



AITO TOUR OPERATORS URGED TO BACK AITO SPECIALIST TRAVEL AGENTS IN CONNECTION WITH EU PAYMENT SERVICES DIRECTIVE 2 (PSD2)

7th August, 2017

AITO has been discussing at length and in great detail (since March 2017), the thorny problem of the coming Payment Services Directive 2, in January 2018, and in particular its impact on travel agents who will no longer be able to charge clients in order to recover the cost of the banks' credit card fees.

AITO's Council agreed that Sam Clark (Experience Travel Group and AITO Council member) and Gemma Antrobus (Haslemere Travel and AITO Agents Panel Chairman) should form a working group to analyse the impact that this will have, and to come up with a possible solution.

Sam Clark and Gemma Antrobus assessed average package tour prices and commission levels and devised a formula which could be applied by operators to bookings received via agents. It was agreed that AITO (www.aito.com) would recommend that if their tour operator members applied **an extra 0.5% commission to travel agents' bookings for any payments taken after the introduction of PSD2, next January**, this would have an approximate levelling effect overall between bookings made by card and other payment methods.

Says Sam Clark: "Having examined the implications of PSD2 this far in advance, AITO hopes to ensure that operators and agents are not plunged into a last-minute situation at the height of the selling season in January 2018, when the new legislation comes into force. Some AITO members have already written to their agent partners, advising them they will be applying the 0.5% initiative.

"Whether the tour operators increase their selling prices or not as a result of PSD2 is their choice completely, and this 0.5% extra commission is only a guidance figure for our members to work with."

Gemma Antrobus added: "Both travel agent and tour operator members of the Agents Panel agreed that it was a fair and essential initiative to help AITO Specialist Travel Agents, who work on a fixed commission basis, to mitigate the impact of this new regulation to their bottom line. Even though 0.5% extra commission will not completely cover the shortfall experienced by agents, it will certainly meet the situation half way.

“This is a good demonstration of the collaborative partnership between AITO operators and agents. I’m delighted that AITO is leading the way by taking this action to support its specialist travel agency partners, and hope that many of our specialist operator partners will follow AITO’s recommendation.”

Ends

Press:

For more information, or to interview Sam Clark, Experience Travel or Gemma Antrobus, Chair of AITO Specialist Travel Agents, contact Travel PR (Sue Ockwell or Rebecca Milne, tel 020 8891 4440 or s.ockwell@travelpr.co.uk or r.milne@travelpr.co.uk).