



# IAAI Newsletter

**November 2016 — Ist Fortnight Issue**

## Index

Content	Page No.
IAAI News	2 to 4
Aviation News	5 & 6
Hospitality News	7 & 8
Visa News	9
Railway News	10
Photo Feature (Lava Beds National Museum, California, USA)	11
Open Space	12
IAAI Director Board	13

## IAAI News

### *IAAI pledges to fight for the reversal of BSP link charges*

All Accredited Agents will be receiving Invoices from IATA for the annual additional amount of US\$360 towards usage of the 2-tier BSP Link Access that is being implemented effective 1st January 2017.

IAAI had pointed out that, though it is required under IATA Res. 818g, the new BSPlink charges in India have not been listed through the agenda and neither discussed or approved nor recommended by the APJC-India as per the IATA procedures. Hence IATA decision to charge US\$ 30 per month is totally illegal, arbitrary and unacceptable to the Indian Travel Fraternity.

In a knee-jerk reaction, one of the Agent Representatives in APJC-India, made a token protest to IATA and on receiving a reply from the Regional Director - IATA in Singapore that clarified and justified the imposition of the new BSPlink charges, quietly proceeded to close the 'file' and made no fresh attempts to take up the matter further with IATA. The IATA Circular of 31st August 2016 is also evidently clear that the entire affair of the BSPlinkage was a pre-planned one and WE, the Travel Agents, are once again being taken for a ride.

IAAI, on the other hand, believes in firm and assertive action, and has, therefore, challenged and protested against the BSPlink charges categorically on the following points:

- Payment of Rs.28980 per location is NOT worthy as majority of airlines are on 'zero' commission.
- IATA must honour the PSA Agreement under Res 824 (9) which mandates remuneration.
- Additional payment to BSPlink will force Agents to violate National Law & collect Transaction Fee.
- BSPlink charges must have reciprocal benefits - Agents should be benefited with legal remuneration.
- Basic BSPlink facilities offered under 5.2 of BSP Agents Manual in 2011 are the fundamental rights and any additional activities over and above those facilities only can be treated as enhance.
- No BSPlink enhancement was approved and recommended by APJC-India and, hence, the additional BSP charges are illegal and not acceptable.
- Even if the matter had been discussed and approved by the current APJC-India, it shall be illegal and unacceptable as Res 818g requires that all travel agents associations must be represented in the APJC. The present APJC-India comprises of TAAI & TAFI who represent only two-thirds of the travel agents by virtue of dual memberships and the rest one-third of travel agents represented through IAAI is still not yet a part of APJC-India which itself is a violation and contradiction to the IATA Resolutions.

Continue on Page 2...

## **IAAI News**

**Accordingly, a letter was sent to the Regional Director IATA Singapore on 15<sup>th</sup> November 2016, requesting the following actions immediately :-**

- 1. All functions including the RA facilities which are being presently available under Section 5.2 of the BSP Manual are retained under 'Basic User Account' free of charge.**
- 2. Ensure that any services that are to be henceforth provided over and above the basic functions offered under 5.2 presently, may be aligned as chargeable under the "Enhanced User Account" after processing the same through APJC-India.**
- 3. Any discussions henceforth undertaken on IATA matters or affairs which fall under Res 818g may only be initiated upon reconstitution of APJC-India under Appendix F guidelines with IAAI representation.**

**Also, letters alerting the Government authorities, Ministry and Media on this subject matter are being sent.**

**It has been IAAI alone that has risen to the occasion on behalf of the IATA-accredited Travel Agents as in the matter of getting the Rs.20 lakhs Minimum Guarantee withdrawn in 2002, in getting the High Court of Kerala and the DGCA to issue Orders mandating Travel Agency commission, getting IATA to invoke force majeure for the BSP payment by Tamil Nadu Travel Agents during the thunderstorms Nov/Dec 2015 and, recently, in retaining the Insurance Guarantee system actively as the only alternative to the Joint Bank Guarantee system.**

**IAAI will go "the whole nine yards" and attempt to get a reversal on this action by IATA.**



## IAAI—Kerala elects new State Committee

The IAAI - Kerala General Body Meeting & Elections to the State Committee for the term 2016-'18 were held on 12<sup>th</sup> November 2016 at Hotel Gokulam Park, Cochin, was attended by 48 Members from across the State and was presided over by the IAAI National President Mr. Biji Eapen.



In his Presidential address, Mr. Biji Eapen enlightened the Members on why the BSP link charge is illegal. He reiterated that the Members should be familiar with the BSP link manual to know their rights.

It was unanimously decided to entrust the IAAI National Director Board with the responsibility to ensure that all BSPlink facilities that are offered under 5.2 of BSP Agents manual 2011 are retained under "Basic User Account" free of cost.

The Report of the outgoing State Committee was unanimously passed by the Members.

In the subsequent elections, nine Members were nominated to the State Committee and the following office bearers elected from among them.

Mr. Manu T.G. Nair of For V Holidays & Travels Pvt. Ltd., Trivandrum was elected as the new President. Mr. Antu V Chakiath of Chakiath Air Travels, Cochin is the Vice-President. Mr. Ganesh Vaderi of UT United, Tirur is the Secretary and Mr. Reji J Thaliath of Royal Omania Tours & Travels (P) Ltd., Cochin is the Treasure.

The new Executive Committee Members are Mr. Vipin Chandra, Mr. C.Usman, Mr. C.M. Girish Kumar, Mr. Rajeev K.R and Mr. Francy Joseph.

Mr. Biji Eapen, Mr. Girish G and Mr. M.P. Johnson were elected to the National Management Council.

The incoming President Mr. Manu T.G. Nair thanked the Members for entrusting him with such a huge responsibility and said that he is whole-heartedly accepting it. He has promised to work for the welfare and benefit of the IAAI Members and the Travel Agent Fraternity at large in these challenging times.

The Secretary Mr. Ganesh Vaderi told the Members that they should tap the potential of the social Media to give a wide exposure and reach for the Association.

On behalf of the new State Committee, the Treasurer Mr. Reji J Thaliath thanked all the Members for attending the Meeting.

The Meeting ended at 8:30 PM and was following by Dinner.

## Emirates moves to an all Airbus A380 & Boeing 777 fleet



In line with its vision to offer a superior passenger experience and improve environmental performance through a modern and state of the art wide-body aircraft fleet, Emirates has retired the last Airbus A330 and A340 aircraft in its fleet from active service. This makes Emirates the first and only airline in the world to operate a fleet of all Airbus A380 and Boeing 777 aircraft for its passenger flights. Since January 2015, Emirates has retired 18 A330 and 5 A340 aircraft from its fleet. In addition to the aircraft that have been retired from active service since January 2015, Emirates plans to further phase out some 25 aircraft over the course of 2017 and 2018 to ensure that the operating fleet remains modern and efficient while offering customers a higher level of comfort and safety.

The retirement of older aircraft is balanced by the induction of younger, more modern aircraft into the fleet. This has resulted in Emirates operating one of the youngest fleets in the industry with an average age of 5.2 years. The two youngest aircraft in the fleet- Emirates' 85th A380- the first of the new generation A380 aircraft delivered in October 2016 and Emirates' 125th Boeing 777-300ER- are less than 2 weeks old. Emirates' fleet of all Airbus A380 and Boeing 777 aircraft will also have a smaller environmental impact as both aircraft types have far better fuel efficiency and emissions performance than the retired aircraft. For the calendar year 2016 Emirates will have taken delivery of 36 new aircraft - 20 Airbus A380s and 16 Boeing 777. This also includes the next generation Boeing 777-300ER aircraft - with upgraded business class seats and other features including a lower fuel burn ratio - to be delivered from November 2016.

Emirates is currently the largest operator of the Airbus A380 and Boeing 777 aircraft with 85 Airbus A380s and 160 Boeing 777s in its fleet. Out of the 234 aircraft worth over USD 112 billion that Emirates has in its order book, 150 will be the new Boeing 777X aircraft that will be delivered starting 2020. The aircraft will feature a range of passenger focused amenities on board including larger windows, higher ceiling, and a wider cabin in addition to being more fuel efficient than older aircraft.

## New levy on airlines to fund Regional Air Connectivity Scheme



Popular air routes such as Delhi, Mumbai, Chennai, Hyderabad, Bengaluru and Kolkata, are set to become a little more expensive. The Government announced a new levy — up to INR 8,500 per flight — that will be imposed on airlines to fund its Regional Air Connectivity Scheme, UDAN (Ude Desh Ka Aam Naagrik).

The UDAN scheme is likely to be introduced in January and seeks to connect small cities by air as well as make flying more affordable for the masses. The levy would be fixed for the airlines depending on the distance of each flight. For flights between 1,000-1,500 km, the levy will be INR 8,000 and for flights beyond 1,500 km, it will be INR 8,500, he said. A levy of INR 7,500 will be imposed on flights of up to 1,000 km. The government expects to collect around INR 400 crores per year from these new tariffs.

## Mega Maldives to start direct flights from New Delhi to Maldives



Mega Maldives Airlines has announced its non-stop flights to Male from New Delhi which will start from November 15, 2016. The brand new Boeing 737 Aircraft, has two seating configuration of 150 Economy and 12 Business class seats. Flight number LV 305, New Delhi to Male will be operational on Tuesdays, Friday and Sunday, where as flight LV 304, Male to New Delhi will be operational on Mondays, Thursdays and Saturdays.

As connectivity to Maldives from India is getting better, it will be interesting to know that Italian cruise company Costa NeoClassica is launching a weekly cruise which has a capacity to accommodate 1,700 passengers, from Mumbai to Maldives on December 16, 2016. The cruise will operate until March 18, 2017.

## IndiGo plans to fly to Gulf countries



Indian carrier IndiGo that has traditionally targeted the domestic market, is now eyeing an increase in foreign services, especially to the Gulf countries. The airline is exploring more flying slots to different Gulf nations with the Ministry of Civil Aviation (MoCA).

Since other carriers like AirAsia India, Vistara and GoAir are gearing up for overseas operations, IndiGo does not want to lag behind and so is exploring the best way to remain on top. The budget carrier controls over 40% of the domestic aviation market share and will add at least 18 more narrow-bodied aircraft to its fleet of 122 by March 2017. Now Indian carriers need to have only 20 aircraft to fly overseas. The airline has placed an order for 430 fuel-efficient A320neo aircraft, which it would add to its fleet in phases. Airline sources said with this big number of deliveries, the carrier cannot limit its operations within India. It cannot fly to far away Europe, United States or Australia. And so the best bet is Gulf and South Asian destinations.



## Iran suddenly becoming a Hot Tourist Destination



For all of Iran's attractions — breathtaking scenery and numerous World Heritage sites, among other things — there are plenty of downsides to vacationing in the Islamic republic. Alcohol is forbidden. There is very little night life, at least in public. All women, including visiting foreigners, are obliged to wear a head scarf. Then there are Iran's politics: its strident anti-Western stance; seemingly random arrests of people with dual citizenship; hundreds of executions every year; and a rather loose definition of human rights. None of that has changed, but suddenly Iran is a booming destination for Europeans seeking an adventurous vacation, particularly people from Spain, France and Scandinavia. For many tourists, a trip to Iran was always more than just a holiday. It was a journey into the unknown, with a frisson of danger added. For decades, news coverage of the country was overwhelmingly negative, led by such topics as the Islamic Revolution in 1979 and the ensuing hostage crisis; the death sentence issued against the British writer Salman Rushdie; the crackdown on protests in 2009; and accusations that its leaders were trying to build a nuclear weapon. For outsiders, Iran has been a dark and scary place.

What was often lost was the other side of Iran: its ancient history, its young and open-minded population, its food and culture. After the 2015 nuclear agreement between Iran and six world powers, which led to the lifting of most sanctions and a reconnection to the world, the sharpest edges seem to have been taken off. Long suspicious of foreigners, Iranian officials — led by the President Hassan Rouhani — are now welcoming them. The number of Western tourists who are visiting is hard to gauge accurately. More than 5.2 million tourists visited last year, and more are expected this year. But this includes several lakh Shiite pilgrims who come to the country annually. In comparison, Turkey, the region's tourism powerhouse, used to receive around 20 million tourists a year before an increase in terrorist attacks, a dispute with Moscow over a downed fighter plane and a failed coup attempt cut into the total. Many visitors are brought to Iran by foreign tour operators and other companies — including The New York Times, which offers cultural tours. Every breakthrough in tourism is widely celebrated. Last month, when the Dutch carrier KLM became the latest European airline to fly to Iran, Iranian firefighters sprayed arcs of water over one of its aircraft in greeting. Iranian photojournalists covered it as if they were shooting a red-carpet event. "KLM returns to Iran," front pages said the next day.

Hotel development, in the deep freeze in the decades of isolation, has kicked in, with three new properties in Tehran since 2015 and more planned. However, overall tourist services are poor in many parts of the country, guides complain. The number of Iranians offering beds and couches to crash on has mushroomed in recent years, to more than 36,000 from virtually nothing.

**Source : Business Standard**

## AccorHotels acquires 30% stake in 25hours Hotels



AccorHotels is acquiring a 30 per cent stake in 25hours Hotels capital, with the objective of accelerating the global expansion of the 25hours brand. 25hours is also expanding its internal development structures and establishing a creative laboratory for this purpose. AccorHotels will be a strategic partner of 25hours supporting its long-term growth.

25hours Hotels currently operates seven individual hotels in Hamburg, Frankfurt, Berlin, Vienna and Zurich. A further five hotels will open in Zurich, Munich, Cologne, Düsseldorf and Paris in the next two years. The company has been looking to expand into other European countries for some time, and is now also targeting long haul destinations.

## Scrapped notes hold up visa applications



Visa applications for several countries processed primarily in cash have come to a standstill in the country after the denomination of Rs 500 and Rs 1,000 notes. Several applications are in limbo as clients have little legal tender to pay as fee for the processing. This has completely botched up travel plans, many complain. In cases where NEFT transfers and demand drafts were allowed, the rush at banks made it impossible to initiate the fund transfers. The main visa application centre in the country for Schengen countries allowed NEFT transactions only on November 10 and 11. All visa fee payments — whether through NEFT, RTGS or demand draft — must be done by visiting banks, which have been choked up with harrowed citizens.



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South: Chennai, Bangalore, Coimbatore



## **Qatar Tourism Authority introduces new transit visa scheme**



Qatar Tourism Authority has announced a new transit visa scheme, which allows passengers with layovers of five hours or more in Hamad International Airport to request a complimentary transit visa, has gone into effect. The new system will allow transiting passengers of all nationalities to enter Qatar for up to 96 hours in between flights. All visas are granted at the sole discretion of the Qatari ministry of interior.

The initiative to introduce a free transit visa is the result of collaboration between Qatar Airways and QTA to position the country as a tourist-friendly destination and to attract more international visitors. Passengers can apply for their free transit visa through any of Qatar Airways' offices or online. To be eligible for the transit visa, passengers must have a confirmed ticket for a journey into Qatar, with a confirmed onward journey out of Qatar on a Qatar Airways-operated flight.

To ensure passengers can make the most of the new Transit Visa, Qatar Airways has restructured their fares for international flights transiting through Hamad International Airport. This will allow passengers to have a free stopover in Doha without any additional charges to their ticket, either on the outbound or inbound journey. However, passengers travelling from the GCC and Middle East on return tickets will be able to take a stopover in Doha on their outbound journey only without additional charges.

**Source : Travel Trends Today**

## High Tech Entertainment plans for Railways



Soon, trains and railway stations in India may become infotainment hubs. The Indian Railways is set to provide offline content on demand – such as television serials, movies, short videos, kids' shows and sports, songs and devotional content – apart from providing a rail radio service to its passengers.

The railways has had a few round of talks with some players in the offline streaming market. The targeted infotainment verticals for the railways include radio, video, digital music and digital gaming. Talks have already happened with Moving Talkies, Speed Fetch and MyFreeTV. MyFreeTV has had a trial run on Gatimaan Express, Moving Talkies has been offering services in select Rajdhani and Shatabdi trains. Speed Fetch has been offering services on Taj Express on an experimental basis. A pilot project on the Delhi-Trivandrum Rajdhani had an adoption rate of more than 50%.

The Boston Consulting Group had said in a recent report that through content on demand (COD) on trains and on stations, the railways could see an infotainment market potential of around Rs 2,277 crore in three years. Out of this, radio would be in around Rs 706 crore. The railways can boast of a daily captive audience base of 23 million, which may translate into 7 million viewing hours a day, to the companies in the fray for the infotainment business with the railways. For radio and free content on demand, monetisation would solely be through advertisements. For premium content on demand, consumers will have to pay a minimal amount.

It expected radio advertisements to be priced at 17 paise per user. For content on demand, it would be around Rs 4.7 a user. For providing offline content, the expense per coach will come work out to Rs 38,000. The cost to set up infrastructure for content streamed through internet would come to around Rs 25 lakh a coach. The plan is to rollout COD and rail radio on 30 per cent of the trains in the first year, 60 per cent in the second year and on all trains by the third year. The technology would be implemented in A1 stations in the first year and in the remaining stations in the second and third years.

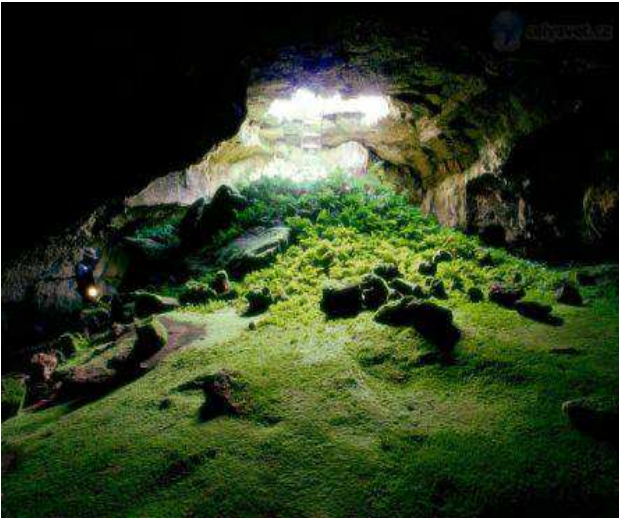
For radio, three models are under consideration – a dedicated rail radio channel live through the internet, a broadcast local radio signal and pre-recorded content with some updates. Interested parties might include content owners such as Eros Entertainment, Balaji Productions and Shemaroo Entertainment and content aggregators such as Radio Mirchi, Fever FM, Hungama and Bindass. Major players in the offline streaming market who might be interested on talking this route would include Pressplay TV, Moving Talkies, Dwingloo, Fropcorn, Touring Talkies, Myfreetv.in, Zonk and Cloudplay. According to BCG, apart from this, internet service providers and telecom players might be interested in the market.

**Source : Business Standard**



## Lava Beds National Museum, California, USA

### PHOTO FEATURE



Lava Beds National Monument is located in northeastern California, in Siskiyou and Modoc counties. The Monument lies on the northeastern flank of the Medicine Lake Volcano, and has the largest total area covered by a volcano in the Cascade Range. The region in and around Lava Beds Monument lies at the junction of the Sierra-Klamath, Cascade, and the Great Basin physiographic provinces. The Monument was established as a United States National Monument on November 21, 1925, and includes more than 46,000 acres (190 km<sup>2</sup>). Lava Beds National Monument has numerous lava tube caves, with twenty-five having marked entrances and developed trails for public access and exploration. The monument also offers trails through the high Great Basin xeric shrubland desert landscape and the volcanic field.



## Lighter Moments

I dialed a number & got the following recording :

**"I am not available right now, but thank you for the call. I am making some changes in my life. If I do not return your call, you are one of the changes."**

### Thought for the Fortnight

I slept & dreamt that life was joy. I awoke & saw that life was service. I acted & found service was joy.

— Rabindranath Tagore

## IAAI Director Board

**1. Mr Biji Eapen, National President**

: Speedwings Travel & Cargo Pvt. Ltd., Kochi

**2. Mr H S Chawla, National Treasurer & Director—Northern Region**

: Speed Air Travel Agents, New Delhi

**3. Mr Naresh Rajkotia, National General Secretary & Director—Western Region**

: Madhura Travels & Tours, Mumbai

**4. Mr Faisal Sharhabeel, Director—Southern Region**

: Magellan Travel Services (P) Ltd., Chennai

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Newsletter Editor

**Devendra Ghule**

Asst Editor

**Saras Deshpande****Sudin Travels & Forex Pvt Ltd., Pune**

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

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