

Brussels, 26 January 2004

New rights for air passengers in the whole EU

Loyola de Palacio, European Commission vice-president in charge of transport and energy, welcomed the definitive adoption by the Council and the European Parliament of the proposal of regulation to protect the rights of air passengers when facing denied boarding, cancellation of their flight or a long delay. "The passengers rights action is one of the major initiatives of this Commission in order to put the citizens at the heart of EU policies" she said. "Too many times, air passengers are victims of practices which deserve that they receive a fair treatment and proper compensation: henceforth, they will all benefit from new strengthened rights." she added. The regulation should enter into force in the coming weeks and new rights will apply by 2005. Loyola de Palacio concluded: "As we did in the past, the European Commission will ensure that the passengers are informed of their new rights and a proper information will be given in all airports".

Roughly one quarter of a million air passengers each year get a bad surprise at EU airports when checking-in for their flight. They have bought a ticket and reserved a place. They are then told by the operator that their flight has been overbooked and they have to take a later one. Denied boarding causes passengers great inconvenience and loss of time. Equally bad surprises are cancellations without warning and delays that leave passengers stranded for hours at an airport.

The new regulation will replace the existing one dating from 1991. This has severe limitations as it does not effectively deter airlines from denying boarding or cover cancellations for commercial reasons or long delays. Nor does it apply to non-scheduled flights, chartered by tour operators.

This will change radically with the new regulation, which will give passengers effective, all-round protection once it comes into effect in around one years time. It introduces four important new rights.

Extend air passengers' rights to all kinds of flights.

Until now, were excluded non-scheduled flights, a large part of the market. The new regulation will cover both scheduled and non-scheduled flights (including air transport sold as part of a package holiday).

Also, the new regulation will apply not only to passengers departing from an airport located in a Member State but also, if the airline operating the flight is a Community carrier, to passengers flying from a third country to a Member State, unless they receive similar treatment in the third country.

Cut denied boarding.

The new regulation will dramatically reduce the frequency of denying boarding against a passenger's will, by a combination of two measures.

- First, when expecting to turn passengers away, and before doing anything else, airlines will be obliged to call for **volunteers** to surrender their seats in exchange for advantages; in other words they would try to strike a deal with passengers interested in giving up their seats. Only if insufficient volunteers came forward, would they be allowed to deny passengers boarding against their will.
- Second, if after all airlines or tour operators do deny passengers boarding, they would have to pay **compensation at a dissuasive level**:
 - € 250 for flights of less than 1500 km
 - € 400 for intra-Community flights of more than 1500 km and for other flights 1500 and 3500 km
 - € 600 for all other flights.

This will create a strong incentive to make volunteering attractive and a powerful deterrent to deny boarding.

In addition to financial compensation, passengers denied boarding will **continue to enjoy these rights**:

- the choice between reimbursement of their ticket and an alternative flight, and
- meals, refreshments and hotel accommodation.

Minimise the inconvenience of cancellations.

When airlines or tour operators cancel flights on their own responsibility, passengers will have the right to **compensation** at the rate fixed for denied boarding, unless:

- they are informed two weeks before the scheduled time of departure, or
- they are informed on due time and re-routed at a time very close to that of their original flight.

In addition, in case of cancellations, passengers will receive three **other rights**:

- meals and refreshments, and
- hotel accommodation, when a cancellation obliges a passenger to stay overnight, and
- reimbursement, when a cancellation delays a passenger for at least five hours.

Assist passengers facing long delays.

When airlines reasonably expect a long delay, they will be obliged to give passengers:

- meals and refreshments, and
- hotel accommodation, when a delay obliges a passenger to stay overnight, and
- reimbursement, when a delay delays a passenger for at least five hours.

Annex: figures on air passenger rights

Regulation on Denied Boarding and Cancellations or Long Delays

Events □ Regulation □	Denied Boarding						Cancellations				Long Delays ⁽³⁾		
	Financial Compensation				Reimbursement or Re-Routing	Meals and Hotels	Financial Compensation	Reimbursement	Meals	Hotels	Reimbursement	Meals	Hotels
	≤ 1500 km	1500-3500 km	≤ 3500 km	> 3500 km									
Existing Regulation [EC]295/91	n/a	n/a	150 €	300 €	included	included	n/a	n/a	n/a	n/a	n/a	n/a	n/a
New Regulation	250 €	400 €	n/a	600 €	included	included	as denied boarding ⁽¹⁾⁽²⁾	included ⁽⁴⁾	included	included	included ⁽⁴⁾	included	included

Footnotes :

- (1) Unless carrier can prove that it is not responsible (i.e. extraordinary circumstances cause the cancellation).
- (2) Unless carrier informs passenger of cancellation two weeks or more before departure or offers alternative flight that does not delay passenger more than 2 or 4 hours. [2 hours delayed by re-routing when cancellation announced ≤ 7 days; 4 hours delayed by re-routing when cancellation confirmed between >7-14 days]
- (3) Two, three or four hours depending on distance flight.
- (4) When cancellation causes delay of more than five hours.