

Decision 24/2016 Travel Agency Commissioner - Area 2

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Applicant: *Gulliver Tourism Ltd.*
IATA Code # 37-2 1100
Israel

Respondent: International Air Transport Association (IATA)
Torre Europa
Paseo de la Castellana, número 95
28046 Madrid, Spain

NOTE:

This summarized decision is being posted as the Parties have received it. Occasional requests for clarification are not posted. However, should any Stakeholder requests it, a copy of such clarification will be sent to her/him.

Decision:

I hereby thank IATA for clarifying its position.

I fully understand and share IATA's interpretation of the current Local Financial Criteria ("LFC") for Israel and will, unless new compelling evidence is presented, uphold IATA's decision simply because it is not up to this Office nor up to IATA to "amend" Resolutions (LFC included), as "logical or illogical" they might be.

Having stated the above, I find the Israeli LFC "contradictory" in some sections but, most importantly, not according to **the spirit** of the LFC itself.

I have the following "observations" which I hope will be addressed in the next Agency Passenger Joint Council ("APJC") meeting in Israel. Clarity should benefit both, IATA and the Israeli Travel Agents, represented by ITTAA.

IATA's, and this Office's main concern is to ensure that the risk for prejudiced collection of Airlines' funds is brought to a minimum. I fully agree that where there is a change of "influence", through the purchase of shares, which could affect "Management", then these Agents should be considered as *New Applicants* when it comes to "financial security" matters.

In this case, **both** the buyer and seller of shares are already Accredited Agents and have a long history of financial stability.

The "contradictions" are obvious when reviewing this case. Below I am highlighting some important ones for the purpose of this review:

- *"Level of guarantee (if required) shall be set in direct relation to the score of the reviewed Agent and the amount of its average monthly sales";*
- *"Accredited Agents that achieve 5 points or more (out of the total available 8) shall be exempted from submitting a Bank Guarantee"*

Best of my understanding, both Agents of this review procedure have the highest credit rating and IATA has no uncertainty in regards to their trading history, so the "spirit" of the LFC's need for a BG for "new Applicants" is met.

I urge IATA to bring this issue to the next APJC meeting and it is up to *Issta/Gulliver Tourism* to have their voice heard via ITTAA at such a meeting.

Meanwhile, as initially stated, IATA's decision is upheld.

This Decision is effective as of today.

Decided in Stockholm, on July 25th, 2016

Andreas Körösi
Travel Agency Commissioner
IATA-Area 2

In accordance with Res 820e § 2.10 any Party may ask for an interpretation or correction of any error in computation, any clerical or typographical error, or any error or omission of a similar nature which the Party may find relevant to this decision. The time frame for these types of requests will be maximum 15 calendar days after receipt of this decision. Meaning as soon as possible and **not later than August 9th, 2016.**

Please also be advised that, unless I receive written notice from either one of you **before** the above mentioned date this decision will be published in the Travel Agency Commissioner's secure web site, provided no requests for clarification, interpretation or corrections have been granted by this Commissioner, in which case the final decision will be posted right after that.

Please note that if after having asked for and obtained clarification or correction any Party still considers aggrieved by this decision, as per Resolution 820e §4, the Party has the right to seek review by Arbitration in accordance with the provisions of Resolution 824 §14.

Please let me know if any of the Parties requires a signed hard copy of this decision and I will send one once the time for "interpretation or correction" has elapsed.