PASSENGER AGENCY CONFERENCE

Welcome Pack and Reference Guide

Table of Contents

Introduction

01 Chairman Welcome Message

02 Objective

03 Passenger Agency Programme

04 Benefits

05 Agency Programme- Governance

What is PAConf

06 Description

07 About the Conference

09 Roles & Responsibilities

12 Sub-groups

- 13 PSG
- 14 PAPGJC
- 15 APJC

16 Participation

- 16 What representatives can expect from IATA Governance?
- 17 What is expected from a PAConf Representative?

18 How to

- 18 Appoint or change an Airline Accredit Representative or Alternate
- 19 Submit an Agenda item to the Conference
- 20 Cast a vote in a Mail Vote
- 21 Prepare for the Conference

Questions & Answers

22 What to know

Common Abbreviations

26 Glossary

Welcome to the PAConf

Chris Gilbey
Chairman, Passenger Agency Conference

"…we have witnessed the development and growth of the most extensive and powerful distribution network that your Airline has delegated IATA to manage...through the Passenger Agency Programme…"

Dear Accredited Representative and Alternate of the Passenger Agency Conference, it is my pleasure to welcome you onboard. Since the establishment of the Conference in 1979, we have witnessed the development and growth of the most extensive and powerful distribution network that your Airline has delegated IATA to manage. Supported by a Billing and Settlement Plan (BSP) that ensures safe collection of funds totaling over USD 240 billion a year, the IATA carriers have developed the primary distribution system that is the Passenger Agency Programme.

This document will walk you through the various steps leading up to our annual Conference.

With the rapid changes in our current distribution streams and consumer behavior, it is very important that Airlines work together towards a modern, robust, safe and efficient Passenger Agency Programme. Your role in the PAConf will be the inevitable key to our success and I look forward to meeting you at this year's Conference.

Objective

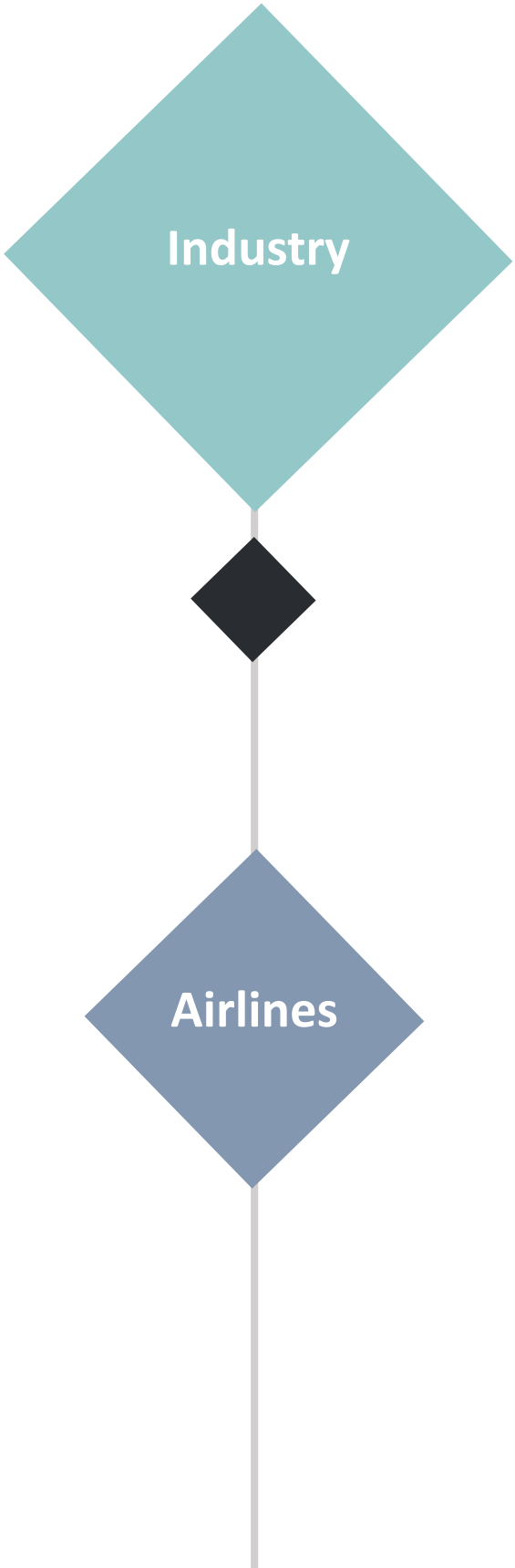
“

The Passenger Agency Conference shall take action on matters relating to relationships between **Airlines** and **recognized passenger sales agents** and other intermediaries but excluding remuneration levels.

IATA Passenger Agency Programme

A global programme (excluding USA) to encourage and facilitate the orderly promotion, distribution and sale of international air transportation through a network of Accredited Agents. It is administered in a neutral, efficient and cost-effective manner, based on established industry standards and business procedures, serving the interests of passengers, airlines and agents.

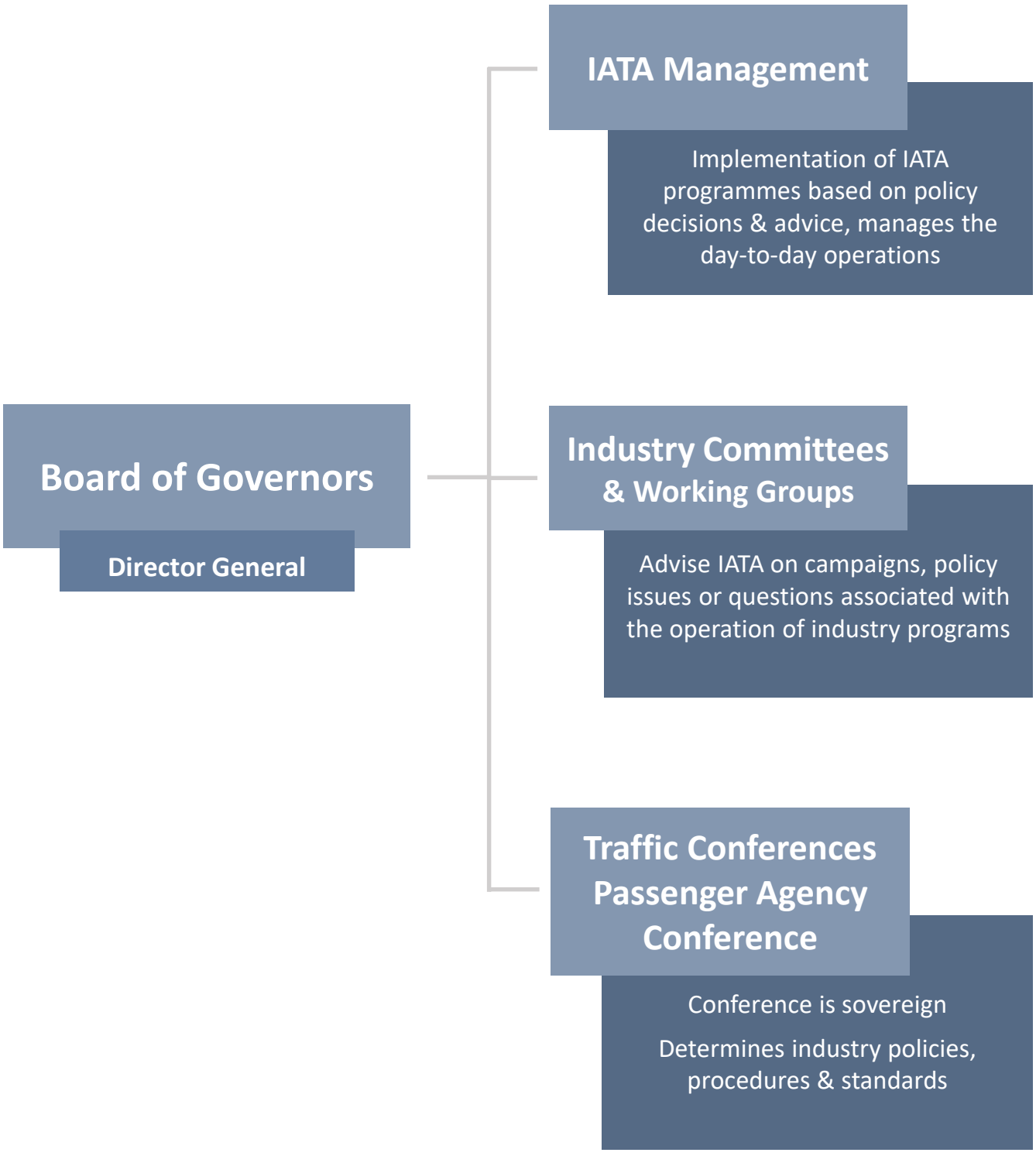
Benefits



- The rules enable delivery of;
- 60,000+ agent locations against a single contract
- Distribution of airline product worldwide
- Sales through the BSP of over $240bn annually
- Over 99.9% collection rate

- Reduces airline distribution costs by providing access to sell products and services through a recognised network of retail outlets
- A single legal contract for the accreditation of agents worldwide.
- Standard methods for reporting and settlement of sales through BSPs at low cost that ensure airlines receive their monies in a timely manner
- Reduces the risk of agency default through a standard accreditation and vetting system, and the development of Local Financial Criteria in every country and area
- Standard banking practices and contracts

Agency Programme - Governance



WHAT IS PACONF

The Passenger Agency Conference is...

OFTEN KNOWN AS 'PACONF' IS THE MOST SENIOR GOVERNANCE AUTHORITY OF THE PASSENGER AGENCY PROGRAMME

The first BSP was established in 1971 in Japan and eight years later, following an IATA reorganization, the first official PAConf was held in Florida, USA.

The establishment of the PAConf is authorized by the IATA Articles of Association, Article XII(3)(e), which states that the Annual General Meeting shall "Establish IATA Conferences and such groups and subordinate bodies as it considers appropriate;" on both Airlines and Agents.

PAConf governs the relationship between Agents and Airlines based on a Principal Agency Relationship, through the Passenger Agency Programme.

Both the Passenger Agency Resolutions Manual (PACRM) and the BSP Manual for Agents are binding documents under the Passenger Agency Programme which are adopted by the PAConf. Once any changes have been voted through and distributed to Agents through the Travel Agent's Handbook, will become binding.

Every IATA member Airline can appoint a PAConf representative, and the Conference is held once a year.

About the Conference

Competition Law Statement

This meeting is being conducted in compliance with the Provisions for the Conduct of the IATA Traffic Conferences. Pursuant thereto, this meeting will not discuss or take action to develop fares or charges, nor will it discuss or take action on remuneration levels of any intermediaries engaged in the sale of air transportation. This meeting also has no authority to discuss or reach agreement on the allocation of markets, the division or sharing of traffic or revenues, or the number of flights or capacity to be offered in any market. Delegates are cautioned that any discussion regarding such matters, or concerning any other competitively sensitive topics outside the scope of the agenda, either on the floor or off, is strictly prohibited. The foregoing applies equally to email discussions, instant messaging and social media discussions whether directed to announced participants or other parties not present in the meeting. Participants are reminded that live streaming of this meeting to parties not present in person is not permitted except as indicated by and with the express permission and knowledge of the Chairperson and IATA and only in the event that specific participation on a given item from a party not present in person is required. Unauthorized recording of the meeting is prohibited.

Out of Scope of Conference Discussions

- Rates, Service Charges, Surcharges, Commissions
- Bids on Contracts
- Collusion
- Marketing Plans
- Confidential Relationships

IATA and Anti-trust Immunity

Antitrust immunity is the exemption from prosecution under competition or antitrust laws. In the transportation industry, organizations with antitrust immunity are permitted under certain conditions to meet, discuss, and establish standardized arrangements and agreements. It is important that IATA cannot be seen as facilitating or condoning any discussions of pricing, route planning, allocation of markets, the division or sharing of traffic, the number of flights or capacity to be offered in any market, distribution costs, group boycotts, etc. as there is no immunity in most countries, for such discussions.

If such discussions occur, they must be terminated immediately and any IATA representative present must object and make note of their exist from any such meeting.

Global Effect

Members should be aware that even there might not be any competition law in their home country, by operating internationally, your Airline might still be subject to competition law compliance under the jurisdiction of the countries to which they operate.

Disclosure of Positions Taken at an IATA Meeting

Resolution 892 resolved that, no Member, Airline or Agent shall disclose the position taken by a specific Member or Agent or Airline at an IATA Meeting concerning passenger agency matters.

Roles & Responsibilities

The Conference

- Governs the relationship of Airlines with their appointed Accredited Agents by establishing rules and Resolutions that provide a single Agency contract worldwide (excluding commissions, tariffs or any commercial issues), and a set of Sales Agency Rules.
- Sets the policy of the operations of the BSP worldwide.
- All new Resolutions or changes are adopted by unanimous vote and are usually effective 1st January (expedited effectiveness), 1st March (expedited effectiveness if Conference takes place after November of the current year) or 1st June of the following year.
- The Conference also establishes Remittance Frequencies, approve changes to Local Financial Criteria and Agency Fees.

The Agency Administrator

- Is responsible to PAConf for the management of the Passenger Agency Programme, manages all Agency Accreditation and remittance & settlement services. Oversees the PAConf, including all sub-groups, local and regional councils to ensure accurate and timely reporting to Conference. The Agency Administrator also ensures communication and implementation of PAConf Resolution changes (including mail votes) as well as the compliance with Resolutions, policy guidelines and Competition Law. It is not within the Agency Administrator's scope to be involved in Airlines' own policies, nor bilateral or commercial activities of Airlines/Agents.

The Secretary

- The Secretary and the staff for each Traffic Conference shall be provided by the Director General and shall be employees of IATA, independent of any of the Members of IATA.
- Shall keep records and perform duties required by the PAConf, including but not limited to ensuring Member Airlines have Accredited Representatives, determining the eligibility of agenda items with the Chairman and placing such items on the agenda.
- In addition, the Secretary ensures that written submissions and oral presentations shall be made in conformity with administrative procedures established.

The Chairman

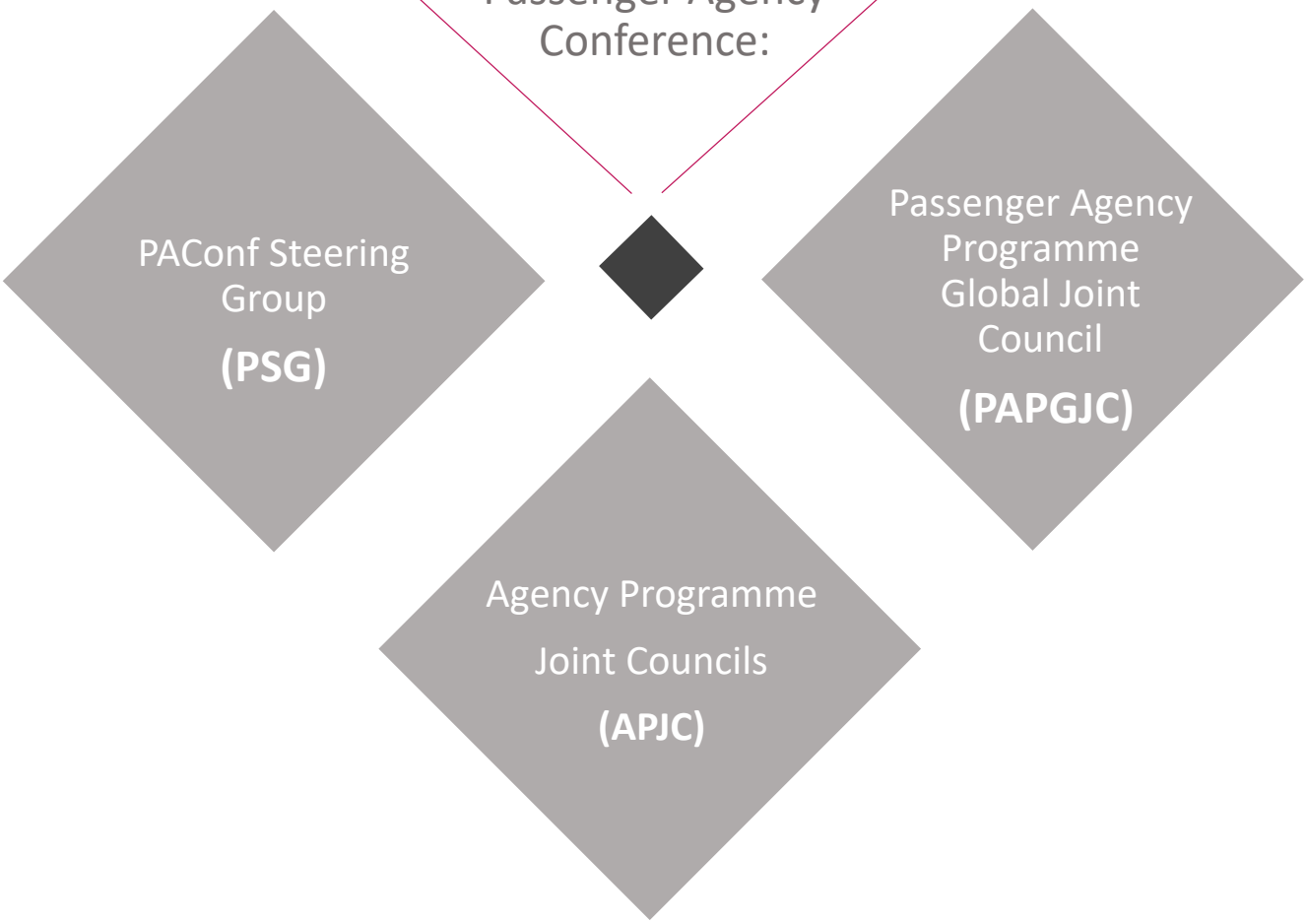
- The elected Chairman is neutral, determines the eligibility of agenda items submitted, as well as in conjunction with the Secretary determines whether third party requests for presentation shall be presented to the Conference.

The Governance Team

- The IATA Passenger Agency Governance team acts as the Secretariat at the PAConf and its subgroups and is responsible for the timely management of the Call of Meetings and distribution of meeting agenda, supporting documents and minutes; as well as the management of any Mail Votes.
- All agenda items intended for PAConf and it's subgroups shall be submitted to the Secretary and Chairman through the Governance team.
- The Governance team also supports internal and external stakeholders on matters in relation to the Resolutions of the PAConf. Member Airlines are welcome to request for support, and training if required.
- As the Secretariat of the PAConf, the Governance team is responsible for the publication of the PACRM, BSP Manual for Agents and the annual Travel Agency Handbook.
- Member Airlines whom wish to review or maintain their PAConf and local APJC representation may seek support through the Governance team.
- The team would also welcome any questions that our Member Airlines and PAConf representatives may have. Please feel free to contact us via email: DistributionManagement@iata.org.

Sub-groups of PAConf

There are three sub-groups that have been established under the Passenger Agency Conference:



What is PSG

- The Passenger Agency Conference Steering Group (PSG) is governed under Resolution 868 (link)
- Acts for the Conference in between PAConf meetings
- Sub-group of PAConf representatives (max. 22 airlines) from a mix of carrier size and geographical location
- Provides guidance and strategic direction to PAConf
- Reviews the PAConf agenda and evaluates proposals
- Membership by Individual Nomination
- Monitors Regulatory & Market Conditions
- Recommends Improvements to Business Practices and the Agency Programme
- Reviews Technology Advances
- Provides Direction to IATA Management
- Provides Direction to PAConf
- No Authority to Amend Resolutions

What is PAPGJC

- The Passenger Agency Programme Global Joint Council (PAPGJC) is governed under Resolution 860a (link)
- Joint airline/agency council, composed of 12 Carriers + 12 Travel Agency Association Representatives
- Provides input on aspects relevant to the airline/agent relationship
- Reviews the PAConf agenda and provides input
- Oversees the Travel Agency Commissioner (TAC) Programme, including TAC appointments, reports and budget
- Global Airline/Agent Consultation Agents from UFTAA, ECTAA, WTAAA
- Airlines from PSG
- Sounding Board for Conference Proposals
- Reports Direct to Conference
- Recommend Improvements to the Agency Programme
- Reviews PAConf Agenda

What is APJC

- The Agency Programme Joint Council (APJC) is governed under Resolution 812 and 818g (link)
- Joint airline/agency council composed of a maximum membership of 18 (9 Airlines + 9 Agent Representatives)
- APJCs are established for local countries or areas and enables joint consultation of the Agency Programme to take place at a local level
- APJC assists the Conference in the performance of its functions by making recommendations on any aspect of the Agency Programme in the country or area concerned
- Delegates should be senior officials of Member and/or Airlines (not GSAs) and local IATA Accredited Agents
- The APJC may establish a Financial Advisory Group (FAG) to assist in the development of Local Financial Criteria (LFC)
- The FAG operates under the direct control of the APJC and shall be composed in equal numbers of qualified staff of both airline and agent members, and consist of a minimum of two airline and two agent representatives as nominated by the APJC
- IATA acts as Secretariat, duties include:
- Formal call of meetings (date and venue)
- Compilation and distribution of the agenda
- Preparation of minutes:
    - Approval required from IATA Legal prior to distribution
    - To be approved by the APJC at the next APJC meeting

Participation

What representatives can expect from IATA Governance?

- Mail Vote and Conference timetables, which are agreed at the annual PAConf

→ Included in this 'Reference Guide' please find this year's timetable

- Call of Meeting to PAConf announced 90 Days in advance
- 1st and 2nd Transmittal including of each Conference to be sent out 60 and 30 days prior to Conference respectively
- Regular communication on key topics concerning the Conference
- Provide access to Management Information Report
- Support on Member Airline's representation at Conference sub-groups
- Complimentary electronic copy of PAC Resolution Manual (PACRM) annually (Paperback copy available on request)
- Governance training available from IATA Passenger Governance Team upon request

What is expected from a PAConf Representative?

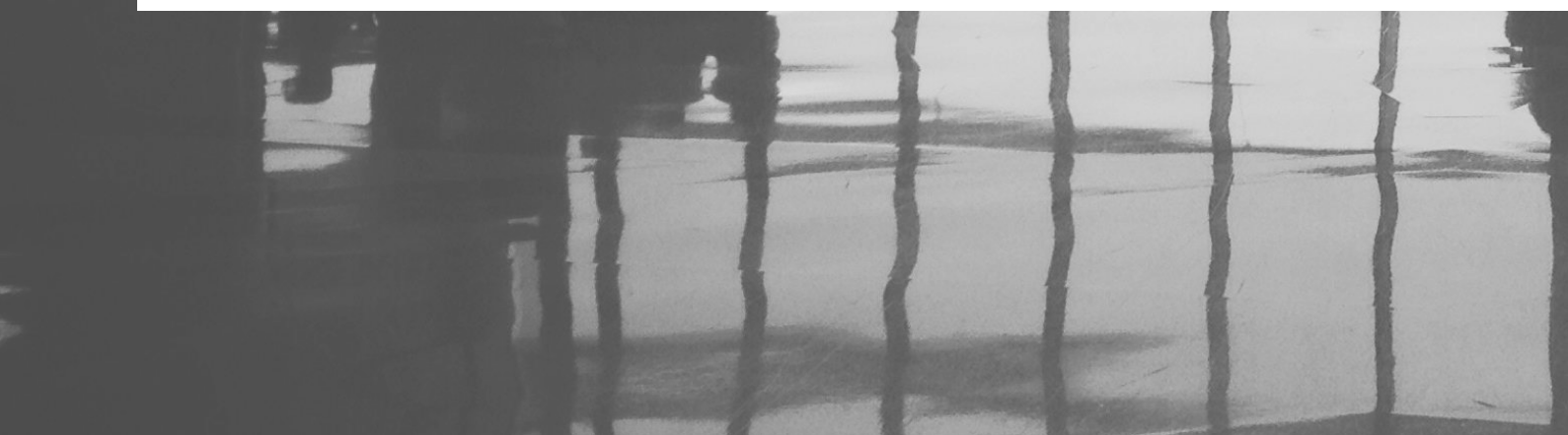
- Ensure that every PAConf agenda item is thoroughly consulted within your Airline in order to cast a vote on behalf of your company to the Conference either through Mail Vote or PAConf meeting
- Consider your Airline's participation in local APJCs in order to ensure your company's strategy is represented in local markets
- Support your company by conveying key messages received through IATA Passenger Governance for timely issues
- Ensure that Conference outcomes are clearly passed on to relevant teams within your organization to ensure that any changes that may impact your company's operations are well-communicated and that your company will be prepared for such changes when they come into effect

Participation – How to

How can I appoint or change the Accredit Representative or Alternate for my Airline guide for processes such as but not limited to, appointment of Accredited Representative or Alternate?

1. Each IATA Member Airline may have one appointed Accredited Representative (AR) whom is appointed by their CEO. Therefore, the accreditation form must be signed by the CEO and submitted to IATA Governance team, on the contact details indicated on the accreditation form.
2. Each Accredited Representative can appoint one or more Alternates (AL) whom has the same rights as him/her to represent the Member Airline. In this case, the Accredited Representative will be the signatory of the accreditation form.
3. Once the accreditation forms have been duly received and processed by the Governance team, the new AR / AL should request access to the Governance Extranet to ensure that they have the possibility to download larger files from the Governance team that may not be possible to transfer through emails.

↗ A copy of the Accreditation form is included in this this reference guide.



How to submit an Agenda item to the Conference?

1. A Member Airline may submit an agenda item to the Conference.
2. In order to submit your item, you may find the template for paper submission included in this Reference Guide. When indicating your subject, please consider a brief background that will allow other Airlines that are not necessarily aware of the subject to understand the rationale behind the item.
3. For any Proposed Solutions and Actions, please do indicate whether there would be PSG endorsement or PAConf adoption required.
4. All completed papers should be sent to DistributionManagement@iata.org
5. Please also be prepared to be invited by the Chairman to speak to your paper.

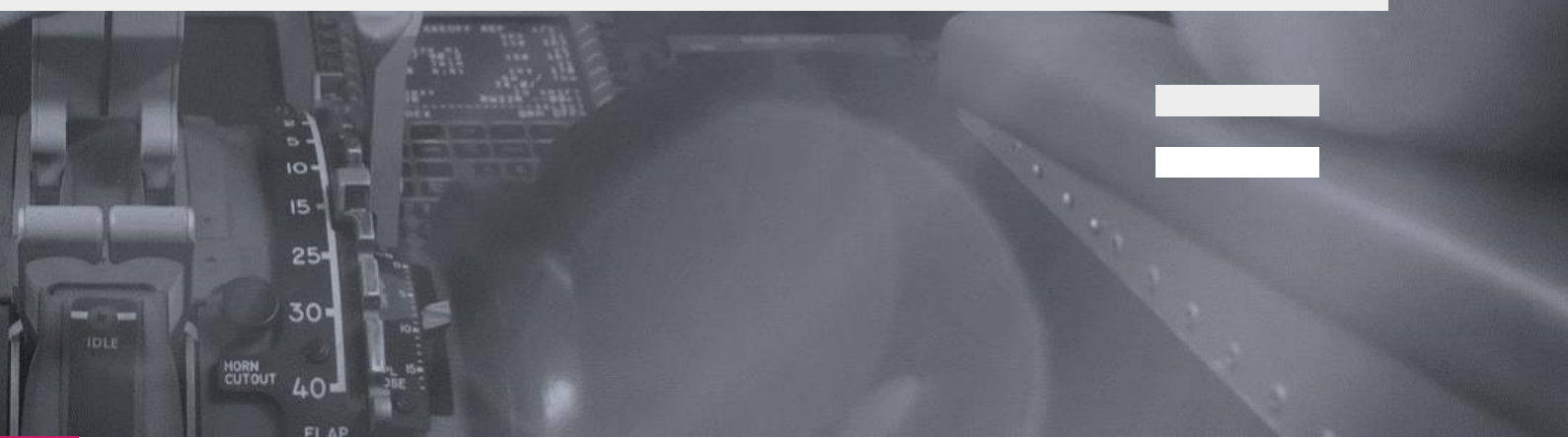
Participation – How to

How to cast a vote in a Mail Vote?

1. A Mail Vote schedule will be agreed at each PAConf for the following year. Each Mail Vote consists of a two-week review period by PSG and PAPGJC, followed by a Voting Period of two weeks where the Agenda for voting is sent to all PAConf representatives via email with instructions to voting. Once Voting Period is concluded a two-week Filing Period will commence.
2. PAConf representatives are required to review the Mail Vote agenda and ensure internal alignment prior to a decision being made. It is possible to abstain to a specific agenda item. This will not be counted as a negative vote.
3. By the closure of the Voting Period, IATA will consolidate all votes. If there is one negative vote, the agenda item will not be adopted. The Declaration will be sent to all PAConf representatives through e-mail.
4. The following two-weeks of Filing Period allows Airlines to file the adopted items with their respective Governments. During this period, if Airlines encounter any disapproval by the Government, it is required to inform IATA immediately.
5. All adopted changes to Resolution will be published on IATA website until the next PAC Resolution Manual is published.

How to prepare for the Conference?

1. The meeting dates and location for the following year are agreed during the Conference by all members. Occasionally the final Conference dates may change due to logistic reasons, these will be communicated by the IATA Governance team.
2. No less than 90 days prior to the Conference, a Call of Meeting will be sent out from IATA Governance team to all PAConf representatives including a high level agenda as well as all documentation to support your travel arrangements and the submission of agenda items. All Member Airlines can submit papers to the PAConf. Any workshops or additional meetings will also be announced at this time.
3. 60 days prior to the Conference, you will receive the first transmittal containing the majority of the agenda items. It is important that each representative goes through the agenda items and prepare to express their position and any questions to those items that would require a vote.
4. 30 days prior to the Conference, the second transmittal will be sent out with the remainder of the agenda items. These agenda items would not include decisions such as the changes in Local Financial Criteria, however it is still important for each Member Airline to review such items for voting.



QUESTIONS & ANSWERS

What to know

1

Who are the PAConf representatives and what is their background?

The PAConf representatives are appointed directly by the CEO and must be an employee of a Member Airline. Generally, 52% of the Accredited Representatives (AR) have a Commercial background from the areas of Sales and Marketing, whilst 18% come from Industry & Governmental Affairs, 17% Finance- Revenue Accounting and 13% from other areas of the Aviation Industry.

Each Member Airline may only have one AR, however the AR may appoint one or more Alternate (AL) that has the same authority to act on his/her behalf. There are no limits to how many AL one AR can appoint.

2

Who can vote at Conference?

Only IATA Member Airlines can vote at the Conference.
Each Member Airline has one vote at the Conference. There is no limit to how many colleagues the Accredited Representative or Alternate can invite to the Conference, however please note that only one vote will be considered per Member Airline.
Member Airlines that do have an appointed Accredited Representative, or Non-IATA Member Airlines cannot vote at the Conference.

3

Where can I find the Conference agenda items?

The agenda of the Conference will be sent out to all PAConf representatives no later than 60 and 30 days prior to the annual conference. Nonetheless, as some company email servers have a file size limit that may block such email coming through, the agenda is also uploaded to our extranet site for your representatives to download.

What to know

What are the Resolutions that are most discussed at the PAConf?

4

Passenger Sales Agency Rules (Reso 800/812/818g), Reporting and Remittance (Defaults) (Reso 812/818g, Att. A/832 (non-BSP)), Passenger Sales Agency Agreement Reso 824, IATA Numeric Code (Reso 822), Definitions of terms used in Resos (Reso 866), Travel Agency Commissioner (Reso 820d/820e), Interpretation & Hierarchy of Rules (Reso 010), Agent's Financial Evaluation Criteria (Reso 800f), Financial Securities (Reso 850p), BSP Rules (Airline participation) (Reso 850 + attachments), Agency Debit Memos (ADMs) (Reso 850m), Customer Card Rules (Reso 890), Non-disclosure of (individuals') Positions (Reso 892).

Where can I find the full list of Passenger Agency Conference Resolutions?

5

The full list of the Conference Resolutions are available in the PAConf Resolutions Manual (PACRM).

Other resources:

- Agent Home website (www.iata.org/agenthome)
- Individual Resolutions – texts
- Travel Agent's Handbook – English, French and Spanish editions
- TAH Section 3 contains all current Local Financial Criteria
- BSP Manual for Agents
- Quick Reference Guide to the Passenger Agency Programme

How can I provide feedback to the Conference that I attended?

6

Each year at the end of the Conference there will be a satisfaction survey sent to all attendees in order to obtain your feedback and suggestions for improvement.

During the year, representatives are welcome to contact us via email at DistributionManagement@iata.org

What to know

Are my comments raised to the Conference anonymous?

7

All Conference discussions, except for workshops and any open sessions, will be minuted and circulated to all Members after the meeting. Only IATA staff will be named in the minutes, all comments from Member Airlines remain anonymous.

When would I know the results of the Conference?

8

A summary of the Conference results are sent to all PAConf representatives within 24 hours of the Conference's closure. After which, IATA Governance team would work on updating the PACRM to ensure all adopted Resolution changes would be reflected in the upcoming publication with effectiveness 1st June the following year. In the meantime, any Resolution changes with an earlier effectiveness date than 1st June the following year, would be published on the IATA website.

Can I invite other colleagues to attend the Conference with me?

9

Yes, as an Accredited Representative or Alternate, you may invite any colleagues from your Airline to attend the annual Conference and support the discussions with their expertise. Please note that only the Accredited Representative and Alternates will receive the Call of Meeting, therefore please ensure that all additional attendees register their attendance to the Conference as well following the indicated instructions from the Call of Meeting.

What to know

What is the difference between an LCAG-P and APJC?

10

Whilst the APJC is a joint Airline/Agency council governed under Resolution 812 and 818g, the Local Customer Advisory Groups Passenger (LCAG-P) is a local group of BSP Airline delegates, to provide advice to IATA on local customer service issues, or to coordinate local needs and put forward recommendations to IATA. The rules and procedures of the LCAG-P can be found in Resolution 850, Attachment 'B'.

Do the results of the Conference matter to my Airline if I do not attend?

11

The Passenger Agency Conference adopts Resolutions which are binding on all IATA Members, whether they attend the meeting or not, given that the Resolutions have been adopted on an unanimous basis at the Conference.

What is a Special Conference and when will it be held?

12

A Special Conference may be called in additional to the annual Conference. Such Conferences are only called under extraordinary circumstances and are restricted to a specific topic only. PAConf delegates will be notified 30 day's in advance through a Call of Meeting when the need for these meetings are determined.

Does the local law in my country take precedence over the Resolutions?

13

Yes, according to Resolution 010 Section 4- Hierarchy of Sources, any Applicable Law shall take precedence over the PAC Resolutions.

Glossary of Common Abbreviations

Glossary

Abbreviation	Term	Brief Explanation
AIP	Agency Investigation Panel	Local Member Airlines' group for countries governed under Resolution 800. (See more in Resolution 800 Section 3)
APJC	Agency Programme Joint Council	See more in P.15 of this document, or Section 1 or Resolution 818g and 812
BSP	Billing and Settlement Plan	Defined in Resolution 866, and it's scope described in Resolution 850
BSPM	BSP Manual for Agents	A binding document to the PAC Resolutions, applicable to Agents in order to provide an introduction to the BSP
ECTAA	The European Travel Agents' and Tour Operators' Associations	
IATA	International Air Transport Association	
ISS	IATA Settlement Services	
LCAG-P	Local Customer Advisory Groups - Passenger	See more in Reso 850, Attachment 'B'
NGI or NewGen ISS	New Generation IATA Settlement System	An initiative to modernize the Passenger Agency Programme, governed under Resolution 812
PAConf or PAC	Passenger Agency Conference	Defined in Resolution 866
PACRM	Passenger Agency Conference Resolution Manual	A manual comprised of all Resolutions under the Passenger Agency Conference, updated annually. Any Resolution changes that take effect in the interim would be published electronically

Glossary

Abbreviation	Term	Brief Explanation
PSG	Passenger Agency Steering Group	See more in P.13 of this document, or Resolution 868
PAPGJC	Passenger Agency Programme Global Joint Council	See more in P.14 of this document, or Resolution 860a
Reso	Resolution	
TAC	Travel Agency Commissioner	The Office of the Travel Agency Commissioner is governed under Resolution 820d, whereas the scope of the TAC programme is governed under Resolution 820e
TAH	Travel Agent's Handbook	A publication issued under the authority of the PAC, containing the established Local Financial Criteria, and the IATA Resolutions concerning the Agency Programme
TIDS	Travel Industry Designator Service	
TIP	Transparency in Payment	An initiative that would allow the Passenger Agency Programme recognize and cater for a wider variety of payment methods in the industry, governed under a transitional Resolution 896, and Resolution 812
UFTAA	Universal Federation of Travel Agents Association	
WTAAA	World Travel Agents Association Alliance	

PASSENGER AGENCY CONFERENCE

www.iata.org