SIS - PAX Rejection Memo
Awareness & Recommended Actions

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Singapore

21st September 2016

Agenda

↗ Awareness

↗ Recommended Actions

https://www.sli.do/

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#1

#2

Where are we today?

↗ In terms of awareness of the Rejection Memo Reduction Initiative?

↗ Main reasons for rejection?

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

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Web Viewer Terms | Privacy & Cookies   Preview

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?
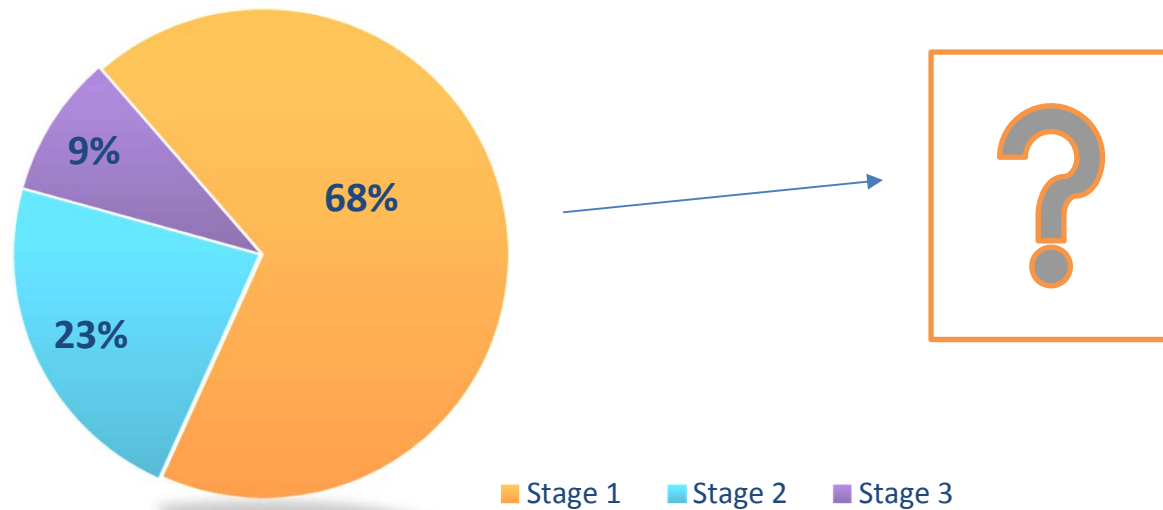
A. 12%

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

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

Reason Code*	Reason Description	Stage 1 Avg. Count	Stage 1 %	Stage 2 Avg. Count	Stage 2 %	Stage 3 Avg. Count	Stage 3 %	Total %
1B	Fare Reclaim	249,586	37.65%	103,241	48.09%	48,115	53.79%	41.46%
1G	Tax Reclaim	259,407	39.14%	60,919	28.38%	18,246	20.40%	35.01%
1A	Fare/Tax/ISC	82,959	12.52%	19,950	9.29%	9,382	10.49%	11.61%
5Z	Others	16,590	2.50%	18,248	8.50%	8,445	9.44%	4.48%
1C	ISC Reclaim	13,300	2.01%	7,133	3.32%	2,705	3.02%	2.39%

*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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Rejections as per Reason Code

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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

Tax code	Reason coupons % to Total	Rejection Value % to Total
YQ	16%	20%
YR	5%	8%
DE	3%	4%
UB	2%	3%
RA	2%	3%

Analysis based on July 2016 RM's received in SIS

Recommended Action

Feedback from members contacted

YQ/YR interpretation problems

System issues

SPA on net fares

Involuntary Re-routes. / Reissues

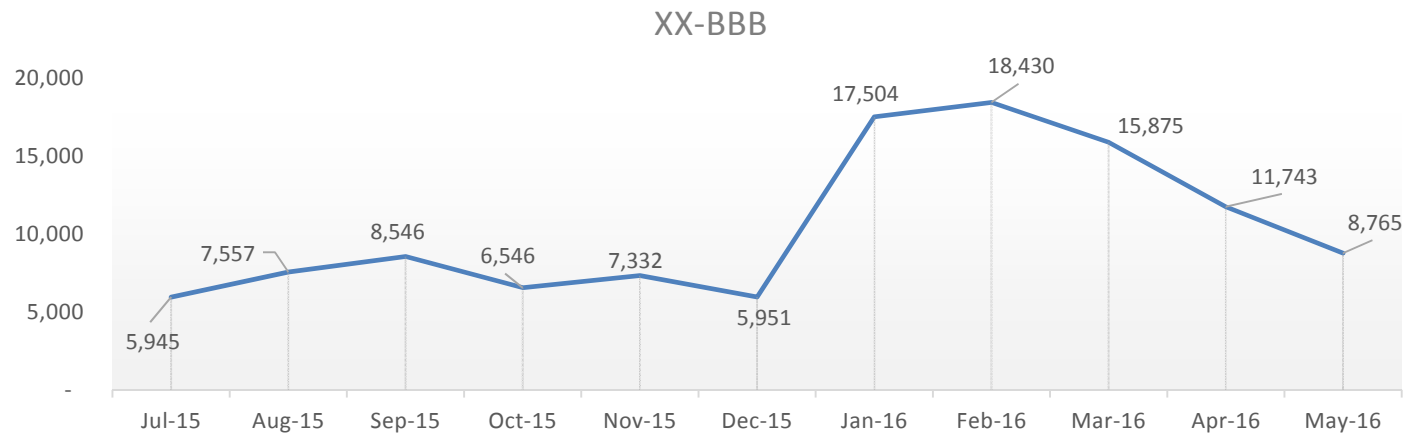Q surcharge issues

Transfer/Transit Applicability on taxes

SPA interpretation issues

What can we quickly implement?

↗ **Monitor incoming rejection trends for your airline**

XX-BBB

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	**How**	**Why**
Reduce <u>Unnecessary</u> Rejections	➢ **Bill correctly** ➢ **Monitor your incoming rejections trend** ➢ **Discuss with your billing partners**	➢ **Increase efficiency** ➢ **Improve cash flow** ➢ **Decrease cost**

Questions?

IATA

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