



29 April 2020

## Clarification on the BSP Remittance & Settlement Process & Timelines

Dear Travel Agent,

As a result of COVID-19 we are experiencing a significant decrease in BSP sales while refunds are increasing. This unusual situation has resulted in many Agents being in a BSP receivable position, instead of a payable. While Agents are accustomed to remit into the BSP on Remittance Date, it is important to clarify that payments that are issued by the BSP to its participants (Airlines and Agents) are **executed on Settlement Date**, which depending on each BSP market and the local banking system could be between 1 or 3 days after the Remittance Date.

The reason that the Settlement Date is different from the Remittance Date is that IATA is required to reconcile the amounts received on Remittance Date and in most cases the necessary information is not available from the Clearing Bank until the following day of Remittance.

This same situation is occurring with Airlines which are in a Negative Settlement, these amounts are due to the BSP on Remittance Date and not on the day Airlines are accustomed to receive their payments (Settlement Date) to ensure the BSP has sufficient funds to settle to all BSP Participants on Settlement Date.

You can see the exact Remittance & Settlement dates for your market by clicking on "Full Details & Download" within the calendar application in the [IATA Customer Portal](#).

**In the meantime, for the most updated guidance and information on COVID-19, please refer at all times to [IATA's Coronavirus](#) updates on [iata.org](#).**

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Kind regards,

Juan Antonio Rodriguez



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