



Travel Agent Readiness Workshop

London, 31st May 2018

New Gen ISS is comprised of the following four pillars

- **NEW Agency Accreditation Models**
- **Enhanced Risk Management**
- **IATA EasyPay**
- **Global Default Insurance**





So, what changes ?

- All Agents will be migrated to **GoStandard**
- **Agents can convert across models**

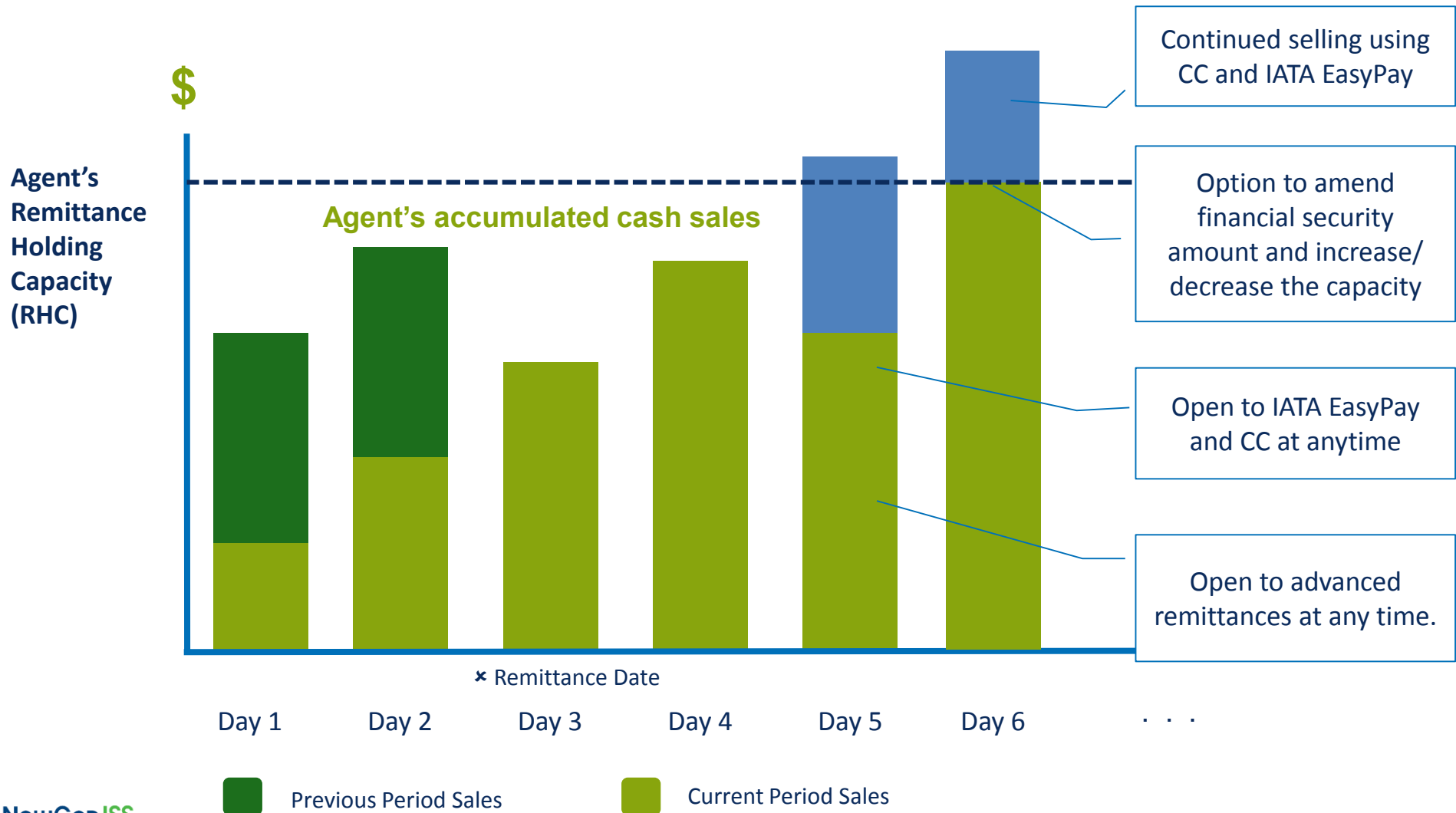




NewGen ISS

Agents will have a Remittance Holding Capacity (RHC)

RHC: a monetary threshold to the Agent's **outstanding cash sales** (monies at risk) will be established for **all** Agents with a Cash Facility



Each Risk Status (A, B or C) is associated with distinct 'Cash Reported Sales Conditions'

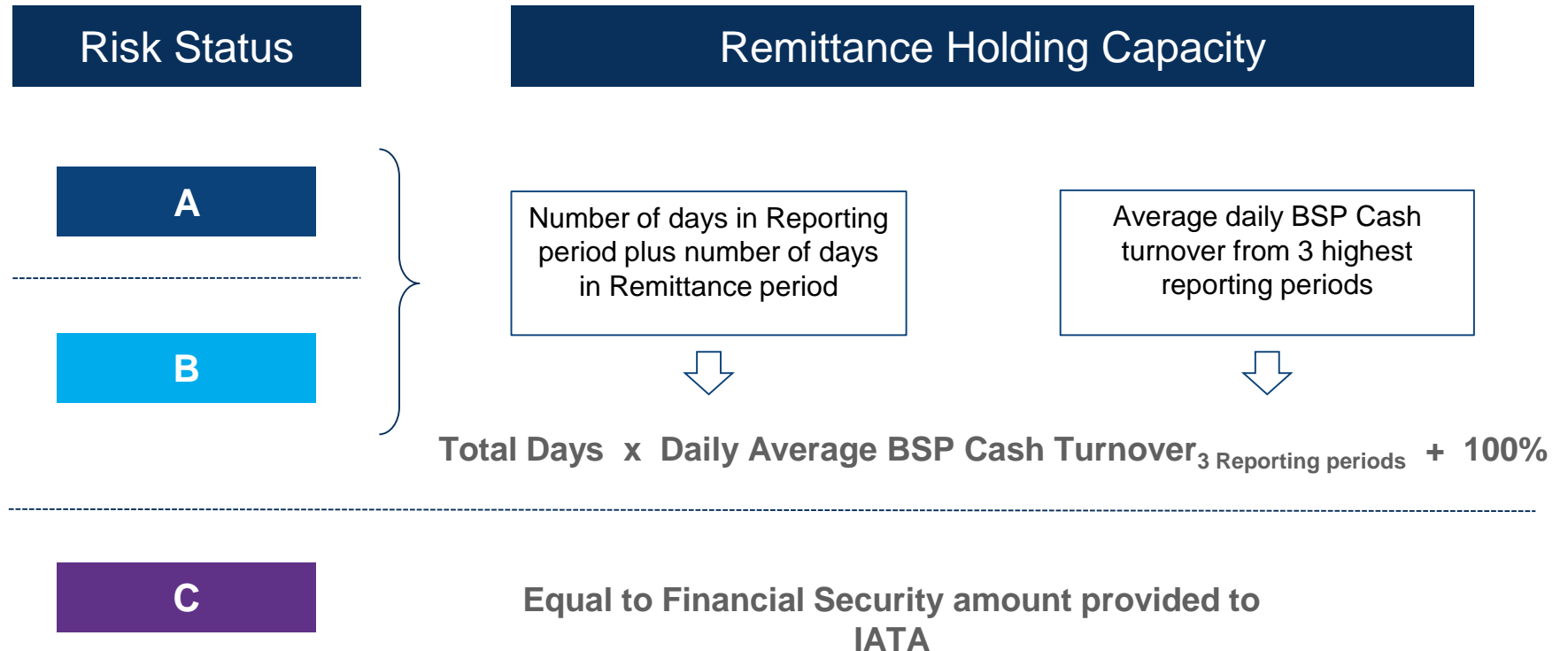
Assessment		Risk Status	Cash Sales Conditions
Fin. Review	Risk History		
PASS	PASS	A	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> RHC = Calculation <input type="checkbox"/> Financial Security only if required in LFC for Standard Agents <input checked="" type="checkbox"/> Standard remittance frequency of BSP
PASS	FAIL	B	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> RHC = Calculation <input checked="" type="checkbox"/> Financial Security <input checked="" type="checkbox"/> Standard remittance frequency of BSP
FAIL	PASS		
FAIL	FAIL	C	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> RHC = Financial Security <input checked="" type="checkbox"/> Financial Security <input checked="" type="checkbox"/> Most frequent remittance frequency in the BSP*

*Applicable for BSPs with multiple remittance frequencies



NewGen ISS Remittance Holding Capacity Calculation

The applicable RHC calculation is based on an Agent's overall Risk Status:



➤ Once in operation, the RHC calculation and its impact on Agents will be reviewed by PAConf in 2019.

➤ Agents **PASS** or **FAIL** based on the number and type of occurrences of **Risk Events**:

If Agent FAILS Risk History, its Risk Status will be affected (i.e. from A to B)

	Risk Event	Agent fails at
24 months	Authorisation to use Cash payment Method for less than 24 months	One occurrence
	Major change of ownership or legal status	
	Payment Default	
	Default due to common ownership	
12 months	Failure to provide financial statements	Two occurrences
	Failure to provide Financial Securities	
	Unreported change of ownership, legal status or name	
	Change of Head Entity's location to another country	
	Prejudiced Collection of Funds	
	Late or Short Payment	
Payment in Wrong Currency		

Remittance Frequency	Remittances per year	Agent fails at
Monthly	12	One occurrence
Fortnightly	24	Two occurrences
Every 10 days	37	Three occurrences
4 times a month	48	
Weekly	52	Six occurrences
Every 5 days	73	
Every 3 days	122	





NewGen ISS Considerations for an Agent

In preparation for migration a Travel Agent should consider:

- **Which Accreditation model** to chose? Stay on Go-Standard or convert to another model
- **Monitor Risk events** on the IATA portal
- Potential impact of Risk Status – A, B or C

To facilitate the introduction of the Remittance Holding Capacity, various measures are being introduced



Sales Continuity



Customer Care



Managing
Exceptions

Ensuring Sales Continuity: If and when an Agent reaches the RHC it can:

- Use an Alternative Form of payment e.g. IATA EasyPay
- Make a payment in advance to remit full or partial cash reported sales to the BSP in advance
- Provide additional financial security
- Ad-hoc recalculations of RHC



NewGen ISS RHC Mitigation Measures

Customer Care:

- Agents able to monitor their RHC through the Customer Portal
- Email notification when 50%, 75%, and 100% of the RHC is reached
- Pop ups will appear in the Customer Portal when defined % are reached
- Supplemental users can be added for notifications and access to screen

Remittance Holding Capacity

RHC Amount	EUR 389,000
Current usage	EUR 194,500
Current Financial Security	EUR 389,000
Remittance frequency	

Percentage usage : 50%
Last Updated Wed, 24 Jan 2018

Available Forms of Payment

- Cash ✓
- IATA EasyPay ✗
- Credit Card ✓

Risk Events History

Risk Event Status: Active, Expired, Inactive, All

Show 5 entries

Risk Description	Status	Issued Date	Expiry date	IATA Code	Case Number
Late or short payment	Active	24 Jan 2018	24 Jan 2019	20233430	

Showing 1 to 1 of 1 entries

Risk Profile

Accreditation Type: GoStandard

Risk Status: B

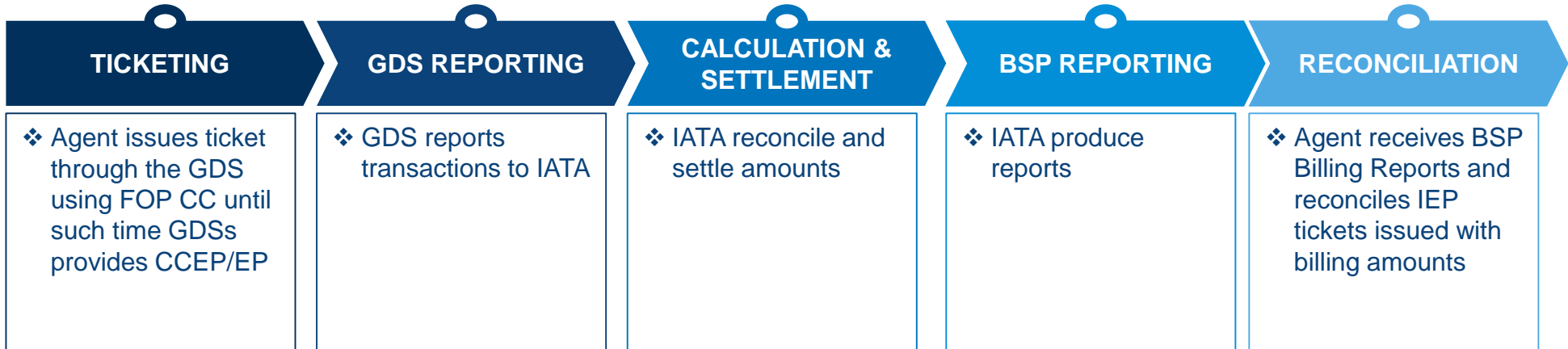
Cash Conditions	No
Financial Review	Unsatisfactory
Risk History	Passed

As at May 15th : In migrated countries (Wave 1) only 15 out of ~1700 Agents have reached 100% of their RHC



Managing your Agency RHC:

- Make sure you have the up to date **Portal Administrator** registered on the IATA Customer Portal
- **Monitor your RHC** regularly
- **Plan in advance for big events**, for example by having funds available on your IEP account or make an advanced payment to the BSP
- **Define your overall strategy on how to manage your RHC:**
 - Will you use other forms of payment then Cash when certain thresholds are reached?
 - Who is responsible to monitor the RHC?



FCAGBILLET AGENT BILLING DETAILS AGENT CODE - NAME																					
BSP NAME																CURRENCY CODE					
CATEGORY																	BSP				
SCOPE																	INTERNATIONAL				
AIR	TRNC	Document Number	Issue Date	CPUI Code	NR Code	STAT	FOP	Transaction Amount	FARE Amount	Taxes, Fees & Charges			COBL Amount	STD Comm Rate	SUPP Comm Rate	Tax on Comm	Balance Payable				
										TAX	F&C	PEN									
*** ISSUES																					
111	TKTT	1234567890	04MAR14	FFVV	NR	I	CA	199,999,999.99	199,999,999.99	9,999.99	XX	99,999.99	XX		199,999,999.99	19.99	999,999.99	19.99	999,999.99	0.00	199,999,999.99
									199,999,999.99	9,999.99	XX										
									199,999,999.99	9,999.99	XX										
111	TKTT	1234567890	04MAR14	FFVV		I	EP	830.14	670.00	55.00	AU	30.00	YR		670.00	5.00	33.50	00.0	0.00	0.00	-33.50



- ❖ **Consider opening an IEP account** for potential future use (no fees and no minimum balance); please note that **only your Agency Portal Administrator is able to open the account**
- ❖ **Consider if the usage of IEP can help to lower the level of Financial Security** required (calculated on cash reported sales only)
- ❖ Check on BSP-Link which Airlines accept IATA EasyPay
- ❖ **Train staff and communicate internally** as necessary
- ❖ **Check with your back-office system provider** if any enhancements are needed for reconciliation

Global Default Insurance is an additional Financial Security type available to Agents under Resolution 850p

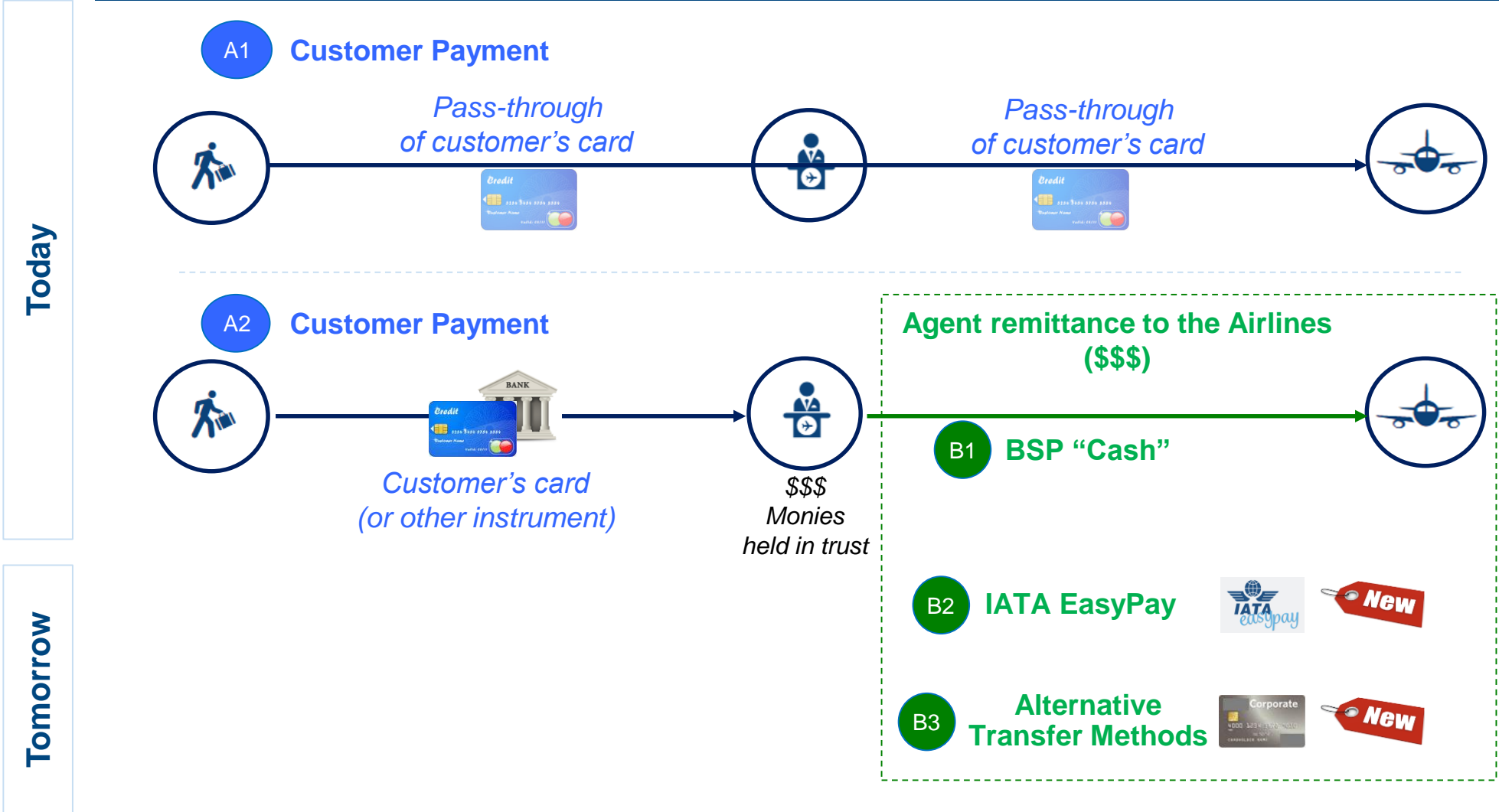
- **GDI is a financial security additional option**, it doesn't replace any current available options and is voluntary for an Agent to use

- **Key terms:**
 - ❖ Optional form of Financial Security acceptable under Resolution 850p
 - ❖ No application fees to obtain a quote and no collateral required
 - ❖ Quotes may be requested directly via the Insurer's online portal



For more information on GDI in UK: <https://www.global-default-insurance.com/en/>

Transparency In Payments – the Solution



Changes in Reso 890

➤ **Resolution 890 Customer Card Sales:**

- Allows use of Agent-own cards and Alternative Transfer Methods **only if permitted by the Airline**
- Effective 01-March 2018 **worldwide**.
- Until the functionality in TIP becomes available, **Airlines and Agents must manage their consent (if any) bilaterally.**

Go- live, What Happens?

- UK is scheduled to migrate to NGISS and TIP on **1st February 2019**
- Ireland is scheduled to migrate to NGISS and TIP on **1st October 2018**

Recap of what implementation entails:



- IATA EasyPay is available in market (prerequisite)
- Agents can start opening and funding their IEP account
- Tickets can be issued in the GDS using IATA EasyPay



- All Accredited Agents are transitioned to the GoStandard Accreditation
- Agents can convert/apply to GoLite Accreditation



- All Agents assigned their RHC, Risk Status and advised of any Financial Security requirements in advance of Go-Live
- RHC is monitored and enforceable from Go-Live
- Agents receive notifications and can monitor their overall RHC Consumption via the Customer Portal



- GDI Rollout – Alternative to Bank Guarantees for those Agents required to provide a financial security



- Alternative Transfer Methods can be enrolled with IATA
- Airlines can define their consent policy to enrolled products via BSPLink
- Agents may consult enrolled products in BSPLink which they have received consent from an airline to use

- The following criteria are assessed as part of a country go-live:

Criteria for Go-Live

Market Readiness

- Airline acceptance of IATA EasyPay
- Airlines have defined their overall payment and distribution policies

Agent Readiness

- Communication to Markets 90 days in advance
- Notification to Agents' of their RHC and Risk Status
- Agent Webinars held and training available.

IEP Market Readiness

- Launch and availability of IEP in the market prior to implementation of NewGen ISS

IATA GDC Operational Readiness

- Operational Readiness of IATA's Global Delivery Centre



NewGen ISS & TIP

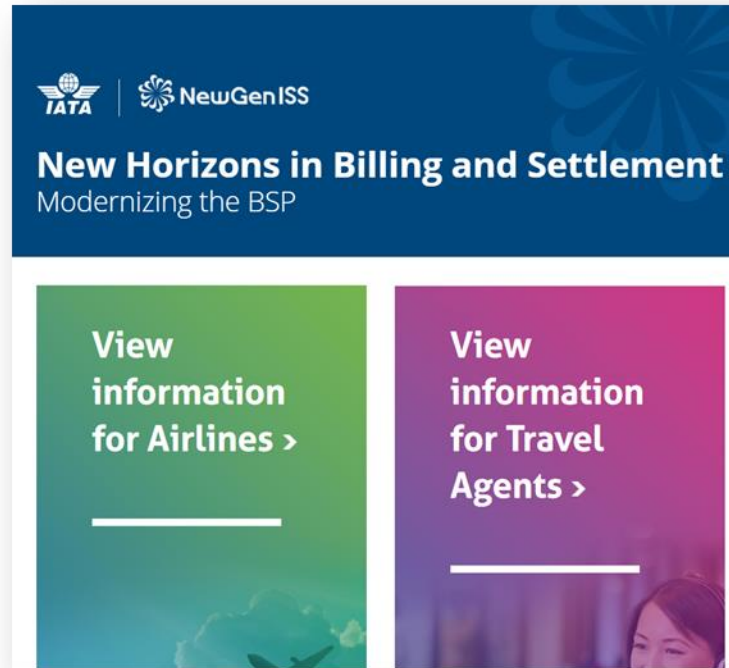
Actions to Go –Live date:

- **90 days before NewGen ISS Go-Live-Reso 812 communication is sent to the market via BSP-Link**
- **60 day notice before TIP Go-Live via BSP-Link**
- **45 days before IATA EasyPay Go-Live- market notice via BSP-Link**
- **30 days before NewGen ISS Go-Live agents are informed about their RHC and risk status via email to the portal administrator**
- **30 days before NewGen ISS Go-Live, the BSP Manual is sent via BSP-Link**
- **IATA EasyPay Go-live communication sent on Go-Live date via BSP-Link**
- **NewGen ISS and TIP Go-Live date communication sent including most recent RHC and risk status via email**



NewGen ISS

Additional resources on NewGen ISS



NewGen ISS Microsite
<https://newgeniss.iata.org>



Questions?

For More Information

Microsite: <https://newgeniss.iata.org>