



# World Financial Symposium Industry Meetings

*Innovate . Accelerate . Deliver*

**25 - 26 September 2017**

**Convention Centre Dublin, Ireland**





# 4th World Financial Symposium Industry Meetings

25 - 26 September 2017 | Dublin, Ireland

## 3<sup>rd</sup> Interline Billing and Settlement Operations (IBS OPS) General Meeting – 25 September 2017 (08:00-18:00)

As you are aware, the Interline Billing and Settlement Operations is an amalgamation of the old ICH User Group and the Revenue Accounting Working Group. As the Agenda contains both ICH and Revenue Accounting Items, we will be interspersing Agenda items throughout the meeting.

Don't miss this opportunity to come to Dublin and learn more about:

- ▶ The year in ICH, latest news including Blockchain PoC, etc.
- ▶ The latest bankruptcy updates and Special Clearances
- ▶ Changes to the 2018 Revenue Accounting Manual
- ▶ Latest information on the New Prorate Methodology (NPM)
- ▶ Updates on Revenue Accounting and One Order
- ▶ Rejection Memo Reductions
- ▶ Involuntary Settlement Educational Sessions



In order to vote on changes to the Revenue Accounting Manual, a carrier must be in attendance and an IATA Member Airline.

## 6<sup>th</sup> Simplified Invoicing and Settlement (SIS) General Meeting – 26 September 2017 (09:00-17:30)

Come to the 6<sup>th</sup> SIS General Meeting and participate in discussions on efficiently using the system, cost control opportunities, best practices and data quality. Signatories to the IS Participation Agreement will have the opportunity to vote on items being presented for system enhancements, discuss billing rule changes that impact SIS, as well as share their experiences using SIS with the entire SIS community.

Make sure you involve and bring along your Accounts Payable colleagues especially for Miscellaneous / Non-Transportation invoice types. There will be discussions about suppliers invoices and how best to use the system to take advantage of the new features.

The SIS Team will be present onsite to assist all SIS Participants with any questions they have, so don't forget to bring examples and make time in your schedule for some exclusive one-on-one discussions.

Be sure not to miss out on the extremely popular (and generous) Vendor Prize Draws, taking place on 26 September following the SIS General Meeting





## Competition Law Guidelines for IATA Industry Meetings

IATA is publishing these Competition Law Guidelines to ensure that IATA Industry Meetings are conducted in full compliance with all applicable competition laws.

### Statement of Policy

IATA Industry Meetings shall be conducted in full compliance with United States antitrust laws, the competition rules of the European Union, and the competition laws of all other relevant jurisdictions.

### Procedural Guidelines

IATA Industry Meetings shall be conducted pursuant to the following procedures in order to ensure compliance with all relevant competition laws:

1. All discussions or conversations among meeting participants, including during breaks and scheduled or non-scheduled social activities connected with the meetings must follow these Guidelines.
2. Meetings shall be conducted in accordance with written agendas that are reviewed in advance by IATA counsel familiar with the competition laws of the United States, the European Union and all other relevant jurisdictions to assure that the agenda items are in compliance with these laws.
3. All presentations shall be reviewed and approved in advance by IATA's competition compliance attorney.

### Prohibited Agreements and Activities

1. Unless attendees of IATA Meetings are advised to the contrary by competition counsel, the following types of agreements, whether express or implied, are STRICTLY PROHIBITED:
  - a. Any collective agreement concerning prices or charges for airline services;
  - b. Any collective agreement allocating markets, territories, customers, suppliers or agents;
  - c. Any collective agreement relating to prices or charges to be paid to suppliers, and any other agreement that is intended to, or that in operation is likely to, harm non-participants, including without limitation any agreement that is intended to, or in operation is likely to, exclude a non-participants from any market; and
  - d. Any agreement that is intended to, or in operation is likely to induce airlines or their suppliers or agents to engage in collective anticompetitive behaviour, or to collectively punish any business enterprise for its exercise of independent business judgment.
2. Recognizing that the existence of an unlawful agreement or concerted practice may be inferred from circumstances, including the exchange of information by competitors, discussions or disclosures of the following types of information, are also PROHIBITED, except when such information has otherwise been made public or IATA competition counsel advises that such discussions are legally permissible:
  - a. Individual airline rates, charges or surcharges;
  - b. Individual airline costs;
  - c. An individual airline's intentions regarding increasing, reducing or reallocating aircraft capacity (including entering or exiting routes);



- d. An individual airline's intentions regarding charging for certain products or services or changes to the existing charges for such products or services;
  - e. Information on individual airlines customers; and
  - f. Any other sensitive commercial or proprietary information that the company would not disclose in the absence of an express or implied agreement to exchange such information for the purpose of reducing or restricting competition in the airline industry.
3. The foregoing applies equally to email discussions, instant messaging and social media discussions whether directed to announce participants or other parties not present in the meeting. Participants are reminded that live streaming of this meeting to parties not present in person is not permitted except as indicated by and with the express permission and knowledge of the Chairperson and IATA and only in the event that specific participation on a given item from a party not present in person is required. Unauthorized recording of the meeting is prohibited.



**Industry Meetings**  
Dublin, 25-26 September 2017  
**Agenda**

Administration Items:		25/26 September 2017	
		IBS OPS	SIS GM
<b>A1</b>	Opening of Meeting	✓	✓
<b>A2</b>	Competition Law Guidelines for IATA Industry Meetings	✓	✓
<b>A3</b>	Welcome Presentation and Delegate Introductions	✓	✓
<b>A4</b>	Approval of the Minutes from the 2016 Industry Meetings:	✓	✓
	› 2 <sup>nd</sup> Interline Billing and Settlement General Meeting (Singapore)	✓	
	› 5 <sup>th</sup> SIS General Meeting (Singapore)		✓
<b>A5</b>	Date and Place Next General Meeting	✓	✓
<b>A6</b>	Any Other Business	✓	✓
<b>A7</b>	Vendor Prize Draws		✓
<b>A8</b>	Close of Meeting	✓	✓

3 <sup>rd</sup> IBS OPS GM Updates and Reporting items:		25 September 2017	
<b>IR1</b>	Welcome, IATA Overview and Industry Update		
<b>IR2</b>	Report on IBS OPS Working Group Activities		
<b>IR3</b>	ADS Update (Ticketing, Reservations, NDC etc.)		
<b>IR4</b>	Update on One Order		
<b>IR5</b>	NPM / Prorate Update / Planned Schedule Change		
<b>IR6</b>	The Year in ICH		
<b>IR7</b>	Bankruptcy and Special Clearance Update		
<b>IR8</b>	Treasury Dashboard		
<b>IR9</b>	Currency Centre		
<b>IR10</b>	Settlement Dispute Management		
<b>IR11</b>	Rejection Reduction Project Update		
<b>IR12</b>	RATD and Complex Taxes Update		
<b>IR13</b>	YY Fares		
<b>IR14</b>	Xrate Currency Update		
<b>IR15</b>	SIRS Update		

6 <sup>th</sup> SIS GM Updates and Reporting items:		26 September 2017	
<b>SR1</b>	Welcome Presentation		
<b>SR2</b>	Report from the SIS Steering Group		
<b>SR3</b>	Industry Economic Performance Update		
<b>SR4</b>	SIS GM5 Action items Update		
<b>SR5</b>	SIS General Update		
<b>SR6</b>	New Gen ISS		
<b>SR7</b>	New Industry Accounting Rules - IFRS 15 - Revenue Recognition Standards		
<b>SR8</b>	Supplier to Airlines e-Invoicing updates		
<b>SR9</b>	Dublin Airport journey towards SIS		
<b>SR10</b>	Data Quality – Miscellaneous		
<b>SR11</b>	Do you Know? - SIS Educational Sessions		
<b>SR12</b>	SIS as Automation Enabler		
<b>SR13</b>	SIS Customer Satisfaction Survey - Key Learnings		
<b>SR14</b>	SIS Solution Update		
<b>SR15</b>	SAI - Supplier to Airline e-Invoicing Project Update		
<b>SR16</b>	IATA Financial Gateway		
<b>SR17</b>	A look into the future		



**Agenda Items (to be presented and discussed at the Industry Meetings at WFS: 25-26 September 2017)**

RAM Chapter/Paragraph		Subject	From	Impacts:		
				RAM	SIS	ICH
<b>P1</b>	Multi	Housekeeping (Title Change)	Secretary	✓		
<b>P2</b>	Intro 4	Settlement of Differences	Airberlin	✓		
<b>P3</b>	A2 1.8.2.2	Passenger & Excess Baggage Billing Rules	IBS OPS WG	✓		
<b>P4</b>	A2 1.8.2.2	Passenger & Excess Baggage Billing Rules	Lufthansa	✓		
<b>P5</b>	A2 Multi	Passenger & Excess Baggage Billing Rules (RATD)	Editor Group	✓		
<b>P6</b>	A2 1.8.2.4	RATD New Exemption Code	Airberlin	✓		
<b>P7</b>	A2 2.4	Voluntary Reroutings, Billing Values	Etihad	✓		
<b>P8</b>	A2 2.5	Planned Schedule Change	Airberlin	✓		
<b>P9</b>	A2 2.5	Involuntary Reroutings, Billing Values	Royal Jordanian	✓		
<b>P10</b>	A2 2.5.6/Multi	Involuntary Reroutings, Billing Values	IBS OPS WG	✓		
<b>P11</b>	A2 2.7	Surface Transportation, Billing Values	IBS OPS WG	✓		
<b>P12</b>	A2 3	Fares to be used in Billings	IBS OPS WG	✓		
<b>P13</b>	A9 Att. G	Provision of dedicated source codes	IBS OPS WG	✓	✓	
<b>P14</b>	A10 2.3	Detailed Rejection Reason	IBS OPS WG	✓		
<b>P15</b>	A10 4.1.1	Passenger Rejections	British Airways	✓		
<b>P16</b>	A10 5.2.1.2/4	Correspondence, General Requirements	IBS OPS WG	✓		
<b>P17</b>	A10 5.2.1.4	Minimum Value	All Nippon	✓		
<b>P18</b>	A10 5.3	Correspondence amount after final rejection	American Airlines	✓	✓	
<b>P19</b>	A10 5.4	Supplementary Charges	China Eastern	✓		
<b>P20</b>	A13 2.2.1	Minimum Value for Invoices	SIS Operations	✓	✓	
<b>P21</b>	A13 4.4	Adjustments of Billings	Emirates	✓		
<b>P22</b>	B1 10.1.7	Minimum correspondence in Sampling Settlement	Editor Group	✓	✓	
<b>P23</b>	B1 10.1.7	Correspondence amount after final rejection	American Airlines	✓	✓	
<b>P24</b>	B8	TFC's in New Distribution Capabilities (NDC)	Swiss	✓		
<b>P25</b>	Multi	RAM Removal of Paper Traffic Documents	Secretary	✓		
<b>P26</b>	B13	UATP (Place Holder)	Secretary	✓		

SIS Item	Subject	From	Impacts:		
			RAM	SIS	ICH
<b>S1</b>	IS Correspondence with Multiple Attachment	Emirates		✓	
<b>S2</b>	IS-Web – Correspondence Search Criteria	Airberlin		✓	
<b>S3</b>	Include previous correspondence text when replying to a correspondence	Srilankan Airlines		✓	
<b>S4</b>	Alignment of field size between IS-IDEC and IS-XML file formats	SIS OPS		✓	
<b>S5</b>	Include a 'Reply' button in the correspondence audit trail	SIS OPS		✓	
<b>S6</b>	SIS Pricing revisions	SIS OPS	✓	✓	



**Subject: Housekeeping: Revenue Accounting Manager Title change in RAM**

Submitted by: Secretary

**Background/Problem:**

The title "Revenue Accounting Manager" in the manual is no longer relevant as the position is now titled "Manager, Airline Distribution Standards (Pay/Account Vertical)".

**Proposed solution:**

RAM Editor Group to update the Revenue Accounting Manual accordingly:

1. Preface
2. Introduction & Admin:
  - 3.1,
  - 4.2(c),
  - 4.2
  - 4.3
  - 4.4
3. RAM Chapter A1:
  - 1.1.1
  - 1.2.2
  - 1.4
4. RAM Chapter B1:
  - 6.1
  - 6.2
  - 6.2.1
  - 6.2.1, Example
  - 6.2.1, Note
  - 6.3, Note 2
  - 6.6
5. RAM Chapter B5:
  - 2
6. RAM Chapter B11:
  - 12.1
  - 12.5
7. RAM Chapter B16:
  - 1.2.1 (b)



**Subject: Settlement of Differences, RAM Introduction and Administration, Paragraph 4**  
**Submitted by: Airberlin**

**Background:**

Currently there is no time line defined to submit the decision of the CoD to the parties involved.

**Problem:**

In Paragraph 4.1 it is mentioned that: A written explanation of the Committee's decision and basis for opinion will be provided to the parties in dispute.

In Paragraph 4.4 it is mentioned that: The Committee on Differences shall endeavor to render a decision within six weeks from the date of its appointment.

In any of the above paragraphs it is not mentioned the time period by when the decision of the Committee shall be communicated to the parties in the dispute.

**Proposed Solution:**

**Add New Paragraph**

*4.6 The Manager, ~~Revenue Accounting~~ Airline Distribution Standards (Pay/Accounts Vertical), IATA shall inform the parties in the dispute about the decision of the Committee on Differences within four weeks from the date of the decision of the Committee.*



**Subject: Passenger and Excess Baggage Billing Rules – RAM Chapter A2 Paragraph 1.8.2.2**

Submitted by: IBS OPS WG

**Background:**

Over the years, the IBS OPS WG and its predecessor, the RAWG has filed several clarifications to this paragraph aimed at improving understanding of the rules for billing taxes on involuntary reroute tickets.

**Problem:**

Currently the taxes to be billed following involuntary reroute are determined by a comparison of old and new journeys, the taxes originally applicable, new arising taxes, and a cap on the value to be billed. The comparison is further complicated when the new routing contains more sectors than the original routing, several sectors for which the same tax applies; or different origin, destination, or via points to the original routing.

Such complexity pushes revenue accounting technology to its limits. In an automated world our current rules often require inefficient manual ticket investigation. Inevitably our industry is suffering thousands of unnecessary rejections born from confusion and misunderstanding.

**Proposed Solution:**

Following the directive from FinCom to reduce rejections, the Working Group propose a radical simplification of billing rules for involuntary re-routes insofar as the taxes which arise for the new routing shall be applicable for billing regardless of collection. The taxes applicable to the original journey shall be entirely disregarded.

The working group propose that **all wording, notes and examples of the current 1.8.2.2 be deleted** and replaced with the following rule:

1.8.2.2 For involuntary reroutings, only TFC amounts published in the IATA Revenue Accounting Tax Database (RATD) arising from the revised routing shall be deemed applicable. Any exemption for involuntary reroute published in the RATD for the respective tax shall be applied. The determination of applicable TFC must be based on the complete ticket sales data (eg: ISR, TCN), if available.

Note: Where a TFC arises as a result of a stop-over in the revised routing which is not present in the original routing, the TFC arising from the stop-over shall be ignored.



**Subject: Passenger and Excess Baggage Billing Rules – RAM Chapter A2, Paragraph 1.8.2.2**

Submitted by: Lufthansa

**Background:**

In 2015, Note 2 of Chapter A2, 1.8.2.2 was revised as follows:

**Old:**

**Note 2:** The applicable TFC shall apply to the same departure or arrival point on the revised routing for which it applied on the original routing.

**New:**

**Note 2:** The applicable TFC shall apply to the same or equivalent replacement departure or (in the case of an arrival tax) arrival point on the revised routing for which it applied on the original routing. The departure or arrival point of the revised routing may be the same airport, city or country as that on the original routing.

**Problem:**

This change has caused a lot of confusion resulting in rejections, e.g. due the following reasons:

- a. Additional and/or replacement sector(s) in the same country
- b. Change of transfer point from a domestic to an international sector
- c. The same TFC code is applicable for multiple sectors of the revised routing

Currently a comparison of taxes applicable to the old and to the new routing based on individual tax codes is required.

This is the most complex part of the tax evaluation and in many cases it leads to the situation that the New Operating Carrier has to remit more taxes than they can bill to the Original Operating Carrier causing the involuntary rerouting.

The increasing number of tax rejections on billings for involuntary rerouted coupons compromises our common goal to keep the number of rejections as low as possible.

**Subject: Passenger and Excess Baggage Billing Rules – RAM Chapter A2, Paragraph 1.8.2.2 .../cont.**

Submitted by: Lufthansa

**Proposed Solution:**

To solve the complexity of the determination of taxes for involuntary rerouted coupons, we propose not to pursue another clarification of Note 2. Instead we propose to apply the same settlement rules for taxes on involuntary rerouting coupons as apply today for non-involuntary rerouted coupons.

To reflect that we are proposing to **replace the complete section 1.8.2.2** of RAM chapter A2 with the following:

**New:**

1.8.2.2 For involuntary reroutings, the determination of applicable TFC shall be based on the full revised routing including original and revised sectors.

**Example 1:**

Original ticket: SZG – FRA – NYC

Billable TFC:

Sector	Tax	Amount Tax		Amount Tax		Amount
SZG – FRA	AT	EUR 10.51	QD	EUR 35.00	ZY	EUR 14.09
FRA – NYC	DE	EUR 9.56	RA	EUR 21.38		

Involuntary reissued ticket: SZG – VIE – FRA

Revised routing: SZG – VIE – FRA – NYC

Billable TFC:

Sector	Tax	Amount Tax		Amount Tax		Amount
SZG – VIE	AT	EUR 10.51	QD	EUR 35.00	ZY	EUR 14.09
VIE – FRA	AT	EUR 8.39	ZY	EUR 18.48		
FRA – NYC	DE	EUR 9.56	RA	EUR 21.38		

**Example 2:**

Original ticket: HAM – FRA – ROM

Billable TFC:

Sector	Tax	Amount Tax		Amount Tax		Amount
HAM – FRA	DE	EUR 5.47	RD	EUR 10.11	OY	EUR 7.47
FRA – ROM	RA	EUR 21.28				

Involuntary reissued ticket: HAJ – ZRH – ROM

Revised routing: HAJ – ZRH – ROM

Billable TFC:

Sector	Tax	Amount Tax		Amount Tax		Amount
HAJ – ZRH	DE	EUR 8.10	RA	EUR 13.88	OY	EUR 7.47
ZRH – ROM	CH	CHF 16.00				



**Subject: Passenger and Excess Baggage Billing Rules – RAM Chapter A2, Paragraph 1.8.2.1 (RATD)**

Submitted by: RAM Editor Group

**Background:**

In April 2017 the new Enhanced RATD was launched with new functionality.

One of the benefits of the new Enhanced RATD is the possibility to count with a dynamic database that will be corrected by ATPCO whenever there is a discrepancy in data vs. TTBS data.

RATD Correction notices are a parallel process, irrelevant with the new Enhanced RATD, and are no longer published.

**Problem:**

References to the RATD in the RAM should be amended to read Enhanced RATD.

In addition, existing screen shot examples should be updated to present the look of the new Enhanced RATD.

Lastly, Paragraph A2, 1.12.2 with reference to RATD Correction Notices should be deleted.

The process to submit a supplementary charge is missing from A2, 1.12 and a minor amendment is suggested.

**Proposal:**

- 1- RAM references to the RATD should be updated to read **Enhanced RATD**.

These are present in the following RAM paragraphs

- A2, 1.8.2.1
- A2, 1.8.2.2
- A2, 1.8.4
- A2, 1.8.3
- A2, 1.8.4

- 2- **RAM A2, 1.8.2.4** should be updated with a new example of a Carrier Specific Exemption provided below and all existing examples should be deleted.

1.8.2.4 In some jurisdictions, certain carriers operating flights from/to those countries are exempt from paying certain taxes. Such Carrier Specific Amounts or Exemptions are published in the Enhanced RATD and shall apply.

All existing examples in this paragraph should be deleted and replaced with the below.



**Subject: Passenger and Excess Baggage Billing Rules – RAM Chapter A2, Paragraph 1.8.2.1 (RATD) .../cont.**  
Submitted by: RAM Editor Group

Search Criteria

Tax Point Type

Tax Code:  Country:  Departure:  Arrival:  Point of Sale:

Sale Date:  Travel Date:  Changes:  Bill Month:

---

Results

Departure: FRA Arrival: SVO Sale Date: 26JUN17 Travel Date: 28JUN17 Bill Month: JUN17

	Tax Code	Country	Tax Type	Tax Carrier	Type	Tax Point		Journey Wholly With	Tax Amount	Tax Currency	Sale Date		Travel Date	
						Location 1	Location 2				First	Last	First	Last
1	RI	RU	002	HU	Arrival	SVO			10.28	USD	11MAY17			

1 / 20 Items

- 3- **RAM A2, 1.8.6** should be deleted in its entirety since Correction Notices are no longer published.
- 4- **RAM A2, 12** is updated to indicate how supplementary charges should be submitted and **RAM A2, 12.2** is deleted in its entirety since Correction Notices are no longer published.

Amendments are shown below.

1.12 Supplementary Charges

1.12 Supplementary passenger charges can only be raised against an item previously billed if the error value exceeds USD200 per individual coupon. Such adjustment billings are limited to original billings for Passenger Tickets, Excess Baggage Tickets and Electronic Miscellaneous Documents.

Such supplementary billings shall be listed on a Billing Memo bearing Reason Code 8E "Adjustment/Supplementary Billing" in its respective coupon breakdown.

# World Financial Symposium (WFS) 2017

## Interline Billing and Settlement Operations General Meeting

### AGENDA



Agenda Item P6  
Page 1 of 1

#### Subject: RATD New Exemption Code – RAM Chapter A2, Paragraph 1.8.2.4, Examples Submitted by: Airberlin

#### Background:

The new RATD online has been implemented in April 2017 introducing also new screens.

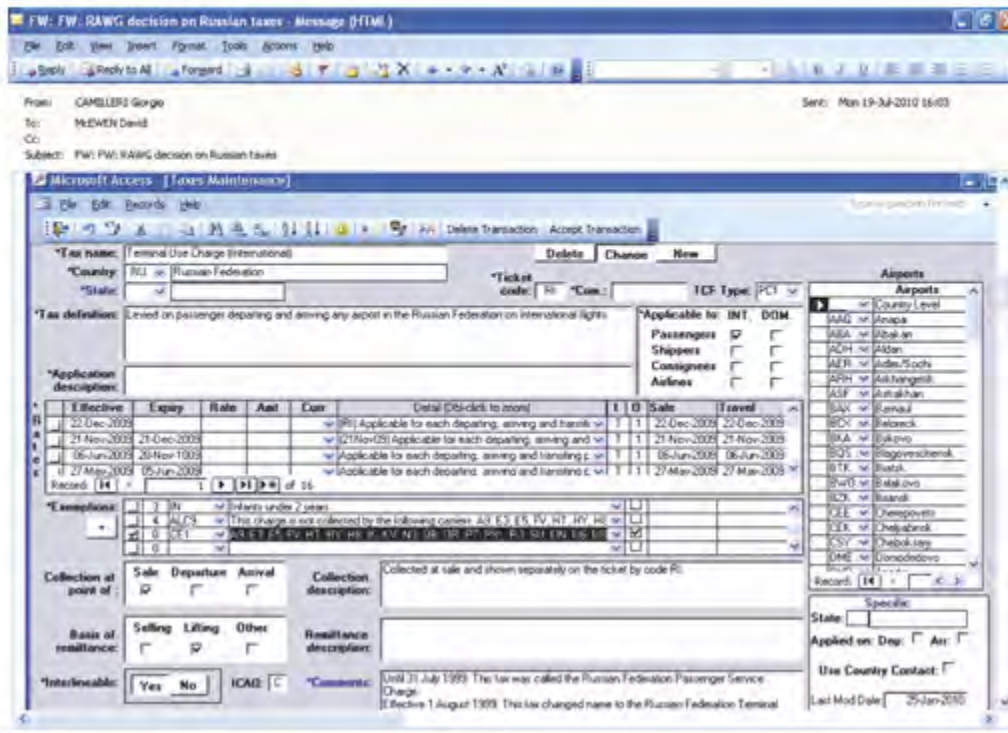
#### Problem:

With the switch to the new RATD online, the print screens in Examples A), B), C) are obsolete.

Example A)

#### Examples

A) Multiple carriers are exempted: The code CE1 is created and the list of all carriers exempted (as authorized in published legislation) from paying the RI Terminal Use Charge are listed in the RATD Exemption Detail field.



#### Proposed Solution:

Update the examples in RAM A2 1.8.2.4 accordingly with the new print screens from the RATD online.



**Subject: Voluntary Reroutings, Billing Values – RAM Chapter A2, Paragraph 2.4**

Submitted by: Etihad

**Background:**

**Existing wording on RAM for voluntary re-issued document settlement**

**2.4 Voluntary Reroutings, Billing Values**

- 2.4.1 When after voluntary rerouting, an itinerary is changed so that a lower fare is no longer applicable, the issuing airline will be billed for the lifted flight coupons at the value that would have applied to the relative coupon(s) had they been used for travel.
- 2.4.2 The reissuing airline is entitled to retain the difference between, on the one hand, the sum of the value of coupons plus any additional collection and, on the other hand, the billings received against new ticket(s) issued.

**Problem:**

Current wording are misleading the settlement for voluntary re-issued cases, as it states the additional collection will be retained by the re-issuing airline. Many airline are taking advantage of these wording and not sharing the new prorata amount based on the revised routing. Change in class, change in travel date ,revised routing etc. for which difference in fare is collected on the reissued ticket but still carriers are settling the same based on the original fare.

**Proposed Solution:**

**Change in the existing wording:**

2.4.1 When after voluntary re-routing , an itinerary is changed so that a lower fare is no longer applicable, the issuing airline will be billed for the lifted flight coupons at the ~~value that would have applied to the relative coupon(s) has they been used for travel~~ revised value based on the revised changed fare in the re-issued document.

2.4.2 ~~The reissuing airline is entitled to retain the difference between, on the one hand, the sum of the value of coupons plus any additional collection and, on the other hand, the billings received against new ticket(s) issued.~~

2.4.2 The issuing airline is entitled to retain the difference between revised fare of reissue ticket and the billing received against new (reissue) ticket(s) issued.



**Subject: Involuntary Reroutings, Billing Values (Planned Schedule Changes) – RAM Chapter A2, Paragraph 2.5**  
**Submitted by: Airberlin**

**Background:**

This paper is a clarification to the existing RAM Chapter A2 Paragraph 2.5 rule for planned schedule changes.

At the 3<sup>rd</sup> WFS Meeting it has been agreed to add a statement to RAM Chapter A2, Paragraph 2.5 that reflects the intent of RP 1735 and to ignore any involuntary designation in the fare calculation area or endorsement restriction area in case of planned schedule changes.

Reissued tickets for Planned Schedule Changes shall be treated as voluntary reissue and RAM Chapter A2, paragraph 1.8.2.1 shall be applicable for TFC application.

**Problem:**

Although the current wording implies that reissued tickets for planned schedule changes shall be treated as voluntary reissue, it leaves room for interpretation or misunderstanding.

**Proposed Solution:**

Add the following sentence to RAM Chapter A2, Paragraph 2.5:

**2.5 Involuntary Reroutings, Billing Values**

Planned Schedule Change means any modification to the operation of a flight as filed in an airline's schedules which may require passenger notification, and/or rebooking and/or re-ticketing. Planned Schedule Changes procedures are defined in Recommended Practice 1735. The characters 'INVOL' shall not be used in the endorsement/restriction text in the case of a Planned Schedule Change. Even if involuntary reroute is indicated on the coupon, in the case of a planned schedule change, ignore the involuntary designation.

**Reissued tickets for Planned Schedule Changes shall be treated as voluntary reissue in accordance with RAM Chapter A2, Paragraph 2.4.**

2.5.1 When an original coupon is accepted for involuntary rerouting, the airline carrying the passenger (new operating carrier) shall receive the value that would have accrued to the original carrier (original operating carrier), calculated in accordance with the ticketed information, the Multilateral Proration Agreement (MPA) and RAM Chapter A2, Paragraph 3.

...





**Subject: Involuntary Reroutings, Billing Values – RAM Chapter A2, Paragraph 2.5**

Submitted by: Royal Jordanian

**Background:**

The Purpose of this Item is to make an addition to RAM Chapter A2, Paragraph 2.5 in accordance with IATA Resolution 735d 2.4.2 “except for normal fares, if onward carriage is arranged more than 24hrs prior to departure of the New Operating Carrier’s flight, re-routing may only take place with prior approval of the New Operating Carrier ”

**Problem:**

Its not logic to reissue ticket for involuntary rerouting before one, two, three, weeks, moths...etc from departure date, because the principle of Involuntary rerouting to secure the passenger within 24 hours, When onward carriage reissued their tickets for more than 24 hours, they are preventing new operating carrier to sale on its flights using the higher fare and obliged the operating carrier to accept the published fare on the tickets , since it's allowed to onward carrier to book any RBD's in the same compartment . For this reason IATA resolution 735d 2.4.2 is protecting all airlines for collecting Normal Fare in such cases , where the rerouted carrier hasn't obtain any prior approval for transfer more than 24 hours . And related to that there is no clarification in RAM for the settlement for these rerouted tickets by onward carriage without any approval from marketing carrier, as well the new booking doesn't mean prior approval.

**Proposed Action:**

To make an addition to RAM Chapter A2, Paragraph 2.5 to be RAM Chapter A2, Paragraph 2.5.8, as indicated below:

In accordance with IATA Resolution 735d, Paragraph 2.4.2, if there is no prior approval from onward carriage to new operating carrier to make an Involuntary rerouting more than 24 hours, then the lowest applicable normal fare base shall apply.



**Subject: Involuntary Reroutings, Billing Values – RAM Chapter A2 Paragraph 2.5.6, 2.6.2.3 and 2.6.2.5**

Submitted by: IBS OPS WG

**Background:**

In June this year the Passenger Composite Meeting voted to adopt a proposal to discontinue the publication of IATA YY fares effective 31<sup>st</sup> October 2018.

**Problem:**

The above paragraphs of Chapter A2 directly refer to IATA fares as being applicable for use in settlement between airlines. When IATA fares are no longer available for sale, airlines will not be able to find a value to bill certain tickets.

**Proposed Solution:**

The Working Group propose the reference to IATA fares be removed. If no normal carrier fare exists, the working group proposes that a sector fare of the receiving carrier shall be used for billing.

The Working Group proposes the note paragraphs of A2 2.5.6, 2.6.2.3 and 2.6.2.5 be amended as follows:

**Effective Date: 01 November 2018**

Note: When more than one normal sector fare for the class of service performed is published by the new operating carrier, the lowest of such fares is to be used. If no normal carrier fare for the class of service performed is published by the new operating carrier, ~~the IATA fare may be used~~ **half of the highest return special fare published by the new operating carrier may be used.**

All other sections of these Paragraphs remain unchanged.



**Subject: Surface Transportation, Billing Values – RAM Chapter A2 Paragraph 2.7.1 and 2.7.2**

Submitted by: IBS OPS WG

**Background:**

Last year, in IBS OPS GM2 (WFS2016) various improvements were made to RAM Chapter A2 to remind airlines that billings should be made based upon the ticketed information. The IBS OPS WG continues to look for wording improvements to make clear how and to whom a document should be billed.

**Problem:**

The current wording of paragraphs 2.7.1 and 2.7.2 can be misinterpreted to suggest the wrong airline be billed in the event passengers being transported by surface instead of their intended ticketed flight. The working group feels this breaks the principle that the receiving carrier (which supplies or arranges a service according to their sector on a ticket) shall bill the issuing carrier (which holds the revenue for the ticket). The working group also believed the very last sentence of paragraph 2.7.2 encourages the receiving airline to arrange for a refund to the passenger. This is against the refund rules of RAM Chapter A4.

**Proposed Solution:**

The Working Group propose the following change:

**2.7.1** Where on-carriage is by surface and passengers are provided with transportation either to the nearest airport or to the destination specified on the passenger ticket the cost for such surface transportation shall be ~~charged to~~ **met by** the ~~intended~~ carrier failing to perform the service.

**2.7.2** The ~~intended~~ carrier **failing to perform the service** will charge the issuing airline the value of the flight coupon(s) for the full intended flight in question and will absorb ~~any costs~~ **above the value of the flight coupon(s)** ~~or shall arrange for a difference in favour of the passenger to be refunded.~~

**Subject: Fares to be used in Billings – RAM Chapter A2, Paragraph 3**

Submitted by: IBS OPS WG

**Background:**

In June this year the Passenger Composite Meeting voted to adopt a proposal to discontinue the publication of IATA YY fares effective 31<sup>st</sup> October 2018.

**Problem:**

A2 Paragraph 3 directly refers to IATA fares as being applicable for use in settlement between airlines. When IATA fares are no longer available for sale, and a lowest applicable carrier fare cannot be found, airlines will not be able to find a value to bill certain tickets.

**Proposed Solution:**

The Working Group propose the reference to IATA fares be removed. If no lowest applicable carrier fare exists, the working group proposes that a sector fare of the receiving carrier shall be used for billing.

Airlines are reminded that the published sector fare must be the lowest fare for the entitled cabin of travel, and that the recent clarification given by the Secretary (that the ticketed RBD shall not be used to determine a fare) still applies to this paragraph.

The group has also worked with the IATA Manager of Tariffs to clarify how an applicable fare is selected. We have added a reference to the IATA resolution for fare selection, and also propose the paragraph specifies "fare owning" carrier.

The Working Group proposes the 2<sup>nd</sup> paragraph of A2 Paragraph 3 be amended as follows:

**Effective Date: 01 November 2018**

*The Applicable fare shall be based on the published Fare Basis as indicated on the ticket. Should the Fare Basis not be found in a tariff available to the general public it shall be assumed that the fare is of a "private" type. Unless bilaterally agreed between carriers, a "private fare" type will not be deemed an "applicable fare". When a carrier lifts and bills the ticketing carrier for a private fare type it will do so based on the lowest applicable published fare of the ticketed **fare owning carrier as selected in accordance with Passenger Tariff Resolution 017ha Fare Selection Criteria.** ~~determined in accordance with standard fare selection rules between the origin and destination of the fare break on the ticket. Should the ticketed carrier not have a carrier fare on file Should no such fare be filed~~ in a Public Tariff, then the lowest ~~applicable IATA fare will be used (YY)~~ **sector fare published by the receiving carrier will be used.***

All other paragraphs within A2 Paragraph 3 remain unchanged.



**Subject: Provision of dedicated source codes for involuntary re-route – RAM Chapter A9, Attachment G**

Submitted by: IBS OPS WG

**Background:**

The IBS OPS WG has been tasked by the IATA Financial Committee (FINCOM) to reduce the level of billing disputes within the airline industry. Improved billing information will help carriers understand why they have been billed, and will contribute to a reduction of rejections as a result.

**Problem:**

Coupons which have been involuntary re-routed form a large proportion of industry billings, and unfortunately, a larger proportion of industry rejections. Other than the information displayed on the billed ticket, there is no indication on a prime billing that the coupon is being billed as a result of involuntary reroute.

**Proposed Solution:**

Provision of such information will help the billed carrier identify why, and possibly how it has been billed. Carriers who audit their billings by source code will find the code useful. The IBS OPS WG proposes that prime billings, and rejections against prime billings ~~should~~ **may** carry the following source code when settled as a result of an involuntary re-route:

- 31 - Prime Billing
- 34 - 1st stage Rejection
- 35 - 2nd stage Rejection
- 36 - 3rd stage Rejection

Airlines are encouraged to use the codes in all cases of involuntary re-route billings. If approved, the RAM editor group will be tasked to add these source codes to the appropriate attachments in RAM Chapter A9 Attachment G.

The SIS team will be asked to validate use of the source codes as per existing standards (i.e. use of source code 31 is considered optional, with subsequent use of **either** 34, 35 and 36 **or 4, 5 and 6** being mandatory).



**Subject: Detailed Rejection Reason – RAM Chapter A10, Paragraph 2.3**

Submitted by: IBS OPS WG

**Background:**

This paragraph tells us what information or supporting documentation a rejecting airline shall provide in order to help the billing airline understand, process, and hopefully accept the adjustment to their billing. The IBS OPS WG continues to look for causes of unnecessary rejections and we believe this proposal will help reduce the number of billings for involuntary reroute progressing into 2<sup>nd</sup> or 3<sup>rd</sup> stage rejection or, worse still, correspondence.

**Problem:**

Tickets uplifted as involuntary reroute sometimes need to be settled at the lowest applicable published fare as per RAM Paragraph 3. Although the original carrier routing, fare basis etc. are carried over onto the re-issued ticket, this is not sufficient information to help the billing airline find the correct lowest applicable fare satisfying the requirements of the original journey. Issuing airlines frequently don't give any details of the original journey in their 1<sup>st</sup> stage rejection. Often items reach correspondence before an original ticket image is shared, and finally the carriers agree the correct lowest applicable fare.

**Proposed Solution:**

The Working Group believe we can cut an average two rejection stages from this wasteful process.

We propose that where an involuntary re-routed ticket is rejected at 1<sup>st</sup> stage, the rejection must include an image of the original ticket showing the original ticketed journey. Paragraph 2.3 will be amended as follows:

**2.3.10 Involuntary Reroute (MANDATORY)**

Electronic copy (image as specified in RAM A3 Attachment A) of the original document showing full details of the original ticketed journey.

We propose the current paragraph **2.3.10** "Other" be re-numbered **2.3.11**



**Subject: Passenger Rejections – RAM Chapter A10, Paragraph 4.1.1**

Submitted by: British Airways

**Background:**

This paragraph guides airlines on how they should populate the value fields in a passenger rejection memo – specifically the amounts billed, accepted, and rejected.

**Problem:**

This is a simple proposal to replace the word “amount” in the last line of text in this paragraph. To successfully submit a rejection to SIS, the adjusting airline’s “amount” being rejected must be the exact difference between the value billed and the value rejected. Aligning the RAM wording with the actual SIS validation is a small but appropriate edit.

**Proposed Solution:**

We propose the word “amount” be replaced with “difference” as shown below.

4.1.1 On the rejection memo, the airline raising the rejection shall separately specify for each value component they reject (Gross, ISC, Other Commission, UATP, Handling Fee, Tax and VAT) the total value of the latest charge from the other carrier, the total value they accept, and, finally the ~~amount~~ difference being rejected. All values shall be shown in the currency of listing.



**Subject: Correspondence, General Requirements – RAM Chapter A10, Paragraphs 5.2.1.2 and 5.2.1.4**

Submitted by: IBS OPS WG

**Background:**

These two paragraphs explain how 3<sup>rd</sup> stage rejections may be combined into a single item of correspondence. Multiple items may be included in one correspondence if the items share the same reason. If the items are rejected for prorate difference there is a further requirement that they all share the same routing, carrying airlines and ATBP.

**Problem:**

Although 5.2.1.2 is quite clear, paragraph 5.2.1.4 unintentionally contradicts the rule with the following words which we have underlined.

*“Any repetitive errors of less than USD 50.00 per item may be combined and entered into correspondence when the total amount is USD 50.00 or more and the items in dispute have the same routing, carrying airlines and amount to be prorated”*

...this is wrong because a restriction intended for “prorate difference” items is being applied to “any” item, even where the disputed items do not involve proration.

**Proposed Solution:**

The Working Group propose this error be corrected with the following re-draft of the two paragraphs:

5.2.1.2 No more than one item may be included in each letter unless all items in dispute ~~are for exactly~~ **share** the same reason **code. Additionally**, in the case of “prorate difference”, one letter may reference multiple coupons provided the routing, carrying airlines and the amount to be prorated are the same.

5.2.1.4 Correspondence may be initiated only if the total value in dispute is USD 50.00 or more. The minimum value amount applies to the net difference after any applicable Interline Service charge or UATP Issuer discount is deducted. **Subject to the grouping criteria of 5.2.1.2 being met**, ~~Any~~ repetitive errors of less than USD 50.00 per item may be combined and entered into correspondence when the total amount is USD 50.00 or more. ~~and the items in dispute have the same routing, carrying airlines and amount to be prorated.~~





**Subject: Clarify the minimum value amount for correspondence, RAM Chapter A10, Paragraph 5.2.1.4**

Submitted by: All Nippon Airlines

**Background:**

RAM chapter A10, Paragraph 5.2.1.4 states "Correspondence may be initiated only if the total value in dispute is USD 50.00 or more. The minimum value amount applies to the net difference after any applicable Interline Service charge or UATP Issuer discount is deducted. Any repetitive errors of less than USD 50.00 per item may be combined and entered into correspondence when the total amount is USD 50.00 or more and the items in dispute have the same routing, carrying airlines and amount to be prorated."

**Problem:**

The paragraph states the minimum value amount for initiating correspondence. However, the total value in dispute may change to less than USD50.00 after reevaluation during subsequent correspondence stages and the current paragraph doesn't state the minimum value for subsequent correspondence stages.

It causes the dispute when the total value in dispute is less than USD 50.00 due to the different understanding from unclear statement of the USD 50.00 on paragraph 5.2.1.4 and some carrier may be required to withdraw correspondence.

**Proposed solution:**

As per IATA and IBS OPS working group, the USD 50.00 of minimum value applies only at initiating correspondence 1st stage. Therefore, we propose wording update RAM Chapter A10, Paragraph 5.2.1.4 in order to clarify the USD 50.00 for avoiding unnecessary dispute and high workload for correspondence stage as follows:

**Chapter A10, Paragraph 5.2.1.4**

Correspondence may be initiated only if the total value in dispute is USD 50.00 or more. The minimum value amount applies to the net difference after any applicable Interline Service charge or UATP Issuer discount is deducted. Any repetitive errors of less than USD 50.00 per item may be combined and entered into correspondence when the total amount is USD 50.00 or more and the items in dispute have the same routing, carrying airlines and amount to be prorated. **The USD 50.00 mentioned above is the minimum value amount at initiating correspondence 1st stage and is not the minimum value for the subsequent correspondence stages.**

**Subject: Correspondence amount after final rejection (Non – Sample) – RAM Chapter A10, Paragraph 5.3**

Submitted By: American Airlines

**Background:**

Currently, IATA RAM rules allow an airline to increase or decrease the amount in dispute at any non-sample rejection and correspondence stage as long as it is within time limits.

**Problem:**

In occasions when the amount submitted in correspondence is higher than the amount rejected in the final rejection stage, another level of complexity is added. Introducing new areas of contention at the correspondence stage just results in lengthening the time it takes to resolve a billing dispute. Thus, for these reasons and to avoid a prolonged resolution of amounts in dispute, it is necessary to put a provision in place stipulating that the correspondence amount should not exceed the amount in dispute at the final rejection stage. This would also facilitate programmatically matching a correspondence amount against the underlying final source code. Likewise, an increase in the correspondence amount should not be allowed in subsequent correspondence stages for the same reason cited above.

**Proposed Solution:**

Delete the portion in A10 5.3 referencing correspondence which allows the honoring or issuing airline to increase or decrease the previous evaluation at the correspondence stage. This shall be renumbered as 5.3.1:

**A10 5.3 Changes in Billing Values**

**5.3.1** Both the carrying Airline A and the issuing Airline B are entitled to increase or decrease their previous evaluations during any rejection ~~correspondence~~ stage provided that the time limit applicable to that stage is met

Add another provision in 5.3 to be numbered 5.3.2 indicating that the correspondence value should not exceed the amount in dispute at the final rejection stage nor in any subsequent correspondence stage, as follows:

**5.3.2** Correspondence values should not exceed the amount of rejection in the final rejection. If several items are lumped into one correspondence, the total amount should not exceed the aggregate of the total rejections. Furthermore, an increase in the disputed amount in correspondence will not be allowed in subsequent correspondence stages.

This revision aligns the RAM with provisions in the ACH Manual of procedures which prohibits an increase in the amount in dispute at the correspondence stage.

**Subject: Supplementary Charges – RAM Chapter A10, Paragraph 5.4**

Submitted by: China Eastern

**Background:**

RAM A10 does not have any provisions to declare the rules of supplementary rejection/correspondence charges.

**Problem:**

Some airlines reject a supplementary rejection charge as the value is less than USD200 per individual coupon.

An example might be:

Carrying airline A billed issuing airline B with USD1000.

- B rejected A of USD50 in the 1st stage rejection with SC04.
- B made a supplementary rejection charge of USD20 with SC09 ten days later.
- A refused to accept the supplementary rejection charge as the value is less than USD200 according to RAM A2, paragraph 1.12.1.

**Proposed solution:**

Add new paragraph 5.4 in RAM Chapter A10 below.

**5.4 Supplementary Charges**

Supplementary rejection/correspondence charges can be raised against a previously rejected value during a same rejection/correspondence stage if necessary.

Note: The minimum value for the supplementary rejection/correspondence charges shall comply with RAM A10, paragraph 3.1.

**Subject: Minimum Value for Invoices – RAM Chapter A13, Paragraph 2.2.1**

Submitted by: SIS Operations

**Background:**

RAM Chapter A13, Paragraph 2.2.1 states: Invoices should not be issued for less than USD 25, however multiple items, of less than the minimum value each, may be combined on a single invoice totaling USD 25 or more, providing that they all have the same Charge Category.

**Problem:**

While the minimum value was important in the past to avoid costs of processing lower value invoices, most airlines now have better financial systems to auto reconcile and post them.

Having a minimum value validation causes a few problems in an e-Invoicing scenario

1. When the billing member needs to invoice lower than the minimum amount, they have to hold on to their billings till they have similar transactions to reach the minimum amount. It sometimes takes months to bill, as they need to reach the minimum threshold. It can also lead to internal audit queries during annual closing of accounts on why there are delays in invoicing.
2. When the billed member receives such clubbed invoices they then have to spend time manually reconciling their billings across months.
3. With the onboarding of more airline suppliers (Airports, ATC, Ground Handlers etc.) there is an increase in the number of less than USD 25 transactions that need to be invoiced. For example – Mishandled baggage, Airport pass for an airline employee etc.
4. The IATA resolution 780 for Mishandled baggage in 2015 also removed their minimum value of USD 25 for recharging the delivery carrier.
5. Due to legal requirements, there are scenarios where '0' value invoices need to be sent.

Currently the minimum value validation for miscellaneous invoices is switched off in SIS and members can exchange values less than USD 25.

Analysis was carried out in SIS to determine the number of miscellaneous invoices exchanged in 2016 with less than USD 25 value.

- More than 8,400 invoices for less than USD 25 issued
- Total of 164 billing members raised these invoices

We would like to remove the minimum value clause **with reference to Miscellaneous** in the RAM to avoid confusion. It is recommended for airlines to include any minimum value invoicing clause in their agreement with their partners.

**Proposed Solution:**

1. RAM Chapter A13, paragraph 2.2.1 should be replaced with the following sentence **'There is no limit on the minimum value for invoices. Invoices of any value can be exchanged.'**



**Subject: Adjustments of Billings – RAM Chapter A13, Paragraph 4.4 Rejection Time limits**

Submitted by: Emirates Airlines

**Background:**

If an airline or party receives billing from another airline or party, the billed airline or party has six months' time from the billing month/period to make the rejection.

**Problem:**

The definition of the time frame to raise a rejection for miscellaneous billing as per A13, paragraph 4.4 is six months from the billing date of the original debit. It is not clear whether rejecting airline or party can reject the billing in period 4 of the 6<sup>th</sup> month.

**Proposed solution:**

Amend RAM A13, paragraph 4.4 as follow for better clarity in line passenger and cargo rejection:

Initial rejection of the original billing shall be rendered not later than the fourth period of the 6<sup>th</sup> Clearance Month after that in which original billing is included. ~~within six months from the billing date of the original billing.~~ Example: Invoices submitted July-2015, P1-P4 may be rejected at the latest by period 4 of January 2016 Clearance closing 8<sup>th</sup> February 2016.



**Subject: Minimum correspondence amount in Sampling Settlement – RAM Chapter B1, Attachment A, Paragraph 10.1.7**

Submitted by RAM Editor Group

**Background:**

In interline settlement the Basic Billing rules as per RAM Chapter A apply except as otherwise mentioned in B Chapters.

Exceptions to the Basic Billing rules for Interline Settlement on a Sampling Basis are described in RAM, Chapter B1, Attachment A.

**Problem:**

The present RAM rule under Chapter B1, Attachment A, Paragraph 10.1.7 states:

“On receiving the Form xF, the carrying airline if still in disagreement with the issuing airline must initiate correspondence via IS-WEB, no later than four months after the closure date of the period four clearance in which the Form xF was included.”

An indication which minimum amount applies for Sampling Settlement is missing.

**Proposed Solution:**

Adjust RAM Chapter B1, Attachment A, Paragraph 10.1.7 for clarification purposes:

On receiving the Form xF, the carrying airline if still in disagreement with the issuing airline must initiate correspondence in accordance with RAM Chapter A10, Paragraph 5.2 via IS-WEB, no later than four months after the closure date of the period four clearance in which the Form xF was included. When initiating correspondence resulting from Form xF, the applicable Sampling Constant must be observed.



**Subject: Correspondence amount after final rejection (Sample) – RAM Chapter B1, Paragraph 10.1.7**

Submitted By: American Airlines

**Background:**

Currently, IATA RAM rules are silent in allowing an airline to increase or decrease the amount in dispute at the correspondence stage as long as it is within time limits

**Problem:**

In occasions when the amount submitted in correspondence is higher than the amount rejected in the final rejection source code 56, another level of complexity is added in the dispute since certain issues that were not brought up in the disputed billing from the preceding source codes 55 and 56 are introduced at the correspondence stage when there was no mention of the issue during the previous rejection stages. Introducing new areas of contention at the correspondence stage just results in lengthening the time it takes to resolve a billing dispute. Thus, for these reasons and to avoid a prolonged resolution of amounts in dispute, it is necessary to put a provision in place stipulating that the correspondence amount should not exceed the amount in dispute at the final rejection stage. This would also facilitate programmatically matching a correspondence amount against the underlying source code 56. Likewise, an increase in the correspondence amount should not be allowed in subsequent correspondence stages for the same reason cited above

**Proposed Solution:**

Add another provision in sample guideline B1 10.1.7 indicating that the correspondence value should not exceed the amount of rejection at the Form XF stage, as follows

Existing B1 10.1.7 provision

On receiving the Form XF, the carrying airline if still in disagreement with the issuing airline must initiate correspondence via IS-WEB no later than four months after the closure date of the period four clearance in which the Form XF was included.

**Additional Provision:**

The amount requested at the correspondence stage shall not exceed the amount rejected at the Form XF (SC 56) stage. Furthermore, an increase in the disputed amount in correspondence will not be allowed in subsequent correspondence stages.

This revision aligns the RAM with provisions in the ACH Manual of procedures which prohibits an increase in the amount in dispute at the correspondence stage.



**Subject: RAM Chapter B8 - ENHANCED DISTRIBUTION CAPABILITY (Housekeeping/Clarification)**

Submitted by: Swiss

**Introduction:**

This paper is for clarification purposes, to include TFC changes in RAM Chapter B8 (NDC) as per the below:

1. Resolution 787 describes an enhanced distribution model allowing more real time dynamic interaction between all parties: airlines, distributors and travel agents. Within this model, a request to create an order may be initiated by an agent or any other entity authorized by the carrier.

2. Airlines may bilaterally enter into arrangements under which enhanced distribution capability is used to request flights and services, to obtain settlement values for such flights and services, and to sell such services on behalf of others. When such an arrangement is entered into, the following shall apply unless otherwise agreed.

(a) Each Offer Responsible Airline (or Issuing Airline, if different) agrees to pay to each Participating Offer Airline the Settlement Value offered by the Participating Offer Airline and accepted by the Offer Responsible Airline for the transportation and any other services performed by the Participating Offer Airline. Where a Settlement Value has been offered and accepted, this value will be used for billing in place of the applicable fare, or prorate portion thereof

~~(b) Each Offer Responsible Airline (or Issuing Airline, if different) agrees to pay to each Participating Offer Airline any additional transportation or non-transportation charges collected by the issuing airline for the payment of which the participating offer airline is responsible, in accordance with applicable regulations and current clearance procedures of the IATA Clearing House.~~

(b) Each Offer Responsible Airline (or Issuing Airline, if different) agrees to pay to each Participating Offer Airline only the Taxes, Fees and Charges (TFCs) offered by the Participating Offer Airline and accepted by the Offer Responsible Airline. Where TFC have been offered and accepted, these values will be used for billing, regardless of the actual value.

(c) An exception to paragraph b above will apply only for TFCs that the Participating Offer Airline (or operating carrier, where different) must remit, where these TFCs are based on the value paid by the customer. For these TFCs only, the Participating Carrier may [insert details of NDC message indicator]. Where this has been included in an accepted offer, the Offer Responsible Airline (or Issuing Airline, if different) should calculate the amount of the TFC. The Offer Responsible Airline (or Issuing Airline) agrees to pay to the Participating Offer Airline (or Operating Airline, if different) this TFC amount applicable at the time of ticket sale to the transportation performed by such carrying airline.

(d) No interline service charge shall be paid by one party to the other for any sale made, except such interline service charges as the parties may have explicitly agreed when enhanced distribution capability is used.

3. For the purposes of this section, the following definitions apply:

(a) "SETTLEMENT VALUE" means a value proposed by a Participating Offer Airline and accepted an Offer Responsible Airline for the provision of a flight or services.

(b) "OFFER RESPONSIBLE AIRLINE" means the carrier who returns a combined offer to a customer, using enhanced distribution capability, of one or more flights or services in response to a request from a customer. Such a request may be initiated by an agent or any other entity authorized by the airline.

(c) "PARTICIPATING OFFER AIRLINE" means the carrier who offers, using enhanced distribution capability, one or more flights and/or services in response to a request from another airline.





**Subject: Housekeeping: RAM Removal of Paper Traffic Documents & FIMs**

Submitted by: Secretary

**Background/Problem:**

Many paragraphs of the RAM will need to be edited and/or rewritten based on the removal of Paper Traffic Documents and FIMs in accordance with the recently rescinded Resolutions. The proposed changes should be submitted to the General Meeting (WFS Sept. 2017) for information purposes as a House keeping item.

The intent of these amendments is not to change the process just to align the RAM with the Resolution change and the removal of paper.

**Proposed solution:**

RAM Editor Group to update the Revenue Accounting Manual with the following paragraphs at the beginning of RAM Chapter A2:

Throughout this manual all references to flight coupons shall include segments of electronic tickets, physical flight coupons and/or computer generated ticket image facsimiles thereof, based on ticketing system data and conforming to RAM Chapter A3, Paragraph 1.5.

Note: The 36th Edition of the Passenger Services Conference Resolution Manual (PSCRM) effective from 1 June 2016 removed all references to paper traffic documents, and as such they are no longer supported. Any documents issued (or reissued) on or after 1 June 2016 must be electronic. Paper traffic documents issued before this date, under the provisions of the previously effective resolutions published in the 35th Edition should be honored in accordance with those resolutions. From 1 June 2016, the industry default for all ticketing processes will be electronic. This also includes the removal of Flight Interruption Manifests (FIMs) as an interline procedure. Instead all documents must be reissued to the New Operating Carrier.

Note: Limited Exception for Interline Paper Excess Baggage Tickets

In recognition of the limited implementation of interline EMD capability, the Passenger Services Conference (PSC) agreed to allow an exception for Excess Baggage Tickets (EBTs). Carriers who wish to interline excess baggage charges and who do not have interline EMD capability may continue to issue paper EBTs. This exception applies for one year up to and including 31 May 2018, and will be reviewed by the PSC in October 2017.



**Subject: Housekeeping: RAM Removal of Paper Traffic Documents & FIMs .../cont.**

Submitted by: Secretary

In addition, the following RAM paragraphs will be reviewed in 2018 by the Editor Group to align with the Resolution changes:

Excess Baggage		FIMs		MCO	
RAM Chapter	Paragraph	RAM Chapter	Paragraph	RAM Chapter	Paragraph
A2	Header	Introduction	7	Definition	
A2	1.1.4	A2	1.3.2.2	A2	Intro
A2	1.2	A2	1.8.2.3	A2	1.3
A2	1.2.2	A2	2	A2	1.3.1
A2	1.2.2.1	A2	2.6.1.1	A2	1.3.1.1
A2	1.5.1, Note 4	A2	2.6.1.1, Note 1	A2	1.3.1.2
A2	1.5.1, Note 5	A2	2.6.1.1, Note 2	A2	1.3.1.2, Example
A2	1.7	A2	2.6.1.1, Note 3	A2	1.4
A2	1.12.1	A2	2.6.1.1, Example 1	A2	1.4.1
A2	2.6.1.1	A2	2.6.1.1, Example 2	A2	1.4.2
A2	2.6.2.1	A2	2.6.1.2	A2	1.4.2, Note
A2	2.6.2.1, Note 2	A2	2.6.1.2, Note 2	A2	1.5
A3	Header	A2	2.6.1.3	A2	1.5.1
A3	1.6.1 (j)	A2	2.6.2.1	A2	1.5.1, Note 1
A3, Attachment B	Example 2	A2	2.6.2.1, Note 1	A2	1.5.1, Note 3
A3	3.1	A2	2.6.2.1, Note 2	A2	1.5.1, Note 4
A9, Attachment G	Source Code 23	A2	2.6.2.5	A2	1.5.1, Note 5
A9, Attachment G	Source Code 25	A3	3	A2	1.5.1, Example 1
A12	1.3.5	A9	5.1.4	A2	1.5.1, Example 2
B1	2.1 (f)	A9, Attachment B	6	A2	1.5.1, Example 3
B2	3.1.5	A9, Attachment C	16	A2	1.5.1, Example 4
B11	1.3.2.4	A9, Attachment D	7	A2	1.5.1, Example 5
B11, Attachment A	Appendix E	A9, Attachment E	7	A2	1.5.1, Example 6
B12	1.2 (7)	A9, Attachment G	Source Code 14	A2	1.9.1
		A9, Attachment G	Source Code 44	A4	3.3
		A9, Attachment G	Source Code 45	A9, Attachment C	1
		A9, Attachment G	Source Code 46	A11	3 (a)
<b>PTA</b>		A10	2.3.9	A11	4.1
<b>RAM Chapter</b>	<b>Paragraph</b>	A10	2.4.1	A12	1.1
Definitions		A10	4.1.2	A12	1.1.3
A2	1.3	A10	4.2.1	A12	1.3.2
A2	1.5	B11	1	A12	1.3.4
A2	1.5.1	B11	1.3.1	A13, Attachment A	1
A2	1.5.1, Note 1	B11	1.3.2.1.1		
A2	1.5.1, Note 2	B11	1.3.2.1.2		
A2	1.5.1, Note 4	B11	1.3.2.1.2, footnote ref		
A2	1.5.1, Note 5	B11	1.3.2.4	<b>Paper Documents</b>	
A2	1.5.1, Example 1	B11, Attachment A	3.5	<b>RAM Chapter</b>	<b>Paragraph</b>
A2	1.5.1, Example 2	B11, Attachment A	3.8	A2	1.2
A2	1.5.1, Example 3	B11, Attachment A	4.1	A2	1.3
A2	1.5.1, Example 4	B11, Attachment A	4.2	A2	1.8.3
A2	1.5.1, Example 6	B11, Attachment A	7.1.1	A3	4.1
A2	1.5.2	B11, Attachment A	7.1.3	A4	2.1.1
A2	1.8.1	B11, Attachment A	7.1.7	A7	Intro
A3	3	B11, Attachment A	9.3	A8	4.2.1
A12	1.1	B11, Attachment A	Appendix D	A9	Intro
A12	1.3.2	B16, Attachment D	4.1	A9, Attachment G	Source Code 25
A12	1.3.4			A9, Attachment G	Source Code 26
B1	2 (f)			A10	4.2.1
B13	1.2 (8)			A13	Intro
		<b>MPD</b>		A13, Attachment D	8.1.1
		<b>RAM Chapter</b>	<b>Paragraph</b>	B1	4.2, Note
		Definitions	2	B1	5.5.2
		A2	Intro		



**Subject: Housekeeping/Information Item – RAM Chapter B13: UATP**

Submitted by: IATA, Secretary

Agenda Item P26

**RAM Chapter B13 – UATP**

UATP have been contacted and requested to update RAM Chapter B13 accordingly.



**Subject: Billing procedures for Part Shipments – RAM Chapter A5, Paragraph 1.3 (Cargo)**

Submitted by: Air Canada

**Background:**

RAM Chapter A5, 1.3 Part Shipment Billings states “Transportation charges billed against each part of a part shipment shall be in the same ratio to the total charges as the weight of the part shipment is to the weight of the total shipment. (See also Chapter A6 Paragraph 1.5).

**Problem:**

The paragraph does not reflect this this is applicable to prepaid shipments; however, it references chapter A6 paragraph 1.5 which is specific to collect shipments. A5, 1.3 does not define billing procedures for prepaid shipment between airlines with special prorate agreement. Recommendation is to include the same wording as Chapter A6, 1.5 and specify Prepaid shipments in A5 1.3.

**Proposed Solution, Revised Wording RAM Chapter A5:**

**1.3 Part Shipment Billings Prepaid Shipments**

Transportation charges billed against each part of a part shipments shall be in the same ratio to the total charges as the weight of the part shipment is to the weight of the total shipment. (For Collect shipments, see also Chapter A6 Paragraph 1.5).

In the case of Part shipment, transportation charges shall be billed in the same ratio as to the weight of the total shipment.

In the case of airlines with Special Prorate agreement for cargo traffic moving jointly on the services of either Airline A&B of agreement shall be calculated in accordance with terms stipulated in agreement.

Airline A is host on prepaid shipment.

Routing; YYZ-YVR(A)-AKL(B) 1000.0kg Airline B SPA rate 1.00 YVR-AKL @ 45.0kg min.

Proration should be as follows-Part shipment A, B, C, D, & E:

A	500.0KG	\$500.00
B	100.0KG	\$100.00
C	100.0KG	\$100.00
D	280.0KG	\$280.00
E	20.0KG	\$20.00 (Versus Factor based Proration)
<b>Total</b>	<b>A1000.0kg</b>	<b>The total equals \$1000.00 due to Airline B</b>

The minimum of 45 Kgs is applicable for the whole shipment as outlined in the SPA. Part shipment E should apply SPA and not Factor Based Proration. Minimum of 45KGs met as the total shipment is 1000 KGs even if one part of the shipment is less than 45KGs.



## 6<sup>th</sup> SIS General Meeting, 25 September 2017 Agenda

### Administration Items:

- A1** Opening of Meeting
- A2** Competition Law Guidelines for IATA Industry Meetings
- A3** Welcome Presentation and Delegate Introductions
- A4** Approval of the Minutes from the 5<sup>th</sup> SIS General Meeting
- A5** Date and Place Next General Meeting
- A6** Any Other Business
- A7** Vendor Prize Draws
- A8** Close of Meeting

### SIS GM Updates and Reporting items:

- SR1** Welcome Presentation
- SR2** Report from the SIS Steering Group
- SR3** Industry Economic Performance Update
- SR4** SIS GM5 Action items Update
- SR5** SIS General Update
- SR6** New Gen ISS
- SR7** New Industry Accounting Rules - IFRS 15 - Revenue Recognition Standards
- SR8** Supplier to Airlines e-Invoicing updates
- SR9** Dublin Airport journey towards SIS
- SR10** Data Quality – Miscellaneous
- SR11** Do you Know? - SIS Educational Sessions
- SR12** SIS as Automation Enabler
- SR13** SIS Customer Satisfaction Survey - Key Learnings
- SR14** SIS Solution Update
- SR15** SAI - Supplier to Airline e-Invoicing Project Update
- SR16** IATA Financial Gateway
- SR17** A look into the future

SIS Item	Subject	From	Impacts:		
			RAM	SIS	ICH
<b>S1</b>	IS Correspondence with Multiple Attachment	Emirates		✓	
<b>S2</b>	IS-Web – Correspondence Search Criteria	Airberlin		✓	
<b>S3</b>	Include previous correspondence text when replying to a correspondence	Srilankan Airlines		✓	
<b>S4</b>	Alignment of field size between IS-IDEC and IS-XML file formats	SIS OPS		✓	
<b>S5</b>	Include a 'Reply' button in the correspondence audit trail	SIS OPS		✓	
<b>S6</b>	SIS Pricing revisions	SIS OPS	✓	✓	



For your information, below is an extract from the Participation Agreement (ISPA) outlining the steps to perform amendments to SIS.

## **6. MODIFICATIONS**

- 6.1 Amendments to System functionality may be submitted as a proposal to the SIS General Meeting duly convened in accordance with paragraph 5.2 and shall be referred initially to the SIS Steering Group for review. If accepted by the SIS Steering Group they will be referred to SIS Operations (as defined in Attachment C) for analysis and costing. SIS Operations shall develop the specifications and, at their discretion, confirm them with the e-Invoicing Standards Working Group (as defined in Attachment C). The final agreed proposal shall be submitted to the SIS Steering Group for approval. Changes to system functionality may be proposed by the Participants at any time before the deadline of the SIS General Meeting. Major changes to system functionality must be approved by IATA to ensure operational efficiency.
- 6.2 Amendments to System functionality as a result of industry mandated changes shall be initiated by the SIS Steering Group and referred to SIS Operations for review and costing. SIS Operations shall develop the specifications and, at their discretion, confirm them with the e-Invoicing Standards Working Group. The final agreed proposal shall be submitted to the SIS Steering Group for approval.
- 6.3 Amendments to the then current Agreement which are accepted by IATA and agreed by seventy five percent (75%) of those present at the SIS General Meeting, duly convened in accordance with paragraphs 5.2 and 5.3 shall become effective and shall be applied by all SIS Participants, as from a date which shall be determined by the SIS Participants present and entitled to vote at the SIS General Meeting.
- 6.4 To be eligible to vote for changes to this Agreement with Attachments, the Participant must be transmitting and receiving invoices through the Service.
- 6.5 Where changes to the RAM, ACH Manual of Procedure, or other industry rulings require changes to this Agreement, the SIS Steering Group is empowered to agree to the appropriate amendments to this Agreement. The SIS Steering Group shall notify the Participants of all amendments, giving their date of effectiveness.
- 6.6 In addition, when IATA's review of an operational and/or individual Participant problem suggests that an editorial change would improve understanding, IATA may make editorial amendments provided they do not change the intent of the Agreement and/or procedures. Editorial amendments that do not change the intent of the Agreement and/or procedures will be notified via the RAM. IATA will notify the ACH Secretary-Treasurer.
- 6.7 All changes and amendments made in accordance with paragraphs 6.5 and 6.6 above will be submitted to the next SIS General Meeting for final ratification.

**Subject: IS Correspondence with Multiple Attachment**

Submitted by: Emirates Airlines

**Background:**

Currently in IS Web when a user needs to attach supporting documents along with their response to the disputing carrier with multiple attachments. This is done by browsing and selecting each item separately and uploading it in IS Web.

**Problem:**

Attaching each item separately is very time consuming as there may be multiple attachments that need to be added to one correspondence.

**Proposed solution:**

SIS should allow users to browse and select multiple attachments and save the same in IS Web against a correspondence at one time.

# World Financial Symposium (WFS) 2017

## Simplified Invoicing and Settlement General Meeting

### AGENDA



#### Subject: IS-WEB, Correspondence Search Criteria

Submitted by: Airberlin

#### Background:

Presently in the Correspondence Search Criteria screen, the default search criteria displayed is restricted to a specific scenario:

From/To date – current date, mandatory  
Correspondence initiating member – self  
Correspondence status – open  
Correspondence sub status – received

#### Problem:

1. Search by Correspondence Ref.No  
In order to get the expected result, user has to fill in the mandatory fields and to also change the:
  - Correspondence Sub Status from Received to All
  - Correspondence Initiating Member from Self to Other carrier (in case it is no self-correspondence)
2. Correspondence was found, user clicked on Show audit trail and from audit trail user clicked on Billing History and Correspondence.

The previously used search criteria are deleted and the default search criteria are displayed.

#### Proposed Solution:

**Problem 1:** Set the default search criteria as follows:

#### **New set-up**

From/To date and Correspondence status to be optional and all other fields defaulted as per below print screen.

Correspondence Search Criteria

\* From Date: 21-Jun-17  
\* To Date: 21-Jun-17  
Member Code:  
Correspondence Owner: All  
Correspondence Initiating Member: Either  
Correspondence Ref. No.:  
\* Correspondence Status: All  
Correspondence Sub Status: All  
Authority To Bill: All  
Source Code:  
Number Of Days To Expiry:

Search Clear

Search Results

Actions	Transaction Type	Transaction Date	Transaction No.	Billing Code	Invoice No.	Member Code	Source Code	Rejection Stage	Reason Code	Correspondence Status	Correspondence Sub Status	Number Of Days To Expire	Authority To Bill	Transacti
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#### **Problem 2:**

When user clicks on Billing History and Correspondence from the Audit trail screen, the system shall display the previously used search criteria.

#### **New set-up**

Correspondence Search Criteria

\* From Date: 01-Apr-17  
\* To Date: 21-Jun-17  
Member Code:  
Correspondence Owner: All  
Correspondence Initiating Member: Either  
Correspondence Ref. No.: 75006497  
\* Correspondence Status: All  
Correspondence Sub Status: All  
Authority To Bill: All  
Source Code:  
Number Of Days To Expiry:

Search Clear



**Subject: Include previous correspondence text when replying to a correspondence**

Submitted by: Srilankan Airlines

**Background:**

Once the rejection cycle is over and the dispute on the billing is not settled, the entity receiving the last rejection invoice can initiate a Correspondence to pursue the case further. The process of Correspondence is managed via IS-WEB and this is the only medium available to the billing/billed entities to communicate.

**Problem:**

When replying to an existing correspondence the previous exchanges are not shown in the reply window forcing the users to work with separate tabs/windows in order to refer to the information received in the previous stages.

**Proposed solution:**

When replying to an existing correspondence the previous exchanges should be maintained in the reply window similar to the email functionality.

**Subject: Alignment of field size between IS-IDEC and IS-XML file formats**

Submitted by: SIS Ops

**Background:**

SIS participants have the option to submit PAX and CGO transactions manually via the IS-WEB interface or via IS-IDEC/IS-XML files. After each billing period, the system will generate for the billed member an IS-IDEC/IS-XML output file which includes all transactions received during the billing period. The submission format is independent from the output format chosen, meaning that participants can capture their transactions manually or via an IS-IDEC file and choose to receive the output in IS-XML format.

**Problem:**

While the two standards ensure a seamless transmission of input and output data regardless of the file format chosen, there are some minor differences in terms of field specifications between the two standards.

The 'ISC/UATP/OC percentage' field in the IS-IDEC standard is expected to have 3 decimal places while the corresponding field in the IS-XML standard ('AddOnChargePercentage') is expected to have only 2 decimal places. When generating IS-XML Output files for transactions received in IS-IDEC format, the system will round the value of the percentage to the nearest decimal but will not recalculate the final amount (i.e. ISC Amount) with the new percentage (with two decimal places); in some instances the difference between the two values is outside of the applicable tolerance causing rejections to fail validation.

**Proposed solution:**

To ensure 100% accuracy between the input and output data regardless of the input/output file format chosen, the field size for the 'AddOnChargePercentage' field **for PAX and CGO transactions** should be increased in the IS-XML standard to three decimal places.

**Subject: Include a 'Reply' button in the correspondence audit trail**

Submitted by: SIS Ops

**Background:**

Once the rejection cycle is over and the dispute on the billing is not settled, the entity receiving the last rejection invoice can initiate a Correspondence to pursue the case further. The process of Correspondence is managed via IS-WEB and this is the only medium available to the billing/billed entities to communicate.

**Problem:**

There is currently no limit on the number of iterations of Correspondence between the billing and billed entity and the full exchange can be viewed in one place only by accessing the Audit Trail. However, there is no 'Reply' option from the Audit Trail and users have to go back to the Billing History and Correspondence screen to reply to an existing correspondence.

**Proposed solution:**

Include a 'Reply' button when viewing the Audit Trail of a correspondence to allow users with the necessary permissions to reply directly from that screen directly without having to go back to the "Billing History and Correspondence" screen.



**Subject: SIS Pricing Revisions**

(Place Holder)