



MEMORANDUM

PAC/RESO/1048

To: All Members, Passenger Agency Conference
Accredited Representatives

From: Director, FSDS Operations, GDC

Date: 22 July 2024

Subject: **MAIL VOTE (A679)**
PAC3 (Mail A679)
Changes to Local Financial Criteria of Chinese Taipei

Background Information

It is proposed to amend Local Financial Criteria Section 1.3 to accurately reflect the recent name change from "Tourism Bureau of Ministry of Transport" to "Tourism Administration, Ministry of Transportation and Communications." This change stems from the government re-organization which took place on 15 September 2023 and changed the name from "Bureau" to "Administration". This amendment is relevant to the name of the organization in Taipei that issues travel agency license(s).

All APJC Representatives unanimously agreed to endorse the proposal to update Local Financial Criteria Section 1.3, reflecting the name change to "Tourism Administration, Ministry of Transportation and Communications" with the change to take effect as soon as possible.

Effective Date

The proposed effective date of these changes is 1 September 2024.

Proposed Action

Conference to adopt the changes to the Local Financial Criteria as shown in Attachment 'A'.

The timetable for this Mail Vote is as follows:

Voting Period: 22 July – 5 August 2024

Filing Period: 6 – 20 August 2024

Effectiveness: 1 September 2024

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

[Link.](#)

Please note that no other form of voting will be accepted. Voting will conclude at the close of business MAD time on **Monday, 5 August 2024**. 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 'J.A. Rodriguez', with a large, sweeping flourish extending from the end of the signature.

Juan Antonio Rodriguez
Director – FSDS Operations, GDC

CHINESE TAIPEI

(Effective 1 ~~December 2022~~ September
2024 - MV/587A679)

1. GENERAL RULE

Agents must:

- 1.1 have as a minimum paid up capital of TWD 6,000,000, and
- 1.2 submit a banker's report showing that all items have a good record,
- 1.3 be in possession of a valid license from the ~~Tourism Bureau of the Ministry of Transport~~ Tourism Administration, Ministry of Transportation and Communications

2. CRITERIA FOR THE EVALUATION OF AGENTS' ACCOUNTS

When assessing whether the accredited accounts of New or Existing Agents holding Standard Accreditation with Cash Facility are satisfactory, the Agent must pass all of the following:

- 2.1 Owner's Equity Ratio (Total Owner's Equity/Total Assets) must be equal to or higher than 50%
- 2.2 Liability Ratio (Total Liability/Total Assets) must be lower than 50%.
- 2.3 Working Capital Ratio (Current Assets/Current Liability) must be equal to or higher than 1.00.
- 2.4 Acid Test Ratio (Quick Assets/Current Liability) must be equal to or higher than 1.00

3. FINANCIAL REVIEWS

Applicants and Agents holding Standard Accreditation with Cash Facility must provide independently produced financial statements comprising of a balance sheet and profit and loss statement as accepted by the local tax authorities. Financial Statements should not be older than twelve months at the time of submission.

4. FINANCIAL SECURITY

- 4.1 Notwithstanding the Agent with Risk Status of A, B, or C after ongoing Risk History and its latest financial assessment, the new or existing Agents holding Standard Accreditation with Cash Facility must provide a Financial Security of a minimum of TWD 500,000.
- 4.2 The Remittance Holding Capacity of Agents holding Standard Accreditation with Cash Facility will always be equal to the amount of the Financial Security provided by the Agent.
- 4.3 The applicable Financial Security requirement for Agents holding Standard Accreditation with No Cash Facility is defined in IATA Resolution 812.