

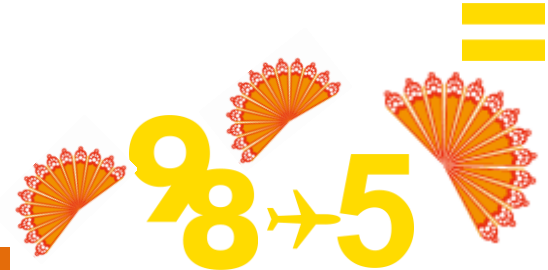


**5<sup>th</sup>**

# World Financial Symposium

**17 – 20 September 2018**

**Madrid Marriott Auditorium Hotel & Conference Center**





# 7<sup>th</sup> SIS General Meeting

18<sup>th</sup> September 2018

Madrid Marriott Auditorium Hotel & Conference Center





# SR5 - SIS General Update (Part 2)

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IATA






# Agenda

- Governance
- SIS SOC2 Audit
- 2019 Budget and Forecast
- Evolution of SIS





# Governance - general

- **Who can vote for SIS SG Members?**
  - Any company that has signed the ISPA
- **Who can vote for changes to the service or to the Participation Agreement?**
  - Companies signatories of ISPA that are submitting and receiving invoices through the service
- **What happens to system changes that have been passed by a vote?**
  - They go to the SIS SG for prioritization, and confirmation on funding availability  once IATA has determined the implementation cost





# Governance - general

- **Will all voted changes be implemented?**
  - Not necessarily. If they are too difficult or expensive to implement, they may be de-prioritized by the SIS SG
  - IBS OPS items that passed and affects SIS – mandatory to be implemented in next major release as they represent changes to the billing rules
  - Also, the meeting cannot vote on items that are outside its jurisdiction, such as legal or policy matters, nor cause IATA to act contrary to Board decisions





# SIS SOC2 Audit

- SIS Steering Group requested IATA to obtain a SOC2 (Service Organization Controls) certification for SIS
  - Audit conducted on Controls at a Service Organization relevant to Security, Availability, Processing Integrity, and Confidentiality (SOC 2 Type II)
- The second external audit for SOC2 certification audit took place in January & February 2018
  - Accelya Kale - Pune and Mumbai
  - IATA – YMQ
  - Period audited: January 1, 2017 to December 31, 2017





# SIS SOC2 Audit

- More complex than first audit:
  - Covered one full year of operations 2017
  - Included a DR environment switch
- Audit opinion states that the description of the system of controls as designed and implemented is fairly stated, the system is fit-for-purpose, and operated effectively during the period under review
- **No exceptions** were noted as a result of the external audit testing
- Second SOC 2 certification, obtained in 2 consecutive years, with no exception, which is an exceptional result
- Report have been distributed to Participants based on request







# SIS SOC2 Audit

- Communication sent to SIS super users of the availability of the SOC2 report
  - Request for the report to be raised to [sishelp@iata.org](mailto:sishelp@iata.org)
  - Request must come from an authorized representative of the entity
  - The entity must be customer of IATA for the SIS service and is seeking access to the SOC 2 Report for its own internal business purposes
- Note : SOC2 report contains a notice of restricted use which must be accepted to view the report
  - Agree to not disclose or distribute the report in the public domain






# SIS SOC2 Audit – Next steps

- Audit of the full year 2018: period of activity 1<sup>st</sup> January to 31<sup>st</sup> December 2018
- Audit will take place in January – February 2019
- Report to be published end of March 2019





# 2019 Budget and Forecast

- SIS service is run on a full cost-recovery basis with prices set so as to recover the budgeted costs
- Following the SG endorsement, the surplus/deficit amounts will be shared between all ISPA participants proportionally to the total paid in the relevant year
  - 2017 SIS Deficit recharged in P4 July 2018 → USD 777,260.02 for 481 participants – ISPA signatories
  - Mainly due to the changes in infrastructure, lower revenues and change in the capitalization and depreciation policy.
- As a result of 2018 it might be a situation of recharge in 2019 to the industry for cca.   
US \$ 600,000 estimation
  - Impact in 2018 mostly due to new policy of zero capitalization and depreciation





# 2019 Budget and Forecast

- SIS SG has worked closely and actively with IATA to find solutions for deficit reduction
- Measures related to gradual price increase synchronized with cost reduction initiatives
- 3 dimensions:
  - Cost reduction initiatives - 2018 - 2019
    - Reduced scope for major releases
    - New support contract with improved conditions in place end 2017
  - First price increase to incentivize the correct usage of the platform and promote quality of data being exchanged – effective 1<sup>st</sup> January 2018
  - Second price increase – effective 1<sup>st</sup> January 2019





# Evolution of SIS

- Accounts Payable – industry suppliers
  - Get the benefits of the SIS E-Invoicing standards and reduce effort in accounting and reconciliation
  - SIS Participants cost goes down due to increased usage





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# Thank you!

