UNITED STATES OF AMERICA Order 96-6-6 DEPARTMENT OF TRANSPORTATION Served 6/7/96 OFFICE OF THE SECRETARY WASHINGTON, D.C.

Action on IATA Agreement Issued by the Department of Transportation on the 3rd day of June, 1996

ORDER

The International Air Transport Association (IATA) has filed a n agreement with the Department for approval and exemption from antitrust laws under sections 41309 and 41308 of Title 49 of the United States Code. The agreement was adopted at the 18t h Passenger Agency Conference held in Miami on November 7-9, 1 995 for effectiveness on May 1, 1996. ¹/ The individual resolutions ar e listed in the attached appendix.

The agreement is comprised of resolutions governing passenge r agency matters and deals with relationships between IATA membe r carriers and travel agents outside of the United States. Most of these proposals involve non-substantive changes, essentially of a technical, clarifying or administrative nature, to existin g approved resolutions governing various regional sales agenc y programs and bank settlement plans (BSPs).

In addition, the agreement est ablishes new procedures extending to all European Union (EU) and Eu ropean Economic Area (EEA) countries existing rules for issuing standard traffic documents through a remote satellite ticket printe r (STP). Designed, in part, to meet the goals of the Single Europe Act, the new provisions wil l facilitate use of "cross-border" STPs (<u>i.e</u>, where the approve d agent location is within the E U and EEA in one country and the STP is located on the premises of the agent's customer in anothe r country) (R-23).

Finally, the agreement adopts new procedures establishing a joint IATA/SATA (Student Air Travel Association) Consultative Counci l whose task is to foster a common industry approach fo r distribution, issuance and administration of tickets for studen t

 $^{^{1}/}$ IATA memorandum PAC/Reso/390.

air travel (R-8).

49 U.S.C. 41309 directs us to approve any agreement or modification of an agreement if we do not find it adverse to the public interest or in violation of this part. We find that the agreement in Docket OST-95-966 is not adverse to the public interest, in violation of this part, or likely to lessen competition substantially and that, therefore, it should be approved.

Furthermore, we conclude that the approved resolutions should be granted immunity from the operation of the antitrust laws to th е extent necessary to permit the ir implementation. In general, they amend existing provisions already approved and immunized by the Department. Where new provisions are created, they perfor m and facilitatory functions administrative similar to othe r resolutions that have been approved and immunized. As a result none raises immunity issues not previously considered, and th е conferral of immunity upon them is consistent with our policy o f conferring immunity on amendments coextensively with the und erlying agreements.

Pursuant to the authority duly assigned under the Department' s Regulations 14 CFR 385.13:

We do not find that Resolutions R-1 through R-29 of the agreement in Docket OST-95-966, as set forth in the attached appendix, ar e adverse to the public interest, in violation of 49 U.S.C. 41 309, or likely to lessen competition substantially.

ACCORDINGLY,

1. We approve R-1 through R-29 of the agreement in Docket OST-95-966, as listed in the attached appendix, under 49 U.S.C. 413 09; and

2. To the extent that R-1 through R-29 of the agreement in Docket OST-95-966 are approved, we exempt any person affected by this order from the operation of the antitrust laws as provided in 4 9 U.S.C. 41308.

Persons entitled to petition the Department for review of thi s order, under 14 CFR 385.50, may file such petitions within t en days after the date of service of this order.

This order shall be effective and become the action of the Department upon expiration of the above period, unless within such period, a petition for review is filed or the Assistant Secretary for Aviation and International Affairs gives notice that he will l review this order on his own motion. Paul L. Gretch Director, Office of International Aviation

(SEAL)

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Docket OST-95-966		Title of IATA Resolution Affected	Expiry Date
R-1		Standard Rescission	Indefinite
R-2	PAC1(27)003 (except USA) PAC2(27)003 PAC3(27)003	Standard Rescission Resolution (II)(New)	Indefinite
R-3	PAC1(27)003 (except USA) PAC2(27)003 PAC3(27)003		Indefinite
R-4	PAC1(27)800 (Except Bermuda Brazil, Canada, French Overseas Departments, Greenland, USA and Venezuela)	Passenger Sales Agency a, Rules-Area 1 (Amending	
R-5	PAC2(27)800 PAC3(27)800 (Except China, Japan and South West Pacific)	Passenger Sales Agency Rules-Areas 2 & 3 (Amending)	Indefinite
R-6	· <u> </u>	Conduct of Review by a, Travel Agency Commissioner	Indefinite

Departments, Greenland, USA and Venezuela) PAC2(27)800e PAC3(27)800e (Except China, Japan and South West Pacific)

R-7 PAC1(27)800g IATA/SATA Joint Indefinite (except USA) Consultative Council PAC2(27)800g (New) PAC3(27)800g

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Docket <u>OST-95-966</u>		Title of IATA <u>Resolution Affected</u>	Expiry Date
R-8		Passenger Sales Agency da, Rules (Amending)	Indefinite
R-9	(Except Bermud	Conduct of Review by da, Travel Agency Commissioner (Amending)	Indefinite
R-10	PAC1(27)804 (Canada and Bermuda)	Passenger Sales Agency Rules-Canada and Berm (Amending)	
R-11	PAC1(27)804c (Canada and Bermuda)	Canada Agency Program Joint Council (Amendi	
R-12	PAC3(27)810	Passenger Sales Agency Rules-Orient Countrie (Amending)	

R-13	PAC3(27)810c	Passenger Sales Agency Rules-China (Amending	
R-14	PAC3(27)810e	Conduct of Review by Travel Agency Commissioner (Amending)	Indefinite
R-15	PAC3(27)810f (Japan)	Conduct of Review by Travel Agency Commissioner (Amending)	Indefinite
R-16	PAC3(27)810g (China)	Conduct of Review by Travel Agency Commissioner (Amending)	Indefinite
R-17	PAC3(27)810j	Passenger Sales Agency Rules-Japan (Amending	
R-18	PAC3(27)810r	Passenger Sales Agency Rules-Russian Federat (Amending)	Indefinite ion

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Docket OST-95-966		Title of IATA	Expiry Date
	PAC1(27)812		
R-20	PAC1(27)812e (Venezuela)	Conduct of Review by Travel Agency Commissioner (Amending)	Indefinite
R-21		Passenger Sales Agency da, Rules (Amending)	Indefinite
R-22	(Except Bermud	Conduct of Review by da, Travel Agency Commissioner (Amending)	Indefinite

PAC2(27)814e PAC3(27)814e (Except China, Japan and South West Pacific)

- R-23 PAC2(27)814pp European Union Satellite Indefinite (EU and EEA Ticket Printer Locations countries only) (New)
- R-24 PAC3(27)816 Passenger Sales Agency Indefinite (South West Rules-South West Pacific Pacific) (Amending)
- R-25 PAC3(27)816 Conduct of Review by Indefinite (South West Travel Agency Pacific) Commissioner-South West Pacific (Amending)
- R-26 PAC1(27)830 Multiple Ticket Issuance Indefinite
 (Except USA) by Agents (Amending)
 PAC2(27)830
 PAC3(27)830

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Docket <u>OST-95-966</u>	IATA Resol Designation			Expiry Date
R-27	PAC1(27)838 (Except PAC2(27)838 PAC3(27)838	,	Revalidation or Reissue of Traffic Documents Agents (Amending)	
R-28	PAC1(27)850 (Except PAC2(27)850 PAC3(27)850	USA)	Billing and Settlement Plans (Amending)	Indefinite
R-29	PAC1(27)850w (Except PAC2(27)850w PAC3(27)850w		Billing and Settlement Plans Panel Mail Vote (New)	