

# IAAI Newsletter

#### August 2015, Ist Fortnight Issue

# **IAAI News**

#### **Emergency Changes to Reporting, Settlement and Remittance period**

(Review on the implementation of Weekly Payment system in India and the suggestions to overcome the hurdles)

#### **Global policy:**

IATA Resolution 800x (Emergency Changes to Reporting and Remittance) in corroboration with 818g Attachment 'A' (Section 1.6) deals with "Settlement - the Remittance Date" and stipulates flexibility in payment options - monthly, fortnightly or weekly - based on the economic conditions, governmental regulations and local market conditions coupled with mutual understanding and concurrence between the Airlines and Agents operating in a country.

The IATA Res 800x states that if the economic and financial conditions of a country so warranted, either through an APJC decision or if any four consecutive meetings of an APJC in an year fails to take a decision (inconclusive) on such financial criteria, then the Member Airline can directly approach PAConf for change in remittance system.

#### APJC's manipulated strategy

Discussions on weekly payment started in India in 2009 but not materialized due strong opposition from agents all over India, irrespective of any associations.

In 2011, APJC India held 3 meetings on March 17, April 28 and August 12<sup>th</sup> and the Agent Representative Associations reported in their circular to the members that the "Agents representatives opposed the weekly payment and matter left inconclusive". And, tactfully, took an advance bail to intimate members that "Airlines have promised to come up with a win-win solution" soon.

Accordingly, APJC India held a hurried fourth meeting on 24<sup>th</sup> August 2011 (just 12 days immediately after 12<sup>th</sup> August) and again declared the meeting was "inconclusive" due objections from the Agents representatives. In this manner, APJC-India had contrived to hold the 4 mandatory meetings in 2011 and termed all meetings "inconclusive".

The international PLOY - Now look at the amended version of Res 818g Sec 1.1.2.3 effective from 1<sup>st</sup> June, 2011:

1.1.2.3 - in the event that no recommendation on changes to Local Financial Criteria, Remittance Frequency, or other matters within the terms of reference of an APJC can be achieved after consultation at an APJC within 24 months or 4 consecutive meetings (whichever represents the shorter period of time), any APJC member or group of members may make proposals directly to the Passenger Agency Conference.

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## **IAAI News**

Thus, under the purview of the rule 1.12.3, APJC-India deliberately paved the way and allowed the Indian Carriers to directly approach PAConf for the change in remittance – to weekly settlement instead of fortnightly settlement.

**Objections raised by IAAI :** 

- 1. Out of the 160 IATA BSP payment offices worldwide, 30 countries enjoy monthly payment, 32 countries on fortnightly and 87 countries on weekly payment systems. Most of the European countries are enjoying monthly payment system whereas the oil rich Gulf countries and the most debt written country Greece also have fortnightly payment facilities.
- 2. The present sound economic scenario prevailing in India does not warrant such a truncated period of Billing & Remittance as a weekly payment system.
- 3. Changes to TAH Res 818g Sec- 1.1.2.3 (amendment) was notified by IATA in March 2011 and effected from 1<sup>st</sup> June 2011 only. Under such, APJC-India had only two meeting (12 & 24 Aug 2011) after migrating to Res 818g.
- 4. Ordinary Indian agents survive only through credit business and they have to extend credit up to one month and above to their corporate.

Everyone was well aware that IAAI took up this matter and presented our legal objections at PAConf held at Singapore on 12<sup>th</sup> September 2011, but attempts failed due no support from our own Fraternity. In fact, UFFTA also supported our cause and wrote to Mr. Axel Popovich, Vice-President - IDFS, that APJC-India had held only TWO meetings in 2011 after the implementation of Res 818g in India, but our Agents Representatives and their associations in APJC-India deliberately kept silent on the matter.

#### Solution to overcome the crisis

- The present APJC-India which recommended the Weekly Payment System is not fully representing the entire Travel Agents Community in India
- ONLY a newly constituted APJC under Res 818g as stipulated in Appendix 'F'- of PAConf New Guidelines in January 2014, with 18 members (9 agents with equal participation of IAAI, TAAI & TAFI) and Chairman duly elected amongst them, can make recommendations to review or reverse this weekly payment to fortnightly basis.

#### **Editors Note:**

Since the vested interests in Indian Aviation Industry is very particular to keep IAAI away from the APJC-India, IAAI has approached Hon Civil Court in Gurgaon, Haryana District, for constituting APJC-India under the terms stipulated in Appendix "F", of PAConf New Guidelines of January 2014, with 18 members (9 agents with equal participation of IAAI, TAAI & TAFI ) and the Chairman duly elected amongst them. Let us pray for Justice to prevail in our Travel Trade.

#### **Aviation News**

### Star Alliance offers Round-the-World Premium Economy Class fares on 11 carriers



Global airline grouping alliance, Star Alliance has expanded its Round-the -World (RTW) fare to include travel in Premium Economy Class. With 11 of the member carriers now offering a dedicated Premium Economy Class, Star Alliance to offer customers the opportunity to make use of this extra comfort on their Round-the-World travels. In line with the overall RTW product, the Premium Economy Class fare is offered in three mile-

age bands: 29,000, 34,000 or 39,000 miles. Putting the mileage levels into perspective, the circumference of the Earth measured at the Equator is approximately 24,900 miles.

The new fare can now be booked for travel in the Premium Economy cabins on airlines namely—Air Canada, Air China, Air New Zealand, ANA, EVA Air, Lufthansa, LOT Polish Airlines, SAS, Singapore Airlines, THAI and Turkish Airlines. To provide customers with full flexibility, itineraries may include any other Star Alliance member airlines as well. On flights where Premium Economy Class is not offered, travellers will be accommodated in Economy Class. With the new fares, customers can choose from 17 Star Alliance RTW fare options: three for travel in First Class, four for travel in Business Class, three for travel in Premium Economy and seven for travel in Economy Class.

This wide range of fare levels allows customers to select the mileage requirement and class of travel suiting their needs. Actual fares vary by market and, in general, offer better value for money than purchasing individual one-way tickets on separate airlines to cover the same itinerary. Children between the age of 2 and 11 pay 75 per cent of the applicable adult fare, while infants under two who do not occupy a seat can be taken along for 10 per cent of the applicable adult fare. Customers can easily build their own routings within the mileage limits of the different fare levels. Travel needs to commence and end in the same country and in general be in one direction, either going East or West, although some zigzagging is permitted within a continent. Both the Atlantic Ocean and the Pacific Ocean must be crossed once. Stops lasting a minimum of 24 hours must be made in at least three cities with the overall itinerary including a maximum of 5 to 15 stops (total number of stops are dependent on the actual fare level). Customers travelling on Star Alliance RTW fares may in principle accrue miles in any of the 21 Frequent Flyer Programmes offered by the member airlines. The collected miles can count towards earning Star Alliance Gold or Silver status and be redeemed, for example, for free flights, upgrades or non-flight awards such as hotel stays.

#### **Aviation News**

#### DGCA tightens rules for business jet owners

Directorate General of Civil Aviation The DGCA had withdrawn permissions given to all air operator permit (AOP) holders to fly worldwide unless they apply to fly on a region-wise basis (unlike the blanket permission available to fly worldwide at present) and then follow it up by carrying out a proving flight to the desired region. Without the proving flight, their op-

erations would be restricted to India. Questioning the rule, business jet owners rejected it and demanded proof that their overseas counterparts are subjected to same standards. Now, instead of proving flights, business jet owners will have to demonstrate their capability across the table before DGCA's Flight Operations Inspectors (FOIs). As per the latest directive, the aviation regulator will grant permissions to all AOP holders to fly worldwide after they suitably prove their capability in terms of aircraft, crew and other parameters. except the proving flight to the foreign destination desired, the paperwork and requirements remain the same, since the idea is to have a regulatory oversight to ensure required safety norms are being met. India has 13 scheduled airlines and 122 non-scheduled operators who will now have to apply for a fresh certification. The new rules replace the directive that required proving flights to be carried from July 1. The Business Jet Owners Association (BJOA) had argued that proving flights would hit non-scheduled operators hard as they have unplanned operations and it would be difficult for them to get permits for destinations yet to be decided.

# DGCA wants one-time surveillance for all domestic airlines to monitor passenger safety



Directorate General of Civil Aviation The Directorate General of Civil Aviation (DGCA) is mulling one-time surveillance for all domestic airlines to monitor passenger safety. This action was taken after state-owned Air India Ltd was unable to provide the required data for its flight AI-513, which risked passengers' lives on its Bengaluru-Hyderabad flight. The aircraft

touched and bounced off the runway while making a landing attempt. On a complaint of a passenger, the DGCA started a probe, only to realise that Air India did not have digital flight data recording (DFDR), which furnishes all details of the flight, including temperature, take-off and landing details, cabin pressure, and weather report.

#### **Aviation News**

#### Maharashtra Tourists can hop destinations in helicopters



**MAHARASHTRA TOURISM** 

Imagine visiting the Ajanta caves and coming back to Pune in a single day when a one-way journey would otherwise mean spending around six hours on road. After sea planes, the Maharashtra Tourism **Development Corporation (MTDC) is now bidding for helicopter** tourism. Flying to attractive locations in helicopters, which was till now restricted to religious places, will now enter the leisure tourism

sector for the first time in the state. Five locations — Pune, Mumbai, Shirdi, Nashik and Ajanta caves — have been chosen for the project with the trial starting from Mumbai (called Mumbai Darshan). The idea is not only to have tourists visit destinations in a short time but also to connect via helicopters, popular spots like Mumbai, Pune, Ajanta caves, Elephanta caves and Nashik, which are located close to each other. Itineraries will be worked out one-way or both ways. Tourists will thus be able to either land at the chosen destination or, if they wish, just get an aerial view.

The MTDC is roping in aviation companies for operating heli-tourism services in the state, as the project will be based on public-private partnership (PPP). The main purpose is to increase tourist flow into the state, optimize utilization of the existing operational and upcoming helipads in Maharashtra and help tourists shuttle between destinations. The first trial will begin from Juhu in Mumbai where tourists could get a bird's eye view of Mumbai in an hour.

The pilot will have a schedule and timeline for various tours. For instance, tourists interested in covering just north or south Mumbai could choose such an option too, which could be finished in 30 minutes. The MTDC will opt for four or six-seaters for the project. An half-an-hour tour covering the north or south Mumbai may cost Rs 5,000 to Rs 6,000 per person, while a one-hour tour of Mumbai may cost close to Rs 9,000 per person. The prices for other destinations will be worked out soon. The helicopters will land on helipads located at the different locations that MTDC plans to cover under the project.

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#### **Aviation News**

#### In 2016, JFK to open terminal for high-flying animals



Jet-setting stallions and high-flying hounds at New York's Kennedy Airport can look forward to a new luxury terminal that will handle the more than 70,000 animals flying in and out every year. The ARK at JFK, its name inspired by Noah's biblical vessel, will more than measure up to terminals for humans: Horses and cows will occupy sleek, climatecontrolled stalls with showers, and dogs will lounge in hotel suites featuring flat-screen TVs. A special space for pen-

guins will allow them mating privacy. The ARK is billed as the world's first air terminal for animals. Set to open next year, the \$48 million, 178,000-squarefoot shelter and quarantine facility will take in every kind of animal imaginable -even an occasional sloth or aardvark. From The ARK, they'll head to barns, cages, racetracks, shows and competition venues in the US and abroad. Many arriving animals are quarantined for a period of time (for horses, it's normally about three days) to make sure they're not carrying contagious diseases. And The ARK is designed to make their stay as pleasant as possible, with hay-lined stalls for up to 70 horses and 180 head of cattle, plus an aviary and holding pens for goats, pigs and sheep. For dog owners, The ARK will offer a 20,000-square-foot luxury "resort" run by the company Paradise 4 Paws, complete with bone-shaped splashing pools, massage therapy and "pawdicures with coloured nail pawlish".Dogs can watch flat-screen TVs and their owners can check in on them via webcam.Cats will have their own trees to climb. And all animals will have access to a 24-hour clinic run by Cornell University's veterinary college.

#### Etihad's \$32,000 Three-Room Flying Suite is a Hit with Travelers



Even at \$32,000, people are lining up to book Etihad Airways's three-room suite between Abu Dhabi and New York. The Residence, as Etihad calls its over-the-top luxury offering, will be available on New York-Abu Dhabi flights in December when the airline puts an Airbus A380 superjumbo on the route instead of a Boeing 777. The living room, private bathroom and two-person bedroom are separated from other passengers in the nose of the doubledecker jet's upper level. A private butler, who comes stan-

dard with a Residence fare, took visitors on a replica of the suite at the Global Business Travel Association convention in Orlando, Florida, and noted that the shower is big enough for two people at a time.

Etihad spent six years developing the Residence and has deployed it on A380s on overseas routes, such as Abu Dhabi to London. New York will see the ultra-luxe offering starting on Dec. 1. The airline sold its first New York Residence ticket within hours of announcing the switch to A380s in March. The Residence is offered only on Etihad's A380s, and the airline has only ordered 10 of those from Airbus Group SE. There are no plans to offer the service in the U.S. outside of New York.

Selling the one Residence booking available on Abu Dhabi-New York flights would be a revenue haul equivalent of about 26 of Etihad's "economy saver" seats on that trip, based on prices from the airline's website for December. The cheapest of those tickets lists for \$1,225.

Source : Business Standard

starwoo

Hotels and

Resorts

#### **Hospitality News**

#### **Starwood Hotels & Resorts opens Sheraton Hyderabad Hotel**

Starwood Hotels and Resorts Worldwide, Inc. recently announced the opening of Sheraton Hyderabad Hotel, a newly-renovated property set to welcome the business and leisure travellers visiting the heritage city. Sheraton Hyderabad Hotel marks the 44th Starwood hotel in India, the third Starwood hotel in the south-central Indian city, and the third Sheraton in India.

Sheraton Hyderabad is strategically located in the heart of the city's financial district and conveniently adjacent to the area's key convention centres, such as HITEX Exhibition Centre and the Hyderabad International Convention Centre. Surrounded by multinational corporations, the property is also within walking distance of numerous upscale restaurants, retail shops and business offices. Only a 30-minute drive from Rajiv Gandhi International Airport (HYD), the hotel is easily accessible for business and leisure travellers alike. Boasting 272 modern and stylishly designed rooms, the property also features a spa for guests to unwind, a pool and the state-of-the-art Sheraton Fitness centre Feast, the hotel's signature all-day dining venue, offers an interactive dining experience with live cooking stations and show kitchens.

## **Roots Corporation Ltd. launches its first hotel in Tirupati**

Ginger Hotels, from Roots Corporation - a subsidiary of the Indian Hotels Company Limited (IHCL), has launched of its first hotel in Tirupati. Situated in the heart of the Tirupati city, the hotel provides the guests an easy access to places of worship,

HOTELS

key transport modes and basic amenities of the city. The Ginger Hotel - Tirupati comprises 119 rooms (Single/Double), twin rooms and superior room. The one-of-its-kind Smart Basics features are intended to provide guests with a comfortable and convenient hotel stay experience. Business and connectivity needs are taken care of with free high-speed Internet connectivity and well equipped options for banqueting with a capacity of 400 guests, especially for conferences and events. Vegetarian guests can choose from varities at the multi-cuisine restaurant 'Bhanoos', and non-vegetarian guests can relish the fare at 'Ravs'. With the launch of its new hotel, Ginger now has 34 hotels in its portfolio.

### Indian Hotels (Taj Group) to open 15 new hotels in FY16



Indian Hotels Company Ltd plans to open 15 new hotels and add nearly three times as many rooms to its portfolio in the current fiscal. This will take the total count at the country's largest hotel chain, which owns the <u>Taj Group</u> of Hotels & Resorts, to 17,492 rooms across 146 properties under Taj, Vivanta by Taj, Gateway and <u>Ginger</u> brands. The hotel chain will add 1,747 new rooms in 2015-16 in India and overseas, compared to 605 rooms

last year. Of these, it has already opened 461 rooms in properties including the Taj, Dubai and Ginger hotels in Thane and Tirupati. The chain has signed management contracts for a Taj hotel with Bangalore International Airport Ltd and three Gateway hotels at Zirakpur, Dehradun and Wayanad. Other hotels to open this year include Taj hotel at Santacruz, Mumbai, and at BIAL, Bengaluru; two Vivanta by Taj hotels at Guwahati and Amritsar; two Gateway hotels at Hinjewadi and Pune, and a resort at Jim Corbett National Park.

#### **Hospitality News**

#### **OYO Rooms to expand network in Kolkata & Pune**



Continuing with its rapid extension drive, India's branded network of hotels, OYO Rooms announced its expansion plans for Kolkata and Pune. OYO Rooms stated its year end goal for both the cities, the branded budget hotel chain aims to expand its' network in Kolkata to 1,500 and 2,500 rooms in Pune respectively. OYO Rooms started its operations in Kolkata this April and already offers over 200 rooms in 17 hotels. Similarly in Pune

OYO Rooms started functioning in March and currently has 500 rooms in its inventory. OYO has partnered with properties spread across the metropolitan cities at major business and tourist-friendly locations. OYO Rooms offers high-quality and standardized rooms at a price point between INR 999 and INR 4,999. All OYO rooms are equipped with standardized amenities, including comfortable beds, air conditioning, TV, free and unlimited Wi-Fi, a clean and attached washroom and a complimentary breakfast service. The company has recently raised INR 150 crore (USD25 million) in venture capital funding and plans to use these funds to undertake a massive expansion in other cities of India.

# Mumbai Port Trust's international cruise terminal to be developed with passenger amenities



The Mumbai Port Trust's (MbPT) international cruise terminal, which has been functioning from a cargo terminal converted to handle cruise ships, will finally get a full-fledged terminal with all passenger amenities, including duty-free shops after authorities gave the go-ahead for its development. The current terminal is located near the Naval dockyard and entry to it is via the Green Gate. Roofed with asbestos sheets, the building is in a sham-

bles. Door handles are broken, the floor is damaged in places and tourists can only see the dirt-covered roof from cruise ships. MbPT is also coming up with a new terminal with a signature building for inland passengers near Ferry Wharf. This project will cost Rs 140 crore and will provide facilities for navigation to various places in Raigad district and to the Elephanta Caves.

#### Visa News

#### Indians to get visa-free entry in Indonesia



With Indonesia registering a growth of 16.23 per cent in Indian visits in 2014, the island nation is set to include India in the visa-free list. Currently, Indonesia offers Visa-on-Arrival to travellers from India. The process to facilitate the same is ongoing. This year, Indonesia expects 12 million interna-

tional visitors to the county. By 2019, it has a target of having 20 million tourists.

### India to issue e-tourist visa to nationals from China, Hong Kong & Macao

**C-VISA** E-tourist visa facility will be rolled out to Chinese nationals beginning July 30. Along with the citizens of China, the e-tourist visa facility will also be offered to the nationals of Hong Kong and Macao from July 30. India had last year launched e-tourist visa facility (which was earlier called 'tourist visa on arrival enabled by electronic travel authorisation') for more than 40 countries, including the US. The scheme was later extended to 36 more countries with effect from May. Under the evisa scheme, an applicant receives an email authorising him or her to travel to India after it is approved and he or she can travel with a print-out of this authorisation. On arrival, the visitor has to present the authorisation to the immigration authorities who would then stamp the passport allowing entry into the country. The number of foreign tourists availing e -tourist visa facility has increased by over 700 per cent in May as compared to the same period last year.

#### Google App for Translation assistance during foreign visits



Imagine going on a trip to a non-English speaking country and skipping language lessons, or not having to manually type into a translation or dictionary app on your phone to get your way around. This is exactly what the new update to Google Translate's app will let you do. The new update will enable you to point the camera at say, a

road sign in a given language, and convert it to English, or vice versa, for 18 new languages, and one-way translation from English to Hindi & Thai. "Instant visual translation" earlier worked for seven languages, including English, French, German, Italian, Portuguese, Russian and Spanish. As part of the new update, the Translate app will work faster in slower networks, which are a common issue in developing markets such as India, for real-time translations of voice conversations in 32 languages. The image recognition, however, works even without data connection.

#### **Rail News**

#### Special Vaishnodevi trains from Chennai, Salem

For the first time, Indian Railway Catering and Tourism Corporation (IRCTC) will operate a train tour from Tiruchirapalli and Salem via Chennai, to Vaishnodevi in Jammu & Kashmir. The train had

s already started from July 28. The 14-day tour will cover Kannadurga (Vijayawada), Manikyamba (Rajahmundry), Kolkata, and Ambaji in Gujarat as part of the tour package that costs INR 11,600 per person. Along with sleeper class travel, IRCTC will provide South Indian vegetarian food, non-air-conditioned accommodation, a tour escort, and a public address system and security for each train coach. Central and state government employees can avail of LTC for the pilgrimage tour. Meanwhile, with a number of Buddhist tourists from Sri Lanka visiting India every year, IRCTC has started operating Shri Ramayana Yatra for Indian tourists interested in visiting Sri Lanka. The four day/five night package will cover tourist and pilgrim spots like Nuwara Eliya, Kandy, and Colombo in Sri Lanka. Starting on August 8 and September 19, the package, inclusive of flight tickets, accommodation, sight-seeing, meals, and visa, will cost INR 34,000 per person on a twin-sharing basis.

#### **IRCTC ropes in KFC for meals on trains**



Fast food chain, Kentucky Fried Chicken (KFC) has partnered with Indian Railway Catering and Tourism Corporation (IRCTC) to launch a delivery system for consumers on trains. The facility has been made available on 12 trains passing through New Delhi railway station and will be extended to Visakhapatnam, Hyderabad (Kacheguda), and Bengaluru (Yesvantpur) stations over the next few

days. Consumers will have to visit the IRCTC website or call on 18001034139 to place their order. A password will then be sent by KFC to the consumer's mobile phone, which will have to be mentioned at the time of delivery. The service will initially be limited to trains that lack pantry cars and subsequently be extended to trains like Rajdhani and Duronto.

#### **Photo Feature**

# Most beautiful Café in the World Café New York, Budapest



The New York Café (New York Kávéház) is the most beautiful and the most beloved coffee house in the world. It was a popular place among writers and editors, in fact, the most influential newspapers were edited here, upstairs in the gallery. After World War II, the once famous café fell into disrepair and it served as a sporting goods shop. Although the café reopened in 1954, under the name of *Hungária*, it wasn't until 2006 that the New York Café was restored to its original splendor. Today, the New York Palace, built in eclectic Italian Renaissance-style and opened on October 23rd 1894, gives home to the New York Palace Boscolo Hotel. The café, along with a restaurant and a cigar bar are now part of the hotel. The menu recalls the multicultural cuisine of the Austro-Hungarian Monarchy. Classic dishes like Beef Goulash, Fishermen Soup, Chicken Leg Paprikash-style, Wiener Schnitzel and Grilled Foie Gras are served along with famous desserts such as Dobos, Sacher and Eszterházy cake.

**Open Space** 

## **Lighter Moments**

## **Unusual Bat**

A group of bats, hanging from the ceiling of a cave, discover a single bat standing upright below them on the floor of the cave.

Surprised by this unusual behavior, they ask, "What's wrong with you? What are you doing down there?"

The standing bat answers, "Yoga".

Thought for the Fortnight

Perfect sincerity, holiness, gigantic intellect & will; let only a handful of men work with these, and the whole world will be revolutionized.

— Swami Vivekananda

#### **IAAI Director Board**

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