



# IATA Payment Services

## Fact Sheet

### Overview

- In 2026, airline revenue is expected to top USD 1 trillion for the first time, driven by ticket and ancillary sales to more than 5 billion passengers.
- This is supported by more than 2 billion payment transactions between passengers and airlines.

### Cost of Payments

- A 2024 Edgar, Dunn & Company study estimates that the USD 1 trillion in payments processed by airlines every year costs USD 22 billion to process.
- This cost is made up of:
  - USD 18bn (80%) in payment fees (the direct cost of completing each transaction)
  - USD 4bn (20%) are airline operating costs (various payment systems, compliance, and foreign exchange costs)
- Cost split by customer type:
  - Consumer payments amount to USD 15bn
  - Corporate payments amount to USD 7bn
- This cost is equivalent to USD 4 per passenger. This compares to the airline industry net profit of USD 7.70 per passenger in 2025.

### Need for New Payment Solutions

- One in every six passengers are dissatisfied with their air ticket payment experience.
- One in every five passengers did not purchase ancillaries because of a payment issue.
- One in five card transactions are not successfully executed by airlines.
- At the same time passengers' preferred payment options are changing:
  - 78% of all passengers want to use a smartphone that combines a digital wallet, digital passport, and loyalty cards to book, pay, and navigate airport processes.
  - 87% of passengers aged 25 or under want to use a smartphone that combines a digital wallet, digital passport, and loyalty cards.
- To address the payment challenge, IATA is working with airlines and the wider aviation industry to develop payment solutions that:
  - Reduce cost
  - Are flexible and scalable
  - Are available across all distribution channels and all customers globally

## IATA Financial Gateway (IFG)

- IATA Financial Gateway (IFG) is a unified B2B and B2C platform for flexible, omni-channel payment and settlement orchestration. It connects to multiple payment service providers, distribution channels, and settlement systems through a single API.
- IFG provides airlines with single access to a broad range of new payment methods and payment service providers, reducing the need for multiple bilateral integrations.
- IFG enables payments for both IATA accredited and non-accredited agents and sales intermediaries as well as supports payment orchestration for corporate and airline B2C channels.
- Available in over 170 countries, IFG supports more than 300 local and international payment methods and processes over 6.3 million documents per month.

## IATA Pay

- IATA Pay is an account-to-account payment solution.
- Through a single contract and integration, it enables direct bank-to-bank payments. This means airlines can collect funds without the use of cards or intermediaries.
- IATA Pay is currently available in over 36 countries and used by more than 60 airlines.
- IATA Pay can reduce payment processing costs up to 99% compared with card-based payments.

## IATA EASY PAY

- IATA EASY PAY is a secure prepaid payment method available to IATA-accredited agents. Transactions are settled using a prefunded balance, providing airlines with guaranteed funds and reduced financial exposure.
- IATA EASY PAY is available in over 120 IATA Billing and Settlement Plans (BSPs), a global system that facilitates payments between travel agents and airlines. It is used by more than 8,000 agents and is supported across both GDS and NDC channels.
- The solution helps airlines lower distribution costs, while enabling agents to manage budgeting and spending controls. Settlement through the BSP further contributes to reduced financial and settlement risk.
- Agents can fund their IATA EASY PAY wallet in less than two hours in over 70 BSPs, and immediately in more than 19 BSPs.

## Transparency in Payments (TIP)

- Transparency in Payments (TIP) is an industry framework designed to support airlines and agents agree bilaterally on how agents can remit funds collected from the customer to the airlines in a transparent, efficient, and cost-effective way.
- TIP is currently used by over 150 airlines across more than 150 countries, with over 20 agent card products and 6,000 agent cards registered with IATA to date.

## Fraud Prevention

- Historically, airlines face annual losses of close to USD 800 million due to global fraudulent transactions.
- IATA Perseuss is the world's leading platform for fraud intelligence, allowing airlines and other merchants to cooperate to identify and fight fraudulent schemes.