



# MEMORANDUM

PAC/Reso/1005

To: All Members, Passenger Agency Conference  
Accredited Representatives

From: Director, FDS Operations, GDC

Date: **1 September 2023**

Subject: **MAIL VOTE (A636)**  
**PAC1 (Mail A636)**  
**Proposal for Changes to Remittance Frequency for Agents in Mexico**

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## Background Information

### Submitted by APJC Mexico

The 23<sup>rd</sup> Meeting of APJC Mexico was held on 13 June 2023. The APJC reviewed PAC/45 Agenda, the Airline Risk Management Framework and the Days Sales at Risk global alignment with the provisions of Resolution 812.

The APJC noted and appreciated the information shared from the briefings. Regarding the Days Sales at Risk global alignment, the APJC reviewed the discussions retaken by PSG and PAPGJC during March and May of 2023 with the aim to invite APJCs overseeing noncompliance markets to agree on a plan to move towards Resolution compliance.

The APJC reviewed the provisions of Resolution 812 requiring BSPs with more than 2 reporting periods per month to comply with a remittance frequency of 5-business days after the close of the reporting period, while for Mexico, the existing remittance frequency had been 10-calendars days after the close of the reporting period.

The APJC was encouraged to discuss how to reach the required alignment, reviewing potential obstacles and agreeing to work together towards compliance. Airline members of the APJC stated support to have this alignment completed as soon as possible but if there were any market conditions identified, then those would be considered when determining the timeline of implementation.

Agent members of the APJC raised various concerns with the reduced remittance, namely, consistent delays by IATA systems to reflect pre-payments into their RHC consumption, currently taking 48-hours or more; delays in receiving billing reports, currently averaging 4-days after the close of the billing period while, Agents, by Resolution, require at least 2 days to review the billings. Agents also expressed concerns over the recurrent delays in receiving service from the GDC when issues arise and with the increased remittance frequency, Agents anticipated higher number of instances where Agents could be negatively impacted. Agents also expressed grave concerns over the delay of NDC sales to be reflected in Agents' billings, another impact with reduced remittance frequency and lack of visibility to manage their RHC properly. In addition, Agents also raised concerns to airlines over refunds and their lack of alignment to the Resolution timelines as well as not following ADM resolution procedures. Agents indicated that once these issues with IATA and the Airlines were addressed and a reasonable satisfaction reached, the Agents would be able to agree on the reduction of the remittance calendar.

A member of the APJC suggested to form working group of Agents, Airlines and IATA to document concerns raised, those related to IATA's processes and those related to Airlines' processes. IATA

conveyed its commitment to participate and review its internal processes to address timing delays in its processes and customer service responses, while carriers agreed to participate individually in discussions with agents to address specific issues, whether refund, ADM or NDC sales related.

Based on the agreement to pursue resolutions to the issues raised by Agents, through working group meetings with IATA and separately, holding individual meetings with airlines, and, on the understanding that the issues raised would take time to reach an acceptable satisfactory level, the Agents agreed to provide PAConf **1 October 2024** as the date where the remittance calendar for Agents in Mexico would change from the current 10-calendar days after the close of the billing report to 5-business days after the close of the billing report.

Based on the agreement reached and the commitment of all parties, APJC Mexico unanimously voted in favor of the remittance frequency alignment effective **1 October 2024**. The APJC also requested that once the change was approved by PAConf, that a communication to the market be dispatched soon thereafter, and a reminder sent by May 2024 and a final reminder by August 2024, to ensure a successful transition.

### Proposed Solution

APJC Mexico unanimously approved the alignment of the remittance frequency to 5-business days after the close of the billing period effective **1 October 2024**.

### Proposed Action

Conference to adopt changes to the Remittance Frequency for Agents in Mexico, effective **1 October 2024**, where remittance frequency will be 5-business days after the end of the billing period.

### Effective Date

The proposed effective date of the change is **1 October 2024**.

The timetable for this Mail Vote is as follows:

Voting Period: 1 – 15 September 2023

Filing Period: 16 – 30 September 2023

Effectiveness: 1 October 2024

To cast a vote, Members are asked to access the application from the following [link](#).

Please note that no other form of voting will be accepted. Voting will conclude at close of business MAD time on **Friday, 15<sup>th</sup> September 2023**. Votes not cast by that deadline will be deemed to be affirmative.

In conformity with the Mail Vote procedure endorsed by PAConf in October 2009, this Mail Vote has been provided in advance to representatives of the agency associations ECTAA, UFTAA and WTAAA for review and/or comment.

Any Member seeking clarification on any aspect of the mail vote or the mail vote process is invited to contact the IATA Passenger Governance team by email to [pac-gov@iata.org](mailto:pac-gov@iata.org).



**Juan Antonio Rodriguez**

**Director, FDS Operations, GDC**