

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations implement [Directive 2015/2302/EU](#) of the European Parliament and of the Council amending Regulation [\(EC\) No. 2006/2004](#) and [Directive 2011/83/EU](#) of the European Parliament and of the Council and repealing Council [Directive 90/314/EEC](#).

These Regulations make provision in respect of package travel contracts and linked travel arrangements sold, or offered for sale, in the United Kingdom. The principal provisions of these Regulations are as follows.

Part 2 of these Regulations specifies the information which the organiser of a package travel contract must provide to a traveller before the contract is concluded and how that information is to be provided. Part 2 also makes provision for the contents of the package travel contract. Where the package travel contract is sold through a retailer, the organiser and the retailer must both ensure that this information is provided. An organiser or a retailer who fails to comply with these provisions commits an offence.

Part 3 of these Regulations makes provision for the circumstances in which the traveller may transfer the package travel contract to another traveller or may terminate the contract. It also describes the exceptional circumstances in which the price, or other contract terms, may be altered and the limited scenarios where the organiser may terminate the contract.

Part 4 prescribes how the contract is to be performed and sets out when and how compensation may be offered to the traveller in cases where there is a lack of conformity in the performance of the contract.

Part 5 makes provision in respect of the possible insolvency of the organiser. The organiser must ensure that effective security is in place by way of insurance, bonding or monies in trust. In the event of the organiser's insolvency, such security must be able to cover the reasonably foreseeable costs of refunding all payments made by the traveller and, if the carriage of passengers is included in the package, of repatriating the traveller if necessary. Part 5 also requires traders who facilitate linked travel arrangements to ensure that travellers benefit from insolvency protection covering the refund of payments received from the travellers and, if that trader is responsible for the carriage of passengers, the cost of repatriation. The relevant trader must inform the traveller about that protection, and must also inform the traveller that the traveller will not benefit from other rights applying under these Regulations to package travel contracts.

Part 6 of these Regulations makes general provision about the obligations of a retailer, where the organiser is established outside the European Economic Area. This Part also sets out the liability of the trader in respect of booking errors and the right of an organiser to seek redress from a third party.

Part 7 deals with enforcement, prescribing the enforcement authorities and setting out a due diligence offence and a prosecution time limit.

Part 8 revokes the Package Travel, Package Holidays and Package Tours Regulations 1992 ([S.I. 1992/3288](#)), except in respect of contracts entered into prior to their revocation. Part 8 also makes amendments to primary and secondary legislation which are consequential upon the coming into force of these Regulations.

Part 9 of these Regulations sets out a review provision.

A full regulatory impact assessment of the effect that these Regulations will have on the costs of business and the voluntary sector is available from the Department for Business, Energy and

Industrial Strategy and is also available alongside these Regulations on www.legislation.gov.uk. An Explanatory Memorandum and a transposition note are also available with these Regulations on www.legislation.gov.uk. Copies have been placed in the Libraries of both Houses of Parliament.