

16 April 2020

## Factsheet: Coronavirus Q&A for customers

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**The following information is widely available on [abta.com](https://www.abta.com) for customers to view.**

**Please disseminate this factsheet amongst your colleagues, and ensure they are aware of the Q&A developed specifically for customers. It is designed to support you to answer customer queries consistently and confidently.**

### **Advice to customers whose booking have been affected**

International travel has been brought to a complete standstill by government measures to contain the Covid-19 pandemic and this has led to hundreds of thousands of holidays being affected.

We would strongly encourage customers to talk to their travel company to discuss alternative travel arrangements. Travel companies are doing all they can to ensure that holidays can go ahead where and when it is safe to do so and will be keen to offer you a range of options so that you can get the holiday you want.

Where no suitable alternative is possible, your travel company may offer you a refund of the money you paid depending on the terms and conditions of your booking and depending on whether or not you booked a package holiday.

If you booked a package holiday, you are entitled to a refund. We completely understand that for those customers that would prefer a refund to rebooking, they may feel frustrated and concerned by the amount of time it is taking. In normal circumstances a refund should be paid within 14 days. But these are not normal circumstances and the 14 day rule is simply impossible for many companies to adhere to.

If you have travel insurance you might find it quicker to apply for a refund under your policy. Your travel company will be able to assist you with the paperwork for this.

## Why is my refund being delayed? *The most frequently asked question by customers:*

Tour operators and travel agents are doing all they can to help customers but many don't have the cash to pay customers a cash refund in a 14 day period, as they have not yet received money back from hotels, airlines and other suppliers affected by the crisis. Forcing them to do so would put many of them out of business, which would mean customers would not get their money back for many more months as the Government-backed ATOL scheme of financial protection could not cope with the sheer volume of refunds. It would also result in significant long-term damage to the UK travel industry.

In many other countries, governments have taken action to temporarily amend their travel regulations and provide additional guidance to allow refunds to be paid over a longer period or to allow refunds to be paid by a holiday voucher. You can find out more about what other countries are doing [here – link to page with info on what other countries are doing]

The European Commission, which is responsible for the relevant regulations, has advised Member states to find "flexible solutions" to demands for refunds on cancelled holidays during the Covid-19 crisis.

We have sought urgent Government help to ensure the rules around refunds are fit for purpose in the current situation and to help ABTA to provide practical and workable guidance to its Members and customers.

In the absence of this Government intervention, and to provide some order to a chaotic situation brought about by the current crisis, ABTA has developed a regulatory framework for refunds for its Members and their customers, based on a system of financially-protected Refund Credit Notes (RCNs) where the customer's fundamental rights are preserved, as set out by law (the Package Travel Regulations).

This type of system is similar to those introduced in many other countries and is the framework under which ABTA will guide its Members and hold them to account.

We'd like to ask customers to work with us on this; by following the steps below it will help to ensure your rights are protected and that when this crisis is over UK holidaymakers will be able to book and enjoy their holidays in the same way as they have done for many years.

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## Q&A

### What is the UK Government position?

ABTA has requested urgent support from the UK Government to introduce temporary rules that are fit for purpose in the current situation, to help protect customer rights while preventing an industry-wide collapse of travel businesses, which would place a huge burden on the UK taxpayer and lead to months of delays in processing refunds.

The European Commission has advised Member States to find "flexible solutions" to demands for refunds on cancelled holidays during the Covid-19 crisis. Many other countries including France, Italy, Belgium, Spain, Germany, The Netherlands and Denmark have taken action to temporarily amend their laws and provide additional guidance. These new measures will help protect customer rights and provide clear guidance, while ensuring travel companies have a chance of surviving beyond the current crisis. You can find out more about what other countries are doing on the [ABTA website](#).

## **I'm due to travel imminently, but my travel provider has told me my holiday will no longer go ahead as a result of the FCO travel ban. What should I do now?**

ABTA is recommending the following steps:

1. If your trip has been affected because of the change in FCO advice, talk in the first instance to your travel provider to discuss your options.
2. If possible, amend your holiday or travel arrangements to another date, don't cancel – this will mean you have a holiday to look forward to in the future, and it will help your travel provider maintain its cash flow through the short-term challenges.
3. If you are not able to amend your holiday to another date, your travel provider might offer you a Refund Credit Note instead of an immediate cash refund. This Refund Credit Note can be used to rearrange a holiday at a later date and, in the meantime, it is protected by ABTA/ATOL if your original booking had that protection, so you would be reimbursed if the travel company failed financially.
4. If your travel provider has said they will offer a cash refund, please be patient with them as they process this: they are likely to be dealing with an exceptionally high volume of enquiries.

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## **Refund Credit Notes**

### **What is a Refund Credit Note? (RCN)**

A Refund Credit Note entitles you to rebook a holiday at a future date or receive a cash refund at the expiry date of the note. It also retains the financial protection that you had with your original booking.

If your original booking, for example a package holiday with flights, came with ATOL financial protection, the RCN will still provide this protection. If your original booking came with ABTA financial protection, for example a cruise holiday or other package holiday including rail or coach travel, the RCN will still provide this protection.

Refund Credit Notes may look different depending on your travel provider, but they should all comprise the following:

- An expiry date, which is the date to which your money is protected, and is based on your travel company's financial protection arrangements. You are entitled to re-book or have a cash refund by this date at the latest (if your original booking was for a package holiday).
- The value of the Refund Credit Note must be equal in value to the amount you paid for the original booking (or less the amount your travel provider has offered you as a part cash refund).
- The Refund Credit Note must include the original booking details and reference.
- The Refund Credit Note must not include any other amount offered as a rebooking incentive or other offer. Any such offers must be documented separately and are not covered by any scheme of financial

protection.

- You should retain all previous booking documentation including booking confirmations, ATOL Certificates where appropriate and proofs of payment.

### **My travel provider has offered me a Refund Credit Note instead of a cash refund. Should I accept this?**

Thousands of customers have already amended and rebooked their holiday or have received a Refund Credit Note from their travel provider. If your original holiday was covered by a financial protection scheme (eg ATOL or ABTA), your Refund Credit Note is financially protected by ATOL or ABTA (whichever covered your original booking) in the event your travel business fails.

It is important that your Refund Credit Note includes certain information. If you are uncertain about accepting a Refund Credit Note, then talk to your travel provider about your options. ABTA can also provide information on these.

### **If I accept a Refund Credit Note, will I lose my right to a cash refund?**

No. A Refund Credit Note preserves your right to a cash refund, which can be redeemed at the latest at the expiry date of the note.

### **I am concerned that my travel provider isn't following the rules for Refund Credit Notes. What should I do?**

ABTA expects its Members to follow its rules for Refund Credit Notes and, if necessary, we will take disciplinary action against a Member if they do not adhere to these rules. If you have evidence that they are not following the above rules, in the first instance please contact our Customer Support team. If your travel provider is not an ABTA Member you may wish to contact Citizens Advice or Trading Standards.

### **Is a holiday voucher the same as a Refund Credit Note?**

No. A holiday voucher is different to a Refund Credit Note. Holiday vouchers, gift vouchers and other discount vouchers are not protected by the schemes of financial protection.

### **When can I redeem my Refund Credit Note for another holiday or a cash refund?**

Your Refund Credit Note should include an expiry date which is based on your travel company's financial protection arrangements, or a date sooner than this.

The reason the dates will vary by provider is because some companies will have financial protection in place for their holidays for a longer period than others. The majority of holiday bookings are covered by ATOL. ABTA does not have the authority to set dates for when ATOL protection applies, this is set by the Civil Aviation Authority.

## How is my money protected and why is it important?

The majority of package travel arrangements provided by ABTA Members are protected by either the CAA's ATOL scheme or by the ABTA Bond of the Member company. Both the ATOL and ABTA schemes protect a refund that was due for a holiday that has not taken place if a travel company fails. You can check this for yourself on the ATOL Air Travel Trust Payment Policy, section 4.2 on page 28 at:

<https://publicapps.caa.co.uk/docs/33/20122407PaymentPolicyFinalpdf.pdf>

ABTA is an independent organisation, recognised by the UK Department for Business (BEIS) as an Approved Body under the 2018 Package Travel Regulations. Some of our Members provide bonds through one of the other two Approved Bodies – ABTOT or the CPT Bonded Coach Holidays schemes. ABTA accepts the use of both of these schemes for our Members. Some Members also use financial failure insurance products rather than Bonds. These are also permitted under the 2018 Package Travel Regulations. ABTA checks that all these are in place and monitors them, so that customers do not have to do so when booking with an ABTA Member. Further information on the ATOL scheme can be found on the Civil Aviation Authority website at:

<https://www.caa.co.uk/ATOL-protection/Consumers/About-ATOL/>

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## I'm experiencing genuine financial difficulties, is there anything I can do to get my money back sooner?

A number of ABTA Members have put in place special arrangements for cases of particular hardship – for example, if you have been made redundant during the Covid-19 crisis and your travel insurance policy does not cover you for that risk.

If you find yourself in that situation, please ask your travel company how to apply for exceptional assistance and the evidence that would be required to help them to prioritise your case.

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## Advice to consumers with future bookings

### Q&A

#### What does the current travel advice mean for future travel, e.g. my summer holiday booking?

At this time the FCO currently [advises against all non-essential overseas travel](#) for British nationals. However this travel restriction can be removed at any time, so travel companies are doing their best to manage arrangements for customers.

Each company will have their own process for managing future departures and will be contacting customers due to travel imminently. There is no legal definition of 'imminent travel', however it is generally considered to be within the next few days.

Our advice to customers with future bookings is to be patient and wait to be contacted by your travel provider. Travel companies are extremely busy and many of the staff have been furloughed given the pressures of the

current crisis. Travel companies will be looking at imminent departures first and deciding how far in advance they will offer alternative arrangements or refunds.

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### **I'm abroad already, should I return home immediately?**

All British tourists and short-stay travellers (this does not include permanent residents overseas) currently abroad should return to the UK as soon as possible where and while commercial flight options are still available.

This update reflects the pace at which international travel is becoming more difficult with the closure of borders, airlines suspending flights, airports closing, exit bans and further restrictions being introduced daily. Further closures to air routes may come in the next 48 hours, possibly without notice.

See further advice [here](#).

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### **What happens if I have to travel whilst the non-essential advice is in place?**

British people who decide that they still need to travel abroad should be fully aware of the increased risks of doing so. That includes the risk that they may not be able to get home, if travel restrictions are put in place. Anyone still considering travel needs to be realistic about the level of disruption they are willing and able to endure, and to make decisions in light of the unprecedented conditions we face.

Anyone planning to travel should check the validity of their travel insurance.

British nationals who need to travel are advised to read the FCO travel advice for the country they are travelling to, which includes entry requirements and a link through to the [National Travel Health Network and Centre \(NaTHNaC\)](#) TravelHealthPro website that provides specific travel health advice for countries.

As a precautionary measure enhanced health screening procedures have been put in place at arrival and departure areas in many countries.

Many countries have also introduced entry restrictions for people travelling from certain countries, travellers are advised to read the [FCO travel advice](#) and sign up to email alerts for the country they are travelling to, as these are subject to change at short notice.

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### **What are my options for postponing a trip?**

As a result of the extraordinary situation and customer concerns over coronavirus, many travel companies and airlines are doing all they can to offer more flexible booking policies at this time, such as giving customers the

option to change their travel date should they wish to postpone their holiday. In certain circumstances this may not be possible. Customers should speak to their travel provider to discuss what their options may be.

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### **If I cannot follow my initial travel plans due to the coronavirus outbreak, am I entitled to compensation?**

You won't be entitled to any compensation, as the reason for the holiday not continuing is outside the control of the tour operator.

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### **I have a package holiday booked within the UK, not overseas. Is my holiday affected?**

Even though UK holidays don't come under the FCO's advice against travel, they are very unlikely to be able to go ahead as planned. Accommodation may be unavailable, activities and bars and restaurants are closed. Therefore, we advise that you follow our general advice under "*Advice to customers seeking refunds and with forward bookings*".

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### **I have a booking coming up for accommodation only in the UK. What is the position for me?**

If your accommodation is closed or can't be provided, talk to your travel company about the terms and conditions that apply to your booking. Also, follow the advice above under "*I'm due to travel imminently, but my travel provider has told me my holiday will no longer go ahead as a result of the FCO travel ban. What should I do now?*".

If it is still available and you decide not to go, look at the terms and conditions to see if you are entitled to any refund or released from any obligation to pay.

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### **What should I do if I have a trip booked to a sports event and the event has been postponed or cancelled?**

This depends on how you booked your holiday and what the terms and conditions say. If the event has been postponed, you should speak to your travel company about rearranging your trip once the new date has been confirmed.