

Address by the Chairperson TUGATA Annual General Meeting(AGM) on 11th April 2017



Ms. Pearl Hoareau

Dear Members, thank you for attending today's Annual General Meeting. Most of the current committee have been in office for four years. As per our constitution, this year is an elective year. On behalf of my Committee and my own behalf, I wish to thank you for the support you have given to us during this time. Thank you for your confidence in voting us to represent you.

A thank you goes to Travelport / Galileo for their kind and generous sponsorship of today's meeting. Thank you Julie, Ishta and your team.

Our mid-term meeting held on 3rd November 2016, was a landmark meeting: those of you who attended, must agree it was a resounding success. Present were the members of Board of Airlines (BAR), and IATA. Originally, IATA had been invited to present their NewGen ISS to members however, due to a delayed flight, IATA requested that the same presentation be held for both airlines and travel agents during our Mid-term meeting. TUGATA acquiesced to their request. It was a chance for TUGATA as an Association to shine: and shine we did!

TUGATA's 5-year Strategic Plan was officially launched on the 30th March 2017. Once again, TUGATA thanks TMEA, through UTA who supported this whole process. Copies of TUGATA's Strategic Plan are now ready and shall be distributed to all members.

We are 90 fully paid up members as of today. TUGATA welcomes our new members and once again, I wish to thank the members who, year after year, pay their subscriptions to the Association, unprompted by Moses who is now in charge of memberships. I wish to single out Nissi Tours and Friendship International Tours and Travel for paying their 2017 membership in December 2016. Thank you for your confidence in our Association.

TUGATA members comprise of both IATA and non-IATA members, holding equal voting rights. The maxim, "*The non-IATA agent of yesterday is the IATA Agent of tomorrow*" still holds true. From twenty three (23) IATA agents in 2011, we are now thirty nine (39) IATA Accredited travel agents. Membership to IATA can now be applied for online, and approval for DIP is as per recommendation from the Secretariat.

The current TUGATA Committee members are:

Ms. Jacqueline Kioko - Committee Member,

Ms. Winnie Azirwe-Odoki - Committee Member

Ms. Violet Nyirahabwa – Committee Member

Mr. Divyang Patel – Treasurer

Mr. Olivier Meganck – Secretary

Ms. Pearl Hoareau – Chairperson

Dear out-going Committee members, please allow me to say a very special "Thank you" to each one of you who have made my work easy by supporting me. I could not have brought TUGATA so far singlehandedly: your support has been stupendous. I am humbled. Thank you.

I wish on behalf of my committee, to once again, appreciate the Administrative role Messers Nicholas Kalyango and Moses Kabugo play within our Secretariat. Thank you.

TUGATA recognizes the presence of our long-term partner Lion Assurance who have supported us in the financial requirements from IATA through the DIP insurance scheme. They have allowed us to grow our individual businesses by taking on part of our financial liability as demanded by IATA.

MEMBERSHIP

TUGATAs' membership stands at Ninety (90). Contrary to some naysayers who try to cast gloom on TUGATAs' successes, I wish to once again, reiterate the fact that it is important to belong to a trade association:- an Association is where your voice shall be heard, where as a group, the Association can lobby Government to make the changes / recommendations that we as travel professionals see fit. Further, TUGATA is the recognized Association along with other Associations within the Region, (KATA and TASOTA), negotiates with IATA and is enshrined in IATA Resolution 818g.

TUGATA falls under the Ministry of Tourism, Wildlife and Antiquities. Of recent, there is renewed focus on the Tourism Industry in the Country. Through our Apex Association, Uganda Tourism Association, TUGATA members have enjoyed recognition amongst the various Tourism stakeholders.

During the formulation of TUGATA's Strategic Plan, we were asked to list our achievements. In this booklet, that list is reproduced. We have also reproduced the benefits of belonging to TUGATA.

When Ms. Carmen Nibigira, Regional Coordinator, East Africa Tourism Platform, requested for a list of the top 20 travel agents in Uganda, the information was channelled through UTA and TUGATA.

When the Seychelles Tourism Board informed the Seychelles Tourism Ambassador for Uganda that they would be sponsoring a Fam trip to the Seychelles this year, first consideration was given to paid up members of either TUGATA or AUTO who sell the Seychelles Islands.

When the South African Tourism (SAT) was seeking a forum where their various suppliers of tourism products could make presentations, it was to AUTO and TUGATA they turned. Winners of prizes for fully paid trip to South Africa were flown to South Africa, courtesy of SAA, and enjoyed fully paid trips.

During the Launch of TUGATA's Strategic Plan on 30th March 2017, the Chairperson, in her acceptance speech upon receiving the Strategic Plan, requested the Hon. Minister, Hon. Kamuntu, to please involve TUGATA in the two areas which directly affect our members (i) the rehabilitation of Entebbe International Airport and (ii) revival of Uganda Airlines. It shall be up to the new Committee to carry these proposals through for TUGATA's inclusion.

I sincerely encourage those travel agencies who have not yet joined us, to do so, so as to enjoy the various benefits that the membership accords. Moses is now in charge of Membership and I would ask that he targets the travel agencies which are still dithering as to whether or not they should become members, to encourage them to see the value added to their business TUGATA would accord.

Allow me to welcome our new members to TUGATA and please know that this is YOUR Association.

SPECIAL RECOGNITION

If I may be allowed to go back into TUGATA's historical archives, I wish to inform members that the founding members of TUGATA in 2006 were: Ms. Eugenie Windt, Ms. Marinka Sanc George, Ms. Linda Mutiso and Mr. Paul Ekochu who were recognized and given awards in 2011. Thank you for your foresight in establishing this Association aimed at serving the travel agents.

Just to let you know how poor and needy TUGATA was back then, Mr. Tebasoboke of Dove Tours and Travel willingly hosted us within his office on Entebbe Road for 6 years. Thank you Mr. Tebasoboke for your generous contribution to TUGATA.

TUGATA also wishes to recognize a special member who, inspite of being an ordinary member of TUGATA, is also a very powerful Chairman in his own right. Mr. Evaristo Kayondo of Everbased Tours and Travel. Mr. Kayondo is a shining example of how powerful an Association can grow to become: when he tells the traders and business people to go on strike, that is what happens and the whole of Kampala comes to a stand-still! Thank you for your contribution to the business environment in Kampala under your Chairmanship of KACITA.

Meetings and Events attended by TUGATA Nov 2016 – April 2017

Date	Event	Subject
6 th April 2017	Meeting with UNPD	Tourism inclusive business ecosystem initiative Workshop. Signing of Statement of Intent.
3 rd April 2017	Meeting with Ministry of Tourism, UTA and UTA stakeholders	Preparatory meeting on Global Exhibition Services (GES) Expo in India
30 th March 2017	Strategic Plan Launch	Launch and hand over of TUGATA Strategic plan
28 th March 2017	FAG Meeting – Nairobi	TASF - Taskforce - (FAG)
23 rd march 2017	Meeting convened by UTA	Training of UTA members on the East African Tourism Portal
15 th March 2017	Meeting convened by UTA	Meeting on the Evaluation of PR Firms
28 th Feb 2017	UTA AGM	UTA AGM – Hotel Africana
17 th Feb 2017	Tourism Expo	Pearl of Africa Tourism Expo (POATE 2017)
15 th Feb 2017	Meeting with World Bank	Supporting Women Entrepreneurs in Tourism
7 th Feb 2017	Meeting with Barclays Bank	E-Commerce Solution that allows you to transact without hard cash
23 rd Jan 2017	FAG Meeting - Nairobi	The 4 th FAG-EAF Meeting, Review of current Local Financial Criteria
12 th Jan 2017	Meeting with Ministry of Tourism, Wildlife and Antiquities	Tour and travel licensing regulations consultative meeting
10 th January 2017	Meeting with Ministry of Tourism, Wildlife and Antiquities	Wildlife Day Preparatory Meeting
29 th November 2016	Meeting with ED PPDA	PPDA Ticketing Guide
JAN – Dec	TUGATA Executive Committee Meeting	Monthly committee meetings to deliberate issues of the Association.
30 th Nov 2016	Meeting with PIRT	Joint Meeting of MTWA, PIRT and UTA governing council

GENERAL GLOBAL TRAVEL TRENDS

Donald Trump's January 27 ban on travelers from seven mostly Muslim nations, caused chaos and confusion at all major US airports when it came into effect. The order was later halted in court only to be re-instated with amendments. (source: Copyright © 2017, Chicago Tribune).

The amended version of the ban wanted to place a 90-day ban on people from six mainly Muslim nations and a 120-day ban on refugees. The ban which affected nationals from the following countries: Iran, Syria, Yemen, Sudan, Somalia and Libya was halted once again by a Judge in Hawaii, hours before it came into force. The Tourism Industry in the States shall be able to measure how this "Executive Order" has affected their industry in May.

Ban on "large electronic devices" on airlines from eight countries, came into effect from 21 March 2017. The U.S. Department of Homeland Security implemented a new rule barring airline passengers from taking laptops and other large portable devices in their carry-on luggage (laptops, tablets, e-readers, electronic games and cameras) on direct flights to the U.S. from 10 airports in eight majority-Muslim countries. The U.K. quickly followed suit, unveiling its own policy that prohibits passengers from carrying digital devices aboard inbound flights from six countries: Egypt, Jordan, Lebanon, Tunisia, Turkey and Saudi Arabia. (Source: US News)

IATA called on governments to urgently find alternatives to these measures by the United States and the United Kingdom "The current measures are not an acceptable long-term solution to whatever threat they are trying to mitigate. Even in the short term it is difficult to understand their effectiveness. And the commercial distortions they create are severe. We call on governments to work with the industry to find a way to keep flying secure without separating passengers from their personal electronics," said Alexandre de Juniac, IATA's Director General and CEO. (Source: IATA)

EY, EK and QR responded to this ban by providing tablets for use in-flight to their First and Business class passengers. Some airlines have an offer of free wi-fi during the flight for Economy class passengers. Report from some TUGATA members indicate that some of their passengers have opted to fly using European carriers who are not affected by the electronics devices ban. Effectively, diverting sales from the Middle East carriers.

American Airlines will follow rival **Delta in offering free food in economy on coast-to-coast flights**. AA shall relaunch its complimentary meal service on May 1, beginning on flights from NYC to LAX and SFO. The announcement come as **British Airways** is being criticized for replacing its complimentary meal service with paid-for M&S snacks. "Some of our best customers fly our trans-continental routes and we want to give them a top-notch onboard experience," said AA's Fernand Fernandez, vice president - global marketing. "Providing complimentary meals in the main cabin is yet another step we're taking to enhance our service in this competitive market."

UGANDA - AIRLINES OPERATIONS

Etihad Airways (EY): The Country Manager, Mr. Toyin Alaran shall be leaving Uganda by the end of this month. TUGATA thanks Mr. Alaran for coming to Uganda to start up EY operations in Uganda offering our passengers an alternative flight out of Entebbe four times a week. TUGATA wishes him the best in his new placement.

Precision Air (PW): Announced their return to Entebbe with effect from 01 July 2017. Fares are already for sale in the GDS. Precision Air's commercial Director Mr. Robert Owusu, stated that "the decision to relaunch flights to Entebbe came after a market study which revealed that there a potential demand for flights between Tanzania and Uganda." PW shall commence with four flights per week: Wednesday, Thursday, Friday and Saturday. Let us hope that this time around PW is here to stay: after they relinquished their rights to Air Uganda in 2013, only for U7 to summarily halt operations in 2014.

PW in December 2016, entered into a code-share agreement with Etihad Airways.

Emirates Airlines: TUGATA congratulates Mr. Mohammed Al Attar on his promotion from Commercial to Country Manager, Uganda.

In early January 2017, EK circulated a "Letter of Consent" to agents to sign on their letterhead authorizing EK to install a script into their PC's to remove HX sectors (Travelport GDS users). Acting on members trepidation, TUGATA communicated to members that they should not allow this script to be installed as most of the hardware we have in our businesses are actually the property of the GDS. Travelport has now developed a script which removes HX sectors for all airlines, not just EK.

Dubai Airports: wef 08 March 2017, introduced a new baggage rule that saw bags without a flat surface rejected at check-in. TUGATA advises members to inform their passengers of the following guidelines:

1. No irregular shaped bags
2. No oversized bags
3. No round bags
4. All bags should have a flat surface

The rule is intended to reduce the risk of mishandled baggage at Dubai International Airport. Mr. Ali Angizeh, vice president of terminal operations at Dubai International, said, *"Dubai International provides some of the most sophisticated baggage systems in the world. However, even the most technologically advanced systems can be disrupted by irregular shaped or oversized bags. Bags that are round or do not have a flat surface of any kind are by far the largest source of baggage jams. These jams can shut down sections of our system, delay baggage delivery to the aircraft and inconvenience our customers."*

Auric Air, a privately-owned airline from Tanzania, once again, announced that they shall recommence flights into/out of EBB wef 01 September 2017. Auric Air plans to operate its inaugural flight from Mwanza, one of its hubs, via Bukoba, to Entebbe. This shall open Serengeti National Park - a 3 hours drive from Mwanza - shall become accessible by air from EBB.

RwandAir: is scheduled to start flights KGL-LGW on 26 May 2017. Flights are scheduled for 4 weekly service using their A330 wide body aircraft.

Turkish Airlines: TUGATA welcomes their new Country Manager, Mr. Rafet Sisman who replaced Mr. Erbil Akgun.

Kenya Airways: KQ reduces baggage allowance within East Africa: Effective April 1, 2017, Kenya Airways has changed its Free Baggage Allowance policy for East African routes from 2 pieces to 1 piece of maximum 23kgs. A second bag is charged at USD 20.00

New ADM policy: TUGATA wrote to KQ protesting some sections of their new ADM policy. One of the new proposals says that the travel agent shall be charged an ADM for issuing a cheap return ticket if the passenger does not intend to utilize the return leg!. As travel professionals, we are fully aware of the fact that in most instances, a one-way ticket is more expensive than a return fare on a promo class (G, W, V, T).

Is the travel agent thus to be penalized for the passengers failure to utilize the return sector? Ridiculous! Further, we are aware that some countries would not allow a passenger / visitor into their country if they do not have a return air ticket: KQ themselves would not board a pax holding a one-way ticket to some destinations. The new ADM penalty proposes *"USD 300 per direction per passenger plus fare difference if applicable."* (pg. 11 of the new ADM policy)

KQ Country Manager has promised that by the end of April 2017, KQ shall call for a workshop on the new ADM rules to be discussed with TUGATA members. She has sought the presence of a technical person from KQ Head Office to discuss further with members.

Please members, when TUGATA calls for attendance at the workshop this month, do send your best TC to engage with KQ as this hostile move shall have a direct financial impact on our businesses.

GENERAL MARKET FORCES

TUGATA wishes to thank members: both IATA and non-IATA for their commitment to ensuring that payments to IATA are made fortnightly (Twice Monthly). There has been no default recorded so far by IATA. Please let us remember that one default on the market affects us **ALL** and not just the one defaulted agency. A special thank you to the “very brave” two agents who are on voluntary weekly remittance.

The TUGATA Secretariat continues to send out the IATA BSP calendar twice monthly as a reminder to all agents to fulfill their obligations under the new business model. We thank you for your compliance.

Refund of tickets: No airline (except EK), refunds the tax components which have been charged to the client. Specifically “YR” and “YQ” taxes. These are taxes that airlines charge as their non-specific ancillary fees so that it is not uncommon to find tax component of the fare being much higher than the actual fare. Airlines should consider refunding these taxes because in the case of a totally unutilized ticket, the passenger has not even utilized the facilities of the airport or the airline! This agenda item is still under discussion during the East African APJC meeting.

DEFAULT INSURANCE PROGRAMME - DIP / Bank Guarantee

TUGATA continues to recommend new IATA Accredited agents for the DIP scheme. Once again, please allow me to remind non-IATAs who issue tickets through IATA agents to remember to fulfill your financial obligations as per your individual agreements to ensure our market remains steady.

Kindly be reminded of the liabilities under the IATA financial criteria. If an agent is on Bank Guarantee and ticketing on behalf of a non-IATA, they should watch their limits. An agent should not ‘over-trade’ otherwise IATA shall demand for re-capitalization of your business.

Those agents on BG, please remember to keep your eye on the validity periods of your Bank Guarantee or DIP cover. Please act upon the instruction from IATA to send your financials as per their deadlines so that your respective covers may be renewed in time.

IATA

Regrettably, the East African Financial Criteria has still not as yet been reviewed. FAG meetings are still not concluded.

TUGATA has engaged KATA over the LFC and in this booklet is a presentation made to their members. KATA has generously agreed for TUGATA to re-produce their data at this AGM. Thank you KATA.

TUGATA once again, sends out this contact from IATA in Amman. Please contact Dania if you have any problems with any matter regarding your financials, etc.

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PCI (Payment Card Industry) and **DSS** (Data Security Standards): TUGATA received, through members affiliated with a global TMC, a notice to comply to the PCI DSS by 01 June 2017. (included in this booklet). PCI DSS is designed for protection of credit / debit cardholder payment data.

Of concern in IATA's directive is this clause, "Non-compliance with PCI DSS security standards could result in 2 instances of irregularity being recorded against your agency." TUGATA has had several correspondence with KATA and TASOTA regarding the same. IATA responded to our query on compliance for the Uganda market last week. We were advised that the PCI DSS is currently under review for the time being. Members should internalize the document pending new guidelines and further communication from IATA with new deadlines.

PARTNERSHIPS

TUGATA once again, recognizes our Tourism and Business Partners:

Our GDS' **Galileo/Travelport & Amadeus**

Uganda Tourism Board (**UTB**)

Association of Uganda Tour Operators (**AUTO**)

Insurance Regulatory Authority (**IRA**)

Ministry of Tourism, Wildlife & Antiquities

Board of Airline Representatives (**BAR**)

Uganda Tourism Association (**UTA**)

Lion Assurance

Sanlam Assurance

UAP Insurance

Kenya Association of Travel Agents (**KATA**)

Tanzania Association of Travel Agents (**TASOTA**)

PENDING MEETINGS / NEGOTIATIONS

The below is a list of pending meetings, negotiations and engagements which this Committee proposes to hand over to the in-coming Committee to handle: (not exhaustive)

- Meeting with Egyptian Embassy on Ugandan nationals obtaining tourist visa to Egypt
- Response from PPDA of TUGATA's letter
- After receipt of above letter, write to Ministry of Finance for leave to accept quotations for travel quoted in USD
- Organizing workshop with Immigration for e-visa and online payment for visas
- Training needs assessment sent via UTA for training of our members. TUGATA proposes training for specifically, Quality Controllers / Front office managers and tour managers.
- IATA PCI (Payment Card Industry) and DSS (Data Security Standards)

- Workshop on KQ - New ADM policy by end April 2017
- IATA revised Financial Criteria for East Africa
- Renewal of DIP for Uganda - process to start in August 2017 **or**
- IATA Global Default Insurance Solution
- IATA NewGen ISS and IATA EasyPay
- Engage with Airlines to include non-IATA members on their mailing list
- Lobby / Engage with Hon. Minister of Tourism, Wildlife & Antiquities for inclusion of TUGATA's involvement in rehabilitation of Entebbe International Airport and the Revival of Uganda Airlines.
- Through the East African Tourism Platform (EATP): Validation Workshop for the Study on Open Skies - Nairobi 10 May 2017

Closing Remarks

On behalf of my out-going Committee, I wish to thank you all for attending this AGM. We hope that we have demonstrated to you the Members, how we have served you during our tenure in office. Thank you for your confidence in voting us to serve you in our various capacities.

TUGATA's appreciation goes to Travelport for your kind sponsorship of this AGM.

FOR GOD AND MY COUNTRY



Pearl Hoareau

Chairperson (out-going)

April 2017

