



Groupement des Unions Nationales des Agences et Organismes de Voyages de l'UE
Group of National Travel Agents' and Tour Operators' Associations within the EU
Association Internationale sans but lucratif

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By E-mail

President Norbert DRASKOVITS

The Members of the GCC

The Members of the Euroforum

The Members of the Air Matters Committee

The Members

The Affiliated Members

The Observers

GEBTA

Brussels, 13 June 2005

Dear Members,

IMPORTANT

Re: Outcomes of the GCC/15 meeting in Singapore, 06 June 2005, and of the PACONF/28, 07-09 June 2005

I. GCC/15 Meeting - 6 June 2005.

Participants:

ECTAA: Carl Axel Rheborg, Ernesto Mazzi, Michel de Blust.

WTAAA: Mike Hatton, David Pegg

UFTAA: Mario Zirolli, Yossi Fatael, Birger Bäckman.

Airlines: Air France, Lufthansa, JAL, Varig, Air New Zealand.

IATA: Michael Feldman, John Mason, Chris Gilbey (Paconf Chairman)

Travel Agency Commissioner: Brian Barrow.

1. The GCC elected Chris Gilbey as Chairman for the last meeting of the GCC in its current format.

2. The GCC reviewed items from previous meetings and developments in view of PACONF. ECTAA raised once again the issue of the translation of the Travel Agents Handbook (TAH) in more languages and in particular into German. The IATA secretariat confirmed that the matter was still under research. ECTAA once again underlined the importance to have the

TAH available in the main EU languages. It was also recalled that a German translation had been made by the DRV and reviewed by a translator accredited with the German Courts. Air France commented that the current French version of the TAH was far from being reliable. The Travel Agency Commissioner added that he was aware of some disputes between some IATA and a couple of Agents, simply because the Agents were unable to understand the rules to be applied. He encouraged the IATA secretariat to review the language used in the resolutions texts keeping in mind that the vast majority of the Agents in the world are not English native speakers.

The IATA Secretariat undertook to further investigate the issue.

3. The GCC reviewed the PACONF/28 agenda and in particular the so called “ on-site” documents. The Agents delegation expressed serious concerns that over 150 pages of documents were made available on the day of the GCC meeting, and requested that “ on-site” documents should be made available at least several days before the meeting. Airlines expressed similar concerns, underlining that the changes in some documents were not highlighted making any comparison with previous versions of documents almost impossible. ECTAA questioned the publication of its additional comments to items R10 and R23 under a new agenda item A5 without clear cross references to the previous agenda items.

ECTAA further recalled the strong opposition of the European Agents community to the new proposed implementation of BSP standard recovery charges, in particular considering the absence of a proper consultation with the various APJCs, and of any economic justification of the level of these charges. One airline indicated during the meeting that it was opposed to the charges being imposed to agents.

Most of the other agenda items had been reviewed and commented at the previous EUROFORUM meetings, the ECTAA representatives made a number of additional comments at the light of the on-site documents. ECTAA comments referred notably to agenda items A5, G3 (inaccuracy of the EUROFORUM minutes not reflecting the amendments proposed by the Chairman), R1.1, R2.2, R2.3, R3, R10, R11, R20, T13.

4. During the discussion, one airline requested ECTAA’s views on item R5 (EUROFORUM rescission). The ECTAA delegates reiterated what had been said at the last EUROFORUM meeting and the importance to keep in place a consultation mechanism at European level , in particular at the light of the EU legislation applicable to all EU countries as well as the end of any anti trust immunity for the Passenger Agency Programme, since 2004.

The airlines then expressed some concerns about the abrogation of the Euroforum as proposed by IATA.

5. The GCC had an extensive exchange of views on items and issues to be dealt with by the future Passenger Programme Joint Council to replace the GCC if the proposed resolution 860a was adopted.

The listed issues were:

- ADMS statistics in particular the % of disputed ADMS.
- The interpretation of the Danish Court Ruling;
- The relevance of the Current Passenger Agency Agreement at the light of the current airline/agents commercial practices;
- Future provisions concerning an Ombudsman office .
- Implications of “general concurrence” .
- Comparison between the Passenger Agency Programme and the European Cargo Agency Programme.
- Etc...

It was provisionally agreed that the first organisational meeting of the new Passenger Programme Joint Council will take place in September 2005, if the new resolution is adopted by PACONF.

II. Main outcomes of the PACONF/28 Meeting; Singapore 07-09 June 2005.

PACONF started its deliberations on 07 June until 09 June. Thanks to Mike HATTON, who addressed the conference on behalf of the WTAAA, ECTAA was updated on the main decisions taken as follows:

Agenda item A5 - Resolution concerning the new provisions on handling ADM's was adopted with one word change - not adverse. This means airlines must now give agents 14 days to dispute an ADM before they lodge it with BSP, and the agent also has the right to dispute the ADM even after it has been lodged with BSP - and can also have a Travel Agency Commissioner review if the agent believes he has been aggrieved under the terms of the Passenger sales Agency Agreement.

Agenda Item R2 – Revised accreditation criteria in Europe adopted, including removal of staff criteria from the travel agents handbook.

Agenda Item R2.2 - Agent's right to be heard in European cases, together with appeal to Travel Agency Commissioner passed and **adopted** with no change. (on the basis of the proposal in item R2.2, i.e. the second version proposed by IATA under the impulse of the European Commission)

Agenda Item R3 - European Accredited Agent adopted and passed

Agenda Item R5 - Item to eliminate EUROFORUM was defeated and **EUROFORUM will be retained** with it to be reviewed again next year

Agenda Item R1 - New Passenger Agency Programme Global Joint Council (as negotiated last October in Geneva) is **adopted** and will be expedited. Possible first meeting of the council in Miami the week of September 26 in conjunction with the Latin American Airline Assembly. Whilst the provision for an ombudsman as originally intended was removed, the Resolution has been altered to mandate that the council must consider implementing such an office (as agreed at the GCC meeting on Monday 6th in SIN)

Agenda Item R11 - ADM Disputes and mechanism for resolving them adopted and passed - including the recommendations made by the European Commission

Agenda Item R13 - Adjustments and improvements to the Travel Agency Commissioner Programme and role adopted and passed without change. This includes WTAAA being brought into the nomination and appointment process as put forward by agents

Agenda Item R21 - Supply of ticketing handbook etc on C D Rom adopted and passed

Agenda Item R23 - Comments from ECTAA and GEBTA - Agent comments on R10 and R11 already handled in item A5 as submitted by ECTAA (and agreed and incorporated into ADM changes); Comments re Europe as put forward by ECTAA already handled and agreed under Item R2.2. The request for centralisation and one European BSP has been noted (as in

the IDFS presentation when the conference opened on Tuesday 7th) but no action has been taken as it appears carriers want to retain individual national BSP's - so have told them they will have to pay for them on that basis.

Agenda Item T13 - Proposal to implement standard costs recovery charges for all BSP's in Europe and Israel was withdrawn from the Agenda by the Conference Secretary on the basis of the advice given by agents at the GCC meeting on Monday June 6. Therefore at this time the proposal is void and has failed and **will not be implemented**

Agenda Item C1.2 - Proposal to implement the ability for an airline to cap agent E ticket issue either by number of tickets or value of transactions defeated and will not be implemented based on the advice of GCC members which was conveyed to the conference by the Chairman. Matter is to be further considered over the next year by the Conference Steering Group

Agenda Item C.3 - Chris Gilbey re-elected Conference Chairman and Johannes Ernst (LH) elected conference Vice Chairman

In Conclusion,

The outcomes of the PACONF seem to be very positive from an ECTAA perspective:

First of all, the changes to resolution 818 resulting from the negotiations within the Accreditation review group have been adopted. This includes the staff and premises criteria, security criteria, procedure for changes and the new type of accreditation for European agents.

The provisions concerning the rights of the Agents to be heard, as proposed by the European Commission have been approved.

The EUROFORUM is maintained, at least for another year.

The changes concerning the ADMS including a number of proposals made by ECTAA/GEBTA under the agenda item R23 have been adopted. This should improve the current situation faced by agents concerning the ADMS.

The proposed BSP standard recovery charges have not been adopted.

The new Passenger Programme Supervisory Board resolution has now been adopted.

All these decisions must be reflected in the minutes and adopted resolutions, which should be published in a month time and become effective in January 2006.

Among the consequences for ECTAA/GEBTA, the following should be considered:

1. A meeting of the EUROFORUM should be planned following the publication of the minutes and adopted resolutions. Such meeting could take place sometime before the end of July.

2. Once the new resolutions are published, they should be reviewed and analyzed by the Air Matters Committee in view of a future meeting with the EU Competition Directorate. In all likelihood, the Commission will seek ECTAA/GEBTA advise at the light of the PACONF decisions in view of ruling or possibly rejecting our complaint.
3. The new Passenger programme Joint Council resolution has been adopted. ECTAA/GEBTA should ensure the EU/EEA and the candidates countries get the appropriate representation in this new body both directly and via the WTAAA. The secretariat will, with a separate mail, ask members to nominate candidates for this new council, in order to allow the Board to appoint the delegates.
4. At the light of the new ADMS rules adopted, ECTAA will in cooperation with the Travel Agency Commissioner, publish new guidelines on “ how to handle ADMS disputes”, “ rights of the agents”, “Role of the Travel Agency Commissioner”.

With kind regards,

Michel de Blust
Secretary General