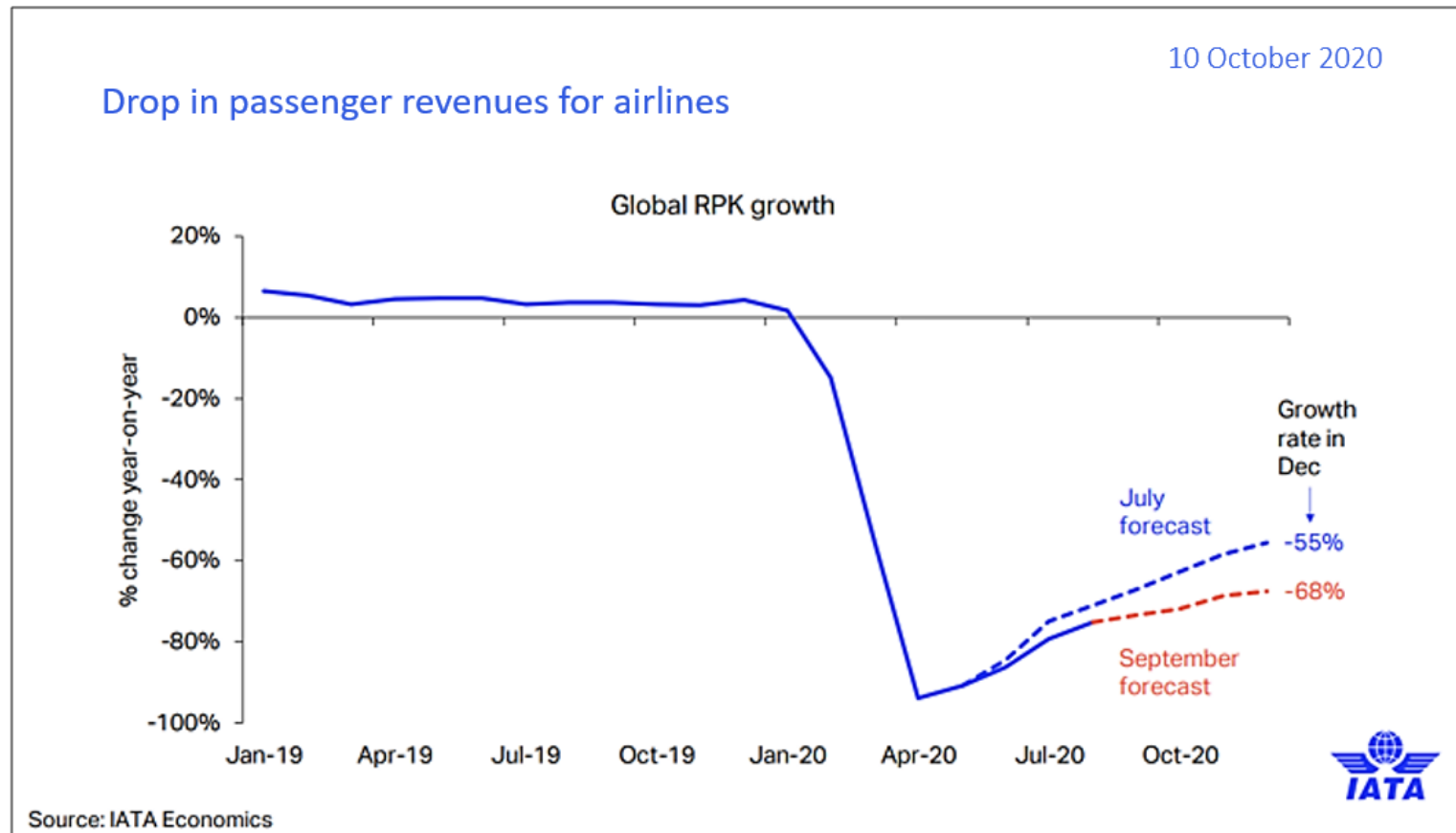


Source: ECA.



What did we find?

2. Airlines faced bankruptcy as air traffic virtually came to a standstill ...





What did we find?

3. Passengers not well-informed about their rights – and at risk of losing money

Scenarios applicable to air passengers, and likelihood of reimbursement in case of cancellation

Situations facing flight-only passengers and package travellers	Who is responsible?		Reimbursement likely?
	Member States	Airline/ package organiser	Yes (Y)/No (N)
A. Not possible to fly, because:			
Airline decided not to fly/package organiser cancelled the travel package	N	Y	Y
Travel ban in country of destination (border closure: measure of MS of destination)	Y	N	N ²
Impossible to reach departure airport (border closed)	Y	N	N ²
Departure or destination airport closed	Y	N	N ²
Associated hotel booking in destination country cancelled because of lockdown or other national measures	Y	N	Possible ³

B. Passenger chooses not to fly¹, because:			
Obligatory quarantine measures	Y	N	N ⁴
Obligatory COVID-19 test, and:			
(a) no possibility to be tested (no test centres open at short notice; waiting queue for reservations too long)	Y	N	N ⁴
(b) possibility to be tested available, but too expensive	N	N	N ⁴
Personal emotions of fear (e.g. fear of not being able to return home afterwards; fear for COVID contamination in the airport or during travel; fear of getting the disease at place of destination)	N	N	N ⁴
Overall unstable situation to travel by air (too many changes at short notice at the place of departure and/or place of destination)	Y	N	N ⁴
Higher administrative formalities (e.g. Passenger Locator Form; tracking of private data) and costs	Y	N	N ⁴



What did we find?

4. Passengers not reimbursed or pushed to accept vouchers – *and treated differently across the EU*

From March 2020:

Passengers often **pushed to accept vouchers** instead of cash refunds.

June 2020:

Airlines started reimbursing, albeit with delays.

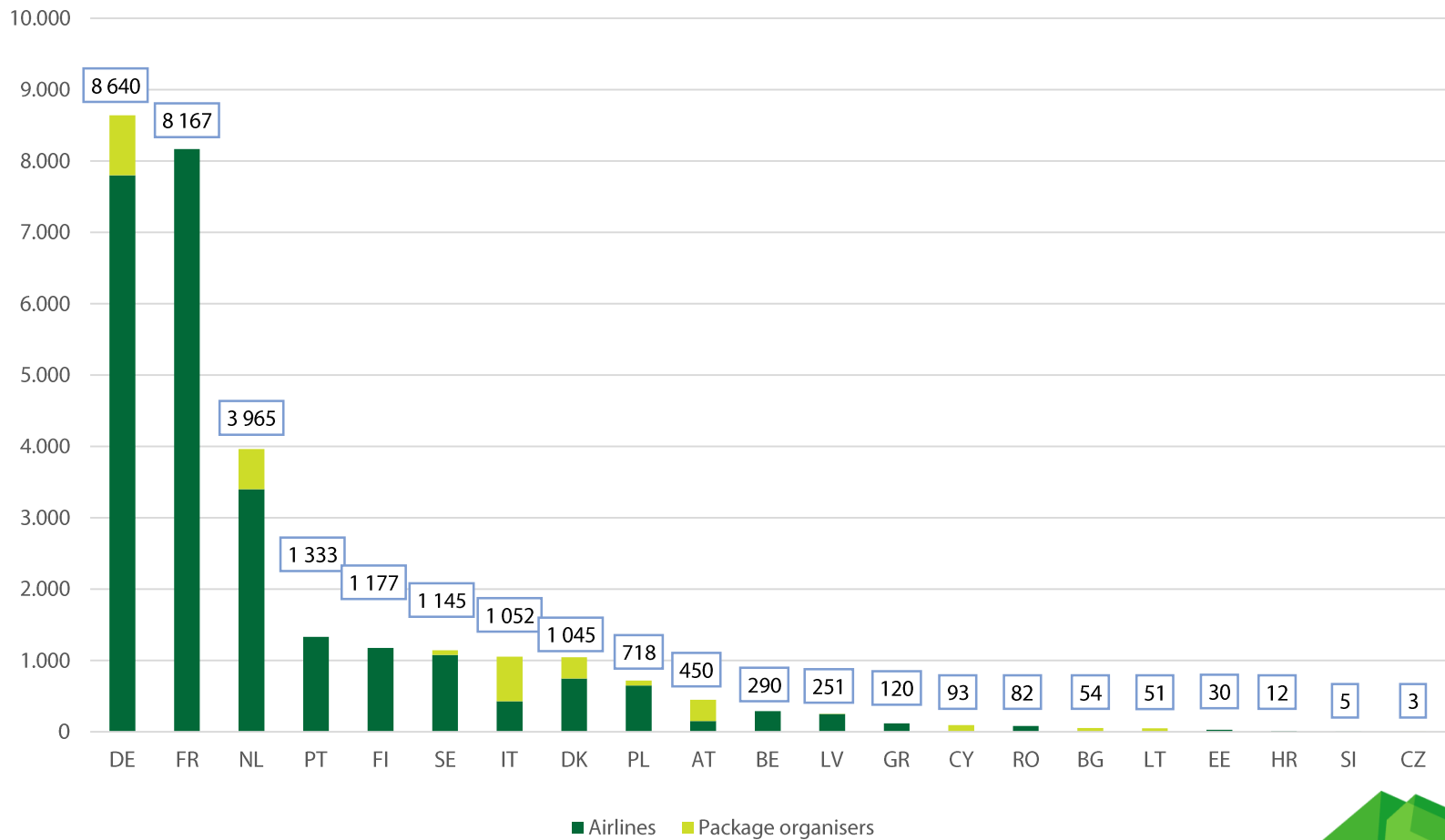
Today:

Many passengers still not reimbursed: when they booked flights through intermediaries or had vouchers imposed.



What did we find?

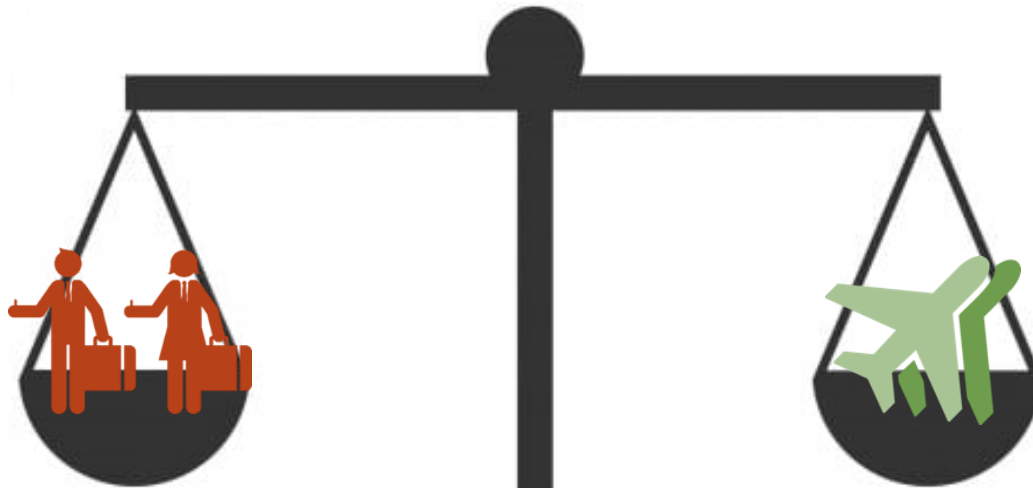
5. Airlines and package organisers received almost 35 billion € of State aid ...





What did we find?

... But did not always use it to reimburse passengers



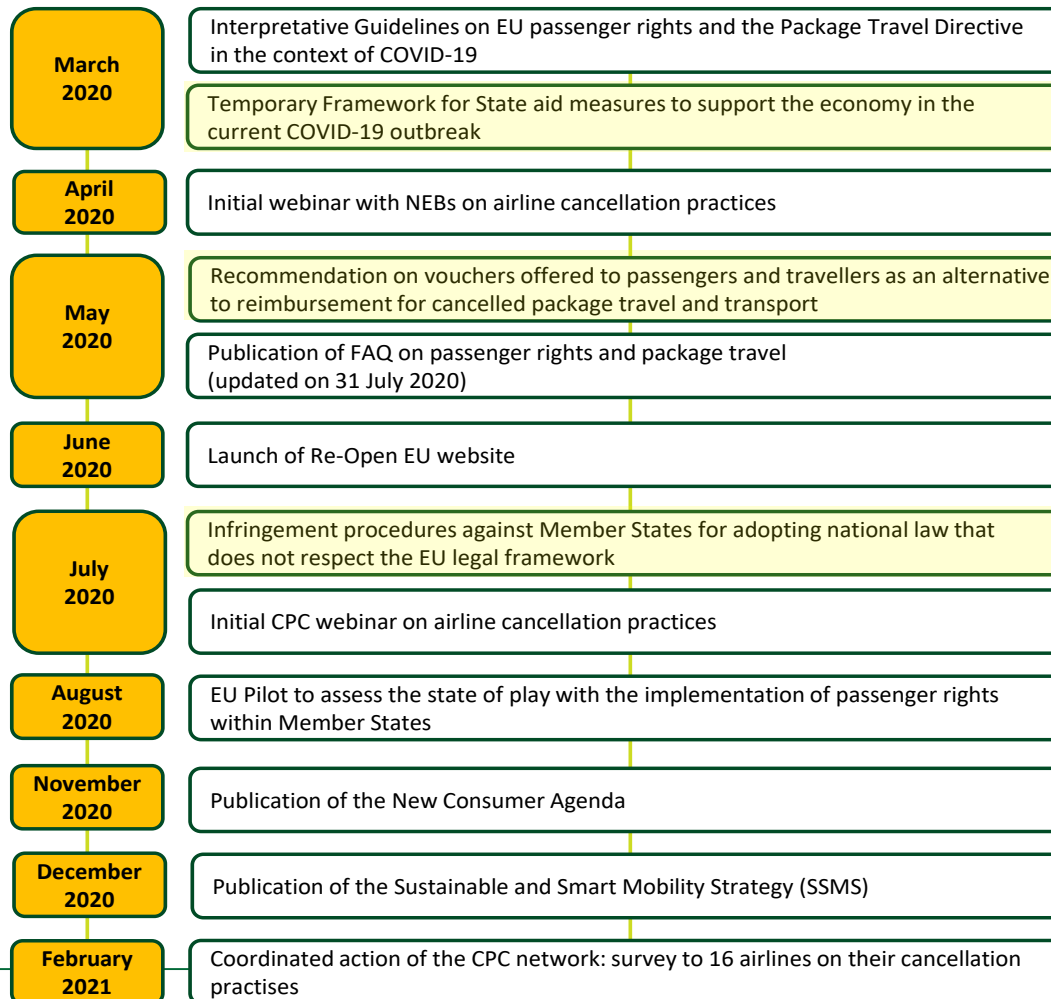
Safeguarding passenger rights
by ensuring reimbursement
within 7 or 14 days

Supporting struggling airlines
with unprecedented amounts
of public money



What did we find?

What did the Commission do to protect passenger rights?





What do we recommend?

We recommend that the Commission should:

- 1) Better **inform passengers** about their rights;
- 2) Ensure **reimbursement in line with EU law** i.e. within 7 or 14 days, by
 - creating guarantee funds, limiting the possibility of passengers being charged a deposit when booking, etc.
 - mitigating the risk of a liquidity crisis or insolvency of carriers
- 3) Better **link state aid** to airlines to the **reimbursement of passengers**;
- 4) Improve **coordination of national measures** between Member States;
- 5) Tighten up **legislation** guaranteeing air passenger rights.

THANK YOU

for your attention!

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