



IATA OPERATIONAL COST REDUCTION INITIATIVE (OCRI)

OCRI ASSESSMENT

Facts & Figures – Cost-benefit

Background

- The International Air Transport Association (IATA) is a non-profit organisation serving, representing and leading its members. For more information: www.iata.org
- Operational Cost Reduction Initiative (OCRI) was developed to help and support airlines to identify, quantify and prioritize opportunities for improvement and reduction of operational costs.
- Support is in the form of OCRI Assessments, Guidance Material, OCRI Regional Workshops, Implementation Assistance and Conferences
- An OCRI Assessment is an on-site assessment of selected operational areas (flight operations, ground operations & technical operations) performed by IATA GO-Teams.
- GO-Teams are staffed with former senior airline executives seasoned in their respective areas of expertise.
- The assessment is conducted through the analysis of the airline's data, interviews with key personnel and observation of the operation as required. A detailed report is provided after each assessment.
- OCRI Assessment agreements are signed prior to any visit to ensure the confidentiality of data. The data is essential to optimise the assessments.

Cost-benefit example

- Identified potential savings for an airline with around 25 aircraft \$22 million
- **48% implementation of recommended cost reduction initiatives** **\$10.5 million***
- Total cost of an OCRI Assessment for all 3 areas including travel related expenses Cost recovery basis**

Facts & Figures

- Fleet size range of airlines who have undergone an OCRI Assessment 25-350
- Minimum identified potential savings \$22 million
- **Total identified potential savings through OCRI Assessment** **\$470 million**
- Average identified potential savings per aircraft \$880,000
- Identified potential savings that can be implemented within 6 months 48%
- Airlines that have requested proposals for implementation after the OCRI Assessment 75%

Participation

- For more information or to schedule an OCRI Assessment, please contact ocri@iata.org

* Further business case developments may apply

** Cost recovery basis:

- 3 areas: Flight Operations, Ground Operations, Technical Operations
- IATA members: \$20,000 per area + travel related expenses
- Non-IATA members: \$40,000 per area + travel related expenses

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