

Passenger compensation in the event of airline bankruptcy

European Parliament resolution of 25 November 2009 on passenger compensation in the event of airline bankruptcy

The European Parliament,

- having regard to the question of 15 October 2009 to the Commission on passenger compensation in the event of airline bankruptcy (O-0089/09 – B7-0210/2009),
 - having regard to Council Directive 90/314/EEC of 13 June 1990 on package travel, package holidays and package tours¹,
 - having regard to Council Regulation (EC) No 2027/97 of 9 October 1997 on air carrier liability in respect of the carriage of passengers and their baggage by air²,
 - having regard to Regulation (EC) No 785/2004 of the European Parliament and of the Council of 21 April 2004 on insurance requirements for air carriers and aircraft operators³,
 - having regard to Regulation (EC) No 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 flights⁴,
 - 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 Community⁵,
 - having regard to Rule 115(5) of its Rules of Procedure,
- A. whereas Directive 90/314/EEC (the Travel Package Directive) regulates aspects of the package holiday business and provides for appropriate compensation to, and repatriation, of consumers in the event of the bankruptcy of package holiday firms,
- B. whereas Regulation (EC) No 2027/97 establishes the nature of air carriers' liability in the event of accidents and compensation arrangements for passengers,
- C. whereas Regulation (EC) No 785/2004 lays down the insurance requirements air carriers and aircraft operators must meet,
- D. whereas Regulation (EC) No 261/2004 provides for compensation for and assistance to passengers who are denied boarding or whose flights are subject to cancellation or long delay,

¹ OJ L 158, 23.6.1990, p. 59.

² OJ L 285, 17.10.1997, p. 1.

³ OJ L 138, 30.4.2004, p. 1.

⁴ OJ L 46, 17.2.2004, p. 1.

⁵ OJ L 293, 31.10.2008, p. 3.

- E. whereas Regulation (EC) No 1008/2008 establishes stringent financial rules for aircraft operators,
 - F. whereas there has been substantial growth in the last decade in the number of relatively small low-cost carriers flying to well-known holiday destinations and the number of passengers they carry,
 - G. whereas there have been 77 bankruptcies in the aviation sector in the last nine years, resulting in some instances in many thousands of passengers being stranded at their destinations and unable to use the return portion of their flight ticket,
1. Notes that the Commission has undertaken a wide-ranging consultation of stakeholders on the question of airline bankruptcy;
 2. Recalls that the Commission undertook a major study of the difficulties surrounding airline bankruptcy and its impact on passengers and forwarded its findings to Parliament in February 2009;
 3. Notes the findings of that study and the range of options which it examines;
 4. Recalls in this regard that there are a number of options which the Commission could pursue to strengthen the position of passengers of bankrupt airlines, including compulsory insurance for airlines, a voluntary insurance arrangement for passengers which airlines would be required to propose, and the establishment of a guarantee fund;
 5. Calls on the Commission to examine the possibility of a legislative proposal which has as its specific objective the provision of compensation for passengers of airlines which go bankrupt and which establishes financial and administrative arrangements, including the principle of collective responsibility, whereby all airlines flying the same route with available seats would ensure repatriation for passengers who are stranded at non-home airports in the event of airline bankruptcy, and, if it considers it appropriate, to submit such a legislative proposal by 1 July 2010; asks the Commission to propose, when reviewing the Travel Package Directive, an extension for repatriation or re-routing for the passengers concerned;
 6. Calls on the Commission to consider the possibility of extending such measures to airlines which have ceased operations and caused passengers similar inconvenience to that caused by airlines which go into bankruptcy;
 7. Calls on the Commission to investigate the quick release of impounded aircraft by national regulatory bodies so that those aircraft can be used to bring stranded people home;
 8. Instructs its President to forward this resolution to the Council, the Commission and governments and parliaments of the Member States.