The EU Package Travel Directive

Travel agents; Tour operators; and Language centres

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EU Package Travel Directive

• Background
  – Reasons for change

• Process
  – Timetable and implementation

• Areas of change
  – Scope and responsibilities

• Impact on business
  – Beyond traditional tour operators
EU Package Travel Directive


Package Travel, Package holidays and Package Tours Regulations 1992

ABTA v CAA 2006

Civil Aviation (ATOL) Regulations 2012
EU Package Travel Directive

Reasons for change

- Internet
- No-frills airlines
- New trading models
EU Package Travel Directive

European Commission

- Proposed Directive Published

Council of Ministers

- Negotiations underway
  - Council yet to reach ‘Common agreement’

European Parliament

- Committees debated and amend proposal
- Report adopted

Trilogue: negotiations between Council and Parliament (Commission mediates)
EU Package Travel Directive

2014
- European Parliament Elections
- New European Commission and President
- New President of the European Council
- Council Report on PTD
- Trilogue?

2015
- Trilogue?
- Final Directive adopted

2017
- UK consultation on transposition
- Deadline for implementation in all EU Member States
EU Package Travel Directive

Likely areas of change

Carriage of passengers

Accommodation other than for residential purposes

Package and Assisted Travel Arrangement

Car rental

Any other tourist service not ancillary to carriage of passengers, accommodation or car rental
<table>
<thead>
<tr>
<th>Package</th>
<th>ATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Put together by one trader under one contract</td>
<td>• Not a package</td>
</tr>
<tr>
<td>• Single point of sale in same booking process</td>
<td>• Separate contracts with providers facilitated by a retailer</td>
</tr>
<tr>
<td>• Inclusive or total price</td>
<td>• Separate bookings on the occasion of one visit or contact with point of sale</td>
</tr>
<tr>
<td>• Advertised as ‘package’ or similar</td>
<td>• Targeted linked online booking processes</td>
</tr>
<tr>
<td>• Linked online booking processes where data transferred between traders</td>
<td></td>
</tr>
<tr>
<td>• Alternative not cumulative</td>
<td></td>
</tr>
</tbody>
</table>
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Exemptions

- Packages and ATAs covering a period of 24 hours or less unless accommodation is included
- Some business travel contracts
- Single travel services
- Packages and ATAs where the carriage, accommodation or car rental is combined with another tourist service which is not significant
### EU Package Travel Directive

#### Obligations

<table>
<thead>
<tr>
<th>Package</th>
<th>ATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Pre-contract information</td>
<td>• Limited pre-contract information</td>
</tr>
<tr>
<td>• Transfer of bookings</td>
<td>• Insolvency protection</td>
</tr>
<tr>
<td>• Price changes</td>
<td></td>
</tr>
<tr>
<td>• Other contract changes</td>
<td></td>
</tr>
<tr>
<td>• Liability for performance of services</td>
<td></td>
</tr>
<tr>
<td>• Insolvency protection</td>
<td></td>
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</table>
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Liability for performance of services

| Pre-departure unavoidable and extraordinary circumstances | Responsibility for performance of the services irrespective of actual service provider | Post-departure unavoidable and extraordinary circumstances |
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Impact on business

Tour Operators

Airlines

Package or ATA

Travel Agents

Hotels

Online travel service providers

Language Centres?
<table>
<thead>
<tr>
<th>Accommodation other than for residential purposes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current text is simply ‘accommodation’</td>
</tr>
<tr>
<td>Accommodation for residential purposes, including for long-term language courses, should not be considered accommodation within this Directive</td>
</tr>
<tr>
<td>AFS Intercultural Programs Finland 1999</td>
</tr>
<tr>
<td>• Student exchanges six months’ or a year’s duration;</td>
</tr>
<tr>
<td>• Attendance at an educational establishment</td>
</tr>
<tr>
<td>• Staying with a host family</td>
</tr>
<tr>
<td>• But cf. Advocate General</td>
</tr>
</tbody>
</table>
### EU Package Travel Directive

Any other tourist service not ancillary to carriage of passengers, accommodation or car rental

| Same as current Directive wording | BIS view – Education is not a tourist service provided it is undertaken with a view to obtaining a recognised qualification | Admission to concerts, sports events, excursions or event parks are tourist services. Significant proportion of the package? |
---|---|---|

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EU Package Travel Directive

• Next Steps
  – Keep aware of developments
  – Review product
  – If you need to comply, understand the implications around financial protection and liability
  – Seek specific advice