

CMA closes investigation into British Airways and Ryanair

In June 2021, the Competition and Markets Authority (CMA) launched a probe into the airlines over concerns they may have broken the law by failing to offer refunds for flights customers could not legally take during periods of lockdown. Instead, British Airways offered customers vouchers or rebooking and Ryanair provided the option to rebook.

After a thorough examination of relevant law, and the evidence it had gathered during its investigation, the CMA has concluded that the law does not provide passengers with a sufficiently clear right to a refund in these unusual circumstances to justify continuing with the case.

Consumer protection law sets out that passengers are entitled to refunds when an airline cancels a flight, because the firm cannot provide its contracted services. However, it does not clearly cover whether people should be refunded when their flight goes ahead but they are legally prohibited from taking it.

Following its review of the law and evidence, alongside expert advice, the CMA concluded that prolonging this investigation could not be justified given the length of time it would take to reach an outcome in the courts and the uncertain outcome. Considering this, and given the CMA can only enforce the law as it stands, it has decided to close the investigation.

Andrea Coscelli, Chief Executive of the CMA, said:

We strongly believe people who are legally prevented from taking flights due to lockdown laws should be offered a full refund and we launched this investigation in the hope that we would be able to secure a positive outcome for consumers. However, after considering the relevant law and gathering evidence in our investigation, we have concluded that the length of time that would be required to take this case through the courts, and the uncertain outcome, can no longer justify the further expense of public money.

Given the importance of this to many passengers who have unfairly lost out, we hope that the law in this area will be clarified.

This case is different from other instances where the CMA has secured refunds for customers. For example, in the package travel sector, customers are protected by a separate set of laws, the Package Travel Regulations, which give consumers refund rights that the CMA was able to enforce. The CMA was also able to take effective action to get consumers refunds in several other sectors, such as weddings and holiday lets. In these cases, the legal position was different, in particular because lockdown legislation businesses to operate – unlike airlines, who were permitted to continue flights.

CMA action has already led to commitments to refund hundreds of millions of pounds for people whose holidays were cancelled due to the pandemic, including from [LoveHolidays](#), [Lastminute.com](#), [Virgin Holidays](#), [TUI UK](#), [Sykes Cottages](#), and [Vacation Rentals](#).

For more information, visit the [COVID-19: lockdown flight refunds page](#).

1. In April 2021, the [Department for Transport issued a taskforce report](#) putting further measures in place to ensure travellers' money is safe in case bookings are cancelled wherever possible. This also included plans to reform the enforcement powers of the sector regulator, the Civil Aviation Authority, to better tackle consumer law breaches.
2. For most affected passengers, British Airways offered credit voucher and fee-free rebooking options, whilst Ryanair offered a fee-free rebooking option.
3. Ryanair told us it had repaid a small number of people having reviewed the specifics of their cases.