



IATA MEMBERSHIP

Today IATA represents some 290 Member airlines in over 120 countries. In an industry that safely flies over 2 billion passengers a year, IATA's Members carry 82% of the world's scheduled international air traffic.



How does IATA benefit its members?

Providing advocacy on a global, regional and local basis

- As an association representing the worldwide air transport industry, IATA maintains an international perspective and provides a unique **global voice** on behalf of its members, advocating for the economic and social 'value' that air transport can deliver and for the removal of obstacles that stand in the way of that value being realized.
- With over 60 offices worldwide, IATA maintains relationships with governments and other industry stakeholders around the world and is able to access key decision makers to **advocate** on behalf of its members. Through this global coverage, IATA also monitors emerging issues and regulatory trends, highlighting these to members via its Industry Affairs Committee.
- Members are able to shape IATA policy on a range of aeropolitical issues from unruly passengers to passenger rights, thereby influencing industry positions and benefitting from IATA advocacy resources, including its international brand.

Targeting key industry priorities

- **Safety** remains the industry's top priority and IATA assists its members in continuing to meet industry standards. IATA's safety strategy is a comprehensive approach to identify organizational, operational and emerging safety issues focusing on improved technology, regulatory harmonization, training and awareness. The IATA Operational Safety Audit (**IOSA**), which is mandatory for IATA membership, is a critical component of IATA's safety program. In 2017 the global accident rate was 1.08 per million sectors, compared to 0.50 for IATA members. The all-accident rate for airlines on the IOSA registry was nearly four times better than that of non-IOSA airlines (0.56 vs. 2.17). IOSA is being enhanced to widen its scope and will be known as E-IOSA. IATA Members are not required to pay the administration fees associated with the IOSA audits.
- IATA is actively working with **ICAO** to move towards the adoption of a performance based standard for global tracking of commercial aircraft as well as working to globally harmonize security measures and improve security processes.
- IATA is leading the charge on reducing the **environmental** impact of aviation and has developed a set of industry-wide targets to achieve our goals of sustainability through a four pillar strategy to (i) invest in new technology (ii) build and use efficient infrastructure (iii) fly using more efficient operations and (iv) use effective global market based measures (MBM). IATA is working closely with ICAO and member states to ensure there is a global MBM ready for 2020 to ensure carbon-neutral growth becomes a reality.

Driving industry change

- Members have the opportunity to help drive the industry's priorities and develop and adopt standards that impact all industry processes.
- ONE order is a key initiative that aims to replace the multiple and rigid booking, ticketing, delivery and accounting methods. It will facilitate 'network airlines' and 'low cost carriers' to interact and provide combined services to customers.

- Redefine the concept of codeshare and evolve the interline framework agreements between carriers.
- Reduce mishandled bags and increase efficiency in baggage operations. Member airlines benefit from various resources to implement baggage tracking.

Protecting airline money and reducing costs

- IATA's financial settlement systems (**ISS**) are the backbone of the global air transport industry, helping **contain costs, reduce cash flow and maximize efficiency**. Participation in ISS is offered to IATA members at either no cost or substantially reduced rates. A more detailed analysis comparing the costs for members vs. non-members is available below.
- Each year our teams save our member airlines millions of dollars in the areas of ATC charges, fuel and taxation. IATA advocates for smarter regulation, to promote the value of aviation and to reverse decisions that make it harder for airlines to provide connectivity.

Connecting

IATA's members are able to participate in a number of member conferences which offers unprecedented access to a variety of airline and industry partners. For example, the IATA Annual General Meeting (AGM) and World Air Transport Summit held in June, which brings together approximately 800 senior representatives from across the air transport value chain, including on average 120 airline CEO's.

Members may also participate in a wide range of committees and working groups supporting a variety of industry issues. Only IATA members may be nominated to participate in the

six IATA standing committees representing Cargo, Financial, Environment, Industry Affairs, Legal and Operations and IATA membership is also a requirement for participation in many of the individual Working Groups.

IATA helps members gain influence with the travel agent community through the **IATA Agency Program**.

Providing key commercial services and training

IATA offers a comprehensive suite of information products covering a variety of subjects and IATA members can receive discounts of up to 30% on a number of **IATA publications**

IATA's various programs, **products and services** help to strengthen the capabilities of aviation industry professionals. Discounts are available to IATA members in many cases.

IATA provides **training** to thousands of aviation professionals each year and its understanding of best practice, international standards and industry regulations ensures its training course address real workplace challenges. Courses are available to airline members at discounted rates in major fields such as passenger, cargo and safety.

IATA Membership Application

Who is eligible?

- Airlines operating air services (scheduled and/or non-scheduled, domestic and/or international) for the public transportation of passengers and/or cargo are eligible for IATA membership.
- An airline must be on the [IATA Operational Safety Audit \(IOSA\) Registry](#) before it can be approved as an IATA member.

What does it cost?

There are two one-time joining fees and then once an airline becomes a member, it has to pay annual dues.

One-time Joining fees

- An application fee of USD15,000 is charged once an airline has submitted the application form.
- An entrance fee of USD15,000 is charged once the administrative review is complete and the application is ready for final approval.

Annual Dues

- **A minimum fixed fee** which is paid equally by all IATA members. This varies each year depending on the number of members. For 2019 it is USD13,462.
- There is also a **variable fee** which will be ADDED to the fixed fee. This is based on the airlines traffic volume (calculated using either reported or estimated Revenue Tonne Kilometers (RTKM's) for passenger and cargo, both scheduled and non-scheduled.
- The variable portion calculation is not relevant to airlines with only domestic operations, which will pay only the minimum fixed fee. RTKM's for the two year's previous are used to calculate the current years dues (so 2017 RTKM's are used to calculate 2019 dues).
- A compulsory annual contribution of USD 500 towards the International Airline Training Fund ([IATF](#)) is charged to each member and invoiced at the same time as the annual dues.
- The annual dues are invoiced twice a year. 50% + the IATF in December for the first half of the following year and the remaining 50% in May/June for the second half.
- For new members, the annual dues are prorated to the month of entry in the year of joining.
- Airlines requiring an estimate of the potential variable fee can send a request to airlinemembership@iata.org.

What are the obligations of an IATA member?

- The grounds under which an airline's IATA membership may be terminated are outlined in the [Articles of Association](#) (Article V.6.c). Member airlines are therefore required to retain the authority to operate and retain IOSA

registration. Loss of either will result in a subsequent loss of membership eligibility.

- Members are obliged to submit data to IATA as part of the annual compilation of industry statistics. This is necessary to ensure IATA can accurately calculate the variable portion of the annual membership dues. Members must also pay the full invoice amount by the due date.
- Members are further required to submit total annual fuel consumption data to IATA through the Fuel Reporting platform.

What is the process?

- The application form should be completed and signed by the CEO.
- Supporting documents should be submitted. These include certified copies of the Air Operator Certificate (AOC) and Certificate of company registration plus copies of the insurance certificates for the fleet, audited financial statements, annual report or equivalent and the published airline schedule if relevant.
- IATA's membership department will review the application.
- Invoices for the one-time joining fees, annual dues and IATF will be sent to the airline.
- Following receipt of proof of payment the file will be submitted for final approval.

How do I apply?

- Airlines that are not on the IOSA registry and have not scheduled an audit should wait before submitting a membership application. Further information on IOSA is available at www.iata.org/iosa or by contacting IATA's IOSA team at iosa@iata.org.
- Airlines that are not on the IOSA registry but have scheduled an audit may request an application form but are requested to wait until the audit is nearing closure before submitting a membership application. Following audit closure, the report will undergo IATA's Quality Control (QC) procedure which may take several weeks. An application can be submitted and prepared at the same time to coincide with IOSA registration.
- Airlines that are already on the IOSA registry or have closed an audit can proceed with a membership application.
- Requests for application forms should be sent to airlinemembership@iata.org
- Any further enquiries on the application process can be addressed to:
Colette Ralph - Tel: +41 22 770 2938 - E-mail: ralphc@iata.org

Benefits of IATA Membership

Cost Benefits comparing IATA services between Members and Non-Members

	Fee Type	Costs (USD) Member	Costs (USD) Non-Member
<u>IATA 2 Character Designator Code</u>			
<ul style="list-style-type: none"> International recognition by the Airline industry community Publication in the IATA Airline Coding Directory and other industry publications 	Application and Assignment Fee	5,500	5,500
	Annual admin fee	-	1,400
	Annual retention fee	-	4,100
<u>IATA 3 Digit Airline Accounting Code for Passenger ticketing and applications (requires separate application)</u>			
<ul style="list-style-type: none"> Facilitates identification in Interline Passenger Accounting Procedures Publication in the IATA Airline Coding Directory and other industry publications 	Application and Assignment Fee	5,500	5,500
	Annual admin fee	-	1,400
	Annual retention fee	-	4,100
<u>IATA 3 Digit Airline prefix for Air Waybills and Applications (requires separate application)</u>			
<ul style="list-style-type: none"> Facilitates identification in Interline Cargo Accounting Procedures Published in the IATA Airline Coding Directory and other industry publications 	Application and Assignment Fee	5,500	5,500
	Annual admin fee	-	1,400
	Annual retention fee	-	4,100
<u>MITA - The IATA Multilateral Interline Traffic Agreement (requires separate application)</u>			
The cornerstone for the airlines interline network allowing airlines to accept each others tickets and air waybills	Application fee	4,500	4,500
	Annual fees	-	23,000 per participating airline (including 1 concurrence). Participants with 2 to 20 concurrences will pay an additional fee of USD 700 per concurrence and with 21 concurrences or more, will pay an additional fee of USD 130 per concurrence
	Information Message Service Fee	1,200	1,800
<u>IATA Clearing House (requires separate application)</u>			
<ul style="list-style-type: none"> Fast and efficient settlement of intercompany billings in multiple currencies Reduces collection work by consolidating all invoices into one claim and the use of a single claim-submission currency 	Deposit	5,000	5,000
	<ul style="list-style-type: none"> Opens access to an enlarged market, fast debt collection, improved receivables, cash management with reduced exposure to loss on exchange Provides additional protection in case of defaults, bankruptcies or cessation of operations. 	Annual Fee	-

Cost Benefits comparing IATA services between Members and Non-Members

	Fee Type	Annual costs (USD) Member	Annual costs (USD) Non-Member
SIS – Simplified Invoicing and Settlement			
<ul style="list-style-type: none"> ▪ Electronic invoicing between industry participants using standard structures supported by all airlines ▪ Direct link to IATA Clearing House for weekly settlement if required ▪ Industry standards enable automated posting and reconciliation of incoming invoices ▪ Substantial reduction in industry costs due to elimination of paper, shipping, reconciliation etc 		Prices vary and are dependent on transaction volumes and business types. IATA members may benefit from potential savings of 10-20% over non-member prices. Different ICH fees may also apply for SIS users. For a more detailed analysis please contact sis@iata.org .	
BSP – The IATA Billing and Settlement Plan			
<ul style="list-style-type: none"> ▪ Use of the 60,000 + IATA Agency network for the distribution of their product ▪ Standard reporting and remittance process ▪ Cash flow advantages and streamlined administration 	Joining Fee	USD5,000 (Standard for all BSP's)	USD7,500 (Inclusive of the 50% surcharge)
	Core Processing: SCU Cost	Based on 3 tiers (as per accumulated yearly volumes)	Based on 3 tiers (as per accumulated yearly volumes), with a 50% surcharge on the resulting SCU price
	Additional DPC Services	As per price list	As per price list , with a 50% surcharge
	Minimum Monthly Invoice	USD 750	USD1,125
	BSPLink User		
	One Basic User & One Enhanced User	One Free per market	Paid from the first license
	Additional Basic User	USD20	USD30
	Additional Enhanced User	USD95	USD142.5 (Inclusive of the 50% surcharge)

Cost Benefits comparing IATA services between Members and Non-Members

	Fee Type	Annual costs (USD) Member	Annual costs (USD) Non-Member
CASS – The Cargo Accounts Settlement System			
<ul style="list-style-type: none"> Simplifies the reporting & remittance of cargo sales, financial control and cash flow between carriers and cargo intermediaries 	Joining Fee	2,500	3,500
	Core Processing: SCU Cost	Based on 2 tiers (as per accumulated yearly volumes)	Based on 2 tiers (as per accumulated yearly volumes), with a 50% surcharge on the resulting SCU price
	Additional DPC Services	As per <u>Price List</u>	As per <u>price list</u> , with a 50% surcharge
	Minimum monthly invoice	EUR 50	EUR 75
Fuel Efficiency Program			
Baseline assessment <ul style="list-style-type: none"> Detailed assessment of the airline's fuel management processes and procedures Identify fuel savings in all operational activities of the areas under analysis 	Per Assessment	45,000 - 65,000	75,000 - 95,000
Complete program <ul style="list-style-type: none"> Starting with baseline assessment to full implementation support 	Per program	Customized based on airline needs	Customized based on airline needs
Operational Efficiency and Cost Management (OECM)			
<ul style="list-style-type: none"> On-site assessment of the airlines' management processes and procedures for the following areas: Flight Operations, Technical Operations, Ground Operations, Operations Control Centre (OCC) and Operations Planning Identify potential cost savings and efficiency gains in all operational activities of the areas under analysis Pricing can be customized depending on different workscope requirements 	Per Assessment	30,000 ¹ per area	40,000 ¹ per area
	Per Assessment	100,000 in all areas	140,000 in all areas
The IATA Operational Safety Audit (IOSA) (a pre-requisite for IATA Membership)			
<ul style="list-style-type: none"> Internationally recognized operational audit standards Reduction of costs and audit resource requirements for airlines and regulators Elimination of audit redundancy through mutual acceptance of audit reports 	Core fee (renewal cycle of between 19-23 months)	58,300 ²	58,300 ²
	Administration flat fee		15,000
Membership Fees and Dues			
Application Fee	One time Fee	15,000	
Entrance Fee	One time Fee	15,000	
Annual Dues Fixed Minimum (2019)	Annual Charge	13,462	
Variable Assessment	Annual Charge	Based on number of International RTKM's ² over 5m	
<u>International Airlines Training Fund</u>	Annual Charge	500	

¹Prices are indicative only and vary between airlines. Members may be entitled to receive discounts and detailed price quotes are available on request by contacting consulting@iata.org.

²Average cost. Actual cost dependent on geographical location, size of airline, facilities and corrective actions required.



www.iata.org/membership