EU261 revision & its impact

08.10.2026

Agenda

1. Introduction

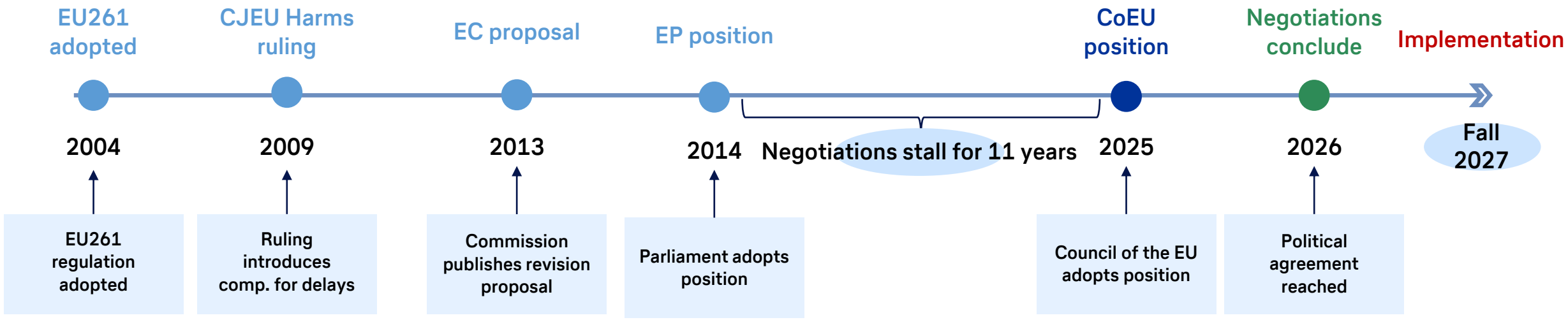
2. EU261, the road to revision

3. What the new EU261 means for airlines, courts & passengers

4. The road ahead

EU261, the road to revision

Timeline of EU261 (2004-2026)



EU261/2004: Original purpose of the Regulation

Passenger Protection

Ensure high level passenger protection

- Guarantee assistance, rerouting and compensation rights
- Reduce inconvenience caused by air travel disruptions

Denied boarding

Particular focus on discouraging denial of boarding for passengers

- Clear intention to reduce frequency of denied boarding
- Strong passenger protection safeguards for overbooking

Compensation

Compensation rights introduced, but with a limited scope

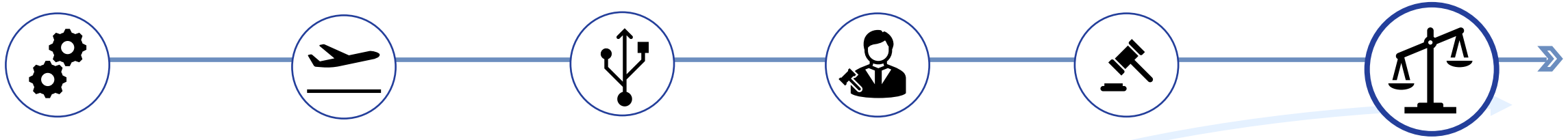
- For denied boardings and cancellations
- Extends compensation rights beyond Regulation 295/91
- Introduces the notion of extraordinary circumstances

Why was the Regulation adopted?

In 2004, the EU introduced EU261 to establish common minimum passenger rights and a high level of passenger protection

Subsequent CJEU case law significantly expanded its scope

Twenty Years of CJEU Jurisprudence



2008

Wallentin-Hermann (C-549/07)

Narrow interpretation of technical defects, generally do not constitute "extraordinary circumstances"

2009

Sturgeon (C-402/07; C-432/07)

Long delays treated as cancelations; Compensation extended 3+ hours of delay

2015

van der Kans (C-257/14)

Unexpected technical failures usually remain airline responsibility

2018

Krüsemann (C-195/17)

Wildcat strikes not extraordinary circumstances

Internal labour disputes remain airline liability

2023

TAP Portugal (C-156/22 to C-158/2023)

Crew illness/death not extraordinary

Further narrowed EC concept

2021-2026+

Continuous Case-law Development

- Connecting flights
- Missed connections
- Crew availability
- Weather disruptions
- Strikes
- Voucher reimbursement
- Package travel Interactions

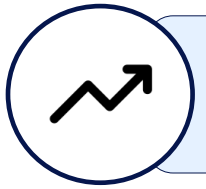
9,000+
preliminary ruling requests to the CJEU (2004-2025)

90 rulings. Leaderboard of CJEU rulings in terms of legislation.

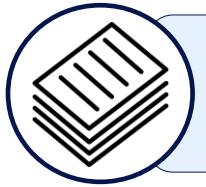
- Increasingly narrow scope & continuing legal uncertainty
- Growing compliance burden for airlines
- Rising volume of litigation and referrals and administrative burdens for courts
- Greater reliance on courts rather than legislators

https://curia.europa.eu/site/upload/docs/application/pdf/2026-05/ra_en_court_statistiques_25.pdf

EU261 places an increasing burden on courts...



100 000 cases each year in Germany alone, fueled by rise of claim agencies

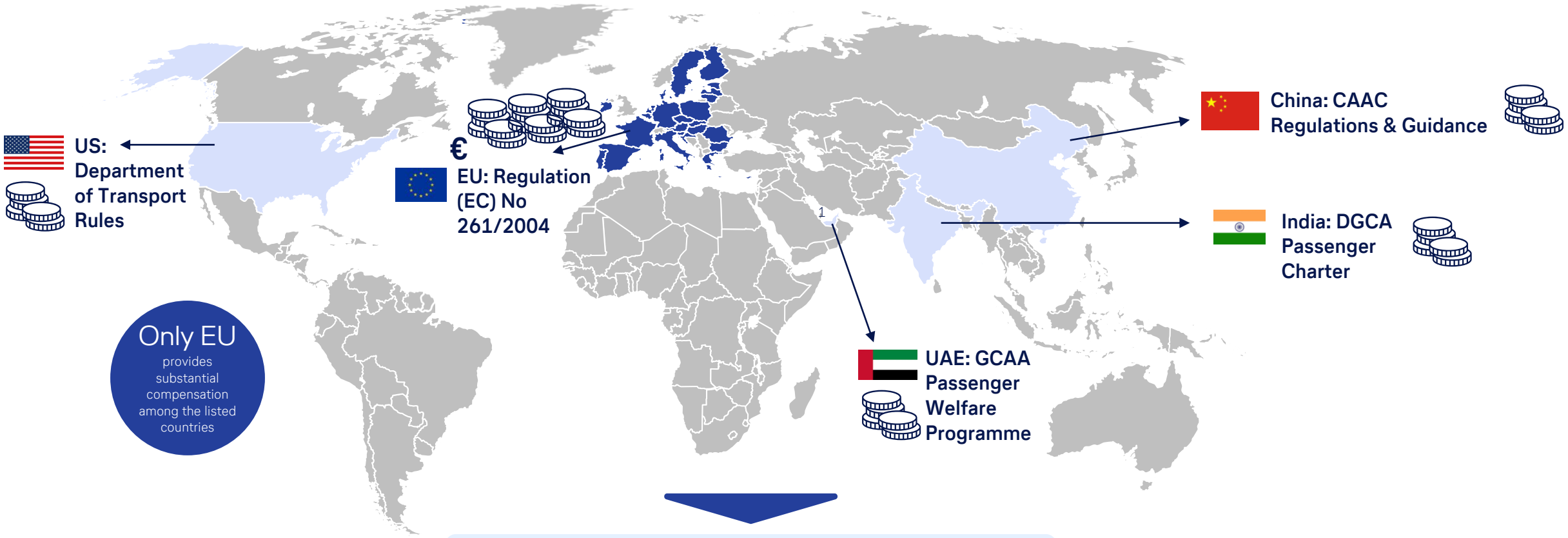


90 CJEU rulings since 2004 on EU261 interpretation



Costs imposed by the regulation are eventually paid by consumers

… and constitutes a competitive disadvantage for EU airlines



As non-EU competitors are not subject to comparable compensation regimes, **EU airlines face structural cost disadvantages**, resulting in **competition distortion**.

1 Qatar and Turkey also have passenger compensation, but not as far-reaching as EU261

How the EU261 revision was negotiated

2013 Commission Proposal

Drivers & objectives for revision

- Address legal uncertainty after extensive CJEU case law (especially Sturgeon) and provide legal clarity through codified list of extraordinary circumstances
- Strike better balance between consumer protection and airline interests
- Modernise and clarify various EU261 provisions

Negotiation Trajectory

2013

Commission Proposal (COM(2013)130)

2014

Parliament position

- Pushback on parts of the EC ppl
- Advocates for strengthening pax rights

2014-2025

Legislative Deadlock

- Gibraltar dispute
- Original proposal remains stalled

2009-2025

EU261 Judicial expansion

2025

Council 1st Reading Position
REFORM REVIVED

- Attempted to strong-arm EP during negotiations
- 4h / 6h delay thresholds
- Stricter rerouting rights
- Clearer EC list
- List of “pro-consumer” measures

2025

2nd Reading EP Position

- Strict flat 3 hours position
- Automatic compensation
- Narrow EC list
- Stronger rerouting rights
- Additional “free” CL
- Expanded “pro-consumer measures”

2026

EU261 reform concludes after politicized negotiations

- Status quo largely retained,
- Added rerouting, cabin luggage, voucher limits etc.
- New extr. circum. list follows jurisprudence
- reasonable measures still unclear

Impact on passengers, airlines and courts

Main cost drivers avoided, but key relief opportunities were all missed

	2013 EC ppl	2026: EU261 Reform
Comp. thresh & amounts	5, 9 and 12 hours (short, medium, long haul)	3 hours flat, no distinction for flight distance
Comp. forms	Proactive request by the passenger	Mandatory compensation info within 96h: Delays & cancellations; forms must be pre-filled
Extr. circum. list	Extended list, reflecting fairer responsibility for airlines	Non-exhaustive list of circumstances closely following case law
Cabin luggage	No additional regulation	Harmonised personal-item dimensions; Commercial freedom for trolleys preserved; Trolley-inclusive fare to be shown by default
Rerouting	No self-rerouting	Self-rerouting if airline fails to reroute within 3h, can be expensed to the airline for up to 400% of the ticket price

Compensation thresholds codified, EC list strictly follows jurisprudence



Compensation

Codifies CJEU jurisprudence right to compensation when delay at arrival exceeds three hours, follows current thresholds:

(a) EUR 250 <1 500 km;

(b) EUR 400 1500-3500km + all EU;

(c) EUR 600 for all other journeys



Pax information

Obligation to provide pax with info on compensation rights, and instructions for filing claim within 96h of disruption



Extr. circumstances

Non-exhaustive list of extraordinary circumstances;

no additional flexibility (technical issues and airlines strikes);

Reasonable measures remain unclarified

Increased transparency and standardization of cabin luggage

Cabin Trolley

Commercial freedom for cabin trolley preserved



Personal Item

Standardised dimensions agreed: 40x30x15cm or to fit under the front seat



Price transparency

Obligation to display by default the air fare including cabin trolley



Right to charge for cabin trolley to be opened for negotiations again in 2027

Other elements of the EU261 Reform



No-show

Prohibited to deny boarding on in-bound flight due to no-show on out-bound (feeder flights excluded)



Self-rerouting

Right to self-reroute after 3h if airline does not offer alternative



Scope

Status quo, no expansion



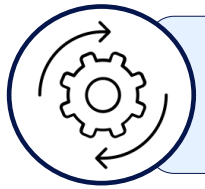
Tarmac delay

Mandatory disembarkation after 2h, unless safety/security constraints



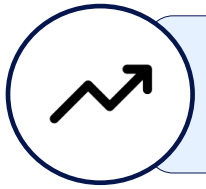
Vouchers

Max validity of 12 months. If unused, the carrier must automatically reimburse within 7 calendar days

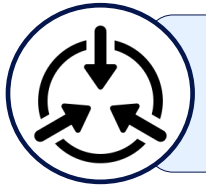


New EU261 obligations enter into force as of Fall 2027

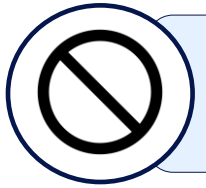
What the EU261 reform did not address



Continued rapid growth of the claims management companies; Claims filed through agencies now account for clear majority of total claims

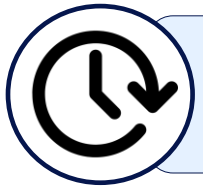


Convergence of business models OTAs & Claims agencies (“EU261 insurance”)



Attempt by the Council to undermine their business model by requiring claims to first be filed to airlines was blocked by the European Parliament

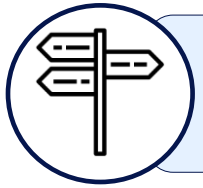
Questions remain, as the implementation begins



EU261 revision obligations will apply as of Fall 2027



Until then, many questions remain. Current lack of consolidated text makes it difficult to fully grasp implications of the reform



Future guidance from the European Commission would be appreciated to clarify parts of the reform before new EU261 enters into force

The road ahead

EU261 will be complemented by two other regulations

All obligations to apply as of Fall 2027

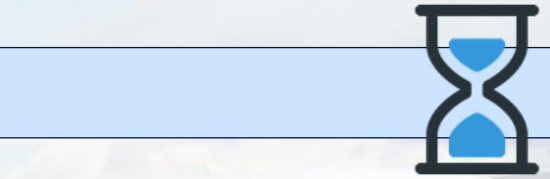
Enforcement of passenger rights (2023/0437(COD))

- Obligation for OTA to inform pax on reimbursement process and intermediation fees and share relevant info with carrier
- If OTA fails to reimburse pax, airline is to contact and reimburse pax including any intermediation fees charged
- NEBs may at the request of the body handling complaints investigate infringements and apply penalties

EU261 will be complemented by two other regulations

All obligations to apply as of Fall 2027

Multimodal passenger rights (2023/0436(COD))





Provisions for information, reimbursement and care of pax travelling multimodal. Widely varying levels of protection integrated vs combined



Reimbursement procedure for intermediary bookings aligned with enforcement, with airline providing “safety net” in case intermediary fails to reimburse



LHG and other airlines doing multimodal already provide pax care & rerouting, new obligations must avoid overlap

Thank you for your attention!