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# **SIS Passenger Rejection Analysis (Jul – Sep 2016)**

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## 1. Method of measuring progress on the volume of rejections raised:

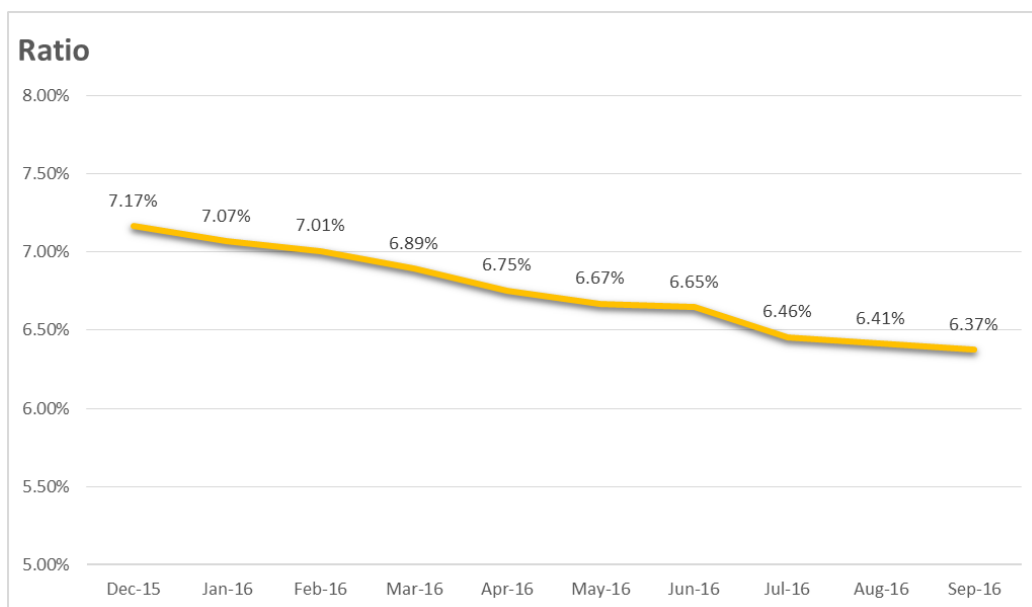
To obtain an estimate on the percentage of Prime billings rejected during a given period of time, the ratio of the sum of 1<sup>st</sup> stage rejections to the sum of prime billings submitted has been considered.

- The sum of Stage 1 rejections for 12 months over the sum of prime billings submitted during the previous 12 months:

$$\frac{\text{Sum of Stage 1 RMs of past 12 months}}{\text{Sum of Prime Billings of past 12 months}} \times 100\%$$

- Example:

$$\frac{\text{Sum of Stage 1 RMs of Oct 2015–Sep 2016}}{\text{Sum of Prime Billings of Oct 2015–Sep 2016}} \times 100\% = \frac{8,290,756}{130,073,935} \times 100\% = 6.37\%$$

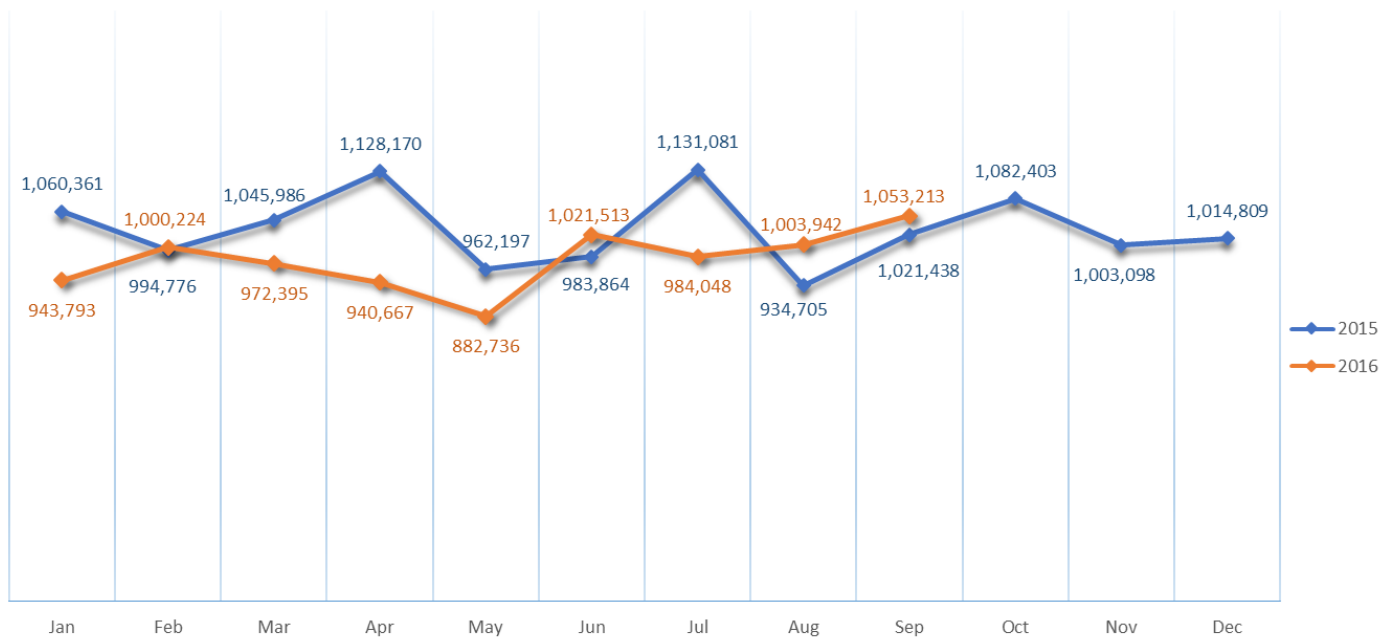


- Graph based on data from billing months January 2015 to September 2016.
- Dec 2015 is taken as the base. It takes into account the volumes processed for the entirety of 2015.
- As tracking of RM data started in 2015 and the formula considers the past 12 months, we are unable to provide a ratio for months before Dec 2015.

**Note:** All values in this document exclude SMI-A.

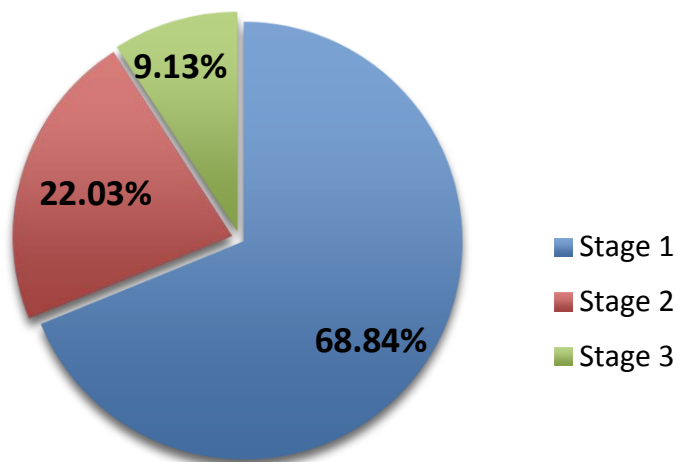
## 2. Global Rejection Analysis

### Total Rejection Memo Count by Month

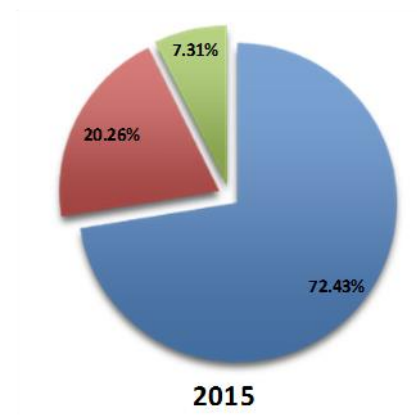


- Graph based on rejection memo counts of all stages.
- In comparison to the base year 2015, the average monthly rejection memo count has decreased by 5%.

### Total Rejection Memo Count by Stage



**Jan - Sep 2016**



**2015**

- While the analysis is mainly based on 1<sup>st</sup> stage rejections, the percentages of 2<sup>nd</sup> and 3<sup>rd</sup> stage rejections are also tracked.

## Q3 2016 – Total Rejection Memo Count and Value by Month

	Jul 2016	Aug 2016	Sep 2016	Total
<b>RM Count</b>	<b>984,048</b>	<b>1,003,942</b>	<b>1,053,213</b>	<b>3,041,203</b>
<b>USD Amount (Mill)</b>	<b>\$ 111.98</b>	<b>\$ 109.54</b>	<b>\$ 115.04</b>	<b>\$ 336.55</b>

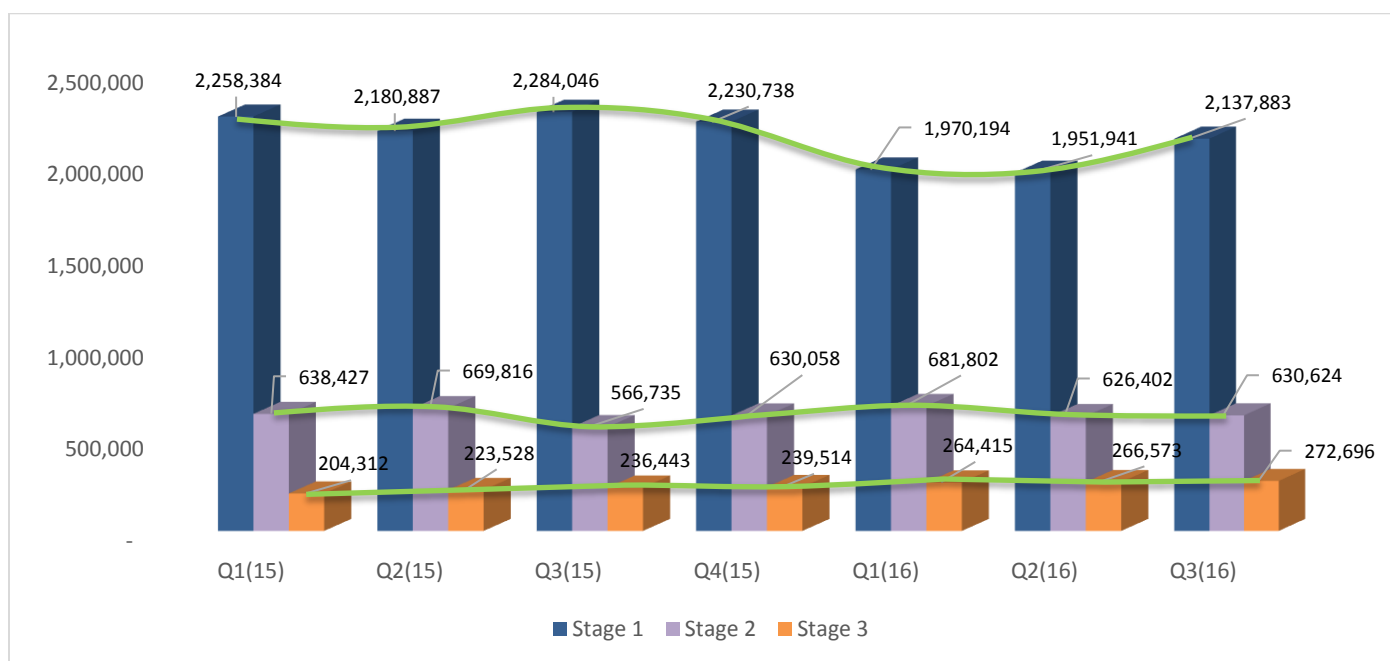
- In comparison to Q3 2015 (Jul - Sep 2015), the total rejection memo count has decreased by 1%, while the total amount has decreased by 17%.

## Average Rejection Memo Count and Value Comparison - Split by Stage

Stage	Avg. RM Count Jan - Sep 2016	Avg. RM Count Jan - Dec 2015		Avg. RM USD Amount (Mill) Jan - Sep 2016	Avg. RM USD Amount (Mill) Jan - Dec 2015	
Stage 1	673,335	746,171	↓	\$ 76.71	\$ 102.15	↓
Stage 2	215,425	208,753	↑	\$ 24.89	\$ 28.04	↓
Stage 3	89,298	75,316	↑	\$ 16.39	\$ 14.11	↑
<b>Total</b>	<b>978,059</b>	<b>1,030,241</b>	↓	<b>\$ 117.99</b>	<b>\$ 144.30</b>	↓

- In comparison to 2015, the average first stage rejection memo count per month has decreased by 10% during 2016. However, the average second and third stage rejection memos have both increased by 3% and 19%, respectively.

## Total Rejection Memo Count - Split by Quarter



- The total number of rejections has increased slightly in the third quarter of 2016, in comparison to the first two quarters of the year.

## 3. Non-Sampling Analysis: Rejections as per Settlement Method

### SMI - I/M: Average Rejection Memo Count by Stage (Excluding FIMS)

Avg. RM count	Avg. 1 <sup>st</sup> Stage		Avg. 2 <sup>nd</sup> Stage		Avg. 3 <sup>rd</sup> Stage		Avg. RM Count
Jan - Sep 2016	607,300	68%	206,644	23%	85,265	9%	899,209
Jan - Dec 2015	629,849	70%	199,785	22%	70,546	8%	900,180

- A comparison between the average RM count of Jan - Sep 2016 and Jan - Dec 2015 split by stage, along with the percentages of each stage from the total.

## SMI - B: Average Rejection Memo Count by Stage (Excluding FIMS)

Avg. RM count	Avg. 1 <sup>st</sup> Stage		Avg. 2 <sup>nd</sup> Stage		Avg. 3 <sup>rd</sup> Stage		Avg. RM Count
Jan - Sep 2016	58,006	88%	5,753	9%	2,222	3%	65,982
Jan - Dec 2015	104,749	93%	4,918	4%	2,543	2%	112,210

- A comparison between the average RM count of Jan - Sep 2016 and Jan - Dec 2015 split by stage, along with the percentages of each stage from the total.
- There is a 45% decrease in 1<sup>st</sup> stage rejection memos for SMI B in 2016 vs 2015.

## SMI - I/M: Reason code breakup as per average monthly Rejection Memo count

Reason Code SMI - I/M	Reason Description	1 <sup>st</sup> Stage Avg. Count and Percentage Jan - Sep 2016		1 <sup>st</sup> Stage Avg. Count and Percentage Jan - Dec 2015		Percentage change 2016 vs 2015	
1B	Fare Reclaim	243,226	40%	270,639	43%	↓	-10%
1G	Tax Reclaim	225,695	37%	215,954	34%	↑	5%
1A*	Fare/Tax/ISC	75,501	12%	77,450	12%	↓	-3%
1E	UATP Reclaim	18,410	3%	7,846	1%	↑	135%
5Z	Others	16,294	3%	19,487	3%	↓	-16%
1C	ISC Reclaim	13,662	2%	22,042	4%	↓	-38%
2B	Duplicate Billing	4,775	1%	6,869	1%	↓	-30%
	Other codes	9,737	2%	9,563	2%	↑	2%
	Total	607,300		629,849		↓	-4%

- Top 7 reason codes sorted as per 2016 counts

Reason Code SMI - I/M	Reason Description	2 <sup>nd</sup> Stage Avg. Count and Percentage Jan - Sep 2016		2 <sup>nd</sup> Stage Avg. Count and Percentage Jan - Dec 2015		Percentage change 2016 vs 2015	
1B	Fare Reclaim	99,884	48%	98,374	49%	↑	2%
1G	Tax Reclaim	58,394	28%	55,112	28%	↑	6%
1A*	Fare/Tax/ISC	19,590	9%	18,170	9%	↑	8%
5Z	Others	17,570	9%	17,145	9%	↑	2%
1C	ISC Reclaim	7,671	4%	8,574	4%	↓	-11%
2H	Missing Supporting Documents	645	0%	345	0%	↑	87%
5B	FIM Rejection / Rebill	601	0%	134	0%	↑	349%
	Other codes	2,290	1%	1,921	1%	↑	19%
	Total	206,644		199,785		↑	3%

- Top 7 reason codes sorted as per 2016 counts

Reason Code SMI – I/M	Reason Description	3 <sup>rd</sup> Stage		3 <sup>rd</sup> Stage		Percentage change 2016 vs 2015	
		Avg. Count and Percentage		Avg. Count and Percentage			
		Jan - Sep 2016		Jan - Dec 2015			
1B	Fare Reclaim	46,680	55%	35,637	51%	↑	31%
1G	Tax Reclaim	17,604	21%	15,273	22%	↑	15%
1A*	Fare/Tax/ISC	9,138	11%	6,087	9%	↑	50%
5Z	Others	7,574	9%	10,599	15%	↓	-29%
1C	ISC Reclaim	2,950	3%	2,100	3%	↑	40%
2A	Unmatched Sale	255	0%	183	0%	↑	39%
1H	Handling Fee Reclaim	222	0%	7	0%	↑	3071%
	Other codes	841	1%	661	1%	↑	27%
	Total	85,265		70,546		↑	21%

➤ Top 7 reason codes sorted as per 2016 counts

### SMI - B: Reason code breakup as per average monthly RM count

Reason Code SMI – B	Reason Description	1 <sup>st</sup> Stage		1 <sup>st</sup> Stage		Percentage change 2016 vs 2015	
		Avg. Count and Percentage		Avg. Count and Percentage			
		Jan - Sep 2016		Jan - Dec 2015			
1G	Tax Reclaim	38,413	66%	70,590	67%	↓	-46%
1B	Fare Reclaim	9,570	16%	12,612	12%	↓	-24%
1A*	Fare/Tax/ISC	7,893	14%	16,017	15%	↓	-51%
5Z	Others	541	1%	1,075	1%	↓	-50%
2A	Unmatched Sale	431	1%	93	0%	↑	363%
1D	Other Commission Reclaim	398	1%	369	0%	↑	8%
2C	Endorsement Required	255	0%	176	0%	↑	45%
	Other codes	507	1%	3,816	4%	↓	-84%
	Total	58,006		104,749		↓	-45%

➤ Top 7 reason codes sorted as per 2016 counts

Reason Code SMI – B	Reason Description	2 <sup>nd</sup> Stage		2 <sup>nd</sup> Stage		Percentage change 2016 vs 2015	
		Avg. Count and Percentage		Avg. Count and Percentage			
		Jan - Sep 2016		Jan - Dec 2015			
1G	Tax Reclaim	2,873	50%	1,898	39%	↑	51%
1B	Fare Reclaim	1,974	34%	1,936	39%	↑	2%
5Z	Others	369	6%	513	10%	↓	-28%
1A*	Fare/Tax/ISC	263	5%	235	5%	↑	12%
1C	ISC Reclaim	187	3%	206	4%	↓	-9%
2A	Unmatched Sale	66	1%	5	0%	↑	1220%
5B	FIM Rejection / Rebills	11	0%	13	0%	↓	-15%
	Other codes	10	0%	111	2%	↓	-91%
	Total	5,753		4,918		↑	17%

➤ Top 7 reason codes sorted as per 2016 counts

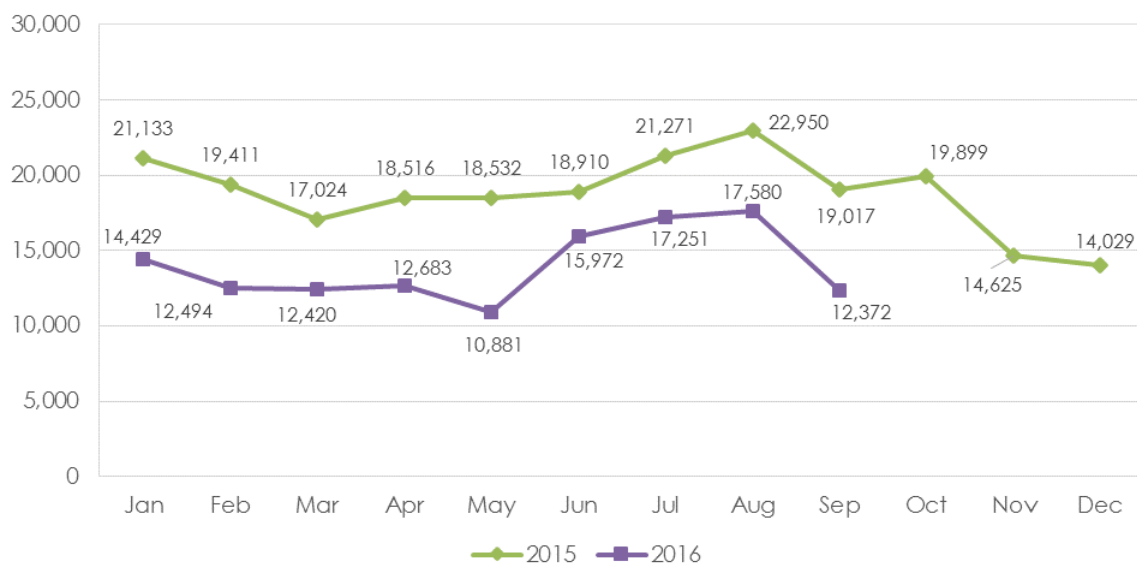
Reason Code SMI – B	Reason Description	3 <sup>rd</sup> Stage Avg. Count and Percentage Jan - Sep 2016		3 <sup>rd</sup> Stage Avg. Count and Percentage Jan - Dec 2015		Percentage change 2016 vs 2015	
1B	Fare Reclaim	1,310	59%	1,312	52%	↓	0%
1G	Tax Reclaim	475	21%	632	25%	↓	-25%
2A	Unmatched Sale	189	9%	5	0%	↑	3680%
1A*	Fare/Tax/ISC	122	5%	98	4%	↑	24%
5Z	Others	111	5%	474	19%	↓	-77%
1C	ISC Reclaim	8	0%	11	0%	↓	-27%
2D	Billing Outside Time limit	3	0%	9	0%	↓	-67%
	Other codes	4	0%	2	0%	↑	100%
	<b>Total</b>	<b>2,222</b>		<b>2,543</b>		↓	<b>-13%</b>

➤ Top 7 reason codes sorted as per 2016 counts

\*Note: Reason code 1A is being misused as a default code. Due to this misuse, the counts of 1A were split into the correct reason codes. For example, a rejection memo which has only a difference of fare but with reason code 1A will be included in the 1B count.

## 4. Non Sampling Analysis: FIMs

### Prime Billing Count by Month



➤ The graph shows a decrease in FIM prime billings starting towards the end of 2015 due to the IATA Paper Out project to eliminate all paper documents.

## FIMs Prime Billing Count - Split by SMI

FIMs	Jul-16	Aug-16	Sep-16	Average	Total
SMI I/M	13,143	13,093	9,374	11,870	35,610
SMI B	4,108	4,487	2,998	3,864	11,593
Total	17,251	17,580	12,372	15,734	47,203

## FIMs Rejection Memos - Source code wise average per month - Split by SMI

SMI - I/M	SRCD 44	SRCD 45	SRCD 46	Total
Avg. RM count Jan - Sep 2016	7,903	1,819	1,269	10,992
Avg. RM count Jan - Dec 2015	11,225	2,332	1,388	14,946

SMI - B	SRCD 44	SRCD 45	SRCD 46	Total
Avg. RM count Jan - Sep 2016	125	28	19	172
Avg. RM count Jan - Dec 2015	347	74	54	475

## 5. Sampling Billing Analysis

### Average Monthly Count 2016 vs 2015

	Form A/B Monthly Avg.	Form D/E Monthly Avg.	Form F Monthly Avg.	Form XF Monthly Avg.
Jan - Sep 2016	921,122	11,847	1,181	523
Jan - Dec 2015	1,066,524	13,886	1,645	786

## 6. Glossary

Term	Definition
ACH	Airlines Clearing House. It is the A4A's Clearing House for Interline Billings
BM	Billing Memo
IBSOPS WG	Interline Billing and Settlement Operation working group
ICH	IATA Clearing House
ISC	Interline Service Charge
RAM	IATA Revenue Accounting Manual
RM	Rejection Memo
SMI	<p>Settlement Method Indicator - In SIS it indicates the clearing house to be used for settlement as well as the Revenue Accounting rules to be followed</p> <p>SMI - I – settlement through the ICH using the RAM rules</p> <p>SMI - M – Inter clearance settlement of a billing from an ACH member to an ICH member using RAM rules. It could also be a billing from an ACH member to another ACH member using RAM rules</p> <p>SMI - A – Settlement through the ACH using ACH rules</p> <p>SMI - B – Bilateral settlement using RAM rules</p>
SIS	Simplified Invoicing and Settlement
SIS SG	The SIS Steering Group that overlooks the governance of SIS
SRCD	Source Code
UATP	Universal Air Travel plan

## 7. Annex 1. Passenger Source Codes Table

Source Code	Description
1	Lifted Passenger Coupons
2	Exchange Passenger Coupons
3	Refunded Passenger Coupons
4	Rejected documents – 1 <sup>st</sup> Rejection
5	Rejected documents – 2 <sup>nd</sup> Rejection
6	Rejected documents - 3 <sup>rd</sup> Rejection
8	Lost Ticket Billings
9	Billing Memos
14	Flight Interruption Manifests
21	Mutilated / Illegible Documents
23	EMD Billings
24	Credit Memos
25	Excess Baggage Coupon Billings
26	Multi-Purpose Document Billings
27	Rebilling of UAF coupons in Non Sampling
44	Rejected Flight Interruption Manifests – 1 <sup>st</sup> Rejection
45	Rejected Flight Interruption Manifests – 2 <sup>nd</sup> Rejection
46	Rejected Flight Interruption Manifests – 3 <sup>rd</sup> Rejection
51	Sample Form C coupons
54	Sample Evaluation (Form D)
55	Sample Audit / Rebills (Form F)
56	Sample Rebills (Form XF)
60-69	Prime Billing Source codes (Optional source codes for Bilateral use)
70-79	Billing Memo Source codes (Optional source codes for Bilateral use)
80-89	Rejection Memo Source codes (Optional source codes for Bilateral use)
90	Frequent Flyer Prime Coupon Billing
91	Rejected Frequent Flyer Coupons – 1 <sup>st</sup> Rejection
92	Rejected Frequent Flyer Coupons – 2 <sup>nd</sup> Rejection

93	Rejected Frequent Flyer Coupons – 3 <sup>rd</sup> Rejection
94	Billing Memo – Frequent Flyer Coupons