



TARBIJAKAITSE JA
TEHNILISE JÄRELEVALVE
AMET



Guideline

**on filling in and submitting the report on total sales
of package travel and linked travel arrangements**

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1. Competence

Pursuant to § 4 (1) of the Statute of the Consumer Protection and Technical Regulatory Authority, the Authority has the right to issue, within the limits of its competence, indicative guidelines for the exercise of the rights and compliance with the obligations arising from legislation.

2. Purpose

The purpose of this guideline is to give explanations about filling in and submitting the report on total sales of package travel and linked travel arrangements.

Directive (EU) 2015/2302 on Package Travel and Linked Travel Arrangements, which aims to harmonise the requirements for package travel and linked travel arrangements, to enhance transparency, increase legal certainty for travellers and traders and improve consumer protection has been transposed into the Tourism Act (hereinafter also referred to as the TA) and the Law of Obligations Act.

3. Legal basis

The following legal acts have been used to prepare the guideline:

- Directive (EU) 2015/2302 of the European Parliament and of the Council of 25 November 2015 on packages and linked travel arrangements, 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;
- Tourism Act;
- Regulation No. 12 of the Minister of Economic Affairs and Infrastructure of 14 March 2018 Form of the Report on Total Sales of Package Travel and Linked Travel Arrangements.

4. Report on total sales of packages and linked travel arrangements

The obligation to submit the **report on total sales** of package travel and linked travel arrangements arises from subsection 15² (1) of the Tourism Act, which requires that a travel undertaking operating in an area of activity specified in § 6 of the Tourism Act submits the following to the Consumer Protection and Technical Regulatory Authority:

- 1) **once a quarter by the 20th day of the month following the reporting quarter**, a report on the total sales of package travel and linked travel arrangements whereby the updated total sales of package travel and linked travel arrangements planned for the following quarter are also submitted
- 2) **upon commencement of activities and henceforward every year together with the report on the total sales of package travel and linked travel arrangements of the fourth quarter of the previous year**, information on the planned annual total sales of package travel and linked travel arrangements used as the basis for the calculation of security, which includes the quarterly sale of package travel and linked travel arrangements

The report on total sales is primarily important for two reasons. Firstly, the data submitted to the Authority every quarter can be used to ascertain whether the security established by the travel undertaking complies with requirements. Secondly, the planned annual total sales of the travel undertaking is the basis for the calculation of the minimum rate(s) of the security (§ 15¹ of the TA). This why the reports must be submitted to the Authority correctly and in a timely manner.

Supervision over travel undertakings is exercised by the Consumer Protection and Technical Regulatory Authority. In addition, the Authority has published on its website the [Guideline on the Requirement of Security](#), which provides a detailed description of the importance of total sales in the calculation of minimum rates.

4.1. Travel undertakings required to submit the report

The travel undertakings that engage one or several of the following areas of activities (specified in § 6 of the TA) are required to submit the report:

- 1) organisation of packages which include travel services provided in Estonia;
- 2) organisation of packages which include travel services provided outside of Estonia and charter flights;
- 3) organisation of packages which include travel services provided outside of Estonia and scheduled flights;
- 4) organisation of packages which include travel services provided outside of Estonia, except for charter flights or scheduled flights;

- 5) intermediation of packages combined by a travel undertaking of a state outside the European Economic Area;
- 6) offer of linked travel arrangements which include travel services provided in Estonia and outside of Estonia or only outside Estonia, and facilitation of entry into contracts;
- 7) offer of linked travel arrangements which include travel services provided in Estonia and facilitation of entry into contracts.

The report must be submitted by:

- **tour operators**

Tour operators must take into account the travel fees paid to them as well as paid by them to authorised travel retailers when submitting the report. This means that when the report is submitted, it is not important whether the tour operator sells package travel themselves or via a travel retailer. It is also not important whether the traveller pays the travel fees to the travel retailer or directly to the tour operator.

- **retailers of package travel put together by a travel undertaking of a state outside the European Economic Area**

A travel undertaking like this is regarded as a travel retailer, but they must proceed from the requirements established for tour operators (subsection 5 (3) of the TA), which include the requirement to submit a report on total sales. A travel undertaking like this recognises in the report on total sales the travel fees that have been paid to it by travellers for package travel organised by a travel undertaking established outside the European Economic Area.

- **undertakings that facilitate the conclusion of contracts on linked travel arrangements**

A report on total sales must be submitted by all undertakings that facilitate travel arrangements irrespective of whether the undertaking is the actual provider of the travel service or the travel service is provided by someone else. Similar to package travel, the undertaking that facilitates linked travel arrangements submits information on total sales, prepayments and the planned total sales of the next quarter.

The report must not be submitted by:

- a travel undertaking free of the obligation to provide security pursuant to subsection 15 (5) of the TA, which has also entered this exclusion in the Register of Economic Activities;
- the retailer of package travel put together by a travel undertaking of Estonia or another contracting state of the European Economic Area;
- an undertaking that operates exclusively by the business-to-business model, i.e. an undertaking that only sells travel to other travel undertakings which in turn sell it to travellers only in the name of their company, i.e. an undertaking that operates by the business-to-business model never sells travel services directly to travellers;
- an undertaking to whose operations the regulation of the Tourism Act does not apply (the scope of application of the act is specified in subsections 1 (2)-(4) of the TA).



5. Content of report on total sales

§ 15² of the TA defines total sales, which means that for the purposes of the Tourism Act, the total sales of package travel and linked travel arrangements means the gross amount of all payments made to a travel undertaking by or on behalf of travellers on the basis of package travel contracts or contracts on linked travel arrangements, including the amount received as prepayment and unused package gift vouchers.

Only the data of package travel and/or linked travel arrangements are presented in the report. This means that the data of single travel services (for example, if only flights are offered and sold) are not presented. The travel services that are parts of package travel or linked travel arrangements are also not differentiated in total sales. This means that the total amount of package travel is given in the report without a breakdown of how much was paid for accommodation or flights. The data of retailed travel is also not noted in total sales, except if travel provided by a travel undertaking outside the European Economic Area is retailed.

The travel fees paid by all travellers (private persons and legal entities alike) must be proceeded from as of 1 July 2018, unless the package travel or linked travel arrangements were purchased on the basis of a general agreement or the business-to-business model. A general agreement is entered into between an undertaking and a person acting for the purposes of the person's economic or professional activities and its object is business travel to be offered and organised in the future.

It must be kept in mind that cash-based, not accrual-based, accounting is used in the preparation of the report on total sales. This means that the travel fees received for package travel and linked travel arrangements are recognised in the report on total sales, not the sales invoices prepared and issued by the travel undertaking.

A description of how and when travel services form package travel or linked travel arrangements is given in the [Guideline on the Regulation of Package Travel and Linked Arrangements](#) prepared by the Authority.

5.1. Which data are submitted in the report and when?

The report is submitted to the Consumer Protection and Technical Regulatory Authority four times a year by the 20th day of the month following the reporting quarter.

- 1) Q1 1 January to 31 March - **the report submission period is 1 April to 20 April**
- 2) Q2 1 April to 30 June - **the report submission period is 1 July to 20 July**
- 3) Q3 1 July to 30 September - **the report submission period is 1 October to 20 October**
- 4) Q4 1 October to 31 December - **the report submission period is 1 January to 20 January**

The easiest and most convenient way is to submit the reports via the package travel reporting model - [PRAM](#). The [PRAM User Manual for Travel Undertakings](#) is also published on the Authority's website.

The areas of activity of the travel undertaking must be considered when the report is submitted: a travel undertaking operating in an area of activity specified in clauses 6 1) to 5) of the TA must submit the data of package travel and a travel undertaking operating in the areas of activity specified in clauses 6) to 7) must submit the data of linked travel arrangements. If a travel undertaking only organises package travel, it must not submit data about linked arrangements and vice versa, if a travel undertaking only operates as an undertaking that facilitates linked arrangements, it must not submit data about package travel. If a travel undertaking organises package travel and also operates as an undertaking that facilitates linked travel arrangements, they must fill in both fields of the report on total sales.

If there are no data to enter in a required field, the respective field is not left blank and 0 is entered there. For example, 0 is entered in the prepayments field if an undertaking does not have any prepayments as of the last day of the reporting period. 0 is entered in each field concerning linked travel arrangements if the undertaking only engages in the organisation of package travel (and vice versa). The undertakings that retail the package travel of a travel undertaking of a country outside the European Economic Area must also fill in the package travel fields.

The [Form of the Report on Total Sales of Package Travel and Linked Travel Arrangements](#) is established with Regulation No. 12 of the Minister of Economic Affairs and Infrastructure of 14 March 2018 and it contains two tables as follows:

5.1.1. First table of report on total sales

Majandus- ja taristuministri
14.03.2018 määrus nr 12
„Pakettreiside ja seotud reisikorralduste
kogumüügi aruande vorm”
Lisa
(majandus- ja taristuministri 05.02.2019
määruse nr 12 sõnastuses)

PAKETTREISIDE JA SEOTUD REISIKORRALDUSTEENUSTE KOGUMÜÜGI ARUANNE

Aruanne esitatakse Tarbijakaitse ja Tehnilise Järelevalve Ametile aruandekvartalile järgneva kuu 20. kuupäevaks.

Reisiettevõtja nimi

Majandustegevusteate number

Aadress, telefon, e-post

Aasta I kvartal II kvartal III kvartal IV kvartal

Pakettreiside ja seotud reisikorralduste kogumük

Aruandeperioodi kogumük* eurodes		Ettemaksed aruandeperioodi viimase päeva seisuga** eurodes		Järgneva kvartali täpsustatud planeeritav kogumük* eurodes	
Pakettreisid	Seotud reisikorraldus- teenused	Pakettreisid	Seotud reisikorraldus- teenused	Pakettreisid	Seotud reisikorraldus- teenused

* Aruandeperioodil pakettreisilepingutest või seotud reisikorralduste lepingutest tulenev reisijate poolt või nimel reisiettevõtjale tasutud kõigi maksete kogusumma (pakettreisilepingu puhul ka maksed reisikorraldaja poolt volitatud reisivahendajale), sealhulgas sel perioodil ettemaksetena saadud summa ning lunastamata pakettreiside kinkekaardid.

** Aruandeperioodi viimase päeva seisuga nii aruandeperioodil kui varasema(te)l aruandeperioodi(de)l reisijate poolt saadud ettemaksed järgneva(te)l kvartal(ite)l toimuvate pakettreiside ja seotud reisikorralduste eest, sealhulgas lunastamata pakettreiside kinkekaardid (pakettreisilepingu puhul ka maksed reisikorraldaja poolt volitatud reisivahendajale).

This table is filled in when each quarterly report is submitted and the following data are provided:

1) total sales of package travel and linked travel arrangements in the reporting period

Total sales - the total amount of the payments paid to the travel undertaking by or on behalf of travellers in the reporting period on the basis of package travel agreements and/or linked travel arrangement agreements, which also includes the amounts received as advance payments and package travel gift vouchers (whether redeemed or not) issued during the given reporting quarter. **The travel fees received during the reporting quarter are recognised in total sales irrespective of whether the travel has taken place or will take place in the future and whether or not the travel fee has been transferred to the actual service provider.** Pursuant to clause 4.1. of the guideline, a tour operator (i.e. not the travel retailer, except for a retailer of an undertaking of a country outside the European Economic Area) must also recognise the travel fees for package travel which has been sold via a travel retailer.

2) prepayments for package travel and linked travel arrangements as of the last day of the reporting period

Prepayments - the prepayments received from travellers as at the last day of the reporting period during the reporting quarter as well as in earlier quarters for package travel and linked travel arrangements that will take place in subsequent quarters, including non-redeemed package travel gift vouchers. **This means prepayments for all travels which have not taken place yet, irrespective**

of the quarter in which the travel undertaking received the travel fees. Similar to total sales, the travel fees received for package travel and linked travel arrangements must be differentiated in terms of prepayments.

The prepayments received for package travel are recognised until the package travel has taken place, i.e. all of the services that are a part of the package travel have been provided. If the travel has taken place by the last day of the reporting period, such travel is not recognised as prepayments. Similar to total sales, tour operators must also submit the data of the package travel sold via travel retailers in the case of prepayments.

The prepayments received for contracts on linked travel arrangements are recognised until:

- a. **the service that is part of the linked travel arrangement has been provided if the undertaking that facilitates the conclusion of contract on linked travel arrangements is also the actual provider of the travel service;**
- b. **the undertaking that facilitates the conclusion of contracts on linked travel arrangements has received the travel fee for a travel service, which is a part of the linked travel arrangements, provided by another undertaking.**

In the case of a travel service whereby the actual service provider is another undertaking, the travel fees received must be recognised as prepayments until the undertaking that facilitates the conclusion of contracts on linked travel arrangements has transferred the travel fees received.

3) specified total sales of package travel and linked travel arrangements planned for the subsequent quarter

The initial planned total sales indicated in the annual sales plan are specified here. The specifications may be caused by the publication of additional sales offers or the issue of a large number of invoices than initially planned.

Examples of how to recognise the travel fees received for package travel and linked travel arrangements in the report on total sales are given below.

Example 1. Package travel

On 29 March (in Q1), a traveller purchased package travel for the same year that cost 500 euros and was for the period from 5 to 15 August. The traveller paid the first instalment of 100 euros on 29 March and the remaining instalments as follows: 100 euros on 20 April (Q2); 100 euros on 20 May (Q3); 200 euros on 20 July (Q3).

How are these data recognised in the report?

- The traveller paid the first instalment in the amount of 100 euros in Q1 (on 29 March), so the travel undertaking recognises the travel fees received in the total sales and prepayments fields of the report for Q1.
- In Q2 (on 20 April and 20 May), the traveller paid two instalments in the amount of 200 euros, so the travel undertaking will recognise the travel fees received in the report for Q2 in such a manner that 200 euros (i.e. the travel fees received in this quarter) is entered in the total sales field and 300 euros (i.e. the travel fees received in this and the previous quarter for travel that will take place after the last day of the second quarter) will be entered in the prepayments field.
- The traveller paid the last instalment in the amount of 200 euros in Q2 (on 20 July), so the travel undertaking recognises the travel fees received - 200 euros - in the total sales field of the report for Q3. As the travel had taken place as at the last day of Q3 (i.e. 30 September), the travel fees received for this travel are not recognised in the repayments field.

Example 2. Linked travel arrangements

A traveller bought linked travel arrangements on 20 July (in Q3): flights (300 euros) and accommodation (200) that were selected separately and paid for separately on the same day. The undertaking that facilitated the conclusion of contracts on linked travel arrangements transferred the received travel fees (500 euros in total) to the air carrier (300 euros) and the accommodation establishment (200 euros) on the same day.

How are these data recognised in the report?

- The travel undertaking recognises the travel fees received - 500 euros - in the total sales field of the report for Q3. As the travel fees received had been transferred to the air carrier and the accommodation establishment as at the last day of Q3, the travel fees received for this travel are not recognised in the repayments field.

Example 3. Linked travel arrangements

See Example 2, but with the difference that the undertaking which facilitates the conclusion of contracts on linked travel arrangements had not transferred the received travel fees to the air carrier and the accommodation establishment as of the last day of Q3.

How are these data recognised in the report?

- The travel undertaking recognises the travel fees received in the total sales and prepayments fields of the report for Q3 by entering 500 euros in both fields.

Example 4. Linked travel arrangements

A traveller bought linked travel arrangements in Q2: flights (200 euros) and accommodation (400) were selected separately and paid for separately on the same day. The travel undertaking is also the actual service provider of the accommodation that is a part of the linked travel arrangements and the travel will take place in Q3. The travel undertaking transferred the travel fees received for the flights to the air carrier on the same day.

How are these data recognised in the report?

- The undertaking enters 600 euros (accommodation and flights) under total sales in Q2. As the undertaking had transferred the 200 euros paid for the flights to the air carrier as of the last day of Q2 and the undertaking as the service provider still had the prepayment for the accommodation, 400 euros must be entered in the prepayments field.
- The undertaking received no travel fees for this travel in Q3 and as the travel had taken place as at the last day of Q3, these travel fees are not entered in the report on total sales for Q3.

5.1.2. Second table of report on total sales

Planeeritav paketteiside ja seotud reisikorraldusteenuste kogumük . aastal (tuleb täita tegevuse alustamisel ja edaspidi koos eelmise aasta viimase kvartali aruandega)

	I kvartal	II kvartal	III kvartal	IV kvartal	Kokku
Paketteisid					
Seotud reisikorraldusteenused					

(Allkirjaõigusliku esindaja nimi ja ametikoht)

(Aruande esitamise kuupäev)

(Allkirjaõigusliku esindaja allkiri)

This table will be filled in in two cases:

1. upon commencement of operations

The quarters in the table that are relevant are filled in upon commencement of operations. This means that data will be entered for the quarters when the travel undertaking plans to operate. For example, if a travel undertaking commences its operations in the middle of Q2, then Q1 will be recognised with 0 and the data for Q2 to Q4 will be submitted according to planned sales. If the undertaking commences its operations in Q4 (e.g. in November), it will submit the data of the planned sales of Q4 (November to December) and 0 will be entered for the previous quarters.

2. once a year with the report for Q4, publishing the following data: the total sales plan of package travel and linked travel arrangements with the planned sales for each quarter



According to point 4 of the guideline, planned sales are an important part of the calculation of the minimum rates of security, so the second table of the report on total sales must be filled in as accurately as possible.

It is important to note that:

- the security is calculated on the basis of the travel undertaking's total sales of package travel and linked travel arrangements during the previous calendar year if the sales exceed the travel undertaking's planned annual total sales of package travel and linked travel arrangements (subsection 15¹ (6) of the TA);
- a security that corresponds to the minimal mandatory rate of a travel undertaking is required only if it is also sufficient for the performance of the obligations set forth in subsection 15 (3) and (4) of the TA;
- the years and quarters for which the report is submitted must also be filled in in the report on total sales on the first and second page of the report;
- the report can only be submitted by the legal representative of the travel undertaking and the report must also be signed.

6. Frequently asked questions

I am only a travel retailer and rarely sell single travel services to clients, do I have to fill in the report?

Answer: A travel retailer is not required to have an entry in the Register of Economic Activities or a security and must not submit the report when operating in this manner. However, if the travel retailer has an effective entry in the Register of Economic Activities and they also operate in other areas of activity, it must submit a report on total sales.

Do I have to recognise the packages sold via travel retailers in the report on total sales?

Answer: The travel fees received for all packages put together by you must be recognised in the report on total sales, irrespective of the kind of travel undertaking that sold the package organised by you and whether the traveller paid the fees for the travel to you directly or to a travel retailer.

I am a travel undertaking and would like to know whether the share of different travel services in package travel or linked travel arrangements must be separately recognised in the report on total sales?

Answer: No, the data of packages and/or linked travel arrangements are presented in the report for travel arrangements as wholes.

I am a travel undertaking that offers and sells package travel put together by another tour operator as well as linked travel arrangements that are actually provided by other undertakings. Do I have to submit the report on total sales?

Answer: Yes, you do. You must submit a report on total sales of linked travel arrangements specified in point 5.1.1. of the guideline. You as the travel retailer do not recognise the data of the retailed package travel, as this will be done by the tour operator.

I am a travel retailer, but I add travel services to package travel put together by tour operators. Do I have to submit a report on total sales?

Answer: If a travel retailer adds services to the retailed package travel, they may thereby become a tour operator and in this case, they will also be obliged to submit a report on total sales as well as have a security. Please read the [Guideline on the Regulation of Package Travel and Linked Travel Arrangements](#) prepared by the Authority to find out when a retailer may turn into a tour operator.

I only organise packages, may I leave the linked travel arrangements fields blank?

Answer: No, in such a case you have to enter 0 in the linked travel arrangements fields.