



ELFAA Position Paper

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Assistance to passengers, disrupted due to the closure of European Airspace – ELFAA position

The eruption of the Icelandic volcano was a natural disaster. The decision to close large areas of European airspace for protracted periods was one taken by governments, without consultation of airlines. The extended duration of the closure resulted in the cancellation of some 95,000 flights in European airspace – disruption on a massive scale, impacting many hundreds of thousands of passengers around the world.

Passengers, stranded in such circumstances, clearly need assistance. ELFAA believes, however, that disruption on this scale, for this duration and involving so many disrupted passengers, should properly only be addressed by governments. Only governments can mandate the making available of alternative capacity by other modes and intervene, in the event of any excessive pricing by those modes.

It was governments which took the decision to close airspace for nigh on a week and governments must assume their responsibilities to citizens, directly affected as a result of their decisions.

If, for the sake of expediency, it is deemed that airlines are in the best position to handle passengers' needs at destination, the airlines must at least be given the assurance from governments that they will be compensated for all the costs they incur. This assurance has been sought but is not yet forthcoming. Meanwhile, airlines are hemorrhaging cash, in addition to lost sales during the no-fly period, they are refunding the tickets of passengers affected, putting real strain on liquidity. ELFAA airlines have every sympathy for passengers affected and agree that they need assistance. Governments must now guarantee compensation to airlines for providing assistance to passengers, affected by the decisions of government.

The air passenger rights Regulation EC 261/2004 was intended to incentivise good behaviour by airlines towards consumers and to penalise airlines for bad behaviour towards consumers, for which the airlines are responsible, such as cancellation of flights for commercial reasons or denied boarding for overbooked passengers. The Regulation is flawed in that it leaves liability with airlines to meet the costs of assistance to passengers, regardless of where responsibility lies. It makes no exclusions for Acts of God and airlines' liability is infinite with no cut-off date. This is clearly unsustainable for airlines and they are justifiably looking to governments to commit to financial compensation for the airlines, for the losses and costs they are incurring, following the decision by Governments to close airspace.

Consistent with this, it is appropriate that governments assume their responsibilities to citizens, directly affected as a result of their decisions.

The present reliance on airlines to assist passengers presents an intolerable burden on the liquidity of companies which are hemorrhaging cash due to the need to refund tickets for cancelled flights and the absence of normal sales revenues during this period.

**Notes to the editor:**

ELFAA is the principal European airline association, carrying around 150 million passengers every year and accounting for over 35% of scheduled intra-European traffic.

Today, ELFAA comprises 10 airline members which include: Blue Air, easyJet, Flybe, Jet2.com, Norwegian, Ryanair, SverigeFlyg, transavia.com, vueling and Wizz Air.

ELFAA's primary objective is to ensure that European policy and legislation promote free and equal competition to enable the continued growth and development of low fares into the future, thereby allowing a greater number of people to travel by air.

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