



***Autorità Garante
della Concorrenza e del Mercato***

**DIREZIONE RELAZIONI ESTERNE E RAPPORTI ISTITUZIONALI
UFFICIO STAMPA
www.agcm.it**

PRESS RELEASE

**AIR TRANSPORT: ANTITRUST FINES RYANAIR AND EASYJET FOR
MORE THAN A MILLION EURO DUE TO MISLEADING PRACTICES IN
THE TRAVEL INSURANCE**

Compensation requests hampered. Fines respectively of € 850,000 and € 200,000. Ryanair will have to communicate within 30 days how they intend to change this unfair behavior, whereas EasyJet has already modified the practice during the course of the procedure.

Fines for a gross amount of € 1,050,000 (€ 850,000 to Ryanair and € 200,000 to EasyJet) for the lack of transparency of travel insurance policies offered during the on line purchase of air-tickets and for the obstacles created in case of refund. These fines have been established by Antitrust at the conclusion of two distinct procedures of unfair commercial practices.

The Authority has given Ryanair 30 days' time to communicate the initiatives to remove this unfair behaviour.

In the case of EasyJet, the Authority has taken into account the changes made during the administrative procedure both to the information provided to consumers in the on-line booking process and to the refund procedure: consequently, a lower fine has been applied.

The unfair commercial practices:

LACK OF TRANSPARENCY IN THE SALE OF INSURANCE POLICY

The Authority has deliberated that both Ryanair and EasyJet have infringed the Consumer Code by not supplying adequate information or by giving misleading information essential to make an informed choice when consumers acquire the insurance policy which covers risk of travel cancellation.

In particular:

- during the on line reservation process, the effective risks covered by the insurance



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policy are not clearly indicated, while they are knowable only reading the full conditions of contract through a link; the sum of deductible excess, that is very high in proportion to the cost of ticket, is not immediately clear; it is not explained that refund does not cover taxes and airport charges.

These omissions can mislead consumers on the same kind of insured risks, thereby causing them harm such as to take a transactional decision that they would not have taken otherwise.

- **Ryanair:** The Authority has also considered unfair, cumbersome and misleading, the mechanism imposed to consumers in order to select the no-purchase option of the travel insurance policy: in the Ryanair booking process it is necessary to go through the window of Country of Residence and select the option “*refuse insurance*”, positioned – in the Italian website - between Netherlands and Norway.

LIMITS TO RIGHT OF REFUND

In both proceedings the Authority has considered unfair commercial practice the fee requested by air companies to issue the certificate declaring that the consumer has not made use of the transport service, that is necessary to obtain a refund of the expenses encountered. This is an information which the companies already have and could be easily given to the insurance company without any burden to consumers.

On the contrary, the consumer is requested to pay a “fee” that can be higher of the same insurance cost (20 euros for Ryanair, 12 euros for EasyJet) and also to necessarily contact a payable phone number: in this way, consumers who have purchased the travel insurance policy are dissuaded from beginning any refund procedure which also “deducts” high excesses.

The data collected by the Authority’s offices during the investigations show that the percentage of travelers who have activated the procedures of refunds is extremely low.

Rome, 17th February 2014