

DECISION 2018 - 01 - 02
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:
Rozain Travel and Tours
IATA Code 27-3 1608
Karachi, Pakistan

Respondent:
Agency Administrator, International Air Transport Association ("IATA")
Singapore.

The Case and Decision:

The Applicant's accreditation was terminated for failing to meet the payment date of the third installment of a 6 installment repayment agreement. Up to that point the Applicant had settled the first and second payments after the due date but had been granted authority by IATA to do so based on the circumstances described by the Applicant at the time.

In its request for review the Applicant stated that it had deposited the 3rd installment with its bank on the due date of 27 November 2017; however, due to the law and order situation IATA did not receive the amount in its account until 29 November 2017. The Applicant went on to state "almost every city in Pakistan has suffered with the continuous sit-in (dharna) at multiple places, by religious groups that has adversely affected life and the business." The Applicant undertook to settle the remaining 3 installments on time.

In its summary of events IATA described activity leading up to the termination with the proposal that the Applicant settle the full outstanding amount of PKR 16,191,831 (USD 147,174.00) by 31 December 2017 "to accelerate the airlines recovery and sooner reinstatement for the agent."

When this proposal was put to the Applicant its response was "our financial position does not allow us to fully settle in one go" and asked that it be granted the opportunity to continue with the existing agreement.

IATA also advised that a new financial security had been sought and submitted by the Applicant.

In considering this matter the writer accepts the Applicant's comment that some interference with business efficiency has been caused by the civil unrest referred to above; however, in granting the Applicant an opportunity to be reinstated the expectation is that the remaining 3 installments of PKR 5,397,279 each will paid on the due date as any further appeal by the Applicant for time extension will not be treated as benignly. The Applicant should allow sufficient advance time for payment lodgment to guarantee payment to IATA on the due date. A fresh look at the payment dates may be required due to the passage of time caused by this review.

The Parties will have to sort out who eventually receives the full payment of BSP outstandings depending on whether or not the Applicant's Insurer has actioned IATA's claim.

The Parties have complied with the terms of Resolution 820e and were placed on notice by the writer that in my judgment an oral hearing was not necessary and that this decision would be based on the written information submitted.

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

1. The Applicant is to be reinstated subject to complying with the following conditions:
 - (a) Settling the remaining outstanding amount in 3 installments on dates to be advised by IATA;
 - (b) Paying all fees and charges associated with the reinstatement process;
 - (c) Completing an Agency Status Form for dispatch to IATA.

Decided this 2nd day of January 2018 in Auckland.

This Decision is effective immediately. The following sub paragraph of Resolution 820e is brought to the attention of the Parties:

"2.10 - within 15 days after the receipt of the decision, a party, with notice to the other parties, may request that the Commissioner gives an interpretation of the decision or correct in the decision any error in computation, any clerical or typographical error, or any error or omission of a similar nature. If the Commissioner considers that the request is justified, he shall make the interpretation or correction within 15 days of receipt of the request. The interpretation or correction shall form part of the decision."

In this particular case the 15 day time frame expires on 17 January 2018.

If after having pursued this process a Party still considers itself aggrieved by this Decision the Party has the right to seek review by arbitration as detailed in Resolution 824, Section 14.

Finally I seek your authority for this Decision to be posted on the private pages of the Travel Agency Commissioner website which can only be accessed by the 3 TACs and the 12 members of the Passenger Agency Programme Global Joint Council. In the absence of advice to the contrary by 18 January 2018 I will assume that there is no objection to that action being taken.

Jorgen Foged
Travel Agency Commissioner Area 3