IAAI Newsletter

IAAI News

Dear Friends,

Since the past half a decade, the Travel Agents Fraternity in India has been constantly facing harassment from the airlines through their implementation of various restrictive practices like the withdrawal of Commission, TAP and WPS, apart from the high premiums that are to be paid to the insurance Companies. Premiums on Agent's Insurance Guarantee shot to 1.3% and above from the earlier 0.75%.

In these troubled times, the Agent Representatives in APJC-India, instead of bargaining and negotiating with Insurers for a lower premium, engaged in re-implementing the Joint Bank Guarantee System from July 2015 supported by Air India, UFTAA and, finally, endorsed by PAConf/37 in October, 2014.

The Joint Bank Guarantee (JBG) also adds financial burdens like fixed deposits, bank charges, exorbitant insurance premiums, etc. In other words, JBG is only a money bundling formula for Associations to cumulate recurring deposits - Agent shall make proportional deposits to Associations, who in turn, shall provide collective financial guarantee to IATA on behalf of the participants. Previously, around two hundred Agents had enjoyed this facility till 2010.

In our continued efforts and dedication to save the Travel Agents from this graveyard, IAAI would like to introduce DIP - Default Insurance Protection program to the entire Travel Agents Fraternity in India. This will relieve the Agents from the burden of cash/collateral deposit or advance insurance premiums and provide flexibility for resource-based optimization of business.

DIP is an internationally accepted method of airline financial protection which the Ticketing Agent can provide to the airline as an alternative to providing a bank guarantee or insurance guarantee or any other form of security. It is designed to indemnify IATA Member Airlines against loss from the financial default of a Ticketing Agent enrolled in the program up to agreed limits.

DIP will run in conjunction with the IATA BSP billing program, and shall cover all IATA Agents in good standing which have applied and been accepted into the program by the Insurer.

Premium based upon actual billings through the BSP billing cycle.- Only pay for what you use.

- Premium is billed on a "pay as you go" basis through the BSP sales revenue or a price per ticket sold.

- No "up front" annual payments - only pay for what you use.

Additional benefits to Agents

- No collateral security/bank guarantees

- Working capital is freed up.

- Acceptance for all Ticketing Agents in good standing up to an agreed limit per Ticketing Agent.

- Fully integrated with IATA BSP systems and processes.

- Coverage is for 100% cover for up to 3 BSP billing periods. (No fixed limit like a bank guarantee)

- Contract is for a 2-year term (renewable)

- Compliant with local insurance regulations.

Currently, this programs is implemented in New Zealand, Australia, Nigeria, Jordan, Singapore, Malaysia, Indonesia and Philippines.

We at IAAI are already in discussions with the concerned DIP providers and the matter is being processed through IATA, Singapore since we are not yet a part of APJC - India. At present, in India, our proposed DIP program is fully endorsed and supported by Jet Airways, Emirates, Singapore Airlines, Etihad and Silk Air. According to further developments and proceedings, we shall have the deliberations with our National carrier and all the other carriers operating in India.

Friends, once again, we are maintaining our commitment and dedication for the betterment of the travel fraternity in India.

Warm regards
On behalf of the IAAI National Board

Biji Eapen   DL Jekannathan   S. Saldanha

National President   National Secretary   National Treasurer

Aviation News

Air Seychelles expands code-share with Etihad Airways for Mumbai-bound flights

Air Seychelles has announced an expansion of its code-share agreement with Etihad Airways for services to Mumbai. Under this agreement, Air Seychelles will put its HM flight code on 21 weekly Etihad Airways flights between Mumbai and Abu Dhabi that connect to its services between Abu Dhabi and Seychelles. The new code-share flights are available for sale. These code-share flights will complement Air Seychelles' existing direct flights between Mumbai and Seychelles, which were launched in December 2014.

South African Airways to stop India direct flights by March-end

South African Airways (SAA) is understood to have decided to pull out of India by end of next month due to financial losses. The airline is likely to stop operating its direct flight linking Johannesburg to Mumbai, which is its only flight to India, from March 28. The airline has been flying to India for 19 years. From March 29, SAA is expected to operate a flight in code-share with Etihad Airways, and will fly up to Abu Dhabi, instead of Mumbai. Etihad Airways has a minority stake in SAA. The airline's management has decided to stop flying on loss-making routes, and, thus, India faces the axe. Out of the airline's ten international routes, seven are loss making, and Mumbai ranks fifth. The Mumbai flight is being taken away from the network in spite of it operating with a seat load factor of 82-88 per cent.

SpiceJet to start 2 daily return flights on New Delhi-Varanasi route

SpiceJet Ltd. has announced a new schedule with two daily return flights for New Delhi-Varanasi, effective March 1, 2015. The new schedule will allow day-returns from both Delhi and Varanasi, with morning and evening flights from both cities. Flight SG 2171 will depart from New Delhi for Varanasi at 06:45 hrs to land at 08:25 hrs, while the return flight SG 2172 will take off at 08:50 hrs to reach New Delhi at 10:30 hrs. Flight SG 2179 will leave from New Delhi at 17:30 hrs to reach Varanasi at 19:10 hrs, and on the return leg, flight SG 2180 will depart at 19:30 hrs to land in New Delhi at 21:10 hrs.

Aviation News

Jet Airways to increase domestic frequencies from Feb-Mar 2015

Jet Airways (India) Ltd. will operate 16 additional daily Boeing 737 flights with immediate effect till March 28, 2015 to meet increased demand on key domestic sectors. The airline will operate additional early morning flights from Bengaluru and Chennai to Mumbai, and late evening services from Mumbai to the two key southern cities. Additional daily flights will also be operated from Bengaluru and Chennai to Delhi. Jet Airways will further enhance its frequencies from Mumbai to Kolkata, Chandigarh, Kochi, and Raipur with additional daily flights.

Jet Airways currently operates nine daily flights from Mumbai to Bengaluru, seven daily flights from Mumbai to Chennai and vice versa, five flights to Kolkata, one flight to Chandigarh, two flights to Kochi and two daily flights to Raipur. In addition, Jet Airways operates three flights from Delhi to Chennai and eight flights from Delhi to Bengaluru.

Korean Air introduces 'Prestige Suites'

Korean Air has revamped its Prestige Class with 'Prestige Suites', which will debut on a Korean Air A330-300 on the Guangzhou, Singapore, and Hanoi routes. Korean Air has 38 more aircraft on order - six A330-300s, 12 B777-300ERs, ten B747-8ls, and ten B787-9s – and all will be delivered equipped with the new Suites.

In the Suites, privacy panels are installed between the seats, with those in aisle seats able to rise higher for increased privacy. Each seat is also equipped with an ottoman, where passengers can rest their feet.

The configuration of the seats has been designed to allow passengers by the window to be able to pass through the aisle without disturbing the passengers. The pitch between the seats on the window side has increased by 12 inches to 87 inches from the previous configuration.

The handset features a touchpad that can be used as easily as a smart phone. Passengers need to simply touch the handset screen to choose from the menu, be it a movie, music, a game, or any information.

Aviation News

SpiceJet to resume flights to Hubli from March 1

SpiceJet Ltd. will resume flights to Hubli, Karnataka with daily flights connecting the city with Bengaluru and Mumbai. The new schedule will be effective March 1, 2015 and bookings for these flights are open. The airline will operate the 78-seater Bombardier Q-400 aircraft on these routes.

Flight SG 3513 will depart from Hubli for Mumbai 10.30 hours to land at 11.50 hours. The return flight SG 3514 will take off at 12.20 hours and reach Hubli at 13.40 hours. The Hubli-Bengaluru flight SG 3508 will leave at 19.40 hours and land at 20.50 hours, while on the return leg, flight SG 3507 will depart from Bengaluru at 18.05 hours and land in Hubli at 19.15 hours.

Etihad Airways steps up loyalty programme

Etihad Airways' loyalty program, Etihad Guest is making travel more convenient by introducing a new payment feature onto its membership card.

"Walletplus", powered by Visa, allows members to load travel money onto their Etihad Guest card and convert it to 11 different foreign currencies to spend whenever they are travelling abroad. The membership card can be loaded in advance, enabling card holders to better manage their travel budgets by locking in competitive exchange rates in real time before they travel. Pre-loading the card also means that members are immediately able to spend in the local currency upon arrival in another country, without having to first exchange or transfer funds at a bank or foreign exchange. A maximum of 11 currencies can be held on the card at any one time, one of which must be UAE Dirham. The ten other currencies to choose from include: US Dollar, Sterling, Euro, Indian Rupee, Australian Dollar, Canadian Dollar, Singapore Dollar, Hong Kong Dollar, Japanese Yen or Thai Baht.

Additionally, Etihad Guest members can download the walletplus mobile application, available for iOS and Android users, to access a range of functions that include checking their account balance and transaction history, transfer money to other Etihad Guest members with an activated walletplus account, and report a card lost/stolen. Etihad Guest also partnered with Rêv Worldwide, a global leader in multi-currency prepaid processing, to develop the product, utilising Rêv's proprietary prepaid multi-currency processing platform and global experience in pioneering similar successful products.

Etihad Guest members can earn one Etihad Guest Mile per US$ 2 spent in the UAE, and one Etihad Guest Mile per US$ 1 spent abroad when paying with walletplus.

Aviation News

Swissair unveils business class enhancements

Swiss International Air Lines will be substantially enhancing the quality of its Business Class product. Business class travellers on European services will soon be able to enjoy more privacy and comfort, while an exclusive bus transfer will be available at selected airports. Swiss is also expanding its Business Class culinary offering on long-haul routes alongside its convenient 'quick meal' option, plus new lounges will be opened in Zurich towards the end of the year. Swiss's European fleet of Airbus A320s and A321s are currently undergoing an extensive cabin refurbishment.

The programme, which began last month, extends to ergonomic new seats and a new cabin and seating design that tangibly raise in-flight comfort levels. Swiss will also guarantee to keep the neighbouring seat vacant for all its Business Class guests in Europe from the end of March onwards, to offer more privacy on board.

As a further new service, inbound Business Class travellers will be provided with their own exclusive bus transfer from the aircraft to the terminal from the end of March 2015 onwards. The new facility will be offered at Europe's major airports for flights which arrive at non-terminal stands. New lounges will be opened for Senator-status travellers and Swiss Business customers at Zurich Airport's Dock E in the fourth quarter of this year.

IATA joins Ecole nationale de l'aviation civile for aviation training program

The International Air Transport Association has announced the launch of an advanced aviation training program in partnership with the Ecole nationale de l'aviation civile in Toulouse, France. This is the first time that IATA has partnered with a University to offer an airline operations degree. Through the IATA Training and Development Institute experts from across several key areas of the business will be teaching courses such as Aviation Fuel Management, Airline Business Foundations, Safety Management Systems for Airlines, Crisis Management, and much more. ENAC will bring every aspect of their rich history and prestigious reputation in the field of aviation education to the partnership. The Advanced Master Degree in Airline Operations combines operational expertise and comprehensive academic rigor. Working aviation professionals from around the world are encouraged to find out about the qualifying criteria in their region.

Offered as of September 2015, the program focuses on a number of key areas including human factors in aviation, IT tools for airlines, safety management systems for airlines, emergency response planning and crisis management and airlines training.
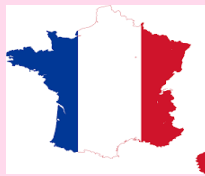
Visa News

Govt. of India issues 422% more e-Visas in Dec

In 2014, India issued 39,046 VoAs as compared to 20,294 in 2013, registering a growth of 92.4 per cent. The eVisa launch has worked wonders for tourism in India.

A total of 14,083 Tourist Visas on Arrival (VoAs) enabled by Electronic Travel Authorization (ETA) were issued by the Indian government last month, as compared with 2,700 VoAs during December 2013, registering a growth of 421.6 per cent. The percentage share of top ten source countries for VoA during December 2014 were USA (24.26 per cent), Russian Federation (15.06 per cent), Republic of Korea (11.01 per cent), Ukraine (8.16 per cent), Australia (7.98 per cent), New Zealand (5.08 per cent), Japan (4.30 per cent), Singapore (4.27 per cent), Germany (4.05 per cent), and the Philippines (3.10 per cent). The percentage share of different ports for VoA last month were New Delhi (35.78 per cent), Mumbai (21.05 per cent), Goa (18.24 per cent), Chennai (7.17 per cent), Bengaluru (5.76 per cent), Kochi (4.54 per cent), Hyderabad (3.13 per cent), Kolkata (2.35 per cent), and Thiruvananthapuram (1.98 per cent). In the entire calendar year 2014, 39,046 VoAs were issued as compared with 20,294 in 2013, registering a growth of 92.4 per cent. This high growth was due to introduction of ETAenabled VoA for 43 countries, launched by the Centre on November 27, 2014. Prior to that, only the VoA scheme was in operation for 12 countries.

Biometrics are no longer required to avail France Visa

With immediate effect, Consulate General of France, Benguluru has announced that applicants do not have to visit Consulate for personal appearance & Biometrics for Short Term French Visas & Consulate will advise the same for Long term Visas depending upon individual application.

Hospitality News

Pandaw River Expeditions to start cruises in Kerala by year-end

Luxury river cruise company, Pandaw River Expeditions has announced a seven-day programme through the backwaters of Kerala. The late 2015 and early 2016 itineraries will offer in-depth exploration of the state, as per a release. There are four sailings scheduled - this year on December 2; and next year on January 12, February 23, and March 22 - with price starting from USD 1,530, based on two people sharing a twin room/cabin.

The seven-day cruise will be aboard the MV Vaikundam, including three-night stay at the Vivanta by Taj - Malabar, Cochin, including breakfast and one dinner. There will be visits to Fort Cochin, St. Francis Church, and the Dutch Palace. The cruise will cover the trail from Thottapally through Kanjipada, before sailing on to Champakkulam village.

Excursions will comprise a scenic walk through villages, a canoe ride, fishing, and an opportunity to explore the local Kochi spice market with a chef to learn about the spices of Kerala.

The cruise price excludes international flights, laundry, visa costs, drinks, fuel surcharges, espressos and cappuccinos at bar, and tips.

V Resorts to add 20-25 resorts near key Indian metro cities to its portfolio this year

Boutique resort chain in India, V Resorts aims to reach a total of 20-25 managed properties this year and to be the preferred choice of people seeking short breaks and quick getaways around the busy metro cities of Delhi, Mumbai and Bengaluru. These resorts will be taken on lease and V Resorts will manage the properties. Post expanding near the metros, V Resorts plans to head to the North East region and also cover destinations such as Odisha, Puri, Lakshadweep, Andaman and the surrounding areas.

The group plans to add four resorts (to the existing six resorts) and increase their room inventory to about 200 rooms in destinations around Delhi. This includes the launch of a resort in Chhattarpur (Delhi), Bhimtal or Corbett, Dhanaulti (Uttarakhand) and Rajasthan by March 2015.

Post the North India expansion spree, April 2015 onwards the hospitality chain intends to open ten resorts around Mumbai in beach areas, wildlife destinations and hills stations. The extension of resorts around Mumbai would take place between April and June 2015.

Down South too, destinations around Bengaluru would be their next target. Currently, V Resorts targets to increase their count to 10 resorts in North India and then continually add resorts around each of the above mentioned metros.

Hospitality News

InterContinental Hotels Group to expand its presence in India

InterContinental Hotels Group

The InterContinental Hotels Group (IHG) is planning a large expansion in the country. This international group currently has 20 properties with 3,700 rooms across brands in 13 Indian cities currently, and as per the report, plans underway include expanding the portfolio to more than 100 hotels within 10 years.

GDS players aiming for Low-Cost Carriers

Global Distribution System (GDS) — the computer-based reservation system — players have geared up to woo LCCs. GDS players, such as Amadeus and Abacus, which have Indian full-service carriers as their clients are now trying to develop a model for LCCs. Amadeus is developing a software called iposs, which will converge the content for full-service and low-cost carriers. Globally, Amadeus has LCCs such as Air Asia, Malaysia, and Jetstar Asia, Singapore, as its clients. In order to save distribution costs, LCCs have abstained from GDS. Though it is difficult to bring the cost down, GDS players are working on a strategy to rope in LCC players. Analysts believe that the next one year will witness at least few, if not all, LCCs getting onto the GDS platform as it caters to small and big travel agents (online as well as offline). Following global trends, GDS players will have to offer a customized LCC platform. For instance Sabre, a leading GDS player has a specially designed system for Southwest Airlines. By the end of this year, 50% of the air travel share will be cornered by LCCs. Not just LCCs, its competitor Indian Railways might also soon be on board.

Photo Feature

Yellowstone Supervolcano

Wyoming, USA

The *Yellowstone Supervolcano* is the volcanic caldera and supervolcano located in Yellowstone National Park in the United States. The caldera and most of the park are located in the northwest corner of Wyoming. The caldera formed during the last of three super eruptions over the past 2.1 million years. The Lava Creek eruption 640,000 years ago, which created the Yellowstone Supervolcano.

Open Space

LIGHTER MOMENTS

An illiterate father with his educated son went on a camping trip. They set up their tent & fell asleep.

Some hours later, father wakes his son & asks :

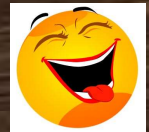"Look up to the sky & tell me what you see?"

Son : I see millions of stars.

Father : What does that tell you?

Son : Astronomically, it tells that there are millions of Galaxies & Planets.

Father slaps the son hard & says :

You Idiot…. Someone has stolen our tent !!

Thought for the Fortnight

Live life in such a way, that if someone spoke badly about you, no one would believe it.

IAAI Director Board

1. Mr Biji Eapen, National President   :   Speedwings Travel & Cargo
    Pvt.   Ltd., Kochi.

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7. Mr Naresh Rajkotia, Director—WR   :   Madhuram Travels & Tours,
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We welcome your suggestions to improve this newsletter.

The same may be forwarded to *iaai.pune@iaai.in*

In case you do not receive any issue of the Newsletter, the same
can be viewed on the IAAI website : www.iaai.in