

Review of the Air Services Regulation

EPF position – December 2025

The Air Services Regulation ([Regulation \(EC\) 1008/2008](#)) governs the EU internal market for air services. It sets rules on operating license requirements, the freedom to operate services in the EU, and price transparency. Following a [2019 evaluation](#) and impact assessments conducted between [2018-2020](#) and [2021-2023](#), the European Commission [restarted the impact assessment](#) for a possible targeted revision of the Regulation, reflecting lessons learned from Covid-19 and evolving market, geopolitical, and environmental conditions. The revision intends to address the following main problem areas:

1. Financial and regulatory resilience in the face of disruptions and crises;
2. Competitiveness safeguards;
3. Implementing environmental flight bans;
4. Enforcing applicable labour law;
5. Ensuring customers can make fully informed choices about air tickets.

For the European Passengers' Federation, the revision should prioritise:

1. Price transparency. To safeguard and enhance price competition and price transparency, specific provisions are needed with regard to ancillary services. Fares and (core) ancillary fees should be available on all distribution channels, allowing passengers to compare offers across carriers on a like-for-like basis. Furthermore, the right to reimbursement in case of cancellation by the passenger needs to be clarified, non-discrimination in access to fares has to be guaranteed, and more effective enforcement and consumer redress options are necessary.

2. Better passenger protection. The revision also needs to address two key issues announced by the *Better Protection for Passengers and their Rights* initiative and aligning passenger rights under the Package Travel Directive & Air Passenger Rights: protection against the risk of a liquidity crisis or an insolvency (mandatory insolvency protection mechanism/ guarantee schemes & designation of public authorities to coordinate repatriation and passenger assistance); and the right to self-cancellation by air passengers, notably (but not only) in case of a major crisis.

This paper updates [EPF's 2019 position](#), which focused on **price transparency** (problem area 5), and includes our views on strengthening **passenger protection during disruptions and crises** (problem area 1) – reiterating our [2023 response to the Better Protection for Passengers and their Rights initiative](#) on insolvency protection and self-cancellation rights. While the remaining problem areas are less central to EPF's focus, we include brief comments on other topics covered by the impact assessment, namely **ATC strikes** (considered as part of problem area 1), **O&C rules/ competitiveness** (problem area 2), and **environmental flight bans and environmental considerations when imposing PSOs** (problem area 3).

Priority topic #1: Price transparency

Chapter IV of the Air Services Regulation specifies that air carriers are free to set the price of their intra-EU air services, provided that they respect the following price transparency provisions:

- the *final price* to be paid by the customer shall at all times be indicated, inclusive of all applicable taxes, charges, surcharges and fees which are *unavoidable and foreseeable*;
- the *price breakdown* shall clearly indicate its different elements, i.e., air fare or air rate, taxes, airport charges, and other charges, surcharges or fees;
- *optional* price supplements shall be communicated in a *clear, transparent and unambiguous* way at the start of any booking process;
- acceptance of such optional price supplements by the customer shall be on an 'opt-in' basis.

EPF fully supports the objective of these provisions, as stated in the Regulation's preamble (recitals 15 and 16), i.e., to allow consumers to effectively compare prices among different providers and to ensure non-discriminatory access to air fares.

As noted already in our [2019 position paper](#), comparing prices across airlines has become increasingly difficult. Not all fares are available on all distribution channels, and like-for-like comparisons are often impossible, because some ancillary services – such as luggage or seat reservations – may or may not be included in the basic price. Differences in airlines' hand luggage policies – both in terms of size and weight limits and what is included for free in each fare class – further reduce transparency. Additionally, as highlighted in the Call for Evidence accompanying the current impact assessment, passengers are often unaware that they may be entitled to partial reimbursement if they do not use their ticket.

EPF therefore urges the Commission to modify the present Regulation as follows, in order to safeguard and enhance price competition and price transparency to the benefit of European passengers.

1. Specific provisions are needed with regard to ancillary services.

Airlines increasingly unbundle their products and charge extra for ancillary services such as luggage, seat reservation etc. For passengers, as a result, it has become very unclear which services they can expect to be included in the basic price, and which ones are optional, i.e., selected on an opt-in basis. Additional fees vary greatly across airlines and are often not included in the final price shown at the beginning of the booking process, which makes effective comparison very difficult.

In order to address these issues, the Regulation should include a clear definition of:

- 'minimum services' that are 'unavoidable and foreseeable' and should therefore always be included in the basic price, such as: hand luggage, seating together for people who booked together, and seating children or persons with reduced mobility together with their accompanying person;

- ‘ancillary services’, the price of which should be clearly indicated next to the final price at the start of the booking process, such as: checked in luggage, seat reservation.

In 2014, the European Court of Justice (CJEU) ruled that hand luggage is ‘essential’ and should not incur extra fees.¹ Passenger surveys confirm that travellers view hand luggage as a necessary part of travel.² Despite this, several airlines continue to charge for reasonably sized hand luggage: a practice deemed illegal by the CJEU and criticized by BEUC and 16 of its member organizations, which recently filed a complaint against seven airlines under the ‘Fly Light, Pay Heavy’ campaign.³

To further improve transparency and comparability, it would also be helpful to establish common EU-wide standards for both cabin and hold baggage in terms of size and weight. Current rules vary between airlines, making price comparisons very difficult: a bag allowed free as cabin baggage on one airline may exceed size limits by just a few centimetres on another, triggering additional hold charges and significantly increasing the final price.

2. Fares and (core) ancillary service fees should be available on all distribution channels.

Air carriers do not always share price information on ancillary services with travel intermediaries. As a result, passengers are not able to effectively compare offers across carriers on a like-for-like basis.

Ideally, passengers would like a one-stop-shop where they can indicate where and when they want to travel, what luggage they will bring along, which special needs or requirements they have and what other services they would like (e.g., Wi-Fi on board, entertainment, meals) – and then be offered a comprehensive overview of the available offers from different airlines that fit those requirements.

In order to help realise this vision, the Regulation should include a provision:

- that carriers need to make available the basic air fare (which should include the ‘minimum services’ mentioned above) and the price for at least the most important ‘ancillary services’ (e.g., checked in luggage, seat reservation);
- which would enable third party sites (indirect distribution channels but also online comparison tools that do not offer ticketing options) to provide passengers with the comprehensive, transparent and comparable information they need in order to be able to make an informed choice.

A list of the most important ‘ancillary services’ needs to be agreed upon and should be added as an annex to the revised Regulation. For passengers with reduced mobility, any additional costs for (medical) assistance (e.g., carrying oxygen) should also be available and visible at the start of the booking process.

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:62012CJ0487> – Case C-487/12

² For example: <https://www.consumentenbond.nl/acties-claims/nieuws/2025/panelonderzoek-handbagage>

³ https://www.beuc.eu/sites/default/files/publications/BEUC-X-2025-045_Fly_light_Pay_heavy_report.pdf

3. Right to reimbursement in case of cancellation by the passenger needs to be clarified.

Passengers who cancel a flight on their own initiative or do not show up at the gate are entitled to reimbursement of certain price elements, i.e., passenger-bound airport taxes and charges. However, most passengers are not aware that they have this right and if they are, they find it difficult to determine which amount they are entitled to because this is not clearly communicated to them.

In order to address these issues, the Regulation should:

- explicitly refer to passengers' right to reimbursement in case of 'no-show';
- specify which price elements are reimbursable;
- oblige carriers and distributors to inform passengers of their rights and to clearly display at the time of booking which part of the price is reimbursable;
- promote, where possible, automatic reimbursement of the relevant parts of the ticket price in case of cancellation by the passenger.

Additionally, the right to self-cancellation itself should be clarified (*see below*).

4. Non-discrimination in access to fares and rates should be guaranteed.

One of the objectives of the Air Services Regulation is to ensure that customers have access to all air fares and rates, regardless of their place of residence and nationality, and regardless of the place of establishment of the travel agents they choose to consult. There are however indications of an increased use of dynamic and personalised pricing in the air transport sector, meaning that prices may vary according to time, location or even device that a person is using.

In addition, the Regulation does not contain any specific provisions regarding accessibility of information for people with functional limitations, which may also be a factor that hinders non-discriminatory access to information for all.

The Regulation needs to address these issues by:

- obliging carriers – and other distributors – to disclose clearly what criteria and preferences a personalised or dynamic pricing mechanism is based on, and to offer the passenger the option to turn off this functionality;
- requiring websites to be designed in such a way that they can be used by people with disabilities and elderly people, in accordance with the accessibility requirements of Directive (EU) 2019/882 (Accessibility Act).

5. More effective enforcement and consumer redress options are necessary.

Compliance with EU price transparency rules remains low. Additional price supplements are not always offered on an opt-in basis, and the final price – including all 'unavoidable and foreseeable' surcharges – is not consistently shown at the start of the booking process. Furthermore, as noted above, airlines continue to charge extra for hand luggage despite CJEU rulings prohibiting this practice.

In addition, it is not clear whom to address with regard to infringements to Regulation 1008/2008. What should passengers do if they have a complaint on price transparency? Are the National Enforcement Bodies dealing with Regulation 261/2004 also competent for dealing with price transparency infringements?

In order to address these issues, the Regulation should:

- define adequate monitoring actions and effective, truly dissuasive sanction mechanisms (e.g., a percentage of the carrier's annual turnover);
- explicitly state that NEBs in the field of passenger rights (Regulation 261/2004) are also competent to deal with price transparency issues, whilst ensuring that the NEBs have sufficient resources and power to act, i.e., that their opinions are legally binding;
- include a clear reference to passengers' options to obtain redress in the case of individual complaints, e.g., the right to terminate the contract, the right to compensation for damages, alternative dispute resolution, collective redress possibilities.

Priority topic #2: Better passenger protection

In addition to price transparency, we expect the revision of the Air Services Regulation to also address two important problem areas, announced as part of the '[Better Protection for Passengers and their Rights](#)' initiative.

1. Protection for air passengers against the risk of a liquidity crisis or an insolvency.

Currently, passengers are not effectively protected (except in the case of package travels) when their chosen airline goes bankrupt or faces a liquidity crisis:

- They might not be reimbursed for their ticket;
- They might be stranded abroad and have difficulties to be repatriated.

Airline insolvency is not an uncommon issue. Between 2011 and 2019, 87 airlines went bankrupt in Europe, affecting 5,6 million consumers, losing on average € 431.⁴ During the Covid-19 crisis, many more airlines would probably have gone bankrupt if they hadn't received significant state aid.

Some insolvency protection schemes already exist, e.g., SAFI, IATA BSP schemes, protection through the use of credit cards, rescue fares agreements, travel insurance. However, these offer only partial protection (e.g., covering only refund of the original ticket and not repatriation, or vice versa) and are not available to all passengers in a non-discriminatory way. Hence, merely informing passengers about such available options will not be sufficient to remedy the situation. This is why EPF, together with other consumer/ end-user associations, industry

⁴ European Commission, Directorate-General for Mobility and Transport, Kouris, S., Study on the current level of protection of air passenger rights in the EU : final report : study contract, Publications Office, 2020, available here <https://data.europa.eu/doi/10.2832/529370>

representatives and insurance providers jointly wrote to the European Commission to take strong action.⁵ Notably, we call for:

- a mandatory insolvency protection mechanism/ guarantee scheme in the airline sector, mirroring the existing obligations of tour operators/ travel agents in the Package Travel Directive, covering: refunds of tickets pre-paid by passengers; vouchers accepted by passengers as an alternative to cash refunds; repatriation costs for passengers stranded abroad (in case of actual airline insolvency, but also other situations leading to liquidity crises);
- the mandatory designation of a public authority to coordinate repatriation efforts in each Member State, including through liaison with counterparts and airlines, negotiation of rescue fares and provision of information to affected passengers through its website and possibly other channels: a system in place already under the Package Travel Directive which has proven to be efficient and which would ensure collective solutions (not feasible to achieve through individual action) and equal treatment of passengers involved.

The above measures would align passenger rights under the Package Travel Directive and the Air Passenger Rights Regulation, so that passengers who booked a package and those who booked a standalone flight are in both cases protected adequately in case of an insolvency or liquidity crisis of an air operator. As a good example, the Danish Government introduced a mandatory insolvency protection scheme for airlines in 2015 covering also standalone tickets, which has proven to be well-accepted and effective.

EPF supports legislative action on this topic as merely ‘encouraging’ stakeholders to act risks to have no effect and increase fragmentation and legal uncertainty for passengers. Many ‘soft’ measures were already proposed by the Commission in its 2013 Communication on Passenger Protection in the event of Airline Insolvency⁶ and did not deliver. Similarly, the EC’s Recommendation on vouchers issued during the Covid-19 pandemic⁷, being non-binding, had little effect.

Finally, EPF finds it important to stress that, beyond financial aspects, passengers should receive immediate and practical assistance, especially those arriving on delayed flights at geographically or linguistically ‘foreign’ destinations where airlines rely on third-party subcontracted agents to provide passenger support, if any. Here’s where the national authorities mentioned above should play a coordinating role, cooperating with and ensuring information flow between all relevant parties involved (notably the airlines, other carriers and possibly operators from other transport modes, airports, tour operators and ticket sellers, ...). Such coordinated action should be ensured not only in case of an airline’s actual insolvency, but also in other situations of (mass) disruptions.

⁵ Joint call from European consumers, industry, and insurance providers on urgent need for mandatory insolvency protection scheme in the airline sector – 07/12/2022 (available on EPF website [here](#))

⁶ Passenger protection in the event of airline insolvency (COM/2013/0129 final), available [here](#)

⁷ Commission recommendation (EU) 2020/648 of 13 May 2020 on vouchers offered to passengers and travellers as an alternative to reimbursement for cancelled package travel and transport services in the context of the COVID-19 pandemic, available [here](#)

2. Right to self-cancellation by air passengers in the event of a major crisis.

Currently, air passengers have no right to reimbursement of the ticket price in case they cancel their ticket themselves due to a major crisis at the place of departure or destination, causing them to be unable to travel (e.g., a global health crisis, terrorist attack or natural disaster, which can be considered as ‘force majeure’).

For EPF, passengers who booked a standalone flight should enjoy the same rights as passengers who booked a flight as part of a Package Travel, i.e., they should have the right to cancel their tickets:

- in case of a major crisis, without having to pay a fee;
- for any other reasons, whereby an appropriate and justifiable termination fee could apply (it should be clear at the time of booking how much).

In fact, such rights should apply not only to air travel, but to all transport modes and multimodal travel.

Under ‘major crisis’ should be understood any unavoidable and extraordinary circumstances, either at the place of departure and/ or at the place of destination or its vicinity, significantly affecting passengers’ travel plans. In particular, the legal value of official travel warnings (discouraging or even prohibiting citizens to travel) should be clarified, and such should be considered as sufficient evidence to have the right to self-cancellation without having to pay a termination fee.

EPF supports legislative action on this topic as merely ‘encouraging’ stakeholders to act risks to have no effect and increase fragmentation and legal uncertainty for passengers. Travel insurance is not a good alternative either, as it often offers poor value for money and insufficient protection.⁸

Air Traffic Control strikes

Air traffic control (ATC) strikes are a sensitive and complex issue. EPF fully respects the right of workers to take industrial action and does not seek to intervene in disputes between employees and employers. In order to protect passengers’ interests while upholding fundamental labour rights, EPF advocates for proportionate and balanced measures aimed at mitigating the wider impact of ATC strikes on air transport across Europe.

In France, for example, air traffic control strikes have taken place on more than 300 days over the past two decades.⁹ Due to France’s central position in Europe, approximately three million flights – representing about one-third of all European air traffic – pass through its airspace each year. As a result, industrial action by French ATC staff can generate extensive knock-on effects across the continent, disrupting airlines and passengers far beyond France’s borders, including those whose flights neither depart from nor arrive in the country concerned.

⁸ See for ex. the 2019 study Consumer Protection Issues in Travel Insurance by EIOPA, available [here](#)

⁹ <https://www.fnaut.fr/controlleurs-aeriens-et-une-greve-une-greve-de-plus/>

While fully recognising the right to strike as a cornerstone of democratic societies, EPF believes that measures can and should be implemented to ensure that passengers – who are not parties to industrial disputes – are adequately protected. Clear, proportionate, and coordinated measures at EU level would help keep the adverse impacts of ATC strikes on passengers manageable, while safeguarding the fundamental right to strike. Accordingly, EPF supports the following measures:

- introduction of a minimum strike notice period of 15 days, enabling passengers (and airlines) to make informed decisions and alternative travel arrangements in a timely manner; and
- safeguarding of overflights, ensuring that industrial action in one Member State does not disproportionately disrupt flights transiting through its airspace to and from other Member States.

Competitiveness and unequal playing field

The impact assessment notes that non-EU carriers may access intra-EU traffic rights without complying with all the rules applicable to EU carriers, resulting in an uneven playing field. While EPF does not take a stance on specific policy options, it supports the principle that all airlines operating to or from the EU – whether EU or non-EU carriers – should comply with the same rules, in particular, but not only, for intra-EU flights. This includes compliance with safety measures such as the EASA Conflict Zone Alert System and, where relevant, levies to ensure non-EU airlines contribute equally to decarbonisation – in line with the 'polluter pays' principle. Similarly, EPF supports extending the scope of the Air Passenger Rights Regulation to all flights to or from an EU Member State. For all airlines operating within the EU, compliance with existing regulations – including on price transparency, insolvency protection, and passenger rights – should be a key condition for airlines for obtaining and retaining a license, with repeated violations resulting in sanctions, such as blacklisting and, ultimately, license revocation.

Ownership & Control guidelines

While EPF does not take a position on specific policy options, we wish to highlight the growing risk of further consolidation in the airline market. Liberalization has long delivered cheaper, safer, and more extensive air connections across the EU, driven by strong competition among airlines. Today, however, successive mergers have created increasingly dominant airline groups, and further concentration is imminent with several acquisitions under review. Experience from other markets, such as the U.S., shows that excessive consolidation can lead to higher prices, lower service quality, and reduced passenger satisfaction. The European Commission should therefore rigorously assess the potential anti-competitive effects of proposed mergers and, where serious concerns arise, use all available tools to protect competition – up to and including blocking incompatible deals or imposing strong remedies.¹⁰

¹⁰ See also the Joint Statement 'Europe's consumers deserve a competitive European airline market', co-signed by BEUC, EPF, ECTAA and eu travel tech (January 2024), available [here](#)

Environmental flight bans & environmental considerations when imposing Public Service Obligations

In EPF's view, before banning or limiting flights for environmental reasons or imposing conditions, the responsible authority should consult interested parties – including passengers' organisations. Ideally, the transition to more sustainable mobility should be achieved by better quality of service rather than by prohibiting flights as such. If short-haul flights are banned, sufficient sustainable mobility options must be ensured. The example of France shows that banning short-haul flights without sufficiently expanding SNCF rail capacity can push travelers toward road transport instead of rail. The zero-emissions aircraft market is currently too immature to mandate their use, though it would make sense for environmental criteria to be considered in evaluating PSO bids.

In some cases, such as for islands or remote regions, Public Service Obligations (PSOs) for air services may be justified – based on a transparent cost-benefit analysis – where there are clear social needs. According to EPF, state aid to airlines, including PSOs, should meet key conditions: efforts to reduce environmental impact, respect for staff and passenger obligations, and adherence to market efficiency and connectivity principles. A level playing field must be ensured, as state aid can distort competition – both between airlines and between transport modes. Therefore, state aid/ PSOs should only support air services that (i) are essential for connectivity and of general interest, and (ii) cannot be provided by a more environmentally friendly transport mode.

Alignment with other regulations & initiatives

Finally, it is essential to ensure that the Air Services Regulation aligns with and is consistent with other regulations and ongoing regulatory initiatives, many of which are currently under review and address closely related topics.

From a passenger protection perspective, this includes the review of the Package Travel Directive (covering insolvency protection and the right to self-cancellation) and the Air Passenger Rights Regulation (potentially extending to non-EU carriers, confirming the CJEU ruling on hand luggage, and strengthening airport contingency plans). The Enforcement/ Omnibus proposal (COM(2023)753) is also relevant, addressing enforcement, and proposing additional amendments to the Air Passenger Rights Regulation.

From a price transparency perspective, initiatives such as the MultiModal Travel Information Services (MMTIS) Delegated Regulation, the upcoming Multimodal Digital Mobility Services (MDMS) initiative, and the CRS Code of Conduct promote transparency, comparability, and neutral display of travel information across modes and channels. Together, these initiatives underscore the need for coherent rules that allow passengers to compare offers easily and fairly across aviation and other transport modes.

EPF's position papers on these, and further, topics are available [here](#).