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Press and Information

Judgment in Case C-330/17 Verbraucherzentrale Baden-Württemberg eV v Germanwings GmbH

## Air carriers who do not express air fares for intra-Community flights in euros are required to indicate those fares in a local currency objectively linked to the service offered

That is the case in particular of the currency which is legal tender in the Member State in which the place of departure or arrival of the flight is located

A customer in Germany booked a flight from London (UK) to Stuttgart (Germany) on the website www.germanwings.de operated by the German airline Germanwings. The price of the flight was indicated in pounds sterling only. Since it considered that this practice was unfair conduct and that the fares for the flight should be indicated in euros, the Verbraucherzentrale Baden-Württemberg (consumers' association for Baden-Württemberg, Germany) brought an action before the German courts against Germanwings for an order prohibiting that practice.

That was the context in which the Bundesgerichtshof (Federal Court of Justice, Germany) decided to put questions to the Court of Justice. It is uncertain as to the interpretation of an EU regulation<sup>1</sup> under which air carriers are required, when offering air services from an airport located in the territory of a Member State, to indicate at all times the final price to be paid, including in particular the air fare. It wishes to know, in particular, whether, when indicating the air fares, defined as the price to be paid to air carriers (or their agents or other ticket sellers) for the carriage of passengers, and the conditions under which those prices apply (including remuneration and conditions offered to agency and other auxiliary services), air carriers may, if they do not express those fares in euros, indicate them in any local currency of their choice.

In today's judgment the Court of Justice notes that the regulation gives air carriers the choice of indicating air fares for intra-Community air services 'in euro or in local currency'. The regulation does not contain any specification as to the local currency in which air fares must be indicated if they are not expressed in euros.

The Court observes, however, that the objective of effective price comparability pursued by the regulation would be compromised if the choice available to air carriers for determining the currency in which they indicate air fares for intra-Community air services were not circumscribed. Conversely, that effective comparability would be facilitated if air carriers indicated air fares in a local currency objectively linked to the service offered.

The Court therefore holds that, when indicating air fares for intra-Community air services, air carriers who do not express those fares in euros are required to choose a local currency that is objectively linked to the service offered, and that that is the case in particular of the local currency which is legal tender in the Member State in which the place of departure or arrival of the flight is located.

Thus, in a situation such as that at issue, in which an air carrier (Germanwings) established in a Member State (Germany) in which the euro is legal currency offers on the internet an air transport service for which the place of departure is in another Member State (the UK) in which a currency

<sup>&</sup>lt;sup>1</sup> Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community (OJ 2008 L 293, p. 3).

other than the euro is legal tender (pounds sterling), air fares may, if they are not expressed in euros, be indicated in the local currency of that other Member State (pounds sterling).

**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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