



Customer Vouchers Frequently Asked Questions & Answers

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1. Introduction

We would like to thank you all for your valuable feedback and questions.

As you will see in this document, a number of questions received by IATA have not been addressed. While they are related to the topic of customer vouchers, IATA could not answer these questions for the following reasons:

- They pertained to each airline's individual policy or commercial decision and/or are subject to bilateral discussions with their suppliers;
- The response would have implied for IATA to provide legal advice to its members; or
- They related to IATA's advocacy and lobbying efforts towards governments and regulators. As these efforts are still ongoing, IATA did not include answers to these questions in this paper. Information about the latest developments can be found on <https://www.iata.org>. For more information on this particular topic, you can also contact your regular IATA contact person.



2. Standards related questions

Question	Answer
What Reason for Issuance codes and sub-codes should be used when issuing an EMD as a voucher?	IATA Resolutions require the use of the Reason for Issuance code "D" (Financial) and the Reason for Issuance Sub-code "98B" (Transportation Credit) when an EMD is issued as a voucher.
Can travel agents issue EMDs as vouchers on behalf of airlines?	Yes, as long as the airline has allowed this within their policy. The airlines policy will contain guidelines on how this should occur.
Can IATA further detail the voucher options that have been mentioned in the IATA Voucher Paper?	IATA will work on further detailing the options airlines have and may use to handle cancellations and refunds and the recommended practices around these.
How are the vouchers identified and reflected in the sales data and Reporting?	IATA Resolutions require the use of Reason for Issuance Code (RFIC) D Financial Transaction with the RFISC Sub code 98B Transportation Credit. This Resolution is binding on all member airlines.
What other options for vouchers can we use within travel agency channels?	This is up to each airline policy and may depend on local regulations. The industry standard for providing a value document to a customer is the EMD.
Can vouchers be refunded?	The ability to refund a voucher will depend on airlines policy.
How does voucher issuance work with a booking that was originally made through an NDC channel?	In the case of involuntary servicing, the airline will be initiating the changes. NDC supports the return of documents alongside Orders when requested, or through the use of an OrderChangeNotif message to the Seller. If the Voucher is an EMD, the airline can return this within the OrderviewRS or OrderChangeNotif message.
How would vouchers work for group bookings?	It is up to airline policy and may depend on local regulations. There is no technical standard preventing an airline from issuing a voucher EMD in the name of a group and this is covered by industry standards.
What is the IATA recommendation in terms of the Form Of Payment (FOP) to be used for the voucher issuance?	The form of payment (FOP) of the original ticket should be carried over to the exchanged document. In the case the original FOP is credit card, then the code "CC" should be carried over
How should an airline ensure that PNRs are not purged when confirmed segments are not used?	This is up to each airline to determine with their own system provider. Airlines may wish to use a PNR element such as SSR OTHS to build system logic to prevent purging. It is important to note that the airline PNR may then not synchronize with the travel agency PNR.



<p>Can an EMD with the RFISC of 99I (residual value) be used and exchanged by a travel agent against a future ticket? Or can it be refunded in the future?</p>	<p>In general no. It is recommended to use code 98B because residual value implies a connection with a previously issued ticket and related fare conditions. Moreover, 99I can only be used by airlines, however, should an airline choose to use 99I they will need to provide specific instructions to their agents on how to accept them.</p>
<p>How should airlines communicate the EMDs issued as vouchers to their Travel Agents?</p>	<p>Standard PNR remarks could be used to advise the travel agent of the EMD issued or external communications (such as email). Alternatively, airlines could generate a message using SSR OTHS.</p>
<p>Does the maximum value of the EMD specified in Resolution 725 differ depending on the Reason for Issuance Code or Sub Code used?</p>	<p>As per IATA Resolution 725 Paragraph 1.4.2 Value Limits, the value limit for an EMD issued for unspecified transportation and other services is not to exceed USD750.00 or equivalent at the Bankers Selling Rate (BSR). This limitation is not actually linked to a specific Reason for Issuance code or sub-code, it applies whenever an EMD is issued to which this paragraph of the resolution applies. Carriers are free to choose to waive this limitation for their own documents, This just needs to be agreed with interline partners where applicable. Changes to this requirement can be brought into the standards activity for industry discussions at standards@iata.org.</p>
<p>Can airline stop refunding and postpone it to be processed later?</p>	<p>Airlines may choose to change their policy to not allow travel agents to automatically process refunds. Airlines may also change their system capabilities to not allow refund request messages to be processed. This is entirely up to each airline (and may depend on local regulations) but must be clearly communicated to travel agents.</p>
<p>What are the guidelines that airlines need to follow in term of passenger communication for non-refundable fares?</p>	<p>This is up to each airline policy and may depend on local regulations.</p>
<p>What is the criteria to be used to deduce the ticket validity period?</p>	<p>As per IATA Resolution 735 Paragraph 1. the validity of a ticket is one year from the date of commencement of first segment or, in case of open travel tickets, one year from the date of issuance.</p>
<p>Can IATA advise if the EMD validity date will be changed and extended in the standards/resolutions?</p>	<p>The current validity is one year from date of issue. Should an airline so choose, an EMD could be exchanged within the one-year validity and such EMD would then be valid for a further year. Individual airline policy will prevail.</p>
<p>How will IATA deal with the situation that remittances from the airlines may arrive a little later and thus the refunds are not covered?</p>	<p>Negative settlement amounts are closely monitored by IATA. Flexible policies have been put in place to mitigate this risk.</p>



<p>How can the baggage allowances be preserved?</p>	<p>Description in the EMD should be provided as to the allowance offered to be used in the future. Where excess and/or prepaid additional baggage has been purchased and an EMD has been issued this can be treated in exactly the same way as the ET in that a voucher could be issued for future transportation. Baggage allowances for future travel will depend on the type of fare purchased and individual airline policy.</p>
<p>How are the sales taxes transferred from the original document into the voucher?</p>	<p>Recommended Practice 1721 defines the netting process. There are some taxes (such as the sales taxes) where the liability is incurred at sales time and hence these cannot be refunded and therefore not transferred to the EMD. Any coupon-based fees and charges which become payable upon usage may be a refund candidate, and therefore has the potential to transfer to the EMD. In theory then as with other fees and charges where the liability is incurred only on usage one could consider wrapping these fee values up into the total value of the EMD. IATA encourages the airline to check and ensure their back office financial processes can handle the transfer of a Tax, Fees, Charges (TFC) originally paid to a generic value document and that could be subsequently used to pay a different tax or even the fare itself.</p>
<p>What are the ticketing messages to be used in case of voucher issuance and management?</p>	<p>This point will be addressed more into detailed in a subsequent document around the best practices and implementation aspects of vouchers handling as a result of flight cancellation.</p>
<p>Does the EMD-S need to show base fare separate from all taxes from the ticket in the EMD? Or just the total from the ticket into the total of EMD?</p>	<p>Taken into consideration that the EMD is the accountable document holding value, the total amount that has been paid can be used against future travel plans should be populated in the exchange value field.</p>
<p>Can an EMD can be issued under the name of the Travel Agent instead of the Passenger?</p>	<p>The accountable document should be issued in the name of the passenger.</p>
<p>Are there any checks to ensure that the subsequent exchange of a voucher does not exceed the value of the EMD?</p>	<p>Where the value of the EMD is insufficient to cover the cost of the new ticket an additional collection will be required. How this will be achieved will depend on each system provider capability and airline policy,</p>
<p>Can name change be permitted on the EMD for later usage/exchange?</p>	<p>This is up to each airline policy.</p>
<p>What are the standards and recommended practices to support airlines to communicate the voucher(s) to their travel agents?</p>	<p>This point will be addressed more into detailed in a subsequent detailed document around the best practices and implementation aspects of vouchers handling as a result of flight cancellation. There are a couple of elements that could be envisaged</p>



	<p>such as, adding a special element in the PNR, queuing mechanism or other type of communication to be set up between the airline and their travel agents and explicitly described in the airline policy.</p> <p>IATA recommends that airlines review as well with their system providers the systems constraints.</p>
What is the IATA recommendation to track that a customer has accepted the voucher?	This is up to each airline policy and depends on each system capability. There are a couple of options that could be explored such as entering a remark in a PNR or any sort of communication from the passenger via external channels.
How can the other ancillaries should be handled in case of cancellation?	The EMD-A issued for these ancillaries shall be disassociated from the ticket and left open for further action. Such EMDs can then be handled the same as ticket and put on a voucher.
Can the EMD be reported together with the original ticket link?	This point will be addressed more into detailed in a subsequent document around the best practices and implementation aspects of vouchers handling as a result of flight cancellation.
What are the alternatives for not using EMD for vouchers?	Please refer to the IATA Customer Voucher paper, released on the 28th March 2020. As presented in that paper another alternative airlines have is to use the original ticket to retain value for future travel plans.
Can the vouchers be used for special services such as seating, baggage, etc.?	This is up to airline policy and may depend on local regulations.
Does the voucher require that the original document is still available?	No, the original document will be exchanged against a voucher.
Will the EMD include the name of the passenger?	Yes
What is the voucher management process for the interline tickets?	The ticket even with interline segments is sold by only one Validating Carrier. It will be the responsibility of that carrier to issue the voucher. If interline partners have a bilateral EMD agreement it may be possible for one partner to accept the EMD issued by another.
What are the recommendations in case a voucher is exchanged for an airline service and this service is being afterwards cancelled by the airline?	If the customer accepted the voucher and a new ticket has been issued in exchange for the EMD-S and now the flight that appears on that ticket gets cancelled, the airline exchange and refund policy and processes will apply, which depending on the policy could result in the issuance of another voucher.
Will reso824r include Voucher as option and timelines extension for situations like current?	At this point there is no plan to propose changes to Resolution 824r to the Passenger Agency Conference. Resolution 824 governs refunds and requires that travel agents must issue refunds only in so far as airlines have provided "written instruction". Resolution 824r operates within this framework.



<p>Is IATA recommending to perform a ticket refund or a ticket exchange to an EMD-S?</p>	<p>From a business standpoint it is not an actual refund since this process is not putting the funds back to the original FOP. It is merely taking the established value of the ET and exchanging those value coupons for an EMD. An EMD-S is required since it is not being lifted with a flight coupon. We recommend RFIC D financial transaction and industry code 98B Transportation credit.</p>
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3. Payment

Question	Answer
<p>How should airlines inform acquirers and issuers that certain transactions have been subject to the issuance of a voucher?</p>	<p>There are currently no standards defined to support this. Airlines need to capture the data from their electronic ticket server and provide this data to their payment acquirers.</p>
<p>Some passengers are requesting chargebacks for non-refundable fares. What can we provide in support when disputing these charge backs?</p>	<p>The first step is to determine the validity of the claim: if the flight took place, card scheme rules generally don't allow for a claim (whatever the reason the cardholder alleges for not making it). For cancelled flights, card scheme rules may vary, consult for example the bulletins issued by Mastercard and Visa. To challenge the chargeback, IATA recommends that you enclose documents proving your viewpoint and make sure to clearly explain what the relevant points are (for example, point clearly to the relevant section in the T&C proving your point). If the client accepted the voucher, IATA recommends you retain a proof of his acceptance as you will need it to dispute an eventual chargeback. We recommend you check this on a one-to-one basis with card schemes.</p>
<p>Will IATA have discussions with card schemes on processes and procedures to support vouchers?</p>	<p>IATA understands that card schemes encourage proposing a voucher to the client and an amicable resolution of the claim; however, their rules generally specify that the client has the right to choose between a card refund and a voucher. Hence airlines may want to design their vouchers keeping in mind that they are competing with card refund for acceptance by the client. Issuance of the voucher according to industry standards (EMD) is not subject to card industry input. Another and different form of customer compensation can be in the form of pre-paid card numbers, this must be discussed with the issuers of such products.</p>



<p>Can IATA provide more information on UATP and how can that be used?</p>	<p>Requests on the functioning of UATP products are best addressed directly to UATP. Aside EMD which is the industry standard form of customer compensation, it is also possible to issue compensation in the form of, e.g., pre-paid card numbers. This must be discussed with issuers of such products.</p>
<p>How will the original card transaction be linked to the voucher EMD?</p>	<p>The EMD contains the ticket number and other original ticket information (agency code, date, place of issue) which can help tie it to the original card transaction but does not mention the card number itself.</p>
<p>Can IATA work with card schemes/ acquirers to provide a template as a proof of client accepting a voucher instead of a refund back to the Credit card?</p>	<p>Card schemes informed IATA that evidence such as the T&C must be presented in a clear and legible fashion, with the relevant sections highlighted and explained so as to allow a non-specialist to easily find the source of the airline viewpoint. Similarly, evidence of the client acceptance of the voucher must be collected to be produced to dispute an eventual chargeback.</p>
<p>How often should airlines notify acquirers of transactions against which a voucher has been issued?</p>	<p>This is up to each airline. Airlines may consider advising acquirer of all the transactions for which a voucher has been accepted by the client, as such transactions are less at immediate risk of a chargeback. Separately, producing the proof that the client accepted the voucher is a way to remedy a chargeback for service not rendered.</p>
<p>What are the impacts on transactions where IATA EasyPay has been used by the travel agent?</p>	<p>IATA EasyPay is not a card payment. It is a separate and distinct payment instrument operating under the sole rules specified in the Passenger Agency Conference resolutions. Card schemes rules do not apply at all to IATA EasyPay transactions.</p>
<p>Is it possible to limit the credit card usage or would the customer be able to redeem the amount to another credit card?</p>	<p>Limitation in card usage is normally specified by the issuer in the cardholder's contract.</p>
<p>Can an airline issue an ADM to an agent if a chargeback has been made?</p>	<p>When the Agent is acting on behalf of the airline, it is up to the Agent to collect evidence that the client accepted the voucher and to retain it, to be able to pass it to the airline that could have to dispute an eventual chargeback. IATA Resolution 890 stipulate that in the case of transaction rejected by the card company, the loss is passed to the Agent by means of an ADM.</p>
<p>Can IATA advise what would be acceptable as proof for the banks to eliminate a chargeback?</p>	<p>The remediation to a chargeback depends on the nature of the claim behind the chargeback. In the present circumstances, a chargeback in the line of 'service not rendered' or 'credit not processed' can be remediated 1 by supplying evidence that the cardholder did not have a legitimate claim to start with (consult for example the bulletins issued by Mastercard and Visa) and 2 if the cardholder has the right to a claim, by proving that a credit was provided (either by a card refund, or by a voucher accepted by the client).</p>



<p>Will IATA have discussions with card schemes on processes and procedures to support vouchers?</p>	<p>Card schemes encourage proposing a voucher to the client and an amicable resolution of the claim; however, their rules generally specify that the client has the right to choose between a card refund and a voucher. Each airline must decide upon its own voucher policy, taking into account that vouchers may be competing with card refund for acceptance by the client. Issuance of the voucher according to industry standards (EMD) is not subject to card industry input. Another and different form of customer compensation can be in the form of pre-paid card numbers, this must be discussed with the issuers of such products.</p>
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4.BSP

Question	Answer
<p>Can an EMD that has been issued by an airline be used by a travel agent and exchanged into a new ticket?</p>	<p>IATA standards allow a travel agent to access and service accountable documents including EMDs even if the travel agent has not issued the document, where this is allowed by the airline. Travel agents should discuss this with their system providers.</p>
<p>How should the EMD be reported to the BSP in a RET file?</p>	<p>Where the agent has been asked to issue the EMD, it should be reported as an Exchange transaction. The EMD voucher form of payment should be brought forward from the original ticket and be the same as the form of payment of the original ticket (exception for credit cards simply bring forward the code CC). The voucher value is indicated in the exchange value. The EMD Coupon value (element EMCV) should be reported, similar to "for Refund only" EMDs.</p>
<p>Are the tickets on hold supported by the BSP?</p>	<p>There are no RET validations on the ticket validity.</p>
<p>If a Voucher is issued by a Travel Agent, will this be reported and transferred to airline in the daily BSP?</p>	<p>Yes, the EMDs will be reported on daily RETs.</p>