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New European Air Passenger Rights legislation significantly increases compensation

As you may be aware, as of February 17th 2005, new European Commission legislation on Air Passenger Rights has been introduced. This legislation covers compensation for airline passengers in the case of denied boarding as well as cancelled flights or long delays (two hours or more). In comparison to earlier legislation on compensation for denied boarding, this new legislation effectively doubles the amounts previously paid by IATA airlines and now also includes low cost carriers and package operators.

The European Commission has introduced this new legislation in order to stimulate better service and to ensure that passengers fully profit from the European single market.

The new Air Passenger Rights do however imply a new challenge to airlines and some court proceedings have been initiated in order to discuss the new ruling. IATA and ELFAA (European Low Fares Airlines Association) are handling this on behalf of their member airlines.

What does this mean for you?

We recommend informing all your travellers about the new legislation, as the compensation procedure is handled between the airline and traveller directly at the time the problem occurs. The brochure issued by the European Commission (available in 20 languages) can be helpful. You can download the brochure from: http://europa.eu.int/comm/transport/air/rights/index_en.htm

Furthermore we suggest that travel managers discuss this new legislation with their travellers and decide how to manage the compensation procedure as well as incorporating this into your travel policy.

American Express Business Travel will continue to keep track of all Industry Developments worldwide. Additionally we will continue to participate in discussions representing our customer's interests at all times, using our global scale and business travel knowledge. The European single market offers many opportunities to better support your business travel goals in savings, control or service, and we will endeavour to keep you informed.

Please do not hesitate to contact your Account Manager if you have further questions.