



EXECUTIVE SEMINAR

AIR TICKET DISTRIBUTION AND THE REGULATION 80/2009 ON THE CODE OF CONDUCT FOR COMPUTERISED RESERVATION SYSTEMS

Organised by

Transport Area of the Florence School of Regulation (FSR-Transport), RSCAS, European University Institute

In collaboration with

European Commission - Directorate-General for Mobility and Transport

Teatro

Badia Fiesolana, Via dei Roccettini 9 - San Domenico di Fiesole (Fiesole, Florence)

13 MAY 2019

■ INTRODUCTION

Regulation (EC) 80/2009 on a Code of Conduct for Computerised Reservation Systems (CRS) (“the Code of Conduct”) establishes a regulatory framework for market participants in the market for CRSs. CRSs are computerised reservation networks used by travel agents (online and offline), online reservation sites, and large corporations as a single point of access for booking airlines tickets, rail tickets, hotel rooms, rental cars, and other travel related items. CRSs are also used by some metasearch sites in order to obtain information about the services of airlines that participate in CRSs. The Code of Conduct applies only to air transport products as well as to rail transport services distributed in a CRS which is also distributing air transport tickets.

The Code of Conduct was first established in 1989 with the adoption of Regulation 2299/89. At that time, the vast majority of airline bookings were made through CRSs, which in turn were owned and controlled by airlines. The Code of Conduct was revised in 2009 with the adoption of the current Code of Conduct in order to respond to changing market conditions.

On 7 December 2015 the Commission adopted an Aviation Strategy which aimed at strengthening the competitiveness and sustainability of the entire EU air transport value network. The Aviation Strategy highlighted that the EU rules governing airline ticket distribution in the Code of Conduct might no longer reflect entirely market reality. The Aviation Strategy therefore provided for an evaluation of the Code of Conduct in order to assess whether the Regulation is still fit for purpose.

The evaluation of the Code of Conduct

The Commission started its evaluation of the Code of Conduct with the publication of a roadmap on 5 October 2017. An external study commissioned to support the evaluation was launched in March 2018.

The Commission intends to publish an evaluation staff working document containing its conclusions on the evaluation in autumn 2019. The staff working document will draw on the external study but also on the Commission's experience on the application of the Code of Conduct as well as on input provided by stakeholders at different occasions.

The evaluation is a backward looking exercise to assess if, and to what extent, the Code of Conduct has been effective in achieving its objectives. It will also have to assess to what extent the initial objectives address all of the issues that may be relevant today in view of market and regulatory developments. The evaluation will be structured around the following issues with respect to the Code of Conduct: its relevance, effectiveness, efficiency (cost benefit relationship), coherence (in particular with other EU initiatives) and EU value added.

The Code of Conduct adopted in 2009 had as general objectives the promotion of competition and the protection of consumer's interest which were reflected in the following specific objectives:

- Ensure a level playing field for all participating carriers as to the access to and the use of CRS services;
- Prevent distortion of competition between CRSs by parent carriers and ensure fair and effective competition between airlines;
- Ensure equal treatment of participating carriers in the MIDT market and prevent abuse of MIDT data;
- Increase transparency of travel options;
- Promote rail transport and inter-modal transport;
- Consistent application of data protection rules across the EU.

■ THE SEMINAR

The Commission together with the Florence School of Regulation's Transport Area is co-organising an executive seminar to exchange views on the evaluation of Regulation 80/2009 around the five issues of relevance, effectiveness, efficiency, coherence and EU added value mentioned above. At the same time the seminar shall provide the opportunity for a first discussion on possible ways forward taking into account the broader context of the air ticket distribution market.

The seminar will gather representatives from all interested stakeholder groups, such as airlines, technology companies and travel agencies.

■ PROGRAMME

13 MAY

- 08.30 - 09.00 *Welcome coffee*
- 09.00 - 09.15 Introductory remarks by
Matthias Finger | FSR Transport, EUI / Chair MIR, EPFL
Filip Cornelis | Director Aviation, DG MOVE, European Commission
- 09.15 - 10.00 *Main findings of the support study for the evaluation of Regulation 80/2009 on a Code of Conduct for CRS*
Gareth Horton | Principal Consultant at Ricardo
Q&A Session
- 10.00 - 11.15 **Open discussion and debate on the evaluation:**
To What Extent Do the Initial Objectives Address All of the Issues That May Be Relevant Today in View of Market and Regulatory Developments?
- 11.15 - 11.30 *Coffee break*
- 11.30 - 13.00 **Open discussion and debate on other aspects of the evaluation:**
 - *How Effective Has the Code of Conduct Been in Achieving Its Objectives?*
 - *What is the Cost-benefit Relationship of the Code of Conduct?*
 - *To What Extent is the Code of Conduct in Line with Other EU Policies?*
 - *What is the Added Value of the Code of Conduct Compared to What Could Have Been Achieved at Member State Level?*
- 13.00 - 14.00 *Lunch break*
- 14.00 - 15.45 **The future of the air ticket distribution market and CRS: how to move forward in order to best serve the needs of the aviation industry and the interests of consumers**
Presentation by the Commission
Round Table Discussion
- 15.45 - 16.15 **Each participant to outline her/his views on possible ways forward**
- 16.15 - 16.30 Concluding remarks by
Matthias Finger | FSR Transport, EUI / Chair MIR, EPFL
Filip Cornelis | Director Aviation, DG MOVE, European Commission