

DECISION 2017-06-30
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

Airborne Services (Pvt) Ltd.
Islamabad, Pakistan
Represented by Mr. Waseem Ahmed, 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 as a consequence of failing to settle BSP billings and subsequently failing to meet the 50 percent settlement amount of the repayment plan. An amount was paid but insufficient to make the 50 percent requirement.

After an exchange of messages IATA offered the Agent the opportunity, subject to a TAC decision, that if it met the 50 percent level and advised how it intended to settle the balance, IATA would hold off claiming against the Agent's financial security. It was also required to top up its financial security by a further PKR 1,800,000.

This led to a protracted exchange of messages and part payments by the Agent, which culminated in a final outstanding amount of PKR 4,425,126.

The final position arrived at required the Agent to either renew its financial security or extend it beyond 30 August 2017, its expiry date, in order to cover the period of the repayment plan. Otherwise, full payment by 20 August 2017 would be required. Interest would also be added.

The Agent was advised of this scenario and invited to indicate the most realistic way forward. It indicated a desire to settle by 20 August 2017 failing which it would arrange the financial security requested. IATA should give guidance to the Agent on how to proceed.

This has been a lengthy and untidy case and the Agent has been granted generous treatment. The outcome is imponderable but every opportunity has been given for the Agent to be reinstated.

The Parties have complied with the terms of Resolution 820e and were placed on notice, as required by sub paragraph 2.3 of the Resolution, that in the writer's judgement an oral hearing was not necessary and that the decision would be based on the written information submitted.

Based on the forgoing it is hereby decided as follows:

1. The Agent is to be reinstated subject to meeting the following conditions:

(a) settling all outstandings by 20 August 2017

or

(b) renewing its financial security or extending it beyond 30 August 2017, its expiry date, in order to cover the period of the repayment plan.

2.. The Agent is to pay all fees and charges associated therewith.

Decided this 30th day of June 2017 in Auckland.

Jorgen Foged
Travel Agency Commissioner Area 3

Notes:

1. 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.
2. If after having asked for and obtained clarification or correction, any Party still considers aggrieved by this decision, the Party has the right to seek review by arbitration, in accordance with the provisions of Resolution 820e Section 4 and Resolution 824 Section 14.