

# Package travel and linked travel arrangements

2013/0246(COD) - 22/09/2015 - Council position

The main elements of the Council position at first reading may be summarised as follows:

**Subject matter:** the purpose of this Directive is to contribute to the proper functioning of the internal market and to the achievement of a **high and as uniform as possible level of consumer protection** by approximating certain aspects of the laws, regulations and administrative provisions of the Member States in respect of contracts between travellers and traders relating to **package travel and linked travel arrangements**.

This Directive applies to packages offered for sale or sold by traders to travellers and to linked travel arrangements facilitated by traders for travellers.

**Level of harmonisation:** Member States shall not maintain or introduce, in their national law, provisions diverging from those laid down in this Directive, including more or less stringent provisions which would ensure a different level of traveller protection.

**Definition of a package:** the Council agreed to keep the so-called '**click-throughs**' included under the definition of a package. A 'click-through' occurs, when at least two different types of travel services are purchased from separate traders through linked online booking processes and when the traveller's name, e-mail address and payment details are transmitted between traders within a 24-hour limit.

Moreover, a **review clause** was added so that the Commission, three years after the entry into force of the Directive, has to assess the effectiveness of this provision, in particular the definition of 'click-throughs', and may come up with a legislative proposal.

**Linked travel arrangements – LTAs:** the definition of linked travel arrangements (LTAs), initially called assisted travel arrangements, has been further developed by specifying that the different travel services have to be selected and paid separately by the traveller. Moreover it is specified that the trader has to facilitate the purchase of additional travel services in a targeted manner from another trader and the consequent contract with such other trader has to be concluded not more than 24 hours after the confirmation of the purchase of the first travel service.

Furthermore, before concluding a contract leading to an LTA, the trader has to inform the traveller, by using standard forms, that he will not benefit from the rights granted by this Directive except for insolvency protection.

**Definition of a package - combinations forming a package:** the Council clarified that: (i) when an additional travel service is booked and **does not account for 25%** or more of the value of the combination of the travel services and does not constitute an essential feature of the trip, or: (ii) an **additional travel service is selected and purchased only after the performance of a first travel service**, this should not fall under the definition of a package.

**Insolvency protection:** the Council position stipulated that **insolvency protection should provide for adequate coverage in all likely circumstances** and reflect the level of financial risk represented by the trader's activities, but that this liability should not be open-ended.

An insolvency protection scheme's liability should extend only to circumstances which reflect the normal assessment of risk.

The special situation of **smaller companies** when laying down rules on the insolvency protection to be provided by traders in relation to packages and LTAs should be taken into account.

**Pre-contractual information:** the information should include the following:

- the main characteristics of the travel services;
- the trading name and geographical address of the organiser and, where applicable, of the retailer, as well as their telephone number and, where applicable, e-mail address;
- the total price of the package inclusive of taxes and, where applicable, of all additional fees, charges and other costs;
- the arrangements for payment, including any amount or percentage of the price which is to be paid as a down payment and the timetable for payment of the balance;
- general information on passport and visa requirements, including approximate periods for obtaining visas and information on health formalities, of the country of destination;
- information that the traveller may terminate the contract at any time before the start of the package in return for payment of an appropriate termination fee;
- information on optional or compulsory insurance to cover the cost of termination of the contract by the traveller or the cost of assistance, including repatriation, in the event of accident, illness or death.

**Accommodation in the event of unavoidable and extraordinary circumstances:** the text specifies that accommodation in an equivalent category (if possible) is limited to a maximum number of 3 nights unless Union legislation provides otherwise.

**Alteration of significant contract terms:** in the event of alteration of significant contract terms the organiser must inform the traveller of the **reasonable time limit** within which the traveller has to inform the organiser of his decision, including the option to terminate the contract.

**Compensation for non-material damage:** the Council confirmed the traveller's entitlement to compensation for any damage. This also includes compensation for non-material damage

**Exclusion of occasional and not-for-profit packages and linked travel arrangements:** the Council decided to exclude occasional and not-for-profit packages and LTAs from the scope of this Directive given that there is less need to protect travellers in such cases. However, in order to enable travellers to make informed choices, adequate information that such arrangements are not covered by this Directive should be **publicly available**.

**Business travel:** the text generally **excludes** business trips since such business trips already enjoy a comparative level of protection in relation to holiday packages.

**Car rental:** rental of '**motorcycles** requiring a Category A driving licence under Directive 2006/126/EC' is included on a par with 'car rental'. This category of motorcycles is reserved for larger motorbikes with no limit to the engine size or power.

**Contracts concluded by telephone:** the Council streamlined the information requirements for contracts concluded by distance communication, including phone, by applying Article 8(6) of the [Consumer Rights Directive](#).

**Annexes I and II:** the Council has added two Annexes which explain in plain language and in a standardised way the rights and obligations of travellers and traders in relation to packages and LTAs.