

TUI Aviation Policy Strategy

Introduction

A strong, competitive and sustainable aviation sector is essential for Europe's connectivity, economic resilience and social cohesion. As a leading European leisure travel group, TUI fully supports the transition to climate-neutral aviation, while underlining that this transition must be deliverable, affordable and globally competitive.

Europe's aviation policy framework should enable airlines to invest in decarbonisation, fleet renewal and operational efficiency, while maintaining consumer choice, safeguarding connectivity and ensuring a level playing field. An effective EU Aviation Strategy must therefore balance climate ambition with market reality, regulatory coherence and resilience of the Single Aviation Market.

Sustainability

TUI is firmly committed to decarbonising aviation and supports the objective of achieving climate-neutral air transport by 2050. Sustainability measures must, however, be deliverable, cost-effective and aligned with market reality.

SAF is central to aviation decarbonisation, alongside fleet renewal and operational efficiency improvements. SAF mandates can play a role in creating long-term demand certainty, but only if they are matched by fuel availability and meaningful cost-containment mechanisms.

Current and future SAF mandates risk outpacing supply, particularly for advanced fuels such as eSAF / PtL. Introducing binding sub-mandates in advance of production capacity will drive costs without delivering additional emissions reductions, as airlines will be forced into buy-outs rather than actual SAF uplift.

European airlines have made official commitments to decarbonise aviation, which can only be met through the availability of a robust and affordable SAF market. Current mandate-based approaches have not yet delivered this, as reflected in structurally high SAF prices in mandated markets and the lack of commercial eSAF production,

indicating that policy has outpaced market readiness rather than enabled it.

TUI therefore calls for:

- Greater policy focus on scaling SAF production, including investment incentives and funding.
- Flexibility in SAF mandate design, including the ability to adjust sub-mandates where supply is demonstrably unavailable.
- Use of ETS revenues and SAF allowances to close the cost gap, ensuring that decarbonisation costs do not fully fall on airlines and passengers.

Raising mandates alone will not accelerate decarbonisation. Affordability and competitiveness must remain core principles, especially for leisure travel and family holidays.

Airspace

Europe's fragmented airspace continues to impose unnecessary fuel burn, emissions and delays on airlines and passengers alike.

Accelerated airspace modernisation is among the most cost-efficient ways to cut aviation emissions and improve resilience. Delays to the Single European Sky and uneven implementation of ATM reforms are undermining Europe's competitiveness.

Additionally, frequent air traffic control strikes, and airspace disruptions have become a structural weakness in the European aviation system, causing significant knock-on effects well beyond the Member State concerned.

Overflights should be explicitly protected to safeguard network integrity, connectivity and passengers' mobility across Europe. Protecting overflights is not about limiting the right to strike, but about ensuring that essential cross-border transport services remain functional in a Single Aviation Market.

TUI supports:

- Faster deployment of performance-based navigation and true free-route airspace, with planning restrictions only where absolutely necessary to ensure safety and efficient flow.
- A renewed political commitment to airspace reform and cross-border coordination.
- Airspace efficiency should be treated as a climate and competitiveness measure, not a technical afterthought.
- Guaranteed and sufficiently high minimum service levels for ATC, particularly for overflights, during industrial action.
- Stronger EU coordination to prevent national disruptions from disproportionately affecting cross-border air traffic.

Taxes

Aviation already faces a growing burden of taxes, charges and environmental levies.

National aviation taxes do not reduce emissions, but instead increase ticket prices, reduce demand and weaken European connectivity. Such taxes disproportionately affect leisure travellers and regions dependent on tourism, while failing to deliver environmental benefits.

TUI therefore calls for:

- Clear earmarking of aviation-related revenues (such as the EU ETS) towards decarbonisation and infrastructure, rather than general budgets.
- No new national aviation taxes, and a review of existing ticket taxes.

Affordability is a core social objective: sustainable travel must remain accessible to families and the wider public, supporting social inclusion and mobility.

Passenger rights

TUI strongly supports high consumer protection standards, but stresses that passenger rights regulation must be clear, enforceable and economically sustainable.

The current framework, particularly EU261, has become increasingly complex and legally uncertain, driving litigation rather than better passenger outcomes.

Moreover, policymakers have shown a growing interest in regulating aspects of airline services, such as baggage allowances. Paid cabin or checked baggage is a legitimate commercial offering, enabling passengers to choose lower base fares and pay only for services they need. Mandating free baggage would remove consumer choice and lead to higher ticket prices for all passengers.

TUI therefore supports:

- A clarification and simplification of passenger rights rules, reducing legal ambiguity.
- Clear differentiation between extraordinary circumstances and airline responsibility, with due recognition of knock-on impacts across operations.
- More balanced compensation framework, based on realistic delay thresholds and promoting outcomes that keep passengers moving, rather than increasing cancellations during disruptions.
- Explicit recognition of unbundled pricing models, provided transparency requirements are met.

Consumer protection must balance passenger rights with operational reality.

Market access and resilience

Europe's aviation sector operates in a highly competitive global market yet remains restricted by outdated ownership and control rules. Current EU requirements limit airlines' ability to attract international capital and to remain resilient business models. Maintaining rigid ownership structures risks weakening European carriers relative to global competitors.

Market access rules should also support airline resilience, reflecting aviation's role as critical infrastructure for Europe's global connectivity. In times of crisis, policy-makers should prioritise frameworks that enable airlines to maintain operations, access capital and recover rapidly, rather than amplifying financial and operational stress.

TUI supports:

- A review and modernisation of EU ownership and control rules, while safeguarding safety and regulatory oversight and ensuring that effective control remains in the hands of EU nationals.
- Protecting airline resilience in times of crisis, by ensuring market access and regulatory frameworks enable airlines to withstand shocks, maintain operations and preserve Europe's global connectivity, including through access to capital and proportionate, targeted support measures.

Summary

To secure a sustainable and competitive future for European aviation, TUI calls for the following key policy actions:

1. **Make sustainability deliverable** by prioritising the scale-up of SAF production and cost-containment mechanisms, rather than increasing mandates ahead of fuel availability.
2. **Accelerate airspace and ATM modernisation**, unlocking immediate emissions reductions, efficiency gains and resilience through a more integrated European airspace.
3. **Protect network integrity in times of disruption**, including guaranteed overflight protection during ATC strikes and proportionate regulatory flexibility in crisis situations.
4. **Avoid imposing additional charges and levies**, including national aviation taxes and ensure that revenues generated from aviation are earmarked for decarbonisation and infrastructure, not general budgets.
5. **Safeguard consumer choice and affordability** by maintaining flexible, transparent pricing models, including paid baggage, and simplifying passenger rights rules to reduce legal uncertainty.
6. **Modernise market rules**, including airline ownership and control to support investment, resilience and fair competition.

A coherent EU Aviation Strategy built around these principles will allow Europe to meet its climate objectives while preserving affordable travel, connectivity and global competitiveness.

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