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Judgment of the Court in Case C-396/21 | FTI Touristik (Package travel to the Canary Islands)

Travellers whose package travel has been affected by measures to fight the COVID-19 pandemic may be entitled to a reduction in the travel price

The directive on package travel provides for strict liability on the part of the organiser

Two travellers bought a two-week package holiday in Gran Canaria beginning on 13 March 2020 from a German travel organiser. They are requesting a 70% price reduction on account of the restrictions that were imposed on that island on 15 March 2020, in order to fight the spread of the COVID-19 pandemic, and their early return. The beaches were closed and a curfew was put in place, with the result that the travellers were only permitted to leave their hotel room to eat. Access to the swimming pools and sunbeds was prohibited and the entertainment programme was discontinued. On 18 March 2020, the two travellers were informed that they should be ready to leave the island at any moment and, two days later, they had to return to Germany.

Taking the view that it could not be held liable for what constituted a 'general life risk', the organiser refused to grant them that price reduction. The two travellers then brought the matter before the German courts.

The Regional Court, Munich I, hearing the matter on appeal, asked the Court of Justice to interpret the directive on package travel. That directive provides that the traveller is entitled to an appropriate price reduction for any period during which there was lack of conformity, unless the organiser proves that the lack of conformity is attributable to the traveller.

By its judgment delivered today, the Court states that a traveller is entitled to a reduction in the price of his or her package where a lack of conformity of the travel services included in the package is due to restrictions that have been imposed at the travel destination to fight the spread of an infectious disease, such as COVID-19.

The cause of the lack of conformity of the travel services and, in particular, whether it is attributable to the organiser, is irrelevant, since the directive provides, with regard to entitlement to a price reduction, for strict liability on the part of the organiser. It is exempt from that liability only where the failure to perform or the improper performance of the travel services are attributable to the traveller, which is not the case here. However, **it does not matter that restrictions such as those at issue were also imposed in the traveller's place of residence and in other countries due to the worldwide spread of COVID-19.**

In order for the price reduction to be appropriate, it must be assessed in the light of the services included in the package concerned and must correspond to the value of the services for which a lack of conformity has been found.

The Court states that **the organiser's obligations arising from the package travel contract include not only those explicitly stipulated in the contract, but also those linked to it as a result of the purpose of that**

contract.

It will be for the Regional Court, Munich I, to assess, on the basis of the services that the organiser concerned had to provide, in accordance with the contract, whether, in particular, the closure of the swimming pools in the hotel concerned, the lack of an entertainment programme in that hotel or even the fact that it was not possible to access the beaches of Gran Canaria or to visit that island following the adoption of measures taken by the Spanish authorities could constitute failures to perform or improper performances of that contract by that organiser.

Once that assessment is made, the reduction in the price of that package must correspond to the value of the travel services for which a lack of conformity has been found.

NOTE: A reference for a preliminary ruling allows the courts and tribunals of the Member States, in disputes which have been brought before them, to refer questions to the Court of Justice about the interpretation of European Union law or the validity of a European Union act. The Court of Justice does not decide the dispute itself. It is for the national court or tribunal to dispose of the case in accordance with the Court's decision, which is similarly binding on other national courts or tribunals before which a similar issue is raised.

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