

# What makes regional airlines more vulnerable to Passengers Rights Regulation EU261?



## ABOUT ERA

The European Regions Airline Association (ERA) represents over **50** regional airlines and **200+** companies across the aviation sector. Regional connectivity is central to ERA's mission. Our members connect Europe's regions, supporting social cohesion and economic growth by operating reliable, year-round services that help passengers reach their destinations while minimising cancellations.

## REGIONAL AVIATION: WHAT MAKES US DIFFERENT?

Regional aviation faces a different set of operational and economic constraints than major carriers.

### 1000+

#### UNIQUE ROUTES

Year-round connectivity to remote regions.

### 1 to 4%

#### RAZOR-THIN MARGINS

Operate on thin profit margins, strained by regulatory costs.



#### SMALL FLEET



Regional airlines often have smaller fleets and aircrafts (19–120 seats).

#### PSO ROUTES



Public Service Obligation routes provide essential air links to remote regions.

#### VITAL CONNECTIVITY



Enable access to healthcare education and employment for local communities.

## MAIN RISK IN THE REVISION OF REGULATION 261/2004

### 1 Automatic reimbursement is too much to ask

- Full automation is unfeasible. Regional airlines often lack direct passenger contact data, and the required IT upgrades impose an excessive financial and administrative burden.

### 2 The compensation regime misses the point

- Regional airlines face very different operating conditions than large carriers. The 3-hour rule does not allow sufficient time for regional carriers to solve operational issues as their access to maintenance facilities and spare aircraft is limited. The €250 compensation often exceeds the price of a short flight ticket, especially on low-fare Public Service Obligation (PSO) routes. Any increase in this rate would further threaten essential air services.

### 3 The legal blur around extraordinary circumstances

- Vague definitions of extraordinary circumstances could create legal chaos. Also, a late inbound aircraft or air traffic control restriction can delay subsequent legs in a regional flights rotation and airlines have no means to recover from the delay. Without protection for at least three subsequent flights, carriers would be unfairly penalised for a disruption that cascades.

### 4 Caught in the middle of missed connections

- Regional airlines operating feeder flights cannot bear liability for delays at the final destination. They earn limited revenue from one leg and have no control over the full journey. A 'journey model' penalises airlines excessively and affects connectivity.

## Regional connectivity at risk


Between 2021 and 2025:

**10+**  **REGIONAL AIRLINES  
CEASED OPERATIONS**

**117**  **REGIONAL ROUTES  
DISAPPEARED**



### We are being squeezed out

 Regional airlines are the lifeline of countless communities across Europe, yet the current regulatory burden, especially EU261/2004, threatens their very existence.

## What regional aviation needs now

### 1. Maintain passenger-initiated compensation and reimbursement

Compensation and reimbursement require case-by-case assessment. To ensure accurate processing, reimbursement and compensation should be maintained passenger-initiated.

### 2. Adopt a compensation regime fit for regional airlines

Increase the 3-hour delay thresholds to 5, 9 and 12h (depending on the distance of the flight), adapt the compensation rates to reflect the reality of regional flights ticket prices and regional airlines' margins.

### 3. Define extraordinary circumstances

Provide a binding non-exhaustive list of extraordinary circumstances which can be invoked for at least three subsequent flights to avoid legal chaos.



Severe weather  
and natural  
disruptions.



Pandemics and  
geopolitical crises.



ATM restrictions  
and strikes.



Aircraft damage  
and technical issues.

### 4. Adopt the 'Flight-Leg Model' to end unfair compensation

A 'flight-leg model' limits compensation to the leg operated by the airline and protects essential air links. The operator of the delayed leg could still be responsible for rerouting and assistance to the passenger.

**Proposals under discussion could devastate regional connectivity, communities, and jobs across Europe. Policymakers still have the chance to choose a path that protects connectivity.**