

# IAAI Newsletter

### **April 2017** — Ist Fortnight Issue

EK - 3% to 1%

Continue to deny support until Emirates reverts to 3% Commission

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# From the President's desk

### **BSP Link Charges**



On 13th January 2017, we had emphatically warned everyone that IAAI's dissent and protest could only temporarily block IATA's decision to additionally charge US\$30 for BSP enhanced usage and that IATA may re-introduce it at any time. Everyone was also categorically alerted that this can be permanently eliminated only by APJC-India or through legal proceedings as per our constitutional provisions, Laws and Regulations amplify the grounds for that too.

IATA Resolution 818g regulates and directs that any fees or additional charges over the normal IATA accreditation fees has to be tabled, discussed and approved by the concerned APJC of the country for implementation.

The Agent Representatives in APJC-India had, in a circular dated 22<sup>nd</sup> October 2016, claimed that they had written to IATA to place this matter urgently for discussion in APJC.

On the contrary, the IATA circular of 31st August 2016 specifies that the extensive briefing session workshops held on a pan-India basis from 14th to 29th September 2016 were being coordinated by TAAI & TAFI charging Rs.700 per participant. This obviously implies that IATA had indeed discussed the "BSP Link Charges" in APJC-India in May 2016 and that the Agent Representatives had either naively or expressively approved the same.

Globally as per IATA, these facts will never come to light as the Minutes of APJC Meetings are confidential under anti-trust law (but infact, India is under competitive commission!).

Countries like USA regulates that IATA has to report and obtain prior approval from FAA (Federal Aviation Administration) for any amendments or regulatory changes. Whereas, in India, though the Aircraft Act 1934 and the Aircraft Rules 1937 empower DGCA with such regulatory control, IATA is allowed to be the deciding authority.

IAAI had assertively challenged and protested against the BSPlink charges categorically on the following main points :

- That the Basic BSPlink facilities offered under Rule 5.2 of BSP Agents Manual in 2011 are the fundamental rights of the accredited Travel Agents.
- That the BSPlink enhanced charges must have reciprocal benefits accredited Travel Agents should be compensated with legal remuneration as stipulated under IATA Res 824 (9) of the PSA Agreement and as also legally mandated as per the two Orders from DGCA and the Ministry of Civil Aviation, dated 5.3.2010 and 16.9.2013, respectively.

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# From the President's desk

We have already written to the Presidents of TAAI & TAFI highlighting above points and submitted following THREE options to overcome this dangerous situation:

- If APJC-India had not discussed or approved BSP link charges, then APJC-India, as the Authority to consider all aspects of Agency programme in a country, CAN AND MUST reject this additional charge.
- If APJC-India had already discussed and agreed, then, ONLY a newly re-constituted APJC under PAConf Guidelines of January 2014 Appendix-F can solve this issue. If so, insist for restructuring APJC-India as globally required with 18 members (9 airlines & 9 agents) with equal representation of all 3 National Associations and Chairman to be elected from the 18. IAAI had challenged IATA requesting to re-constitute APJC-India as per Appendix "F" and the Supreme Court Special leave petition hearing is scheduled for 01.05.2017.
- Agents will have to fight through the Courts of Law against this illegal implementation of BSP charges and to which IAAI is expressly willing to support and be a part of this great struggle.

The Travel Agents Fraternity and, in a larger sense, the Indian Aviation Industry, is facing a major crisis with the various issues that are plaguing their partnership with the airlines and endangering the very existence of the Travel Agents. The apathy shown by the Regulatory Authorities of the Government of India has resulted in IATA and its Member airlines gaining ascendancy over the Indian skies.

This is detrimental to the survival of the entire Indian Aviation sector and it is only by acting and working together that we can make a change.

### **IAAI News**

# Views and Suggestions on the Draft GST Assessment / Audit / e-Way Bill Rules

The Central Board of Excise and Customs have released the draft of the (1) GST Assessment / Audit Rules and (2) GST Electronic Way Bill Rules for public comments. The Rules are available on the CBEC website and can be accessed at the following links:

http://www.cbec.gov.in/resources//htdocs-cbec/gst/assessment-audit-rules.pdf http://www.cbec.gov.in/resources//htdocs-cbec/gst/ewaybill-rules.pdf

CBEC has requested FICCI for the comments on these Rules to be sent to them by 21st April, 2017. Your Association being a Member of FICCI, they have sought from us the views and suggestions. Therefore, we request you to kindly forward your views and suggestions on the aforesaid Rules to us by end of the day, so that we can process them and make them available to the CBEC through FICCI by the due date.

# Airline Passengers are in a Consumer Protection No Man's land

#### **US Senator Fights For Airline Consumers**

Last week, an "involuntary de-boarding situation" which was captured on video, showing a passenger forcibly removed by being dragged off by police from United flight 3411 at Chicago O'Hare International Airport, had gone viral exposing airlines' flight overbooking policies.

IAAI, as an Active Partner of a global coalition - AirChannelChoice.travel - under the auspices of the US-based Business Travel Coalition (BTC), has been informed of a Press Statement released on 17<sup>th</sup> April by Mr. Kevin Mitchell, Chairman of BTC, excerpts from which are appended herewith.

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# **IAAI News**

April 17, 2017, WASHINGTON, DC – Business Travel Coalition (BTC) today expressed strong support for Senator Richard Blumenthal's (D-Conn.) Airline Passenger Bill of Rights responding, in part, to the United Airlines flight 3411 fiasco with an appropriate balance of new consumer protections and structural reform. The Senator's bill, to be detailed at a press conference at 11:30am today in Hartford, Connecticut addresses prioritization and compensation for involuntary bumping, the role of police in removing passengers, unreasonable delays, excessive fees and unfair consumer practices. Compared with other industries, airline passengers are in a consumer protection no man's land.

"To his great credit, Senator Blumenthal's bill would restore airline passengers' right to sue airlines for unfair or deceptive practices or unfair methods of competition," stated BTC Chairman Kevin Mitchell. Such practices can include withholding ancillary fee information from travel agents, refusing to provide complete fare and schedule information to online metasearch sites upon which consumers depend for comparison shopping, undisclosed fees, price gouging, chronically late flights or health and safety risks," added Mitchell.

Since the legacy U.S. airlines secured their antitrust immunities for their joint ventures, and massively consolidated the industry, in addition to the over-the-top arrogance of blocking consumer protections, their obsessive public-policy focus has been to frustrate domestic and foreign competition and to block badly needed foreign carrier entry to U.S markets.

To reverse the decline in respect for airline customers it will take a combination of (1) stronger consumer protections, (2) the restoration of the right of consumers and State Attorneys General to sue airlines and (3) increased domestic and foreign airline new entry.

It has become very evident that airlines, around the world, do not intend to spare anyone – neither their own appointed Travel Agents nor their own valued customers, the passengers.

The first casualty had been the Travel Agents on whom was imposed the gradual reduction of commission from 9% to 'Zero', followed by the selective denial of airline ticket stock, the truncated 'Billing & Settlement Plan' (BSP) and, now, the BSP 'Enhanced User Charges' from April 2017.

Encouraged by their success with the Travel Agents, the airlines then turned their attention on to the travellers by unbundling their services that were hitherto free and levying a charge for each such unbundled service as also on new add-on services. This came into effect from May 2013 in India and some of these services are - preferential seating | meal/snack/drink (except drinking water) | use of airline lounges | checked baggage | sports equipment | musical instrument carriage, etc.

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### Air India to connect Delhi & Washington with a nonstop flight from July 7



Air India will operate a non-stop flight from Delhi to Washington from July 7, 2017, to connect the capitals of India and the USA. This will be the only direct flight connecting Delhi with Washington with a B777-200LR aircraft. Washington

will be Air India's fifth non-stop destination in USA after New York (JFK), Newark (EWR), Chicago (ORD) and San Francisco (SFO).

AI 103 will depart from Delhi at 0115 hrs (IST) to reach Washington at 0715 hrs (GMT). While AI 104 will depart from Washington at 1100 hrs (GMT) and will land at IGI airport, Delhi at 1030 +1 hrs (IST). Operating thrice a week on Wednesday, Friday and Sunday, the flight will offer a 3-cabin configuration, with 8 seats in First Class, 35 seats in Business Class and 195 seats in Economy Class.

This non-stop flight will not only provide convenient connections to Indians based in the Pacific Northwest region but will also further enhance the diplomatic relations between the two countries. In fact, it will fulfill a long-standing desire of people of both the countries demanding this connection for a long time. The direct flight will take around 15hours and 30mins to reach Washington from Delhi.

#### IndiGo adds Doha as its 7th international destination

IndiGo

IndiGo announced Doha as its 7th international and 46th overall destination. With Doha as a new destination, IndiGo is all set to enhance connectivity between India and the Gulf re-

gion after Dubai, Muscat and Sharjah. The introduction of direct flights connecting Doha to New Delhi and Mumbai will open more convenient travel options for business and leisure travellers including the Indian expatriates based in Middle-East. With the increased flow of tourists and business traffic on the India-Gulf route, IndiGo recently launched two new non-stop daily flights to Sharjah and an additional flight to Muscat in a bid to consolidate its position in the Middle-East market.

# Bengaluru will be the base for Qatar Airways India operations



Gulf carrier Qatar Airways' proposed full service airline in India is likely to set up its base in Bengaluru and provide connectivity from there to other parts of the country. At present, budget carrier Air- Asia India, which is a joint venture be-

tween Malaysia's AirAsia group and India's Tata Sons, is the only local carrier which has its operational base in Bengaluru. Akbar Al Baker, Chief Executive Officer of the Dohabased full service carrier, had last month announced in Berlin that Qatar Airways was going to join hands with the investment arm of State of Qatar to start a domestic airline in India with a 100% investment. The new airline is expected to provide connectivity first from the South Indian cities to other parts of the country and then expand to other regions. Significantly, six cities of the total 13 that Qatar Airways flies to in India are in the South.

# Ethiopian Airlines to launch A350 aircraft on Mumbai route



Ethiopian Airlines is all set to launch its first Airbus A350 -900 XWB on the Addis Ababa-Mumbai route this month. The Airbus A350-900 will be deployed on the twice daily non-stop service between Mumbai to Addis Ababa and will facilitate passengers to connect with 50 onward destinations on Ethiopian vast intra African network. The passengers of the air-

bus A350-900 will also be able to enjoy the extra features like- amazing cabin interior features with the latest high-definition touchscreen, personal monitors with a higher selection of movies, wider seats and windows etc. It is to be recalled that Ethiopian has been the first in Africa to own and operate the A350 in African skies. Among a total of 14 orders, Ethiopian currently has three of them in operation.

### World's fastest passenger jet a step closer to reality



A supersonic jet capable of flying passengers from London to New York in three hours and 15 minutes has moved a step closer to reality. Nicknamed 'Baby Boom', the test model will be a third of the size of the jets that it eventually plans to sell to airlines. Boom Supersonic claims its final

product will be the "World's fastest civil aircraft ever made", and capable of hitting speeds of 2,335 kmph, making it 10% faster than Concorde and over twice as fast as other airliners. XB-1 will fly at around 60,000 feet, and Boom Supersonic says it will cut the flight time for journeys between London and New York by more than half.

Unsurprisingly however, tickets will be expensive, at up to Rs 1.6 lakh one way. Boom could be ready to take on passengers as soon as the early 2020s.

Source: The Times of India

## The Capsule will take tourists to Space





Private spaceflight company Blue Origin has released the first interior photos for the New Shepard, offering a glimpse at what the finished crew capsule will look like. New Shepard is a reusable vehicle aimed at taking tourists to the edge of space, where they can float around weightless for a few minutes. The rocket has been successfully launched and landed five times already, but no people have ridden in the capsule yet. Blue Origin is planning to take its first paying customers to space by 2018.

This Capsule's every seat is a window seat, the largest windows ever in space. The photos show reclining black seats with blue piping, and seats emblazoned with the Blue Origin feather logo.

Source: The Times of India

#### Five innovations to transform air travel



Amid a dearth of new plane models, the aviation industry is intensifying the search for in-cabin innovations to lure passengers with wider seats, faster service and even fresh pancakes.

Among developments this year, Qatar Airways revealed a business berth, which can be swivelled to form a meeting area for four or a double bed. Dubai-based Emirates, which already offers airborne showers on its A380 superjumbos, is giving its flying bars a saloon-style redo. Meanwhile, Air-

bus Group SE on Tuesday said it was redesigning the A380 double-decker's so-called grand staircase to create more space for passengers.

Following innovations aimed at boosting seat density, automating in-flight service (watch out cabin crew!) and keeping passengers entertained:-

Cyborg server: Paris-based Altran has invented a robotic waiter that takes your drink and snack order in advance and rolls it up to your row. The self-driving trolley also collects garbage at the end of the flight. Alas, the robot lacks arms, so the job of passing hot coffee to window-seat passengers will be outsourced to the lucky aisle-seat occupants.

Germ killer: Using technology that's already in action to disinfect hospitals and municipal water supplies, the GermFalcon will zap ultraviolet light across the cabin to sanitise armrests, tray tables and even toilets. It looks like a beverage cart with arms and can destroy bacteria and viruses on 54 seats in one minute.

Flying gourmet: Lufthansa is making flight-safe cookers that fry eggs, toast bread and steam rice at 30,000 feet. Don't worry about your freshly pressed suit smelling like a greasy spoon by the time you land for your meeting: the science-lab lookalike comes with a fume hood. And a lock meant to prevent a skillet full of sizzling sirloin from flying down the aisle during turbulence.

Window surfing: You've secured the window seat, popped in your earbuds and nestled your travel pillow into place. Now for a relaxing view of, err, stock prices. Vision Systems, based in Lyon, France, wants airlines to turn their windows into pane-shaped infotainment screens that passengers can swipe through to see flight details, order drinks and — naturally — buy stuff. Airlines are looking for new ways to boost on-board advertising revenue, the company says. If you want to unplug, the screens can be dimmed so you can see the clouds through tinted glass.

Space maker: Sliding seats are the way of the future. That's what Molon Labe Designs wants you to believe. Its pitch for reconfiguring cabins includes an aisle seat that slides over the middle seat to widen the corridor during boarding. The Denver-based start-up also boasts middle seats that are the industry's widest at 21 inches, and positioned farther back and slightly lower than the neighboring spots, creating less scope for armrest battles.

Source: The Business Standard

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### IHG aims 150 hotels in South-West Asia in next 15 years



InterContinental Hotels Group (IHG), one of the world's leading hotel companies announced the opening of the Holiday Inn Chennai OMR IT Expressway. The 202 room hotel marks the fifth IHG Hotel in Chennai and the first InterContinental Hotels Group Holiday Inn in the city. Strategically located in Chennai's

IT hub (also known as Old Mahabalipuram Road, OMR), and only 20 minutes from Chennai International Airport, the hotel is the ideal choice for the contemporary business traveler.

The company also expressed that it is on track to having 150 hotels open or in our pipeline within the next 10-15 years. This growth will largely be driven by the Holiday Inn brand family with a distinct focus on Crowne Plaza and InterContinental Hotels and Resorts in key gateway cities. Most recently, IHG has signed three Holiday Inn Express hotels in India with existing owners. This includes the Holiday Inn Express and Suites in the Delhi & NCR area, Holiday Inn Express and Suites Gurgaon Sector 90 with Crowne PropBuild who currently own Crowne Plaza Rohini as well as Holiday Inn Express Kolkata Airport with DS group who currently own Crowne Plaza Jaipur Tonk Road with IHG. All the three Holiday Inn Express hotels are set to open in the next 2 to 3 years.

### Hilton expands resort footprint with debut in Tibet autonomous region



Hilton announced the opening of Hilton Linzhi Resort in China's Tibet Autonomous Region. Hilton Linzhi Resort is Hilton's first hotel in the region and home to Tibet's first nine-hole golf course. Located between the Himalayas and Yarlung Zangbo River, Hilton Linzhi Resort sits atop 800 lush acres dotted with big flower peonies (Paeonia Lud-

lowii), a symbol of traditional Tibetan medicine. Hilton Linzhi Resort is located within the historic King of Gongbo site, at an elevation of 3,000 meters. The resort is served by Nyingchi Airport, which is just seven kilometers away, and provides easy access to attractions including Namjagbrawa Mountain and the Medog Grand Canyon Adventure Tourism Area. Reminiscent of grand Tibetan palaces, Hilton Linzhi Resort incorporates Chinese architectural flourishes and modern luxuries. The resort has a unique and welcoming ambience, and its 220 guest rooms and suites have balconies that provide unobstructed views of the Yarlung Zangbo Grand Canyon. In-room amenities include 42inch LCD televisions, complimentary Wi-Fi access and oxygen supply equipment for guests who need assistance acclimating to the altitude.

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# Novotel to foray into North-East India with Novotel Guwahati this year



Novotel, a hotel brand from AccorHotels, will make its debut in the capital city of Guwahati with the opening of Novotel Guwahati GS Road this year. The soon to be launched hotel will be strategically located in the heart of Guwahati's commercial district, conveniently situated near the Guwahati Shillong highway, suitable both for business trips and for holidays. The property will be a short drive from the Guwahati International Airport, and adjacent to the

upcoming SM JDB Mall. The Assam-based SM JDB Estate Private Limited will be responsible for the development and realisation of the project. The hotel, which is part of the Novotel brand known for its spacious modular guestrooms, commitment to guest wellbeing, meeting facilities, children's offerings and attentive service, will feature 118 modern and well-appointed rooms and suites. Guests at Novotel Guwahati GS Road will enjoy an array of modern facilities, including an all-day dining restaurant, lobby bar, lounge and health club.

#### Hyatt to foray into Lucknow & Kochi; to double its India footprint



After a positive year of business from the Indian market in 2016, Hyatt Hotels Corporation is hopeful of doubling its footprint in the market. Hyatt have a robust pipeline of new properties to be opened in India. With this, they will roughly dou-

ble the size of our presence in India based on the projects currently underway. They are excited about the two new cities joining the Hyatt portfolio, Lucknow and Kochi, where they will be opening Hyatt Regency and Grand Hyatt, respectively, this year. Additionally, Hyatt Place will open in Hyderabad later this year.

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# Now Indian Railways won't allot you a seat number even if ticket is confirmed



Soon, no seat number will be allotted while travelling in trains even if your ticket is confirmed in order to secure the lower berths for women and senior citizens. Till now, Indian Railways used to allot the seat number as soon as ticket is confirmed. However, from now, the passenger will get just a "CNF" message on the confirmed ticket. And, the berth number will be allotted only four hours before the departure time of the train. This new move will first be

implemented on Rajdhani trains. Despite having lower berth quota reserved only for women and senior citizens, TT usually allot the seats to other passengers in case of vacancy. Hence, creating trouble for women and senior citizen passengers as they have to travel in middle or upper berths. Moreover, as per the source, Indian Railways is planning to implement this rule within two months.

# Malaysian Government rolls out e-visa (eNTRI) for Indian nationals



To enhance inbound tourism from India, Malaysian Government announced the launch of single-entry short term eNTRI visa valid for 15 days. Electronic Travel Registration & Information (eNTRI) is an online registration facility provided by the Government of Malaysia to facilitate the entrance of Indian

nationals into Malaysia under the Visa Waiver Programme. An eNTRI Note will be issued as proof of the registration and is required to be presented upon arrival in Malaysia. eNTRI applies to all Indian nationals in India and expatriates residing all over the world excluding Singapore. An eNTRI holder is entitled to maximum of 15 days for each visit. Malaysian Government have decided on no visa fee, online application approval within 48 hours and e-visa to be accorded for Indian nationals.

#### VFS Global expands Japan VACs in 13 cities across India



VFS Global, in partnership with the Embassy of Japan in India, is expanding the network of Japan Visa Application Centres (VACs) across the country in 13 additional cities. As part of the country-wide roll out, VFS

Global has launched VACs in the South Indian cities of Chennai, Bengaluru, Pondicherry, Hyderabad, Cochin and Trivandrum. Last month, a centrally-accessible and well-connected centre was launched in Mumbai and Kolkata. So far, New Delhi, Chandigarh, and Jalandhar were the only cities where applicants could submit Japan visa applications through VFS Global centres. Applicants from other cities in India had to submit their visa applications, either in person or through a travel agent, at the Japanese Consulates in Kolkata, Mumbai, Chennai, and Bengaluru or through the submission facilities arranged in Amritsar, Ludhiana, Dehradun, Agra and Guwahati.

# Strokkur Geyser, Iceland









Strokkur is a fountain geyser located in a geothermal area beside the Hvítá River in Iceland in the southwest part of the country, east of Reykjavík. It is one of Iceland's most famous geysers, erupting once every 6–10 minutes. Its usual height is 15–20 m, although it can sometimes erupt up to 40 m high. Strokkur belongs to the Haukadalur valley area, where various other geothermal feature such as mud pools, fumaroles and other geysers are located around it, such as the famous Geysir geyser.

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# **Lighter Moments**

A truck driver was driving along on the freeway. A sign comes up that reads "Low Bridge Ahead." Before he knows it the bridge is right ahead of him and he gets stuck under the bridge.

Cars are backed up for miles. Finally, a police car comes up. The cop gets out of his car and walks around to the truck driver, puts his hands on his hips and says, "Got stuck, huh?"

The truck driver says, "No, I was delivering this bridge and ran out of gas.

# Thought for the Fortnight

However fast you drive on a highway, we will still fund someone, ahead of us. Similarly in our lives too, we cannot get ahead of everyone. So let's simply enjoy the turns & twists, slopes & elevations in our drive of life.

#### **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
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- 4. Mr Faisal Sharhabeel, Director—Southern Region
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### **Advertising rates for IAAI Newsletter**

Size	2 insertions (1 month)	6 insertions (3 months)	12 insertions (6 months)	24 insertions (one year)
Quarter Page	Rs. 5,000/-	Rs. 14,000/-	Rs. 25,000/-	Rs. 45,000/-
Half Page	Rs. 9,000/-	Rs. 25,000/-	Rs. 45,000/-	Rs. 80,000/-
Full Page	Rs. 15,000/-	Rs. 40,000/-	Rs. 75,000/-	Rs. 1,35,000/-
Strips	Rs. 2,000/-	Rs. 5,000/-	Rs. 10,000/-	Rs. 18,000/-

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