



GTMC

Guild of Travel
Management Companies

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European Commission
Directorate-General for Energy and Transport
Internal Market, Aviation Agreements & Multilateral Relations
DM 24 5/118
B-1049 Brussels

15 November 2007

Dear Sirs

Response to the Discussion Paper on the operation of Regulation (EC) 785/2004 on insurance requirements for air carriers and aircraft operators

We have received, and approve of, a draft of the letter which will be sent to you by ECTAA, the Group of National Travel Agents' and Tour Operators' Associations within the EU and GEBTA, the Guild of European Business Travel Agents, which represents the interests of travel management companies in Germany, Italy, the Netherlands, Portugal, Spain, Ireland and the United Kingdom.

Our members in the UK control some 75–80% of the managed business travel generated in the country, and we are concerned that our clients and their travellers remain exposed to financial losses on the collapse of any airline with whom they hold per-paid tickets for future travel. They are left at a severe disadvantage in relation to purchasers of package holidays, but they have often paid sums of money significantly greater than those paid by holiday makers.

At a time when airlines can add surcharges to fares on their own behalf on as agents of their national governments, we see absolutely no reason why a surcharge could not be added as insurance against the failure of their carrier. It is nonsense to say that this would be a cost on the airline, as it would be a charge on the customer. The recent



changes to the funding of the ATOL system in the UK shows that such a solution is completely feasible; it appears to be only the vested competitive interests of major carriers (who we guess would rather see smaller airlines fail with no recompense to their customers) that are preventing the introduction of a scheme that would level the playing field for all concerned and absolve governments from the initial cost of organising the repatriation of their nationals stranded abroad.

Therefore, we commend to you the arguments that are set forth in the submission you will receive in a week or so from ECTAA and GEBTA.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Carlisle', written in a cursive style.

Philip Carlisle
Chief Executive

