

EP TRAN Committee meeting
28.04.2020

Exchange of views with Commissioner Valean (Transport) on the Commission's response to the COVID-19 crisis in the transport sector.

Commissioner:

The European Commission has issued guidelines on passenger rights in the current circumstances. The current circumstances are extraordinary. As incomes have been impacted, I fully understand why passengers have been requesting reimbursement in line with EU legislation. I know that this places a heavy financial burden on transport operators, which I therefore would like to support with the right means. I am aware that some Member States are allowing vouchers as an alternative to direct reimbursement. The EU legal framework on EU 261 is clear: re-routing or reimbursement. **Airlines have the option to offer vouchers only with the explicit agreement of passengers.** In order to make vouchers more attractive, Member States are encouraged to secure them against insolvency. Airlines should make these vouchers more appealing to passengers through their own terms and conditions.

We plan to provide technical relief measures for aviation.

Barbara THALER (EPP, Austria)

Aviation and tourism are suffering from the current situation and many stakeholders are advocating for state-backed voucher solutions. This is for the EPP group, a well-balanced compromise between consumer rights and the need for liquidity for companies. Is the EC going to re-evaluate its point of view in the coming days? What does it take to let the EC change its mind here?

Response Commissioner

I understand both sides and I would like to remind everyone that we stepped in to help companies with their liquidity issues by offering a new framework on state aid, the slots Regulation, compensation clarification etc. At this stage, the passenger should retain their right of opting for reimbursement.

Johan DANIELSSON (S&D, Sweden)

We need to find common ways to make vouchers more attractive. We proposed a European Travel Guarantee Fund, which could offer passengers their rights and would at the same time help companies with their liquidity. Would the EC consider to support such a proposal?

Response Commissioner

Vouchers need to be made more attractive. Member States need to support with an insolvency fund. On your idea to have a European Travel Guarantee Fund: it has its merits. But now we are stranded with the EU budget, it is not easy to find the money for such a fund. But at MS level, I encourage everyone to come up with a guarantee scheme, as Denmark is doing right now in a successful way.

José Ramón BAUZÁ DÍAZ (Renew, Spain)

Many firms in aviation face liquidity problems. We have to guarantee the liquidity of the operators and companies. Just as we have to protect the rights of our citizens. What will you discuss with ministers tomorrow (transport council)?

Response Commissioner

I will discuss with them an aviation relief package: aiming at allowing rapid attribution of ... concession.

Ciarán CUFFE (Greens, Ireland)

You have said that this is not the time to impose conditionality on state aid for airlines. However, the truth is that airlines avoided addressing climate change in recent years. Should there not be a quid pro quo if Member States provide state aid to any airline company?

Response Commissioner

State aid is at the discretion of the Member State. They are free to design measures. In the future, any investment made in transport from European money, has to be green-proved.

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Pablo ARIAS ECHEVERRÍA (EPP, Spain)

We need to protect consumers. We proposed an amendment to Regulation 261, which would make it easier for reimbursement when there are cancellations of flights. We haven't received your reply on this. What is the EC doing?

Isabel GARCÍA MUÑOZ (S&D, Spain)

We need a balanced solution concerning the challenges the airline industry is currently facing. I am concerned that liquidity issues are being addressed nationally and not at a European level and that there are competition distortions, which could overhaul our European model for aviation. We also need to look at regional airlines.

Kosma ZŁOTOWSKI (ECR, Poland)

Are you going to continue with an EU aviation fuel tax or are you going to postpone it?

Sven SCHULZE (EPP, Germany)

Will some Member States face infringement procedures because they are not strictly following the rules spelled out in Regulation 261/2004?

Jan-Christoph OETJEN (Renew, Germany)

We have a patchwork of different measures concerning vouchers in the different Member States. Isn't it the best way, to address this patchwork to have a European approach? Would you accept to propose a legislative proposal to amend 261 and the package travel Directive? Or do you prefer to leave it up to the Member States?

Jens GIESEKE (EPP, Germany)

We need a uniform European situation for vouchers. Will the revision of the ACD directive go through or will it be postponed?

Karima DELLI (Greens, France)

We need green conditions for state aid for airlines. We need a fuel and ticketing tax for aviation. We also need to respect passenger rights. They must have a choice when it comes to the voucher.

Response Commissioner

On passenger rights: I was very clear on this issue. There is European legislation, which I support. We need to make vouchers more attractive. We need to coordinate and cooperate with Commissioners Reynders and Breton. We investigated various options for the issue of liquidity vs reimbursement. **We decided that vouchers need to be made more attractive by Member States by stepping in. Vouchers should be insured against insolvency and they should be made more attractive by companies.**

Written answers will be provided for the questions that I could not answer.