

January 2025

BSP Value Proposition for NDC



Billing and
Settlement Plan

The International Air Transport Association (IATA) Billing and Settlement Plan (BSP) supported by the IATA Agency program continues to be for NDC a very safe and cost-effective system that facilitates the processes of reporting, collecting, and settling financial transactions between airlines and travel agents.

Continue to benefit from the IATA BSP for NDC

Partner safely with more than 59K agents in 182 countries and territories

With over 59k+ Accredited Travel Agents in the IATA Agency Program, the IATA BSP allows airlines to streamline sales made by IATA accredited Travel Agents through a single multilateral contractual framework governed by the Passenger Agency Program resolutions. These Resolutions are voted on by airlines.

Over 400 Airlines currently participate in the IATA BSP, and benefit from an on-time settlement rate of 99,93%. In 2023, IATA's BSP processed \$240 billion (about \$740 per person in the US).

- Three models of accreditation for different Agent types allow efficient partnerships and the usage of various methods of payment to facilitate the settlement of the sales made by agents on behalf of the airlines. Agents can choose the most suitable model of accreditation to start safely selling on behalf of airlines with a facilitated on-boarding by IATA.

GoLite agents can use credit cards and IATA EASY PAY method of payments, Go Standard and Go Global agents are allowed also to use BSP cash method of payment to enable the settlement of funds with the airlines.

Simplify and outsource your billing and settlement

The BSP, a closed, secure platform allows:

- The simplification and streamlining of the reporting, netting, and settlement between the airlines and the agents, reducing the time and effort required to manage these transactions.
- The automation of sales data controls, complying with Industry standards and local requirements.
- The automated management of settlement disputes with Travel Agents via memo transactions
- The automated application and recovery of incentives

Enhance financial control on your sales

The BSP helps to improve and control the cash flow between airlines and travel agents by streamlining the process of collecting and distributing payments. This can help to reduce the risk of financial problems for both parties.

The BSP is a secure environment: a dynamic risk management framework, where the agent's risk profile determines their cash conditions, together with the Remittance Holding Capacity (RHC), or maximum threshold for agents' outstanding monies at risk, prevents collection issues. The unrecovered default rate in 2023 was only 0.010%.

The BSP provides both airlines and travel agents with greater control over their financial transactions, allowing them to monitor and manage their finances more effectively.

The IATA BSP helps airlines and travel agents to streamline their financial transactions and improve the efficiency of their operations.

Sales data reporting

Airlines need to receive their sales data as early as possible when sales are conducted by third party sellers and facilitated by third parties. In this case, airlines can rely on the BSP to receive this information in a reporting file daily and Industry standard format accessible by most ERP systems.

The BSP provides airlines with access to detailed reports on their sales and revenue, which can help them to better understand their customers and make more informed business decisions.

BSP Credit Card services

With BSP Credit Card services, allow agents to issue card transactions under your Airline Merchant agreements in a safe and efficient way:

- Setup which card brand you accept in each BSP market
- Setup how you want your acquirer(s) to receive your card transactions to facilitate funds clearing
- Through the Transparency in Payments (TIP) framework, define your policy for agents to use (or not) Alternative Transfer Methods (i.e. agent cards), and receive detailed transaction reports in case on non-compliance
- Check the IATA accredited agent PCI-DSS compliance status
- Benefit from clear liability rules defined in resolution 890 when allowing agents to use your Airline Merchant Agreement
- Use the BSP dispute management service and settlement services via Memos (ADMs) to recover funds from card chargebacks when the agent is responsible

A cost-effective service

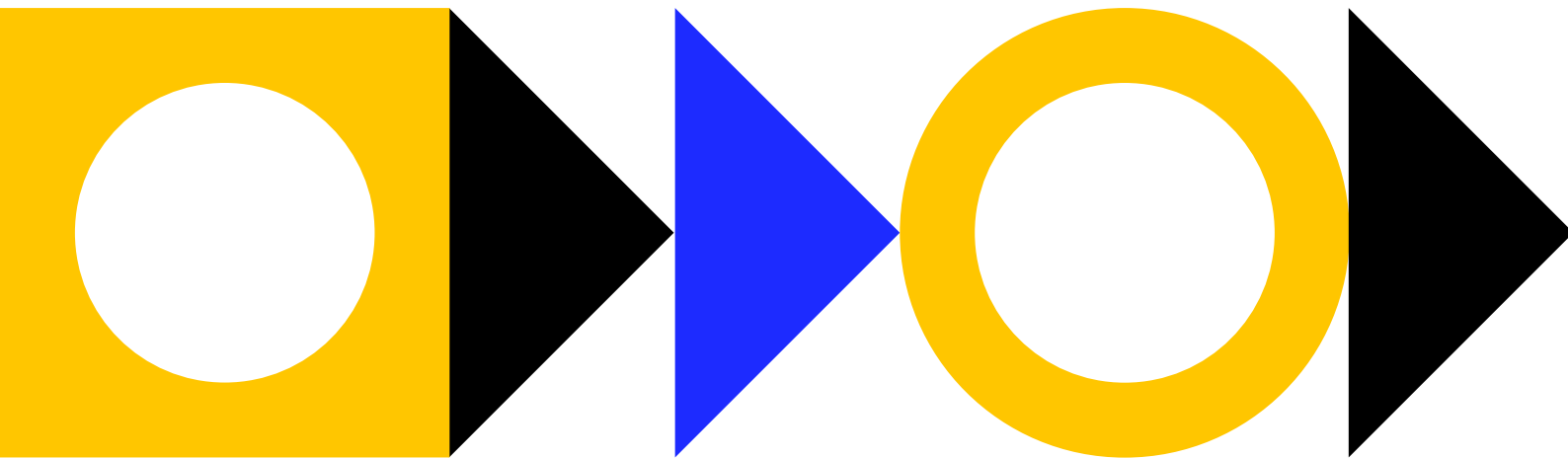
The BSP transaction cost is very effective and transparently established with the airlines part of the IATA Settlement Systems governance.

In 2024, Processing and Settlement services of reported transactions are at no cost to IATA Members.

The BSP interface - BSPLink - benefits

The BSP interface for airlines is called BSPLink. It offers a customer-centric way to access and manage your BSP activities, with the following features to airlines:

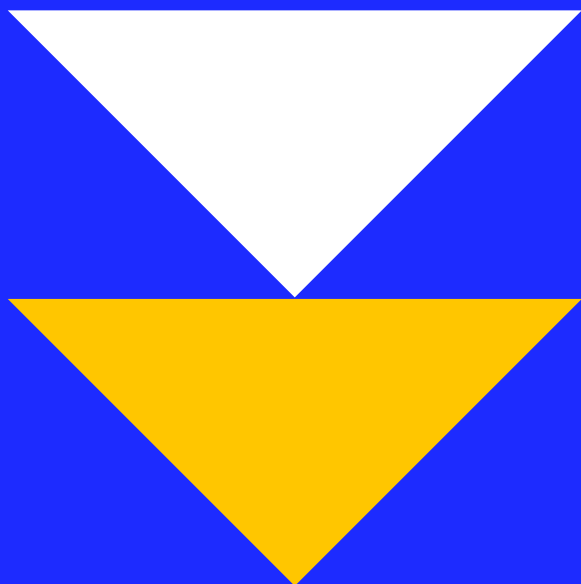
- Real-time data exchange through Webservice (API) or multi-languages Web user interface access
- Self-service functions to configure data processing (DPC)
- Management of your collections and payments with travel agents worldwide in a single process
- Succinct dashboards and online statistics about your BSP operations
- Access in one click to Global BSP data
- Standard forms for SAFs and STDs
- Data retention and access of files
- Mobile apps and business intelligence services
- Automation of the recovery of revenue reconciliation data with a single file transfer
- Manage your payment policy on Agent cards, and receive compliance reports with Transparency in Payments (TIP)
- Manage which Agent you want to work with through the Ticketing Authority function
- Manage, automate, and expedite your disputes
- Track and improve your revenue management and collection performance



A future proof framework, ready for Industry Airline Retailing of Orders starting with NDC

The International Air Transport Association (IATA) New Distribution Capability (NDC) is a program designed to improve the way airlines distribute their products and services through travel agents and other distribution channels. One of the NDC benefits is the ability for airlines to offer more personalized and differentiated products and services to customers. This can help airlines to stand out in a competitive market and drive more sales.

In addition to its standard benefits, the IATA BSP provides specific ones to airlines participating in the NDC program.



Contact
BSP4NDC@iata.org
to get personalized support in onboarding your NDC sales to the BSP and detailed information.

Some of these benefits include:

Dedicated financial control & risk management services for NDC airlines

The BSP services have been enhanced to handle real-time sales transaction reported by NDC.

Airlines can benefit from three models of implementation as described in [NDC InFocus BSP for NDC](#).

As per mandatory PAConf Resolution 850 requirements, airlines using the BSP for their NDC transactions processing can benefit from various API services:

- **NDC Onboarding Web Service – API**
The API validates the provided information against the IATA Sellers participation database and prevents fraudulent usage of its API service. More information about the NDC Onboarding Web Service – API can be found here: [IATA - CheckACode Professional](#)
- **Agency Profile API** helps airlines to decide on authorizing a NDC payment requests, based on the defined criteria:
 - * IATA Agency BSP active status
 - * IATA Agency Authorized FoP (cash, card or IATA EASY PAY)
 - * IATA EASY PAY active account of the IATA Agency
 - * IATA Agency PCI DSS status
 - * Agency ticketing authority status granted by Airlines.
- **Risk Management on Agency Sales transactions API**
This API is accessible to Airlines and their IT Partners to report in real-time the sales agreed using the EASD standard. This enables IATA to detect abnormal sales increase or patterns and supports Remittance Holding Capacity (RHC) on NDC sales. In case Airlines report sales in the IATA BSP for processing that do not comply with the mandate to use real-time reporting of sales, this puts at risk the collection of the monies due by the Sellers for their sales and for the other Airlines participating into the BSP.

Adapted Credit Card framework for NDC sales

The BSP has been adapted to the airline's needs related to their NDC payments.

Card reporting and processing benefit from the resolution 890X specifically adapted to the new NDC relationship between sellers and airlines. It clearly defines between them the rules of liability in case of fraud.

Airlines can use the Agency Profile API to check the Agent PCI-DSS compliance status before issuing a transaction. Airlines can also access a TIP API to check compliance to their payment policy regarding the usage of Alternative Transfer Methods (i.e. agent cards) before a transaction is issued. Facilitation services.

Orchestration

The IATA Financial Gateway (IFG) product allows airlines to benefit from additional orchestration and integration with the IATA BSP and help them to streamline and accelerate their NDC implementation with BSP cash or Card reporting.

It prevents airlines to implement multiple connections to the different services of the BSP necessary to receive their NDC sales payment collections.



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