



Important Changes to Standards Supporting Involuntary Flight Changes in Irregular Operations

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General questions

What is changing?

In 2018, IATA member airlines in different forums adopted important changes to industry standards around involuntary flight changes due to irregular operations (IRROPs).

These changes impact the following industry Standards

- Resolution 830d, Reservations Procedures for Accredited Agents
- Resolution 735d, Involuntary Change of Carrier, Routing, Class or Type of Fare
- Resolution 766, Interline Passenger Reservation Procedures.
- Revenue Accounting Manual

When do these changes take effect?

The changes to Resolutions 830d, 735d and 766 are all intended to take effect from 1 June 2019, and changes to the Revenue Accounting Manual have already taken effect, and apply from the first billing period in January 2019.

Where can I find these standards?

All airlines should have access to the latest copies of the Passenger Agency Conference Resolution Manual, the Passenger Services Conference Resolution Manual, and the Revenue Accounting Manual. These are available at <https://www.iata.org/publications/Pages/standards-manuals.aspx>.

Who writes IATA standards?

You do! IATA standards are developed by member airlines and Strategic Partners and are adopted by member airlines within the IATA governance framework. For more information on how to get involved in the development of passenger standards, visit <https://www.iata.org/whatwedo/workgroups/passenger-standards-conference/Pages/index.aspx>.

Do airlines need to take action?

Yes. Each of the changes will require some actions by airlines. It is very important that you discuss these changes internally with all impacted teams, and with your technology providers, travel agents and interline partners as appropriate. The specific actions are outlined below.

Questions around changes to travel agency reservation procedures

What is Resolution 830d?

Resolution 830d is Reservations Procedures for Accredited Agents. Resolution 830d outlines reservations procedures that IATA Accredited Agents must follow.

What was the issue with this standard?

In many bookings made by travel agents, passenger contact details are not being sent to participating airlines following the industry standard. IATA has led awareness activity about the collection of customer contact information over the last three years, but this remains a significant issue impacting passengers. Airlines are often unable to contact passengers in the operational window, and passengers are not being informed about changes to their flights.

What is changing in Resolution 830d from 1 June 2019?

An amendment to paragraph 4 of the Resolution will require agents to

1. Actively ask each passenger “whether they wish to have their contact details (mobile number and/or email) provided to airlines participating in the itinerary for the purposes of contact in an operational disruption”.
2. Where the passenger wishes to provide this information to airlines, the agent must enter there “in the PNR in compliance with the Resolutions governing reservations procedures.” This means the SSRs designed for this purpose as published in AIRIMP under the authority of Resolution 766.
3. Where the passenger does not wish to do so, the Agent must “actively advise the passenger that they may not receive information from the airline relating to flight cancellation or schedule changes (including delay in departure).”

Why is it important that participating airlines have customer contact information?

This new standard ensures that the customer has access to relevant and useful information in an operational disruption.

This information may come from the airline outside of hours, or during a weekend, when a travel agent is not able to contact the passenger directly. This information will also often relate to information that an airline is best placed to communicate directly to a passenger, or actions that an airline needs to take to provide the best experience possible to the passenger.

Can the agent indicate within the PNR that the customer has elected not to have contact information passed on to participating airlines?

Yes. There is an existing standard for the agent to indicate the passenger elected not to have contact information sent to participating airlines. Please note that this standard does not by default alter any liability, which is a separate issue on which airlines should seek legal advice.

Can't the airline just collect this information at the time of check-in?

In many cases, this will be too late – the airline may need to contact the customer outside of hours before they've made their way to the airport.

When can the airline use this contact information?

Only in a genuine irregular operation, this is specified in the Resolution.

Does this impact who owns the booking, or who has the relationship with the customer?

No. This standard does not in any way impact the travel agency's ownership of the booking, and relationship with the customer. This standard does not impact the travel agency's ability to continue to provide servicing or the customers booking or ticket for subsequent changes after the irregular operation.

What about group bookings?

The standard does not distinguish between group bookings and individual bookings, it requires customer contact information to be captured from all passengers. It is reasonable to expect however that some groups may be happy having one contact entered for all passengers or having contact information entered for only one passenger. This is up to each customer to determine how they wish to be contacted.

Is it reasonable that a travel agent enters contact information for every passenger in a booking?

As part of Reservation 830d, this is now an important part of the reservation process. This is no different to ensuring that every passenger's name is correctly entered and that other information such as frequent flier details or passport information is entered at a passenger level.

Can airlines enforce this standard?

Yes. Airlines can ensure their agents are following correct reservation procedures. They can do this individually with agents and may also wish to manage compliance through commercial agreements with travel agents. Individual airlines can monitor compliance by assessing PNR level data, just as they would monitor compliance for other aspects of the reservation process such as ticketing time limits. This is entirely up to each airline.

What actions should airlines take?

It is essential that you communicate directly to travel agents to ensure they are aware of this change. Discuss the joint benefits this change brings about for your mutual customers.

You may also consider referencing this language in ticketing policies, agency procedures and agreements.

You may need to perform system development to monitor compliance by tracking PNR data to check for the presence of the SSR elements., and to ensure your internal systems are configured to use this information to contact passengers.

Finally, it's important to ensure GDS partners are correctly implementing industry standards.

Questions around changes to airline irregular operation processes

What is Resolution 735d, and what is Resolution 766?

Resolution 735d is Involuntary Change of Carrier, Routing, Class or Type of Fare. Resolution 735d defines irregular operations, and each airline's obligations. It outlines procedures around obtaining inventory on a new operating carrier, and reissuing documents.

Resolution 766 is Interline Passenger Reservation Procedures. Resolution 766 outlines procedures for obtaining reservations. It includes detailed procedures around obtaining inventory on a new operating carrier following an irregular operation.

What were the problems with these standards?

The resolutions were unclear on distinguishing irregular operations from planned schedule change, and other processes such as the requirement to obtaining prior approval before using the inventory on a new operating carrier, and processes such as upgrading to a higher cabin class.

What is changing in Resolution 735d and Resolution 766 from 1 June 2019

There are several key changes. It is very important that airlines have access to the latest version of these Resolutions. Key changes include

- A clear definition of when an irregular operation has occurred, and when Resolution 735d applies: "provided that the circumstance has not occurred earlier than one day prior to the scheduled departure time of the first impacted flight, an Involuntary Reroute occurs, and the provisions of this Resolution shall apply."
- Clarity that Resolution 735d may apply even if there is not a change in carrier: "A change to the passenger's itinerary as originally ticketed (as described in Paragraph 2.1 above) may involve a change to the routing, arrival or departure dates or times, or carriers. For the avoidance of doubt, a change to the passenger's itinerary as originally ticketed may occur even if there is no change of carriers."
- Clarity on upgrades to a higher cabin class: "Upgrading to a higher compartment class (cabin class) shall not occur unless specifically permitted by the New Operating Carrier as bilaterally agreed with the Original Operating Carrier."
- Clarity on use of endorsements: "The characters 'INVOL' shall be used in the first five characters of the endorsement/restriction area of the reissued document only where an Involuntary Reroute has occurred ... The characters 'INVOL' shall not be used in the endorsement area of the reissued document in any other circumstances."
- The requirement that carriers have a bilateral agreement defining the booking method for obtaining inventory when an involuntary change due to an irregular operation is required: "Where an Original Operating Carrier obtains inventory from a New Operating Carrier as described in Resolution 735d, the New Operating Carrier should accept and transport the customer, provided that: ... the bilaterally agreed booking method has been used for obtaining inventory".

When do we start counting, is this from the time the ticket is reissued?

No. For Resolution 735d, the starting point is the event that has happened that creates the irregularity. This could be the cancellation of a flight, or a delay that causes a misconnection. For Resolution 735d to apply, this event needs to have occurred on the day of the first impacted flight, or the day before. This is regardless of when the ticket reissue occurs (although, it is assumed the ticket reissuance will occur as soon as possible after the event has occurred). This is different from the rule in the Revenue Accounting Manual, which references the day the reissue has occurred. The two rules are related but are slightly different as they relate to different systems, with access to different types of information. Resolution 735d describes the processes to be followed by each airline at the time something has gone wrong. The Revenue Accounting manual governs interline billing rules that are followed only within the interline billing process.

Does it matter what time the event has occurred, or what time the first impacted flight is scheduled to depart?

No. The Resolution only refers to days, so the actual time the event occurs, or the time of the scheduled departure does not matter.

Do we need to create a bilateral agreement on booking methods with every partner?

Yes. You may wish to include this agreement within an existing interline agreement or selling agreement (for example an interactive selling agreement). Alternatively, you may wish to use a simple one-page agreement to establish a common understanding.

An IATA template for this agreement is available, but airlines can use whatever form of agreement they wish.

What happens if we don't have a bilateral agreement in place by 1 June 2019?

If you do not have an agreement in place, you will need to directly contact any new operating carrier in an irregular operation. You may **not** use system availability unless you have an agreement in place which allows you to do so. If you do, the new operating carrier may not honour the booking.

If an airline has an involuntary rerouting paragraph in their special prorate agreement (SPA) with another airline, do they still need a separate agreement on the booking method for obtaining inventory?

It is unlikely that a special prorate agreement would include details of booking methods for obtaining inventory, but this would depend on the specific agreement. If your agreement does contain this information, then there is no need for a separate agreement. The type of information that is required is the exact booking method that should be used (existing system connectivity, or some other manual or automated process), and any constraints or special requirements such as limitations in the size of requests, or default processes around RBD requests.

What actions should airlines take?

You should ensure that you have an agreement in place with each interline partner before 1 June 2019. This will remove ambiguity and reduce disputes. You may wish to use the one-page IATA template to make this task easier.

You should also update your internal procedures and system configurations to reflect the agreement, you have with each partner. Where a bilateral agreement is not in place, re-accommodation should not occur without a direct contact to the new operating carrier.

Most importantly, you should ensure that all your impacted teams are aware of these changes.

By the way, what ever happened to FIMs?

FIMs (Flight Interruption Manifests) were removed from industry standards unanimously by airlines at the Passenger Services Conference, effective from 1 June 2016. The industry default process following an irregular operation is now the reissue of electronic tickets.

Where you issue or use paper documents that do not involve other airlines, you are free to use whatever processes you require, and can continue using FIMs. You are also free to pursue bilateral agreements with interline partners outside of industry standards. Electronic ticketing connectivity is required to process reissue transactions in a paperless environment. You are encouraged to assess where you need to pursue and implement connectivity with new partners, and also to ensure you have back up processes in place where connectivity cannot be established.

What if a passenger wishes to make a change to the remaining itinerary as a result of an irregular operation? (eg. the passenger wishes to move return flight to a later date). Does this subsequent change count as an irregular operation?

No, this would not be covered by the definition of Irregular Operations in Resolution 735d. Passengers may wish to make voluntary changes to their remaining itinerary following an irregular operation. Carriers may understandably allow this to occur at no additional cost as a gesture of goodwill to compensate the passenger for the original disruption. This is entirely at the validating carrier's discretion however, and would occur under their own commercial policies. Any ticket reissuance for these subsequent changes should follow industry standards.

Who is responsible to pay the passenger's expenses, and how is this settled?

Resolution 735d requires the carrier responsible for the delay to absorb passenger expenses if onward carriage cannot be provided within a reasonable time. This includes essential expenses such as hotels, meals, beverages, ground transport, transit taxes and communication costs. The Revenue Accounting Manual provides facilities for airlines to bill each other for such expenses through SIS/ICH, where one airline pays expenses (or provides such services to a passenger) on behalf of another airline who is responsible for the delay.

Should control of an impacted coupon be requested from the validating carrier, or the carrier that has control of the coupon? What if the coupon is not Open, or the customer has been checked in?

Control should always be requested from the validating carrier. The validating carrier has authority to re-gain control of the coupons of their ticket from any carrier, so requesting control from the validating carrier will allow them to pass control to you. Setting the involuntary indicator signals to the validating carrier that control is being requested due to an irregular operation.

So, the passenger will have two tickets – an original ticket, and a new ticket for the re-routed flights?

That is correct – but the new ticket will only be to their next point of stop over or their destination and will generally be used immediately. The passenger can still hold on to all their original documentation, as the unaffected flights from their original itinerary remain on their original ticket.

Who is the validating carrier of the new ticket?

The carrier who has caused the disruption is responsible for providing the onward carriage, and for reissuing the ticket. Accordingly, the reissued ticket will be on their stock.

Will the new operating carrier accept the ticket at the original applicable fares?

Yes, this is a general principal in of Resolution 735d. However, there are some limitations to this – revenue accounting rules may require the application of a publicly available or locally applicable fare in some situations. To avoid rejections and disputes in these situations, many carriers are pursuing special prorated agreements (SPAs) specifically to establish agreed billing values in irregular operations situations, or carriers may also wish to participate in the Simplified Involuntary Reroute

Settlement program. More information is available at <http://www.airlinesclearinghouse.com/Pages/Involuntary-Reroute-Settlement.aspx>.

Manually reissuing tickets takes a lot of time, how do these solutions improve efficiency? What about when disruptions occur very close to departure?

A reissue transaction (and even an issuance transaction for a disruption enroute) can be automated within a system, and all major providers have solutions available. Discuss this with your system provider to understand what is possible. Automation has many benefits beyond just the time taken to process reissues. It also allows synergies with rebooking, customer contact, hotel accommodation and many other aspects of disruption management.

What baggage allowance should appear be on a reissued ticket?

Resolution 735d requires that a customer is entitled to the baggage allowance applicable to the fare and/or baggage fees applicable to the "original itinerary" therefore the baggage allowance should be provided as it was sold. This allowance will need to be provided for on the reissued ticket to minimize customer inconvenience, and ensure the allowance is visible to the new operating carrier within the departure control environment. Where the original ticket has a nil baggage allowance, but the customer separately obtained a baggage allowance (for example, where the customer has purchased a prepaid bag), the original operating carrier has two options. They can either Reissue and/or re-associate the EMD-A value coupon for the prepaid bag to the new operating carrier's flight coupon. (If interline capability exists); or Include the baggage allowance as applicable to the "original itinerary" on the reissued ticket.

Do these changes apply to NDC bookings?

Resolution 735d does not make any distinction between different channels or different methods of distribution, pricing or ticketing. It binds all IATA airlines and applies to all passengers. There may be some additional considerations with tickets that have been issued following an ND interaction, as the fare value on the ticket may be masked, if the validating carrier has elected to do so.

In these circumstances, it is important to have bilateral re-protection billing agreements in place to avoid billing disputes. NDC also provides some new opportunity for simplifying and automating how inventory on new operating carriers may be obtained following an irregular operation. These opportunities are currently being explored by airlines within standard setting groups. Airlines interesting in joining these discussions should contact IATA.

What if we have sold ancillaries to a passenger? In a disruption, should the new operating carrier provide these ancillaries to the passenger?

RP1790 (Additional Services) recommends that in an IROP, members may not involuntarily reroute additional services on to other members unless bilaterally agreed. In these cases (where no bilateral agreement exists) the original operating carrier should arrange for a refund in accordance with their own conditions of carriage. This highlights the importance of leveraging automation – in these situations the customer can be automatically contacted to advise that the ancillary they have purchased is not available. A refund can also be processed automatically. Where the customer is proactively contacted, this limits the negative experience of the customer finding out that a product is not available only when it is not delivered.

Questions about changes to interline billing standards

What is the effective date of the new RAM Rule A2 2.5 and 2.6.

The normal effective date for new RAM procedures depends on the invoice date of the subject coupons. The new RAM procedures (unless otherwise stated in the RAM and agreed in the GM) will be effective with coupons originally invoiced 1st ICH period of January 2019 and after. This general rule will be the same for the new A2 2.5 and 2.6 as well. So the new procedures in RAM A2, 2.6 and 2.6 shall apply to coupons invoiced in the 1st period of January 2019 and after. Coupons billed prior to the 1st ICH period of January 2019 shall be settled in accordance with procedures in the applicable RAM prior to 2019. The rejections will follow the same rule. If an airline bills a coupon before 1st ICH period of January 2019 then the rejections on this billing will follow the old RAM rules.

The Resolution 735d and 766 changes will be effective from 1 June 2019. Will this have an effect on the new RAM Rule A2 2.5 and 2.6?

No, this will not have a direct effect on the new RAM settlement rules for A2 2.5 and 2.6. Resolution 735d and 766 changes are in line with the RAM changes in Chapter A2. The RAM prescribes settlement procedures between airlines while the PSC Resolutions describe general obligations, processes and procedures for airlines to follow.

What is the difference between the definition of an irregular operation in Resolution 735d and the Revenue Accounting Manual?

For Resolution 735d, the starting point is the event that has happened that creates the irregularity. This could be the cancellation of a flight, or a delay that causes a misconnection. For Resolution 735d to apply, this event needs to have occurred on the day of the first impacted flight, or the day before. This is regardless of when the ticket reissue occurs (although, it is assumed the ticket reissuance will occur as soon as possible after the event has occurred). This is different from the rule in the Revenue Accounting Manual, which references the day the reissue has occurred. The two rules are related but are slightly different as they may be applied by different systems, with access to different types of information. Resolution 735d describes the processes to be followed by each airline at the time something has gone wrong. The Revenue Accounting manual governs interline billing rules that are followed only within the interline billing process.

Do the 2 day and 5-day rules have an effect to identify a planned schedule change?

Not necessarily. Coupons bearing a designation of schedule change should be billed as planned schedule change regardless of the difference between date of issue and date of first flight. The 2 day and 5 day rule only impact coupons identified as Involuntary, with the endorsement INVOL.

The tax application in the case of Planned Schedule Change will be in accordance with RAM A2, 1.8.2 based on the information shown on the reissued ticket. The Flow chart in RAM 2019, A2 2.7 provides guidelines to identify involuntary rerouting and planned schedule change coupons.

What is the proration difference between involuntary reroute and scheduled change flights?

For involuntary rerouting settlement there are 2 proration iterations. First you need to prorate the first ticket in order to identify the value that would have accrued to the original carrier, then you need to prorate this value across the relevant coupons on the second ticket.

In the first proration, provisos will be applied and in the second proration, straight rate proration (SRP) will be applied only on the coupons that are impacted by the involuntary rerouting

For schedule changes, there is only one proration and you will apply the MPA (including provisos) on the reissued ticket. It is suggested that settlement in case of schedule change is addressed in SPAs.

In case of schedule change the new ticket is normally reissued by the original validating carrier and that may or may not be the carrier responsible for schedule change.

Examples (Examples and Carrier Codes are just for illustration purposes):
INVOL

Original AA Ticket: NYC BA x/LON BA ZRH LX BKK m3000.00
NYC-LON is cancelled and BA reissues ticket (AF does not see this ticket).
INVOL reissue – BA Ticket: NYC AF x/CDG LX ZRH

Original AA Ticket:

Proration 1

BA bills AA for NYC-LON-ZRH coupons using industry proration for the routing NYC BA x/LON BA ZRH LX BKK m3000.00. Provisos shall apply.

Involuntary Reissue – BA Ticket:

AF and LX will debit BA for coupons NYC AF x/CDG LX ZRH.

Proration 2

The prorate value of NYC BA x/LON BA ZRH from above proration becomes the ATBP to re-prorate NYC AF x/CDG LX ZRH on SRP basis.

Sched Change

Original AA Ticket: NYC BA x/LON BA ZRH LX BKK m3000.00

Issue Date: 01 June 2018 Fare is correct

Reissue AA Ticket: NYC AF x/CDG LX ZRH LX BKK m3000.00

Issue Date: 01 Oct 2018 There is no re-pricing so original fare is carried forward.

AF and LX will prorate NYC AF x/CDG LX ZRH LX BKK m3000.00 and provisos apply.

According to the new RAM rule, will the settlement for planned schedule change be a single proration over the revised ATBP based on the fare collected of the original ticket or the fare of the new ticket?

Yes, as from January 2019, there will be a single proration based on the applicable fare collected on the original ticket for the original date of issue.

If there is no bilateral agreement for obtaining inventory (as required under Resolution 766), and inventory is booked with no agreement anyway, how will settlement be performed?

This needs to be managed before the interline billing process starts. The most important thing is to have bilateral agreements in place with all partners, so that the process is completely clear. An airline is able to manage compliance with individual interline partners and can monitor passengers accepted for boarding where documents bearing the INVOL endorsement and where reservations have been made by another airline outside of a bilateral agreement. This monitoring should occur separately and be managed partner by partner. There is also nothing to stop airlines checking this compliance (using reservation level information) at the time of billing, although this typically would not be data used by revenue accounting systems.

So, how can these changes be summarised?

If there is any indication of schedules change shown, treat the change as a schedule change.

If there is an INVOL endorsement, apply the 2 day and 5 day rule, where day one is the calendar day following the reissue date of the reissued ticket:

- If the first scheduled departure date is within two days, treat as an involuntary reroute.
- If the coupon to be billed has a scheduled departure date 5 days or more from the date of the reissued ticket, ignore the involuntary designation, and treat as voluntary reissue.

Examples of this, assuming the INVOL endorsement is present, are as follows.

Date of Resissue	Date of first schedule departure	Coupon to be Billed	Interline billing rules
01-May	03-May	03-May	Involuntary, apply A2. 2.5
01-May	04-May	04-May	Schedule Change, apply A2 2.6
01-May	02-May	05-May	Involuntary, apply A2. 2.5
01-May	02-May	06-May	Ignore Involuntary, and treat as voluntary-Apply A2 2.4