

SIS & IBS OPS Joint Webinar “Passenger Rejections & Interline Billings Best Practices” 24 March 2021 - Q&A Report

Question Asked / Comments	Answer / Response
Is there any rejection reduction target that has been set for 2021?	Currently there is no target set. IATA and the Interline Billing and Settlement Operations Working Group (“IBS OPS WG”) are monitoring and waiting for volumes to recover. Once we are approximately at 50% of 2019 prime billing volumes we will review and set a target for the next 3 years. Until then the IATA SIS Operations team will continue to monitor, and report passenger interline statistics internally.
Is there any report I can use to monitor correspondence?	<p>Yes. There is the “Correspondence Status Report” in SIS that is available for receivables and payables that can be used by your processing staff members.</p> <p>There is also the “Correspondence Aging Report” which can be used by supervisory / management staff members to take actions on the following:</p> <ul style="list-style-type: none"> i. A list of Correspondences initiated, for which authority has been received but billing memos have not been raised; ii. A list of Correspondences initiated that have expired due to non-reply from the other airline and no billing memo has been raised; iii. All Open Correspondences initiated that have crossed the 7th stage along with the iteration and the value; iv. All open Correspondences received which are NOT initiated and which have crossed the 7th stage along with the iteration and the value. <p>Additional information on this report is explained in the SIS Webinar “Output Files and Reports” and SIS Major Release 1.14 documentation, CMP #766.</p>
Is there a clear guideline in the Revenue Accounting Manual (RAM) to identify the rules for involuntary reroutes and planned schedule changes?	Yes. The RAM chapter A2 paragraph 2.7 provides detailed flow charts for identification of involuntary reroutes and planned schedule changes in accordance with IATA Resolution 735d.
Please clarify the new rule of billing involuntary taxes that became effective in April 2020; is it based on the travel date or based on the ticket re-issue date?	The rule change/update for the billing of taxes on involuntary reroutes is based on the ticket re-issue date on/after 01-April-2020.

<p>What is the best practice if an airline receives a "stay-alive" rejection?</p>	<p>If an airline receives "stay-alive" rejections with no valid reason simply because the airline has been unable to process within the time limits, you have the option to reject such rejections and also inform IATA for their information. Airlines may refer to the IATA ADS Bulletin (2020-02) for supporting information on the industry's passenger rejection rules.</p>
<p>What additional suggestions are there for airlines that receive quite a lot of fare-related rejections?</p>	<p>The "Lowest Applicable Fare" presentation (pdf) that was shared by the "IBS OPS WG" at the WFS 2018 is a good reference. Moreover, it is always best to engage your internal fare/pricing experts or Commercial teams to support the decision-making for fare-related rejections.</p>
<p>Regarding the Excess Baggage Paper Documents Deadline: if an airline reaches a bilateral agreement with their partners to continue to issue paper Excess Baggage Tickets (EBT's), after 1 June 2021, is the airline still able to use source code 25 for paper EBT billing?</p>	<p>Due to the potential bilateral agreements for accepting paper EBT's, source code 25 for paper EBT billing will remain a valid source code for some time, certainly for the remainder of the year 2021. After 2021, the "IBS OPS WG" may further discuss this matter and determine whether to maintain or cancel source code 25. Nevertheless, until any change to this rule is announced to the industry, airlines that have bilateral agreements with their interline partners to continue to issue paper EBT's after 1 June 2021, can still use source code 25 for EBT billings.</p>
<p>With reference to flow charts in RAM chapter A2 Paragraph 2.7: when a 5-day rule violation leads to voluntary billing - does the same apply to Tax application as well to identify Involuntary vs. Voluntary application?</p>	<p>The Flowchart in RAM A2 Para 2.7 is mainly for identifying whether the billing should be involuntary, voluntary or planned schedule change. This also applied for tax billings; the following RAM rules should be applied for the correct tax billing: "The TFC to be used for interline billing in case of involuntary rerouting shall be in accordance with RAM Chapter A2, Paragraph 1.8.2.2 and the relevant paragraphs of RAM Chapter A2, Paragraph 1.8. The TFC to be used for interline billing in case of Planned Schedule Change shall be in accordance with RAM A2, 1.8.2.1 and relevant paragraphs of A2, 1.8."</p>
<p>For involuntary rerouting, due to COVID-19, will the rule for 2-5 days rule be applicable?</p>	<p>There is no rule IATA Revenue Accounting rule change or exceptions for the COVID-19; therefore, all current RAM rules - including this rule – remains applicable/effective.</p>
<p>While some SPAs apply to involuntary reroutes, RBD violation is not applicable for involuntary, so due to COVID-19, sometimes the flight will be more than 2-5 day and the billing airline will not consider this ticket as involuntary rerouted, so they applied the SPA. Is this correct practice?</p>	<p>Bilateral SPA Agreements are out of "IBS OPS WG" responsibility; therefore, it is suggested to discuss bilateral commercial agreement matters directly with your interline partners' commercial and revenue accounting colleagues.</p>
<p>Is there any recommendation in terms of acceptable variances (%) on value checks?</p>	<p>This would be determined by each airline's internal financial / business policy. There is no official recommendation of acceptable variances on value checks.</p>

<p>If a ticket was issued within 2 days before the first flight date, and it was issued with Involuntary due to schedule change (endorsement box), should this be considered as an involuntary rerouting or a schedule change?</p>	<p>Please refer to the flowchart explained in the RAM Chapter A2 Paragraph 2.7 to understand how to correctly identify the appropriate billing type.</p>
<p>Is it mandatory for airlines to bill involuntary reroutes using source code 31 to apply fare rejection under RAM for involuntary billings? Our billings for involuntary reroutes were billed under SC 02 instead of SC 31.</p>	<p>Source code 31 is an optional source code. However, it is strongly recommended airlines use it to easily identify the number of rejections happening against these involuntary reissued flown coupons. Note: SC 31 applies only to involuntary reissued flown tickets. Any exchanged coupons will be billed under SC 02.</p>
<p>Where I can find more information on the Passenger Rejection Reduction initiative?</p>	<p>You may visit the "Rejections" tab of the SIS Website for more information such as webinars, important presentations and the latest reports and documentation.</p>
<p style="text-align: center;">Thank you for attending this webinar and trust this Q&A report clarifies the questions received about this year's SIS Updates. All updated resources are published on the SIS Website. Contact us via the IATA Customer Portal.</p>	