



Standard Retailer Supplier Interline Agreement (SRSIA)

Overview and positioning

Background and case for change

Interline is a broad term used to describe one airline selling an itinerary to a customer that involves services provided by another airline. Interline occurs within many different commercial agreements which include the IATA Multilateral Interline Traffic Agreement (MITA), bilateral agreements as well as providing key interoperable standards that support codeshare.

The Multilateral Interline Traffic Agreement (MITA) is a multilateral agreement under which airlines form interline relationships. It establishes a legal framework agreement between airlines for the handling and transporting of passengers and their baggage, and provides prescriptive articles related to a mutual understanding of acceptable behaviours between MITA parties specifically for liability provisions and general procedural obligations (for example what to do when reimbursing passengers for lost baggage amongst others). The MITA references existing industry standards related to reservations (creating PNRs), issuing tickets and EMDs to confirm entitlement and filing fares and schedules. Every carrier who is a party to MITA must agree to all its provisions without exception. MITA describes the procedural aspects of an interline agreement.

As distribution shifts towards retailing Offer and Order Management concepts and real-time request and response processes, new opportunities exist for interline without requiring filed fares, PNRs and tickets as are prescribed in the MITA.

Additionally, many interline models are also emerging and provide an alternative to traditional IATA interlining. IATA member airlines increasingly wish to pursue interline relationships with non-IATA members beyond the ones they use under MITA, and this may include low-cost carriers (LCCs), carriers that do not use IATA standard tickets, and/or other types of third-party transportation providers such as railways.

In this context the following needs have been identified:

- A common understanding of interlining between IATA member airlines using IATA standards under the MITA agreement, and other types of carriers (e.g., LCCs) that do not use IATA standard ticketing processes, or do not issue tickets nor distribute fares.
- More flexibility beyond a single multi-lateral agreement, acknowledging that while there are some fundamental aspects of interline relationships, there are also many commercial and procedural aspects that will differ from partner to partner. While these points require separate agreements with each partner, a more consistent approach across the industry in defining terms and establishing template agreements would add value.
- A common understanding of interlining using Offers and Orders without traditional processes around filed fares, reservations, ticketing, acceptance of baggage and related operational processes and interline billing and settlement based on filed fare content and proration in accordance with the established prorate rules in the Prorate Manual.
- Support for more generic “retailer” and “supplier” relationships beyond traditional interlining.

Current challenges and vision

Challenge	Vision
Limited customer transparency, and fragmented data.	Transparent customer choice, and real-time data at all touchpoints
Limited support for ancillaries	Seamless processes for flights and all ancillary services.
Airlines have limited methods of commercial control and limited real-time data.	Airlines in control of their products, services and revenue, with full access to real-time data
Complexity creates a barrier to entry	A framework open to all suppliers including LCC and intermodal operators
Many supplemental agreements must be negotiated and maintained with all partners.	A flexible standard agreement, common standards for all processes

Retailers and Suppliers

Making interline easier for new partnerships is a key objective. This ensures greater choice for customers, and more value creation opportunities for partners.

The new Retailer- Supplier interline framework introduces standards and processes that removes the complexity of filed fares, availability, reservations and tickets, and introduces simple and more generic offer and order-based interactions between a Retailer and a Supplier. Once a customer makes a shopping request to a Retailer, it will be possible to access a wider range of products and services either sourced directly or in conjunction with a Supplier with whom the Retailer has an agreement with.

These concepts are generic, and better support an open framework where the products and services of many different suppliers can be combined into an offer for a customer.

The foundation of this new interline framework is a new standard interline agreement: the Standard Retailer and Supplier Interline Agreement (SRSIA).

New partnerships

The Standard Retailer Supplier Interline Agreement aims to be used to support many different interline partnership models, between different operators, across different customer service models, across multiple modes of transport and different distribution processes. This could include but not limited to:

- Full offer and order based interline of flights and ancillaries where a retailer manages all customer interactions and supports seamless connections of customers and their baggage as well as oversees the delivery of ancillaries associated with the order.
- Self-connect models, where a retailer facilitates the purchase of different products and services with different contracts the connection of passengers or baggage is not facilitated.
- Cross-sale of ancillaries using offer and order management, even where the interline processes for flights use the existing interline framework.

Key Features of the Standard Retailer and Supplier Interline Agreement (SRSIA)

The SRSIA is structured around a main agreement (describing fundamental elements and foundation obligations of each party) and then a series of annexes, where parties can select options based on their own business model.

The key differentiators of the SRSIA are:

- The SRSIA supports “retailer” and “supplier” relationship, including relationships between airlines and non-airline parties
- The SRSIA more comprehensively supports business processes supported by Offer and Order Management capabilities (as described by the NDC and ONE Order programs).
- The SRSIA can be used to support interlining between IATA member airlines using IATA standard ticketing processes and/or airlines that do not use IATA standard ticketing processes.
- The SRSIA introduces more flexibility, acknowledging that while there are some fundamental aspects of every interline relationship that benefit from a common structure and language, there are also many commercial and procedural aspects that will differ from partner to partner.

The SRSIA will exist in parallel to the existing Multilateral Interline Traffic Agreement (MITA). IATA member airlines may wish to form an interline relationship under the MITA, or under the SRSIA, or under any other bilateral agreement, just as they do today. The use of the SRSIA between airline partners does not automatically replace any existing MITA relationship the parties may have.

How will the agreement work and operate?

The SRSIA main agreement is setting out the obligations of the Retailer and the Supplier for sales, electronic interactions and liability and is complemented by a series of annexes, where parties can select options based on their own business requirements. Having pre-defined options provides a common structure and common set of language.

The parties may also add additional Annexes by mutual agreement, incorporate additional procedures/standards by reference or amend the terms of the main agreement where needed.

The SRSIA, is not a multilateral agreement and can be understood as a 'template' agreement or a starting point for a bilateral agreement between the parties. Unlike the existing MITA, the agreement does not mandate notification to IATA.

The Standard Retailer and Supplier Interline Agreement is designed to operate in an environment where Retailer airlines are in control of constructing Offers, which includes construction of interline and intermodal itineraries.

Steps to forming a relationship under the SRSIA

1. Obtain the latest version of the SRSIA
2. Work through each Annex with your partner to select which options you will pursue in each section, checking whether there are any additional bilateral procedures or provisions to be added, and execute the agreement.
3. Your agreement remains in force until it is terminated, you may wish to move to future versions of the SRSIA agreement as these are published, but this is entirely your choice.
4. Become involved in the continued development of the SRSIA within the industry standards governance.