



MEMORANDUM

PAC/Reso/754

To: All Members, Passenger Agency Conference
Accredited Representatives

From: Director, FDS Operations, GDC

Date: **26 January 2021**

Subject: **MAIL VOTE (A393)**
PAC (Mail A393)
GoGlobal – Quarterly Audited Accounts For Multicountry Financial Criteria Assessment

Background Information

Since the launch of GoGlobal accreditation in December 2019, IATA has been approached by various international large corporates participating in multiple BSPs and have shown keen interest to understand and apply for GoGlobal form of accreditation.

As per IATA Resolution 812, under the Financial Evaluation of Multi Country Accreditation, Agent must undergo at least one complete annual assessment as defined in Resolution 812, Attachment E.

Apart from annual assessment, provisions of Multi Country Financial Criteria also state that for the remaining three quarters of the year the Agents financial standing will be reassessed by the GFA (Global Financial Assessor). In order to conduct these quarterly assessments by IATA's Global Financial Assessor and as part of the requirements, Agent must submit quarterly audited accounts. These financial statements must be compliant with globally accepted accounting standards, or in an otherwise acceptable format to the IATA's Global Financial Assessor.

Given the fact that the Agents subject to these criteria are large corporates having their line of business not only limited to Travel Agency but extended to different travel sectors such as hotel, holidays, etc. which are scattered throughout different locations. Since these companies conduct group audit under a single parent company, to start conducting quarterly external audit would imply difficult stimulating of the accounts & reconciliation of the information will/may exceed deadlines set by IATA to conclude these quarterly assessments.

After a thorough discussion during PSG/119, the PSG endorsed a change concerning the requirements for ongoing quarterly assessments adopted by PACConf for GoGlobal and other Agents where applicable under Resolution 812, Attachment E in order for Agents to be able to provide managerial accounts for the aforementioned assessments, as long as the annual assessments remain conducted with audited accounts from the Agent.

Effective Date

The proposed effective date of these changes is 1 March 2021

Proposed Action

Conference to adopt the changes to Resolution 812, Attachment E, as shown in Attachment 'A'.

The timetable for this Mail Vote is as follows:

Voting Period: 26 January - 8 February 2021

Filing Period: 9 February - 28 February 2021

Effectiveness: 1 March 2021

To cast a vote, Members are asked to access the application from the following link:

<https://www.surveymonkey.com/r/A379-398>

Please note that no other form of voting will be accepted. Voting will conclude at close of business MAD time on **Monday, 8 February 2021**. Votes not cast by that deadline will be deemed to be affirmative.

In conformity with the Mail Vote procedure endorsed by PAConf in October 2009, this Mail Vote has been provided in advance to representatives of the agency associations ECTAA, UFTAA and WTAAA for review and/or comment. No comments were received.

Any Member seeking clarification on any aspect of the mail vote or the mail vote process is invited to contact the IATA Passenger Governance team by email to pac-gov@iata.org.

A handwritten signature in black ink, appearing to read 'Juan Antonio Rodriguez', written in a cursive style.

Juan Antonio Rodriguez
Director, FDS Operations, GDC

It is proposed to amend Resolution 812 Attachment E in the following:

Quarterly Assessment

2.9 For the remaining three quarters of the year, the Agent's financial standing will be reassessed by the GFA.

2.10 To undergo the quarterly assessment, the Agent must submit quarterly financial statements and any other documentation required to conduct the assessment. The quarterly financial statements provided must be audited and managerial accounts or copies of financial statements submitted to the government or regulators and be duly certified by the CEO or CFO of the Agent. These financial statements must be compliant with globally accepted accounting standards, or in an otherwise acceptable format to the GFA.

2.11 The GFA will assess the finance statements under the Assessment Framework and determine whether the Agent passes or fails the assessment.

2.12 The Agent must validate the assessment result by:

- a) Verifying that the data on the Assessment Result is accurate and complete.
- b) Providing written confirmation signed by Senior Management that there has been no change to the Agent's internal processes so as to materially impact any criteria under the Assessment Framework.

2.13 If the Result is inaccurate or there has been a change to the Agent's internal processes, the Agent must provide the necessary information and/or documentation for the GFA to review any criteria affected and re-assess the Agent's grade.

2.14 To pass the quarterly assessment, the Agent must pass the assessment as per Attachment 'E', section 2.7 of this Resolution.

2.15 An Agent failing the Financial Assessment, will be required to provide a Financial Security per section 3 below.