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# NewGen ISS Travel Agent FAQ



## What is NewGen ISS?

**NewGen ISS** (New Generation of IATA Settlement Systems) is a programme designed to modernize the current BSP, delivering more choice and flexibility to Travel Agents and Airlines while reducing risk and ensuring safer selling.

## What are the main initiatives under NewGen ISS?

NewGen ISS is comprised of four initiatives:

**Agency accreditation models:** NewGen ISS moves away from a one-size-fits-it-all approach to accreditation by offering Agents the choice of three accreditation models. The new models are designed to reflect the diverse array of Agents using the BSP and to widen access to IATA Accreditation.

**IATA EasyPay:** a new voluntary “pay-as-you-go” e-wallet, which enables Travel Agents to easily and securely pay for tickets in the BSP.



**Remittance Holding Capacity (RHC):** a monetary threshold for Travel Agents' outstanding BSP Cash sales, which will be assigned to all Agents with a Cash facility. RHC is designed to promote safer selling and mitigate Airlines' risk exposure in the BSP.

**Global Default Insurance (GDI):** a new choice of financial security available to Agents.

## How will the changes introduced by NewGen ISS affect Travel Agents?

NewGen ISS offers Agents new ways to work in the BSP through the new accreditation models, payment and financial security options.

When NewGen ISS is introduced in a market, Agents will be able to choose which of the new accreditation models best suits their business (GoLite, GoStandard or GoGlobal). In addition, Agents will be able to use IATA EasyPay for issuance of tickets through the BSP. Agents required to provide IATA with a financial security as part of their accreditation requirements will be able to opt for Global Default Insurance.

Another key change which impacts Agents is the introduction of a new risk management framework, particularly the Remittance Holding Capacity (RHC). Under NewGen ISS, all Agents with access to a Cash facility will be assigned their individualized Remittance Holding Capacity, and will be subject to the new risk management provisions in Resolution 812.

## What are the new accreditation models?

Under NewGen ISS, Agents will be able to choose from the following three accreditation models:

- **GoLite** which is a lighter, entry-level accreditation.
- **GoStandard** which is based on the current accreditation model.
- **GoGlobal** for multinational Agents operating in various BSPs.

At the time of the rollout of NewGen ISS, any accredited Travel Agents will fall into the GoStandard Accreditation with the ability to convert to the other models.

## What are the features of the new accreditation models?

- **GoLite** accreditation offers a simpler and more flexible accreditation process for current and non-accredited Agents. Travel Agents under this accreditation model are able to transact in the BSP using customer cards or IATA EasyPay, a pay-as-you-go e-wallet solution. However, they will not have access to a BSP cash facility (i.e. Cash as a form of payment). As a result, Travel Agents opting for this accreditation model will be subject to fewer financial requirements.

- **GoStandard** accreditation is for Agents accredited in one market with access to all forms of payment, including a cash facility.

While this model is based on the traditional accreditation, it introduces two new components: IATA EasyPay, a pay-as-you-go solution for Agents; and a new risk management framework. This includes the implementation of a Remittance Holding Capacity (RHC), or maximum threshold for Agents' outstanding BSP Cash sales.

- **GoGlobal** accreditation offers a streamlined process for large international, travel agencies, allowing them to maintain one accreditation for all BSPs they participate in, and to comply with a single global set of financial requirements. Agents will have access to all payment options, and will also be subject to a Remittance Holding Capacity, applicable to all their locations worldwide.

## Are the Accreditation models voluntary?

Yes, each Agent will be able to choose the Accreditation model most suitable for its business, as long as the Agent is able to meet the applicable requirements.

## How can an Agent apply for Accreditation or change its Accreditation model?

Applications for accreditation and for changes of Accreditation type can be processed online via IATA's Customer Portal.

## What is IATA EasyPay?

IATA EasyPay is a new voluntary "pay-as-you-go" e-wallet, which enables Travel Agents to easily and securely pay for tickets via the BSP. IATA EasyPay will be available to all Agents in addition to the BSP Cash and Card payment methods.

IATA EasyPay enables the introduction of the GoLite Accreditation, and provides a way for Agents to continue selling if they reach their Remittance Holding Capacity. Because funds due for a ticket are secured at the time of ticket issuance, IATA EasyPay also can be used by Agents to reduce their financial security amounts with IATA.

## How does IATA EasyPay work?

IATA EasyPay is an industry payment method exclusively for use by Travel Agents in the BSP. To use IATA EasyPay, Agents must first set up and fund their dedicated IATA EasyPay wallet. At the time of ticket issuance, the corresponding amount is blocked in the Agent's e-wallet. If there are insufficient funds, then the ticket cannot be issued using IATA EasyPay.



## Is IATA EasyPay replacing other payment methods?

No. IATA EasyPay is an optional payment method which will be available to Agents in addition to Cash and Customer Card payment methods.

## Do all Airlines accept IATA EasyPay?

While IATA EasyPay is globally available, an airline can opt out of IATA EasyPay acceptance in a market. Prior to using IATA EasyPay, Agents should ensure the Airline accepts this form of payment. Airline acceptance information is published via BSPLink and available on the IATA EasyPay portal.

## How can I set up an IATA EasyPay account for my Agency?

To set up an IATA EasyPay account, please go to the IATA Customer Portal through the following link: <http://www.iata.org/cs> and select IATA EasyPay under Services. Only a Customer Portal Administrator with legal signing authority can open an IATA EasyPay account.

## Is there a cost to open an IATA EasyPay account?

There is no cost to open an IATA EasyPay account. There is also no minimum balance which Agents must maintain in their IATA EasyPay wallet.

## How will IATA EasyPay transactions be identified?

IATA EasyPay transactions are reported on the BSP Billing Reports for Agents under a dedicated form of payment (FOP) code 'EP'.

## What is the IATA EasyPay (IEP) number?

The IATA EasyPay number is a number generated via the IATA EasyPay Portal that the Agent enters in their GDS at the time of ticket issuance. Depending on the market, the IEP number may be either a single or multi-use number.

## Who owns the funds in the IATA EasyPay e-wallet?

Any funds in the Agent's e-wallet belong to the Agent until such funds are blocked against a ticket. Any unblocked amounts can be withdrawn by the Agent.



## Can IATA EasyPay transactions be refunded?

Yes, IATA EasyPay transactions can be refunded like transactions issued with other forms of payment. The amount will be refunded back to the same IATA EasyPay wallet as used for ticket issuance.

## Will Agents be required to use IATA EasyPay?

IATA EasyPay is a voluntary payment option which will be available to all Agents. There is no requirement to use IATA EasyPay unless an Agent chooses to do so.

## Will Agents be required to request IATA EasyPay as an additional payment option?

IATA EasyPay will be automatically available to all accredited Agents once NewGen ISS is introduced in their market. However, to use IATA EasyPay, Agents must first set up and fund their IATA EasyPay wallet account (see 'How can I set up an IATA EasyPay account' above).

## What does the Remittance Holding Capacity mean for Travel Agents?

The Remittance Holding Capacity (RHC) is the maximum amount of Cash sales that an Agent can have outstanding to the BSP at any time. A RHC will apply to all Agents with a BSP Cash facility when NewGen ISS is introduced in a market.

The RHC is part of an enhanced risk management framework intended to better mitigate risk in the BSP and aims to facilitate safer selling between Travel Agents and Airlines.

If a Travel Agent's outstanding Cash sales reach the RHC, the Agent will be able to issue tickets using other forms of payment like IATA EasyPay and customer cards. However, the Agent will not be able to issue further tickets using BSP Cash until a remittance is received, either on or ahead of remittance date, and the Agent's Cash amounts owing fall below the RHC.

## How is the Remittance Holding Capacity (RHC) calculated?

How the RHC is calculated is determined by an Agent's risk status. For the majority of Agents, the RHC will be calculated by assessing the Agent's average daily cash turnover from the three highest reporting periods of the past 12 months, plus a 100% growth threshold, as shown here.

Risk Status	Remittance Holding Capacity Calculation
A	Total Days X Daily Average BSP Cash Turnover (3 Highest Reporting periods) x 2
B	
C	Remittance Holding Capacity = Financial Security Amount Provided

**Total Days** = Number of days in Reporting period plus number of days in Remittance period.

**Daily Average BSP Cash Turnover (3 Highest Reporting periods)** = Agent's Average daily BSP cash turnover for the 3 highest Reporting periods of the previous 12 months.

**x2** represents the year-over-year growth threshold.

This calculation takes into consideration seasonality, while also allowing Agents to grow year over year, so that the majority of Agents will not reach their RHC on an annual basis.

## What is the Risk Status?

All Agents with access to BSP cash sales (GoStandard and GoGlobal Agents) will be assigned one of three risk statuses, A, B or C. The risk status is determined by an Agent's historical behaviour in the BSP (risk events) and the outcome of their financial review.

Each risk status carries different conditions related to financial security requirements, applicable remittance frequency and the calculation of the Agent's Remittance Holding Capacity.

## What will happen if an Agent reaches their RHC?

When the Remittance Holding Capacity is reached, BSP cash sales will be restricted as a form of payment until a remittance is received and the Agent's outstanding amounts to the BSP fall below the RHC. However, Agents will still be able to issue tickets using other forms of payment like IATA EasyPay or Customer Cards.

## How can Agents monitor their RHC usage?

Once NewGen ISS is live in a market, Agents are able to monitor their RHC through a dedicated screen in the Customer Portal. Through the Customer Portal, Agents can view their agency's risk status, assigned RHC amount, and their RHC usage. Access to the screen is granted to the Agency's Customer Portal Administrator, who can also assign access to other users.

In addition, email notifications will be sent to the Portal Administrator and other defined users when RHC usage reaches certain limits (50%, 75% and 100%).

## What measures are available to prevent Agents from reaching their RHC?

Agents will be notified when they reach 50% and 75% of their capacity, so as to be able to take applicable actions. At any point, Agents can use an alternative form of payment which are not considered in the RHC usage. In addition, Agents can remit monies to the BSP in advance of the remittance date to re-open their capacity by the same amount. This can be a full or partial remittance.

Finally, Agents can provide additional Financial Security to increase their assigned RHC. The RHC will be increased by the same amount as the additional security provided.

## What is Global Default Insurance (GDI)?

For Agents required to provide IATA with a Financial Security, Global Default Insurance (GDI) is an alternative to other acceptable security types under Resolution 850p. GDI consists of a Global Default Insurance policy. Individual Agents may, on a voluntary basis, apply to be insured under GDI for the amount of Financial Security required by IATA.

## Who is the GDI provider?

GDI is provided by Euler Hermes, a subsidiary of the Allianz group, and is brokered globally by Aon and Marsh.

## What is the cost of GDI?

The cost of GDI is determined by Euler Hermes, the GDI provider, directly with each Agent.

## Where can I find more information about GDI?

For more information on GDI, or to request a quote from Euler Hermes, the GDI provider, please visit: [www.global-default-insurance.com](http://www.global-default-insurance.com)



## When will NewGen ISS go live?

NewGen ISS first went live in Norway in March 2018 and is progressively being implemented across all BSPs. The roll out of NewGen ISS in the different BSPs is expected to take approximately two years. To find out when NewGen ISS is implementing in your market, .

## What is Resolution 812?

Resolution 812 comprises the sales agency rules under NewGen ISS, and includes provisions related to the new accreditation models, IATA EasyPay and the Remittance Holding Capacity. BSPs will be migrated from Resolution 818g to Resolution 812 when NewGen ISS is implemented.

## Who approved the NewGen ISS changes?

The Passenger Agency Conference (PACConf) which governs matters relating to the relationship between airline and IATA accredited Travel Agents adopted the NewGen ISS Passenger Sales Agency Rules included in Resolution 812 in November 2017. The adoption of this Resolution will allow for the global rollout of NewGen ISS across all BSPs.