

## **Government Decree No 79/2018 of 20 April 2018**

### **amending Government Decree No 213/1996 of 23 December 1996 on the activities of tour operators and travel agents**

Acting on the basis of the authorisation granted by Section 12(1)(g) of Act CLXIV of 2005 on commerce and within its scope of duties defined in Section 15(1) of the Fundamental Law, the Government decrees the following:

**Section 1** Section 8(5) of Government Decree No 213/1996 of 23 December 1996 on the activities of tour operators and travel agents (hereinafter ‘the Decree’) is replaced by the following:

‘(5) If the trader pursues the activities set out in both points (b) and (c) of paragraph (3), the amount of the financial security shall be based on the higher-value financial security. If the trader pursues the activity set out in point (a) of paragraph (3) as well as the activities set out in point (b) and/or (c) of paragraph (3), the amount of the financial security shall be considered separately.’

**Section 2** The following Section 9/A is added to the Decree:

‘Section 9/A (1) If the package travel and/or linked travel arrangements also include the transport of travellers, the tour operator or trader facilitating the linked travel arrangements shall take out compulsory insurance for the traveller as the beneficiary as provided for under Section 6/F(4) of the Trade Act at the time the contract for the package travel or linked travel arrangements is concluded.

(2) The insurance taken out on the beneficiary’s behalf shall cover the costs of assisting travellers in emergency situations caused by the insolvency of the trader, such as repatriation and the costs of involuntary overnight stays.

(3) The insurance contract referred to in paragraph 1 shall contain a clause requiring the insurer to inform the Government Office in writing within two working days if a claim is made against the insurance by the insurer compensating the losses.

(4) To comply with the requirements under this Decree, the contract for the insurance pursuant to paragraph 1 shall stipulate that, if the trader does not arrange for the repatriation of the beneficiary or for coverage of the costs of involuntary overnight stays, the necessary arrangements shall be made by the insurer rather than the trader. To enable these arrangements to be made, the trader shall provide the insurer, in writing or in electronic format, with all the necessary details, which shall include the identity of the travellers concerned, the details of their travel arrangements and accommodation, and their contact details. The insurer shall decide how losses are to be compensated.

(5) For the contracts referred to in this Section, the insurer shall provide the cover specified in paragraph 2, to which end it shall stand surety each year for an amount equal to at least 10 % of the financial security specified under Section 8(3), or at least 20 % in the case of passenger transport by non-scheduled (charter) flight.

(6) If the trader, through its own fault, fails to provide the insurer with all the necessary details for compensating losses in line with Section 10(3)(c), the Government Office shall order the trader to comply fully with the statutory information-disclosure requirements within five days and remind it of the potential financial penalty for failure to do so. The Government Office shall inform the insurer concerned of any such measures and notify the minister for foreign affairs of any measures concerning the repatriation of travellers and involuntary overnight stays.

(7) The traveller may directly enforce any claims arising from the trader's failure to fulfil its obligations against the insurer. The insurer shall not raise any objections concerning the insurance contract with the traveller. If the insurer settles the traveller's claims, the traveller's rights in relation to the trader are transferred to the insurer to the extent of that settlement.'

**Section 3** The following Section 14/A is added to the Decree:

'Section 14/A (1) The provisions of this Decree on insurance for the traveller as the beneficiary for the purposes of Section 9/A(1), as established by Section 2 of Government Decree No 79/2018 of 20 April 2018 amending Government Decree No 213/1996 of 23 December 1996 on the activities of tour operators and travel agents, shall apply to trips already underway on 1 July 2018 and, if the contract was concluded before 1 July 2018, to trips begun on or after 1 July 2018.

(2) Where applicable, the trader shall increase the financial security referred to in Section 8(3) of this Decree, as amended by Section 3 of Government Decree No 473/2017 of 28 December 2017 amending Government Decree No 213/1996 of 23 December 1996 on the activities of tour operators and travel agents, by an amount corresponding to the reference value based on net turnover from sales calculated in accordance with the Accountancy Act in the year in which the guarantee contract with the credit institution or the insurance contract was concluded or the cash was deposited, with the proviso that the increased financial security shall cover trips begun or already underway on 1 July 2018. By 31 August 2018 the trader shall provide the Government Office with suitable evidence that the financial security has been increased.

(3) A security contract indicated in Section 8(10) and complying with the provisions of this Decree established by Government Decree No 473/2017 of 28 December 2017 amending Government Decree No 213/1996 of 23 December 1996 on the activities of tour operators and travel agents shall be concluded in 2018 for a period of not more than half a year.'

**Section 4** The following Section 16 is added to the Decree:

'Section 16 The draft text of Section 9/A has been notified in accordance with Article 15(7) of Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market.'

**Section 5** (1) Except as provided in paragraph 2, this Decree shall enter into force on 30 June 2018.

(2) Sections 1-4 and 7 shall enter into force on 1 July 2018.

**Section 6** Sections 6, 17 and 22 of Government Decree No 473/2017 of 28 December 2017 amending Government Decree No 213/1996 of 23 December 1996 on the activities of tour operators and travel agents shall not enter into force.

**Section 7** (1) This Decree ensures compliance with Directive (EU) 2015/2302 of the European Parliament and of the Council of 25 November 2015 on package travel 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.

(2) This Decree ensures compliance with Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market.

(3) The draft text of Section 2 has been notified in accordance with Article 15(7) of Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market.

*Viktor Orbán* [signed],  
Prime Minister