MOTION FOR A RESOLUTION

to wind up the debate on the statement by the Commission
pursuant to Rule 132(2) of the Rules of Procedure
on the effects of the bankruptcy of the Thomas Cook Group
(2019/2854(RSP))

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on behalf of the Renew Group
European Parliament resolution on the effects of the bankruptcy of the Thomas Cook Group
(2019/2854(RSP))

The European Parliament,

– having regard to the statement by the Commission of 21 October 2019 on the effects of the bankruptcy of the Thomas Cook Group,

– having regard to Article 195 of the Treaty on the Functioning of the European Union (TFEU),

– having regard to the Commission communication of 30 June 2010 entitled ‘Europe, the world’s No 1 tourist destination – a new political framework for tourism in Europe’ (COM(2010)0352),

– having regard to its resolution of 29 October 2015 on new challenges and concepts for the promotion of tourism in Europe,

– having regard to Directive (EU) 2015/2302 of the European Parliament and of the Council of 25 November 2015 on package travel and linked travel arrangements, and in particular Article 13 thereof on responsibility for the performance of the package, Article 16 on the obligation to provide assistance and Chapter V, which regulates the protection of travellers against the insolvency of an organiser or a retailer,


– having regard to its resolution of 25 November 2009 on passenger compensation in the event of airline bankruptcy,

– having regard to Directive (EU) 2015/2302 of the European Parliament and of the Council of 25 November 2015 on package travel and linked travel arrangements, and in particular Article 13 thereof on responsibility for the performance of the package, Article 16 on the obligation to provide assistance and Chapter V, which regulates the protection of travellers against the insolvency of an organiser or a retailer,


– having regard to its resolution of 25 November 2009 on passenger compensation in the event of airline bankruptcy,

– having regard to the Commission communication of 18 March 2013 entitled ‘Passenger protection in the event of airline insolvency’ (COM(2013)0129), in which the Commission set out measures to improve the protection of travellers in the event of airline insolvency, including better enforcement of Regulation (EC) No 261/2004 of the European Parliament and of the Council,

– having regard to Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community (Recast), in particular Article 8 on the validity of an operating licence, and


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Article 9 on the suspension and revocation of an operating licence\(^5\),


– having regard to Rule 132(2) of its Rules of Procedure,

A. whereas travel agencies are operating in a fast-changing and increasingly competitive environment both within the EU’s own market and on its external market and they need to adapt to new consumer behaviours and business models (e.g. growth of online travel-booking services and their attractive packages);

B. whereas the demise of the Thomas Cook Group has been caused by multiple factors, one of them being the company’s failure to change its business model and to innovate in order to compete in the digital economy;

C. whereas in September 2019, the collapse of the travel company, Thomas Cook Group, which ran hotels, resorts and airlines across 16 countries and served 19 million people a year, left 600 000 holidaymakers abroad, forcing governments and insurance companies to coordinate a huge rescue operation;

D. whereas the financial situation of Thomas Cook Group was already well known by the authorities in the Member States;

E. whereas the liquidation of the Thomas Cook Group has put 22 000 jobs at risk worldwide, of which 9 000 are located in the UK, 2 500 in Spain, and more than 1 000 in Greece; whereas even if the fate of these jobs is still uncertain, it is likely to have a considerable multiple knock-on effect not only on the tourism industry and on the transport sector, but on the EU’s economy as a whole;

F. whereas this year alone, a number of airlines such as Air Berlin, Alitalia, Aigle Azur, Adria Airways have declared insolvency, which has had serious repercussions on businesses, tourism and consumers;

G. whereas in April 2019, the Thomas Cook Group was granted another twelve-month operating licence by the UK Civil Aviation Authority;

H. whereas for many consumers it was unclear what their entitlements to compensation were and which parts of their bookings were covered by their insurance;

I. whereas Europe is the number one destination in the world, with a market share of 50.8 % in 2018; whereas tourism generates, both directly and indirectly, 10.3 % of the total GDP of the EU-28 – a figure that is expected to rise to 11.2 % of GDP by 2027 – and the EU’s tourism industry employs an estimated 12.3 million people;

J. whereas tourism remains one of the main drivers for job creation both in the EU and

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\(^5\) OJ L 293 31.10.2008, p. 3.
worldwide, and it contributes to the employment and economic development of all Member States, in particular the southern Member States, which were particularly affected by the financial and economic crisis;

K. whereas there is strong demand from the tourism industry for increased coordination at EU level and a clear EU tourism policy with proper budgetary support; whereas an EU tourism policy should take into account the fact that the different sectors playing a key role in tourism, such as transport, accommodation, are regulated by different areas within the EU;

L. whereas the Union’s assistance to workers that have been made redundant should be dynamic and made available as quickly and efficiently as possible;

M. whereas the European Globalisation Adjustment Fund (EGF) was created in order to offer additional support to employees suffering the consequences of major structural change in world trade patterns and as a result of the ongoing global financial and economic crisis;

1. Highlights that the Thomas Cook Group covered various areas, such as accommodation, transport and leisure activities and affected several different types of consumers and businesses, meaning, therefore, that its collapse falls under EU legislation and laws in the Member States;

2. Acknowledges the major efforts made during the repatriation operation, in accordance with EU legislation; expresses its regret, however, at the negative impact that the Thomas Cook Group bankruptcy had on the thousands of tourists who had seen their reservations automatically cancelled, with many tourists left stranded at their destination without any alternative return trip being offered, which proved to be an enormous legal uncertainty for the sector and entailed a considerable lack of protection for consumers;

3. Calls on the Council to adopt a General Approach on the revision of Regulation (EC) No 261/2004 of the European Parliament and Council in order to work out a comprehensive framework for passenger rights that would address issues, including a list of extraordinary circumstances, thresholds for compensation in cases of cancellation and delay or compensation when missing connecting flights; expresses its regret at the Council’s failure to reach an agreement since February 2014;

4. Believes that the sudden collapse of the Thomas Cook Group could have been avoided and that the business should have been wound down in a more orderly manner; urges the Commission to assess the causes of the liquidation of the Thomas Cook Group, while taking into account the fact that the negative change in the company’s financial situation was already known, in order to determine whether preventive measures could have been taken to avoid its sudden collapse;

5. Expresses its reservations over the decision to grant an operating licence to the Thomas Cook Group, given its financial situation; calls, therefore, on the Commission to ensure that the Member States’ licensing authorities better enforce Article 9 of Regulation (EC) No 1008/2008 of the European Parliament and the Council, which is on the suspension and revocation of an operation licence, whenever there are clear indications of financial problems or insolvency; believes, moreover, that the Member States should grant a
temporary airline operating licence to an airline in order to continue repatriating passengers following insolvency; calls for the EU to reinforce the obligation of the Member States to assess the financial performance of air carriers when an operating license is granted in a future revision of the Regulation;

6. Stresses that managing the collapse of a travel agency of the size of the Thomas Cook Group does not end with customer repatriation, compensation and refunds, and that, on the contrary, in the long term, consequences are expected to be even more severe in terms of transport connectivity, tourism and employment;

7. Expresses its regret over the fact that it was easier for all-inclusive-package holidaymakers to receive information and assistance than it was for consumers who had booked flights and accommodation separately;

8. Calls on the Commission to urge the Member States to come up with clear and transparent national guarantee systems; notes, however, that although many Member States have already set up such a system, it often remains unclear whether a booking is covered;

9. Considers that the magnitude of the Thomas Cook Group’s collapse has had severe negative consequences on the EU’s tourism sector – the world’s number one tourist destination –, and, in particular, on those Member States that heavily rely on tourism and which depended on the Thomas Cook Group, in particular in areas such as the Balearic Islands, Canary Islands, Rhodes and Crete; stresses that the tourism services in those tourism-based regions, and in particular hotels, had a scheduled provision of services with many reservations already in place for the next tourist season before the Thomas Cook Group collapsed, and therefore recognises the need for support from the Member States to deal with the negative impact that this has had on many businesses;

10. Reiterates its call on the Commission to find a mechanism for effective coordination and cooperation between the Member States, regional and local authorities and financial institutions in the tourism sector and to adopt a specific budget line for tourism in the EU budget, in particular in the context of the next Multiannual Financial Framework 2021-2027, in order to allocate specific funds to support EU tourism policies;

11. Believes that the links between tourism and transport are evident and closely connected; stresses that transport is an integral part of the tourism industry and tourism grows when there are better transportation systems in place; requests, therefore, that a Commissioner have a portfolio with competences concerning transport, mobility and tourism and calls on the new Commission President to take the necessary steps to achieve this end;

12. Strongly invites the Member States affected by the liquidation of the Thomas Cook Group to immediately put in place actions for those employees made redundant, such as support, guidance and integration, training, retraining and vocational training, support in setting up businesses, and contributions towards starting new businesses that are eligible for financial support from the EGF;

13. Urges the Member States and the Commission to consider, only as a last resource, State aid measures that can mitigate the negative economic impact had on businesses, cities, regions and destinations in addition to the serious consequences on employment;
14. Calls on the Commission to assess how existing EU legislation and the respective laws in the Member States have responded to this huge rescue operation; notes that the crisis borne out of the bankruptcy of the Thomas Cook Group is not an isolated event and it may well happen again in the future; calls, therefore, on the Commission to evaluate the feasibility of adopting specific actions and/or measures to prevent situations of this kind from happening again in order to further boost consumer protection and passengers rights;

15. Calls on the Commission to carry out a stocktaking of the existing EU legislation in relation to airline bankruptcy, consumer protection, travel packages, passenger rights in light of the recent collapse of the Thomas Cook Group in order to evaluate the possible need for legislative clarification and improvement and other measures required to avoid similar situations in the future;

16. Calls on the Commission to reiterate its efforts to forge a genuine Digital Single Market and provide the necessary support to help EU companies manage the transition towards a digital economy and new business models both through the relevant funding programmes and finance access scheme, in addition to training and encouraging a digital business mindset;

17. Instructs its President to forward this resolution to the Council, the Commission and to the governments and parliaments of the Member States.