



17 March 2020

## Updates Related to IATA Billing & Settlement Plan (BSP)

Dear Agent,

As a consequence of the COVID-19 pandemic, a number of Travel Agent associations and individual Agents have approached IATA, to request special consideration with regards to extending the Remittance calendar and flexibility with taking Default action.

IATA acknowledges that our Industry is facing very a turbulent time, which will become more challenging with the recent developments of Airlines deciding to or being forced by governments to ground their operations. IATA understands that will result in an overflow of refunds to be processed through the BSP. In some cases, this will result in balances in favor of Agents.

After careful consideration and in consultation with the Passenger Agency Conference Steering Group (PSG) the following decisions have been made with respect to the requests of the Agent community:

- Remittance periods will be kept in accordance to the current [BSP Calendars](#). Extending the periods will disadvantage both Airlines and Agents. Agents refunds would be delayed if Remittance periods were to be extended.
- In case an Agent's Remittance to the BSP is delayed, the Agency Administrator will exercise his/her authority and, on a case-by-case basis, will take into account any exceptional factors, while securing the amounts due.
- A blanket exception to suspend compliance with Resolutions may result in a risky situation impacting Agents and Airlines alike. The BSP needs to receive complete remittances from Agents as well as negative settlements from Airlines to be able to settle all payments, including balances due to Agents.

### Your Actions

To promptly remit amounts due to Agents, IATA will need the Agent's bank account details to be submitted using the templates available for each BSP in our Customer Portal under "[Change of Bank Account Details](#)". The completed form must be submitted to IATA through the [IATA Customer Portal](#).

Please note that for Agents using direct debit as their method of payment, IATA will use by default the same bank account to transfer BSP balances due to the Agent. Therefore, there is no need to resubmit bank account details. These amounts will be paid according to the respective settlement calendar dates of each market.

Please take into consideration that some delays in payment could be expected in areas where, due to the pandemic, there is significant impact to banking operations of the market.

### Additional Information on Your Current Financial Assessments

Other items for consideration concerned the request for additional time to submit financial assessment and Financial Securities.

- For financial assessments, the Passenger Agency Conference Resolutions allow for an extension of 7 days to submit required documentation. Depending on the circumstances, on an exceptional basis, an extension of up to 30 days may be granted.
- Concerning the submission of Financial Securities, an extension of up to 40 days in situations may be granted in cases where the current Financial Security has not expired.
- In situations where the Financial Security will expire before or during any extension period, IATA may offer the possibility to provide a cash deposit in lieu of a Financial Security, subject to applicable law in the jurisdiction in which the Agent is located.

The PSG will review during its next meeting any request to relax the application of Local Financial Criteria when assessing Agents' financial standing, as well as Agents' request to accelerate the refund process.

IATA is doing its utmost to secure the effective continuation of BSP operations for both Agents and Airlines during this difficult time.

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