

DECISION 2018 - 03 - 09
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

Oasis Travel Shop (Pvt) Ltd. ("the Agent")

IATA Code
Karachi, Pakistan

Respondent:

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

The Case and Decision:

The Agent's accreditation was terminated on 1 March 2018 due to its failure to pay the deposit on a repayment plan by 28 February 2018. It was received on 2 March 2018 with value to IATA on 5 March 2018. The Agent's total indebtedness post the payment is PKR 72,600,758 (USD 656,000).

In its request for a review the Agent stated that its default was caused by "credit stuck in the market which severely affected our cash flows". However, a considerable amount was due from Airlines in the form of incentive commissions and refunds. That source plus the sale of a number of assets would see the BSP debt repaid, an objective that the Agent was determined to achieve. It sought a 6 months installment plan.

IATA advised that it held a financial security for PKR 300,000,000, which expired on 30 August 2018 and had no objection to the Agent being reinstated but full payment had to be achieved by July 2018 or earlier due to the renewal requirement for the subject security.

In considering this matter the writer has been influenced by the Agent's apparent determination to clear its debt and IATA's qualified willingness to see the Agent reinstated.

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 Agent is to enter into a repayment plan with IATA, which sees full payment made by 31 July 2018,
2. Subject to achieving that outcome and settling all IATA fees and charges associated therewith the Agent's accreditation is to be reinstated.

This Decision is effective as of today.

Decided this 9th day of March 2018 in Auckland.

Jorgen Foged
Travel Agency Commissioner Area 3

The following paragraphs are brought to the Parties' attention:

"Resolution 820e, s. 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 24 March 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 25 March 2018 I will assume that there is no objection to that action being taken.