SIS - PAX Rejection Memo
Awareness & Recommended Actions

Kirk PEREIRA & Daniela CHARKOVA
Singapore
21st September 2016
Agenda

- Awareness
- Recommended Actions
https://www.sli.do/
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Where are we today?

- In terms of awareness of the Rejection Memo Reduction Initiative?
- Main reasons for rejection?
POLL
PAX Rejection Memo Reduction Initiative

When did you hear about the RM reduction Project?

1. In a SIS Bulletin / WG Meeting
2. Yesterday during the IBSOPS meeting
3. Never heard of it
Insert Web Page

This app allows you to insert secure web pages starting with https:// into the slide deck. Non-secure web pages are not supported for security reasons.

Please enter the URL below.

https:// admin2.sli.do/event/juvai0ff/wall

Note: Many popular websites allow secure access. Please click on the preview button to ensure the web page is accessible.
Send your answer in the following

Your name – answer

**Example:** Daniela – A
Quiz Question #1

What is the percentage set by the IBSOPS WG to reduce the number of Passenger rejections over the next 5 years?

A. 12%
B. 32%
C. 39%
Quiz Question #1

What is the percentage set by the IBSOPS WG to reduce the number of Passenger rejections over the next 5 years?

A. 12%
B. 32%
C. 39%
2016 Passenger Rejections - Split by Stage
Rejection Reason codes

What do you feel is the main reason for Rejections at a Global Level?

1. Tax Rejections
2. Fare Rejections
3. ISC billings
PAX RM Reduction

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Rejection Reason codes

What do you feel are the main reasons for Rejections at a Global Level?

1. Tax Rejections
2. Fare Rejections
3. Duplicate billings
## Rejections as per Reason Code

<table>
<thead>
<tr>
<th>Reason Code*</th>
<th>Reason Description</th>
<th>Stage 1 Avg. Count</th>
<th>Stage 1 %</th>
<th>Stage 2 Avg. Count</th>
<th>Stage 2 %</th>
<th>Stage 3 Avg. Count</th>
<th>Stage 3 %</th>
<th>Total %</th>
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</thead>
<tbody>
<tr>
<td><strong>1B</strong></td>
<td>Fare Reclalm</td>
<td>249,586</td>
<td>37.65%</td>
<td>103,241</td>
<td>48.09%</td>
<td>48,115</td>
<td>53.79%</td>
<td>41.46%</td>
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<tr>
<td><strong>1G</strong></td>
<td>Tax Reclalm</td>
<td>259,407</td>
<td>39.14%</td>
<td>60,919</td>
<td>28.38%</td>
<td>18,246</td>
<td>20.40%</td>
<td>35.01%</td>
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<tr>
<td><strong>1A</strong></td>
<td>Fare/Tax/ISC</td>
<td>82,959</td>
<td>12.52%</td>
<td>19,950</td>
<td>9.29%</td>
<td>9,382</td>
<td>10.49%</td>
<td>11.61%</td>
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<tr>
<td><strong>5Z</strong></td>
<td>Others</td>
<td>16,590</td>
<td>2.50%</td>
<td>18,248</td>
<td>8.50%</td>
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*SMI - I/B/M  Jan – Jul 2016 data
Fare Reclaim

What is the main reason for Fare Rejections in your airline?

1. Ticketing issues
2. SPA on net fares
3. Involuntary Reroutes / Reissues
4. SPA interpretation issues
5. Others
PAX RM Reduction

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Send your answer in the following

Your name - answer
Quiz Question #2
Tax/Fee/Charges Reclaim/Recharge

Which tax code was the most rejected in terms of value in July 2016?

A. YR  
B. DE  
C. RA  
D. UB  
E. YQ

Send your name with the tax code you feel is rejected the most in the industry.
### Top 5 TFC codes rejected in July 2016

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<th>Rejection Value % to Total</th>
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Recommended Action
Feedback from members contacted

- YQ/YR interpretation problems
- System issues
- SPA on net fares
- Involuntary Re-routes / Reissues
- Q surcharge issues
- Transfer/Transit Applicability on taxes
- SPA interpretation issues
What can we quickly implement?

- Monitor incoming rejection trends for your airline
Monitor Incoming Rejection Trends

- Is there a higher number of rejections being received
- Is there a problem with your prime billings
- If yes make changes immediately so that your next cycle of billings are not affected
- If there is an interpretation issue – talk to your interline partner

- DO NOT WAIT FOR IT TO GO TO CORRESPONDENCE
Monitor trends of Raised Rejections

- Is there a higher number of rejections than usual
- If yes is it against any particular airline or scenario
- Check a sample and identify the cause
- If there is an issue at your partners end - contact them
Monitor Key Changes

- New SPA agreements
- New tax codes / change in rules
- Change / Upgrade of your Revenue Accounting / Proration / Tax Engines
In Conclusion

What

Reduce **Unnecessary Rejections**

How

- Bill correctly
- Monitor your incoming rejections trend
- Discuss with your billing partners

Why

- Increase efficiency
- Improve cash flow
- Decrease cost
Questions?
Quiz #3
Bonus!

What is the RM reduction project about?

A. Stop raising rejection memos
B. Stop billing and thus stop receiving rejections
C. Bill correctly and stop unnecessary rejections

Send us your name with your answer
Contact us at SIS@iata.org