

## News Release

27 August 2013



### **CAA CLARIFIES PROTECTION ARRANGEMENTS FOR HOLIDAYS SOLD IN NORTHERN IRELAND**

Following an agreement reached today, financial protection requirements against the insolvency of ATOL holders will not be duplicated in Northern Ireland. The agreement, between the Civil Aviation Authority (CAA), the trustees of the Air Travel Trust (ATT) and the Irish Commission for Aviation Regulation (CAR) clarifies the financial protection arrangements for holidays sold in Northern Ireland.

Many Northern Irish holidaymakers fly from the Republic of Ireland, which means that when they have bought their trip from a firm making available the holiday in Northern Ireland, they are covered by both UK and Irish rules on financial protection. This potentially results in travel firms paying twice for financial protection for the same trip, and passing that cost on to the consumer.

Previously, travel firms in Northern Ireland have been exempted from ATOL if they hold an equivalent licence in the Republic, which ensures consumers are protected. However, the UK Department for Business, Innovation and Skills (BIS) has advised the CAA that this exemption conflicts with the UK Package Travel Regulations. The exemption will expire on 30 September 2013.

From 1 October 2013, travel firms that make available flight-onlys or flight-inclusive packages to UK residents which depart from the Republic of Ireland, will be required to hold an ATOL. As a result of the agreement announced today, and in response to industry concerns, the CAA will remove ATOL bonding and ATOL Protection Contribution (APC) requirements when consumers are also protected by CAR.

ATOL holders will still be required to supply ATOL certificates to consumers for these sales and in the event of a failure, UK based consumers will receive all necessary information on making a claim from the CAA.

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Civil Aviation Authority

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This arrangement represents an interim measure, pending the conclusion of negotiations on and the implementation of a new Package Travel Directive, published by the European Commission on 9 July. The proposed new Directive includes specific requirements for the mutual recognition of Member States' financial protection measures.

This agreement was reached with advice from BIS, the UK Government Department lead on the Package Travel Regulations and the Package Travel Directive, and with the co-operation of CAR and the Irish Department of Transport, Tourism and Sport. As a result, consumers in Northern Ireland will not be faced with unnecessary additional charges for their holiday protection.

As a consequence of this new arrangement some ATOL holders will need to revise their licence authorisations and review when they need to issue ATOL certificates, and some travel firms who do not hold ATOLs will need to consider whether they need to be licensed in future.

ATOL holders with queries on this issue should contact their CAA case officer. Non-ATOL travel firms should contact 020 7453 6700 for advice on whether they need to apply for an ATOL.

For further media information please contact the CAA Press Office on: 020 7453 6030 or [press.office@caa.co.uk](mailto:press.office@caa.co.uk).

#### **Notes to editors**

1. Run by the UK Civil Aviation Authority on behalf of the Government, the Air Travel Organisers' Licence (ATOL) scheme covers the traditional package holiday, some individual flights and since April 2012 holidays known by the industry as 'Flight-Plus'. A 'Flight-Plus' booking is one that includes a flight plus accommodation and/or car hire, so long as these separate parts of the holiday are booked with the same company and within a day of each other.
2. For more information on the ATOL scheme including a guide to the ATOL certificate please visit [www.packpeaceofmind.co.uk](http://www.packpeaceofmind.co.uk).
3. Follow [@packpeaceofmind](https://twitter.com/packpeaceofmind) on Twitter for further information and updates about ATOL protection.
4. The CAA is the UK's specialist aviation regulator. Its activities include: making sure that the aviation industry meets the highest technical and operational safety standards; preventing holidaymakers from being stranded abroad or losing money because of tour operator insolvency; planning and regulating all UK airspace; and regulating airports, air traffic services and airlines and providing advice on aviation policy.