

DECISION 2018 – 09 - 26
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road
Remuera, Auckland 1050
New Zealand

Applicant:

Travel Lead (the “Agent”)
IATA Code 27-3 0466
Lahore, Pakistan

Respondent:

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

The Case and Decision:

The Agent was in default owing PKR 12,407,878 (USD 99,900.00), after having paid PKR 9,890,000 (USD 79,628.00) post the default date. The Agent advised that it had been let down by a tour operator involved with Hajj groups who failed to pay the deposit made by the Agent to an Airline for the travel of a number of groups. The Agent had made part payments to the BSP from a number of sources but needed more time to make full settlement. It had a substantial amount of refunds due from an Airline but that Airline had declined to action same, but the Agent sought relief from IATA by deducting these refunds from the amount due, thus, reducing the BSP debt.

On enquiry from this Office, IATA advised that it was willing to allow the Agent until the end of October to settle their dues; however, it would have to pay the full outstanding amount and to claim the refunds from the Airline after being reinstated.

In considering this matter the writer observes that there appears to be a fundamental flaw in the "amount due" process when refunds cannot be taken into consideration so that a net amount can be determined and settled.

However, based on the Agent's clear desire to settle the stated BSP debt and IATA's willingness to allow additional time for that to occur, it would be incumbent on this Office to authorise such an outcome.

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

Therefore based on the foregoing it is hereby decided as follows:

1. the Agent is granted until 31 October 2018 to make full settlement of all outstandings;
2. having made full settlement the Agent is to be reinstated having paid all fees and charges associated therewith.

This Decision is effective as of today.

Decided this 26th day of September 2018 in Auckland.

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 **11 October 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 12 October 2018 I will assume that there is no objection to that action being taken.

Yours faithfully,

Jorgen Foged
Travel Agency Commissioner Area 3