

Ministry clarifies new travel agency ordinance amid industry concerns

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Dhaka: The Ministry of Civil Aviation and Tourism on January 5 clarified its position on the newly promulgated Travel Agency Registration and Control Ordinance-2026, saying the law is aimed at protecting passengers, migrant workers, and consumers, not at shutting down legitimate businesses.

The clarification came through a press release issued after a press conference by the adviser Sk. Bashir Uddin to the ministry, amid growing concerns and protests from leaders of the travel agency industry, who have described the ordinance as “anti-business” and warned that thousands of agencies could be forced to close.

In its statement, the ministry said the ordinance was introduced to curb widespread irregularities in the travel trade, including advance payment fraud, overcharging, fake bookings, unauthorized ticket issuance, and

deception of outbound migrant workers. Such practices, it said, have intensified in recent years, particularly through online and unregulated platforms.

The ministry noted that under the new ordinance, travel agencies are required to clearly display their name, registration number, and the actual ticket price on all airline tickets. This measure aims to ensure transparency, prevent misinformation, and protect passengers from being overcharged.

The ordinance also introduces clearer rules on business-to-business (B2B) transactions between agencies, mandatory use of authorized airline systems such as GDS, NDC, or designated web portals, and restrictions on practices like fake bookings or artificial seat shortages that distort the market.

Regarding bank guarantees, the ministry said online travel agencies would be required to submit a bank guarantee of Tk 10 million, reflecting the higher volume of transactions and greater financial risk associated with advance payments. For offline travel agencies, the guarantee has been set at Tk 1 million, considering their comparatively smaller operational scale.

The ministry further said the ordinance strengthens monitoring and accountability mechanisms by requiring agencies to submit regular financial statements and operational reports. Registration renewals will be subject to compliance reviews, while penalties for violations have been revised to deter repeated misconduct.

However, the ministry stressed that the objective is not to close businesses arbitrarily. In cases of violations, opportunities for renewal through fines have been kept in place to ensure that legitimate businesses are not forced out of the market, while discipline is maintained.

Travel agency leaders, meanwhile, have expressed strong opposition to the ordinance. At a press conference held at the National Press Club on Sunday, industry representatives warned that the law could cripple the sector and force nearly 5,000 agencies to shut down unless it is repealed.

Former Association of Travel Agents of Bangladesh (ATAB) president

Manzur Morshed Mahbub said the amended provisions effectively ban ticket buying and selling between agencies, which would severely impact nearly 5,000 non-IATA agencies that lack the capacity to issue tickets independently.

ATAB leaders also criticized the Tk 1 million bank guarantee requirement for offline agencies, restrictions on operating recruiting agencies and travel agencies from the same address, and provisions allowing temporary suspension of registration without a prior hearing. They warned that increased penalties, including higher fines and longer jail terms, could lead to harassment and financial losses.

Responding to these concerns, the ministry said the ordinance is intended to create a transparent, competitive, and consumer-friendly travel market by eliminating fraud, syndication, and unethical practices that have long harmed passengers and migrant workers.

The ministry also indicated that it remains open to dialogue with stakeholders and would consider practical issues during the implementation phase to ensure a balanced and effective regulatory framework.