

Review of Travel Trade Legislation in Ireland CONSULTATION PAPER

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2 September 2008



Commission for Aviation Regulation

Ireland's regulator for the aviation sector

Roles and functions

- 1. To set maximum **aeronautical charges** at Dublin Airport
- 2. To set maximum Irish Aviation Authority **terminal charges**
- 3. To monitor and regulate **slots assignment** at Dublin Airport
- 4. To license **airlines** under EU rules
- 5. To approve airport **ground-handlers** under EU rules
- 6. To enforce **rights of air passengers & PRM** under EU rules
- 7. To license travel agents and tour operators



Current Travel Trade Regime

- Collapse of Bray Travel --> "1982 Act"
- Travel agents and tour operators need to be licensed and bonded
- Consumers will be refunded/repatriated following a collapse
- Claims paid from bond and, if necessary,
 Travellers Protection Fund (€6m)



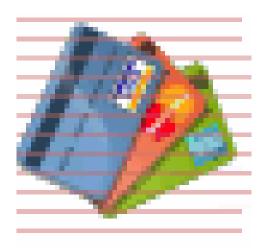
Facts and figures

Number of travel agents	290
Number tour operators	74
Total value of bonds	€137 million
Estimated costs of regime	€6 million



Developments since 1982

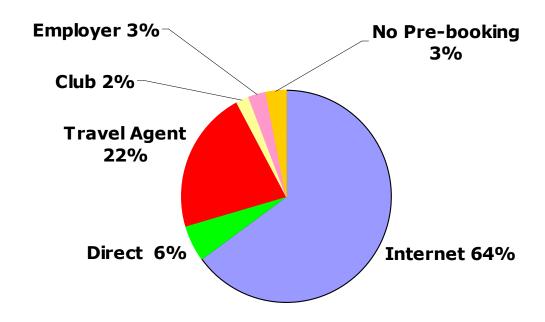








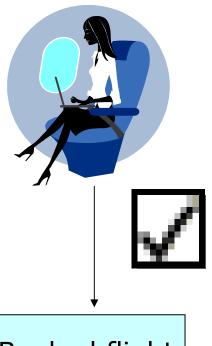
Method of Booking International travel





Potential Anomalies

Flight from Dublin to London



Booked flight through tour operator



Booked flight on airline website



Booked flight from London to New York at travel agent



Questions to consider

- **1. Which** members of the travelling public should receive what financial protection?
- 2. What requirements should licensees have to satisfy?
- **What** are the most suitable arrangements to ensure adequate financial protection?



Who the Scheme Protects

Extend coverage

cover all trips out of the State

Reduce coverage

rely on credit-payment protection

Discontinue scheme

rely on market to provide protection



Changing Licensing Requirements

Cutting red tape?

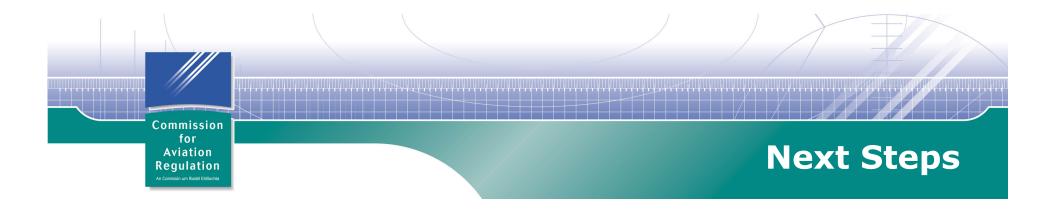
Remove need to verify business credentials
Require audited accounts from large companies only
Issue single licence
Grant licences indefinitely
Recognise licences from other jurisdictions



Example 2.1 Financial Protection & Bonding Arrangements

End bonding requirements
rely on Travellers Protection Fund
require escrow accounts

Reform bonding requirements
assess on a case-by-case basis
base on last year's turnover
change % of licensable turnover
redefine licensable turnover



Responses to consultation due 31 October

Report to the Minister end 2008



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