

DECISION 2016-04-27A
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road,
Remuera, Auckland 1050,
New Zealand

Applicant:

Yasoob Travels,
Shop No 10 Mobi Plaza,
Haider Road,
Rawalpindi,
Pakistan.
Represented by M Basit Saleem, Director.

Respondent:

Agency Administrator, International Air Transport Association, IATA,
Geneva, Switzerland.
Represented by Ms Nadya Widjaja, Manager Agency Management Asia/Pacific,
IATA, Singapore.

The Case and Decision.

The Agent's accreditation was terminated by IATA on 5 April 2016 for failing to honour an agreed repayment schedule following a default. In its defence the Agent stated that it failed to honour the 3rd payment due on 1 April 2016 as a consequence of civil unrest in its area which had the effect of closing all businesses down from 26 March 2016 to 6 April 2016. The Agent sought a further week from IATA as it had " been facing problems for recoveries from the Market" but the request was declined. As a consequence the Agent now sought relief from this office as the issue was caused by forces beyond its control.

In its summary of events IATA revealed some flexibility in allowing a 48 hour extension however the Agent did not meet the deadline. IATA had granted two extensions and was not prepared to grant further relief. It made the point that other Agents, faced with the same situation, had met the BSP settlement dates. IATA had invoked the Agent's financial security to recover the remaining outstanding amount and had acted in full accord with the Rules following the dishonoring of the repayment plan.

Having weighed up the situation faced by the Agent and the reasoning put forward by IATA I find that the pendulum has swung in favour of the Agent. To that end the provisions of section 13.9 of Resolution 818g " Force Majeure " can be applied to this case.

The Agent has complied with sub paragraph 1.2.2.1 of Resolution 820e and has lodged its request for a review within the 30 day time frame allowed and both parties were alerted, as required by sub paragraph 2.3 of the same Resolution, that in the writer's judgement an oral hearing is not necessary and that the decision would be based on the written information submitted.

Based on the foregoing therefore it is hereby decided as follows:-

1. The Agent is to be re-instated subject to meeting the terms and conditions required by IATA.

Decided this 27th day of April 2016 in Auckland.

Jorgen Foged
Travel Agency Commissioner Area 3

Notes:

1. As per Resolution 820e, Section 4, any Party has the right, if it considers itself aggrieved by this Decision, to seek review by Arbitration in accordance with the provisions of Resolution 824, Section 14.
2. The Parties are advised that according to Subparagraph 2.10 of Resolution 820e, any of them may request an interpretation of this Decision, or for a correction of any error in computation, any clerical or typographical error, or any omission in this Decision. Such request must be made within 15 days of receipt of the electronic version of this Decision.