

Decision 06/2019

Travel Agency Commissioner - Area 2

Andreas Körösi
P.O. Box 5245
S-102 45 Stockholm, Sweden

Applicant: *ZolfaTravel*
IATA Code # 79- 2 1210 3
Sudan

Respondent: International Air Transport Association (IATA)
Torre Europa
Paseo de la Castellana, número 95
28046 Madrid, Spain

NOTE:

This summarized decision is being posted as the Parties have received it. Occasional requests for clarification are not posted. However, should any Stakeholder requests it, a copy of such clarification will be sent to her/him.

Background

Zolfa Travel, an Accredited Agent dealing with Hajj & Umrah travel, was defaulted due to an accumulation of irregularities. All debts were immediately paid and the default triggered IATA to reassess the financial security in place (“BG”) of the Agent, based on sales for the last 12 months. The assessment prompted a request to **increase the BG with SDG 1,970,000.00** (totalling 4,729,000.00).

As confirmed by IATA, if not all then, most Member Airlines in Sudan have decided to abandon sales in local currency and only accept sales and direct payment, outside the BSP, in USD. A statement from the Sudanese Civil Aviation Authority dated 15 January 2019 underlines this.

The current Sudanese Local Financial Criteria requires a minimum of USD 87,000, and as confirmed by IATA, the local Agency Programme Joint Council (“APJC”) has recommended to PAConf to change this to USD 50,000 (equivalent to approximately 900,000.00 SDG).

Considerations

According to my judgement, as allowed in Resolution 820e §2.3, I do not see the need for an Oral Hearing. Should any of the Parties be of another opinion then

please feel free to object and submit the statements to support this within the time frame allowed in Resolution 820e § 2.10 (Right to ask for interpretation).

In line with the background facts above, *Zolfa Travel's* sales since November 2018 have dropped till basically zero. This information has been confirmed by IATA.

Since IATA currently holds a BG, for the amount of SDG 2,760,000.00 and the "minimum" BG accepted in Sudan is for SDG 900,000.00 (equivalent to USD 50,000) it is hereby decided as follows:

Decision

Based on the information from IATA that all other reinstatement requirements are met, and as long as the current market situation prevails,

- ***Zolfa Travels'* existing bank guarantee of SDG 2,760,000.00 is to be accepted as "covering sales at risk" and *Zolfa Travel* can be reinstated.**

This Decision is effective as of today.

Decided in Stockholm, on January 30th, 2019

Andreas Körösi
Travel Agency Commissioner
IATA-Area 2

In accordance with Resolution 820e § 2.10 any Party may ask for an interpretation or correction of any error in computation, any clerical or typographical error, or any error or omission of a similar nature which the Party may find relevant to this decision. The time frame for these types of requests will be maximum 15 calendar days after receipt of this decision. Meaning as soon as possible and **not later than Feb. 14th, 2019.**

Please also be advised that, unless I receive written notice from either one of you **before** the above mentioned date this decision will be published in the Travel Agency Commissioner's secure web site, provided no requests for clarification, interpretation or corrections have been granted by this Commissioner, in which case the final decision will be posted right after that.

Please note that if after having asked for and obtained clarification or correction any Party still considers aggrieved by this decision, as per Resolution 820e §4, the Party has the right to seek review by Arbitration in accordance with the provisions of Resolution 824 §14.

Please let me know if any of the Parties requires a signed hard copy of this decision and I will send one once the time for "interpretation or correction" has elapsed.