SIS General Update

Part 1

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Agenda

- SIS Operational Update
- SIS Service Level Performance
- PAX Rejection Reduction Initiative

SIS Operational Update

SIS Agreements:

Membership Category	Aug 2019	2018	% change
ISPA Airline	433	423	2%
ISPA Supplier	106	103	3%
ISUA Airline	3	3	0%
ISUA Supplier	129	120	8%
E&F Customers	80	78	3%
IATA Offices	14	12	17%
TOU	1,823	1,744	5%
TOTAL	**2,592**	**2,483**	**4%**
TOU Agents*	55,026	55,026	0%
GRAND TOTAL	**57,618**	**57,509**	**0%**

*Agents (BSP&CASS) to which IATA will start submitting invoices through SIS.

Billing Summary:

	Jan - Aug 2019		Jan – Aug 2018		2019 vs 2018	
Billing Type	**USD Value (in billions)**	**Count of Invoices**	**USD Value (in billions)**	**Count ofInvoices**	**% Change USD Value**	**% Change Invoice Count**
PAX	$ 25.91	527,397	$ 26.51	537,457	-2%	-2%
NON-TRANSP	$ 18.62	534,928	$ 17.96	384,885	4%	39%
CGO	$ 0.72	80,086	$ 0.78	85,436	-8%	-6%
UATP	$ 5.89	25,104	$ 5.25	23,034	12%	9%
TOTAL	**$ 51.03**	**1,167,515**	**$ 50.50**	**1,030,812**	1%	13%

- In comparison to Jan-Aug 2018, the invoice value increased by **1%** and the invoice count increased by **13%** in Jan-Aug 2019.
- During the same period, transaction counts increased by **0.66%**.

Billing Values and Counts by Category

Jan-Aug 2019 share of billing category in total

Billing Values through SIS

Billing Values through SIS

USD Value (Millions) 2019 vs 2018

Billing Values through SIS

USD Value (Millions) 2019 vs 2018

Number of Invoices through SIS

Number of Invoices by Billing Category

2019 vs 2018

Number of Invoices by Billing Category

2019 vs 2018

CGO

UATP

SMIs in total SIS throughput

- **SMI - I:** Settlement through the ICH using the RAM rules.
- **SMI - M:** Inter clearance settlement of a billing from an ACH member to an ICH member using RAM rules. It could also be a billing from an ACH member to another ACH member using RAM rules.
- **SMI - A:** Settlement through the ACH using ACH rules.
- **SMI - B:** Bilateral settlement

Non-Transp. Bilateral Invoices

2019 vs 2018

154 Bill

Transactions

1.2Mill

Invoices processed

$ 51 Bill

Total Value

+10%

Suppliers Invoice Growth

1.75

US Cents

Unit Fee (-9.33%)

SIS Score card Jan-Aug 2019

SIS Service Level Performance

SIS Service Level Agreement

- Defined in Attachment E of the Standard Agreement for SIS Participation

- Updated in 2019 for the fist time since go live with more restrictive targets

SIS Service Level Agreement

System Availability

- SIS must be available 24/7, with a system uptime of 99.50% on a rolling annual average.
- Maximum unplanned outage should not exceed 4 hours.

System Performance

- Files must be processed within 24h and within 4h in 99.86% of cases.
- IS-WEB response should be within 3 seconds for 97.50% of requests.

HelpDesk Availability

- Web based contact tool available 24/7.

HelpDesk Performance

- Queries to be responded within 24h
- Incidents to be solved as per severity:
  - Priority 1: 6 hours
  - Priority 2: 1 business day
  - Priority 3: 10 business days
  - Priority 4: next release

System Availability YTD 2019

99.84%

System Availability YTD

8h55m

Planned downtime YTD (excl. weekends)

99.78%

System Availability Rolling Annual Average (excl. weekends)

The overall planned downtime has been reduced by more than 40% compared to the same period last year, the planned downtime during weekdays remained constant. Unplanned downtime is 15 min YTD, due to Oracle issue in May.

System Availability 2019

Month	Planned Downtime	Unplanned Downtime	System Uptime	System Uptime (excl. Planned Downtime)	Rolling Annual Average	
					System Uptime	System Uptime (excl. Planned Downtime)
Jan 2019	0h35m	0h00m	99.92%	100%	99.79%	100%
Feb 2019	1h30m	0h00m	99.26%	100%	99.78%	100%
Mar 2019	0h30m	0h00m	99.93%	100%	99.78%	100%
Apr 2019	0h50m	0h00m	99.88%	100%	99.78%	100%
May 2019	4h00m	0h15m	99.43%	99.97%	99.77%	99.99%
Jun 2019	0h30m	0h00m	99.93%	100%	99.78%	99.99%
Jul 2019	0h30m	0h00m	99.93%	100%	99.78%	99.99%
Aug 2019	0h30m	0h00m	99.93%	100%	99.78%	99.99%
Total YTD	8h55m	0h15m	99.84%	100%	99.78%	99.99%

Overall System Availability

System Performance YTD 2019

340,715

Files received & processed within 4h (100%)

1m07s

Average file processing time

48,889,607

IS-WEB requests responded within 3s (99.24%)

Following the migration of IATA invoices for travel agents via SIS, the number of files processed increased by 76% compared to the same period last year.

File Loading Performance

Month	Total Files Received	Total Files Processed		Performance
		Within 4h	Between 4h and 24h	
January	42,496	42,496	0	100%
February	34,245	34,245	0	100%
March	47,659	47,659	0	100%
April	40,428	40,428	0	100%
May	44,440	44,440	0	100%
June	44,174	44,174	0	100%
July	43,616	43,616	0	100%
August	43,658	43,658	0	100%
Total YTD	340,715	340,715	0	100%

File Loading Performance

Web Response Performance

Month	Total requests received	Total requests responded		Performance
		Within 3s	Over 3s	
January	6,434,117	6,395,241	38,876	99.40%
February	5,970,621	5,931,701	38,920	99.35%
March	5,991,264	5,946,822	44,442	99.26%
April	6,452,854	6,408,395	44,459	99.31%
May	6,392,232	6,330,427	61,805	99.03%
June	6,146,006	6,096,921	49,085	99.20%
July	6,091,702	6,042,240	49,462	99.19%
August	5,410,811	5,365,034	45,777	99.15%
Total YTD	48,889,607	48,516,781	372,826	99.24%

Web Response Performance

IATA Global Customer Support

- SIS was one of the first financial services to be migrated to the Global Customer Support, on December 14th 2018;
- The IATA Customer Portal was adopted as the single channel of communication with IATA for SIS matters;
- All other channels of communication were discontinued in March 2019;
- Level 1&2 queries are now handled by the Global Customer Service Teams in MAD and YMQ (SIN to follow in 2019);
- Level 3 queries and incident management are handled by the SIS team in YMQ.

Query & Incident Management YTD 2019

1,570

Queries received

115

Incidents resolved

84.86%

Customer Satisfaction YTD

The number of queries decreased by 24% compared to the same period last year. One showstopper YTD.

Query & Incident Management

Month	Queries	Incidents*				Total	Within SLA	Performance
		Showstopper	Major	Minor	Trivial			
January	203	0	0	7	0	210	210	100%
February	232	0	0	11	1	244	244	100%
March	167	0	0	4	0	171	171	100%
April	237	0	0	10	0	247	247	100%
May	267	1	1	25	0	294	294	100%
June	177	0	0	23	0	200	200	100%
July	146	0	0	18	0	164	164	100%
August	141	0	0	14	0	155	155	100%
Total YTD	1,570	1	1	112	1	1,685	1,685	100%

*includes all incidents, logged by customers or SIS Ops Team. Previously, only customer logged incidents were reported.

SIS Customer Support

Note: the increase in incidents is due to change in reporting. In 2019 all incidents are counted (logged by customers or SIS Ops Team). Previously, only customer logged incidents were reported.

PAX Rejection Reduction Initiative

Background

Before SIS ?

Unknown number of interline billings, rejections and correspondences

With SIS

- Global system to track the exact number of prime billings, rejections and correspondences
- Speed of interline billings

But… !

Found huge number of rejections and bad practices in interline billings!

Goal

Initiative

Reduce the number of unnecessary rejections in the industry

Goal

Improve the quality of interline billings!

Prime Billing and Rejection Counts
(2015 - 2018)

Target

Five-Year Global Target:

32% reduction in the rejection rate by end of 2020

$$\text{Rejection Rate} = \frac{\textit{Sum of Rejection Memos of Past 12 months}}{\textit{Sum of Prime Billings of Past 12 months}} \times 100\%$$

Progress

	2015	2016	2017	2018	Aug-2019	2019	2020
Rejection Rate	9.87%	9.06%	8.38%	7.82%	7.17%		
Percent Decrease	-	8.21%	15.14%	20.72%	27.39%	27%	32%

Main Reasons of Rejection

Top 10 Reasons of Rejection (May – August 2019)

Reason Code	Reason Description	1st Stage 2019	2nd Stage 2019	3rd Stage 2019
1G	Tax Reclaim	35%	30%	27%
1B	Fare Reclaim	30%	36%	40%
1A	Fare/Tax/ISC	9%	7%	7%
1C	ISC Reclaim	4%	4%	3%
NEW! 1S	SPA Applicable	3%	5%	3%
1E	UATP Reclaim	3%	0%	1%
5Z	Others	3%	5%	4%
NEW! 1Y	YQ/YR rejections	3%	5%	5%
NEW! 1T	Involuntary Rerouting Tax Difference	2%	1%	1%
NEW! 1Z	Involuntary Rerouting Fare Difference	2%	3%	2%

Correspondence

New in 2019

- ✓ **Best Practices Document** (available on the Rejection Reduction webpage)
- ✓ **PAX Non-Sampling RM Analysis Report** (in SIS)
- ✓ **6 New Reason Codes**:
  - Reason Code **1S**: SPA Applicable
  - Reason Code **1Y**: YQ/YR rejections
  - Reason Code **2S**: SPA Not Applicable
  - Reason Code **1Z**: Involuntary Rerouting Fare Difference
  - Reason Code **1T**: Involuntary Rerouting Tax Difference
  - Reason Code **1R**: Involuntary Rerouting Fare and Any other Difference
- ✓ **YQ/YR Tax Optional Validation**
- ✓ **SIS Correspondence Aging Alerts**

Rejection Reduction Advisory Group

Volunteers supporting this initiative:

Thank you!

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