

## RESOLUTION 801re

### REPORTING AND REMITTANCE PROCEDURES (ECAA)

CAC2(32)(within Europe)

Expiry: Indefinite

Type: B

WHEREAS it is recognized that the European Air Cargo Programme (EACP), prescribed in Resolution 805zz, provides a framework for airlines and intermediaries to work together to facilitate the free movement of cargo from and throughout the European Common Aviation Area (ECAA) and

WHEREAS the EACP enables intermediaries to participate in the air Cargo Industry Credit Scheme (CICS) and

WHEREAS it is recognized that the EACP uses the IATA Cargo Accounts Settlement System (CASS) to provide an efficient and cost-effective mechanism for accounting and settlement between airlines and intermediaries, it is

RESOLVED that the following procedures are adopted and shall be applied in conjunction with the EACP and the CICS

#### 1. WHEN MONIES DEEMED DUE

monies payable at origin shall be deemed due by an Intermediary to an Airline when the Air Waybill is executed and shall be settled in accordance with the provisions of this Resolution; provided that in the event the Intermediary is declared bankrupt, placed in receivership or judicial administration, goes into liquidation or becomes subject to any other similar legal procedure affecting its normal operation, immediate settlement in full shall be made of all such monies;

#### 2. SETTLEMENT PROCESS

settlement shall be made through CASS;

#### 3. BILLING PERIOD

intermediaries shall be billed by each EACP airline through CASS within a reasonable time, but not later than the 20th day after the end of the calendar month in which the Air Waybill or other transportation document was accepted by the airline (this shall be referred to as the billing period);

#### 4. BILLING FREQUENCY

the billing frequency through CASS shall be twice each month;

#### 5. REMITTANCE

the intermediaries' remittance shall be made once each month so as to reach the CASS Office by its close of business on a date which shall be the 30th day following the last day of the Billing Period under settlement. This day shall be referred to as 'the remittance date'. If this day falls on a weekend or a Bank Holiday, then the remittance date shall be the first working day thereafter;

## 6. GRACE PERIOD

- △ from and including the first day after the remittance date, a grace period of 10 calendar days (15 days in the UK for CASS Imports) will be allowed for any intermediary to settle any outstanding amounts;

## 7. IRREGULARITY

**7.1** irregularities in an intermediary's settlement shall result in the CASS Manager sending a "Notice of Irregularity" (NOI) to the intermediary in the form of a registered letter or E-mail. Any Intermediary sent a NOI will accrue a penalty point(s);

**7.2** if 4 penalty points in respect of any intermediary in a specific country are accumulated and recorded by the CASS Manager during any 12 consecutive months, the CASS Manager shall suspend such intermediary from CASS, pending a financial review;

**7.3** for the purposes of recording irregularities, the following penalty points system shall be applied during the grace period:

- 7.3.1(a)** late payment — 1 pp,
- 7.3.1(b)** unauthorized short payment — 1 pp,
- 7.3.1(c)** dishonored cheque — 2 pp,
- 7.3.1(d)** rejected Direct Debit — 2 pp,
- 7.3.1(e)** rejected electronic transfer — 2 pp;

## 8. CASS INTEGRITY

**8.1** if payment is refused or cannot be obtained under 7.3.1(c), (d) or (e) above by the end of the grace period, the CASS Manager shall suspend such intermediary from CASS, pending a financial review;

**8.2** if following any review, the intermediary is re-instated in CASS but subsequently receives two additional penalty points during the next 12 month period in the same country, the CASS Manager shall suspend such intermediary from CASS, pending a financial review;

**8.3** an intermediary will not be suspended from CASS if it is identified that a dispute exists with an individual item or individual airline. In these cases, the CASS Dispute Procedures and Code of Conduct shall apply, and if still not resolved, then the disputed item/issue shall be removed from CASS and shall be dealt with bilaterally between the parties concerned;

## 9. FINANCIAL REVIEW

**9.1** if the intermediary, having settled all outstanding amounts, if any, is able to demonstrate that it can meet the financial and credit standing requirements and conditions set forth in the EACP, then the CASS suspension shall be lifted. The intermediary shall be cleared of all irregularities recorded against it prior to the suspension;

**9.2** before re-instatement in CASS, an intermediary in suspension must settle all outstanding amounts up to date, including those pending air waybills which were being processed at the time of suspension in CASS;

**10. STANDARD FORMS**

**10.1** the paper billing /invoice layout from CASS shall be in the form of the Cargo Sales Invoice/Adjustment prescribed in Attachment 'A' or Attachment 'B' hereto as appropriate;

**10.2** electronic billings/invoices the headings and general column layout of Cargo Sales Invoice/Adjustment forms prepared in such manner shall be in conformity with the format prescribed in Attachment 'A' or Attachment 'B' hereto as appropriate;

**10.3** charges due to the intermediary, entered on an Air Waybill in accordance with Resolution 600a, to be collected by an airline on behalf of an intermediary, shall be settled with the intermediary by offsetting the charges due intermediary against the other charges due on the Cargo Sales Invoice/Adjustment form on which that Air Waybill is billed;

**11. CHANGES**

implementation of any changes to this Resolution can only commence once endorsed by the European Cargo Agency Programme Joint Council;

**12. ALTERNATIVE FINANCIAL ARRANGEMENTS**

nothing in these procedures shall preclude an airline and an intermediary from making alternative arrangements on a bilateral basis outside of CASS.

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Intermediary _____		CARGO SALES INVOICE/ADJUSTMENT***		Invoice No/Date _____								
Address _____		WORLD AIRLINES 999 CURRENCY _____		Page _____ of _____								
IATA Numeric Code _____		Address _____		BILLING PERIOD _____								
Air Waybill Serial Number Origin Code	PREPAID CHARGES		CHARGES COLLECT		OTHER PREPAID CHARGES DUE AIRLINE**	Intermediaries Information						
	Weight* Charge	Other Charges Due Airline	Weight* Charge	Other Charges Due Intermediary								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(Optional)	Mandatory Columns				Optional Columns							
TOTALS												
<b>RECAPITULATION</b> Total prepaid charges due Airline (Cols. 2 + 3) _____ Total remunerable sales (Cols. 2 + 4) CCY _____ at _____ % CCY _____ Remuneration due Intermediary CCY _____ Other charges due Intermediary CCY _____ MCO amounts CCY _____ <b>NET DUE AIRLINE/INTERMEDIARY</b> _____ CCY _____ CCY _____ CCY												

\* Including valuation charges

\*\* Columns A and B to specify predetermined charges, e.g. those occurring most frequently, column C to show other charges - listed vertically if more than one and identified by AWB codes set out in Resolution 600a.

\*\*\* Adjustment to be used when listing on a separate sheet previously invoiced items which are being reversed and adjusted. One of the optional columns to be headed "Adjustment Reference".

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**Attachment ‘B’**

CARGO SALES INVOICE/ADJUSTMENT (EU Countries Only)											
Intermediary		[1] .....		Airline		[6] .....		Invoice No./date		[7] .....	
Address		[3] .....		Address		[4] CURRENCY		[5] BILLING PERIOD		Page [8] .....	
IATA Numeric Code: [2] .....		[2] .....		[2] .....		[2] .....		[2] .....		[2] .....	
VAT Reg Nr		[2] .....		VAT Reg Nr		[2] .....		[2] .....		[2] .....	
		PREPAID CHARGES		CHARGES COLLECT				OPTIONAL COLUMNS			
AWB Serial Number/ Orig. Code	Sp. Ind	Weight Charge	Other Charges due Airline	Weight Charge	Other Charges due Intermediary	ORG/ DES	AWB Exec. Date	A Gross Weight	B Incentive	VAT ...%	INTERMEDIARIES INFORMATION
[9] EU-Cargo	[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]
TOTALS EU-Cargo											
Non-EU											
TOTALS Non-EU											
TOTALS											

**RECAPITULATION [22]**

Total Prepaid Charges due Airline (TTL 11 + 12)		.....(A)
EU-Cargo	Commissionable Sales (TTL 11 + 13) .....	(B1)
	Intermediarie's Commission at (C)% of (B1) .....	(D1) VAT.....(J)
Other Cargo	Commissionable Sales (TTL 11 + 13) .....	(B2)
	Intermediarie's Commission at (C)% of (B2) .....	(D2)
	Other Charges due Intermediary (14) .....	(E)
	Incentives (18) .....	(F)
	Total Deductions .....	(G) -
	Total Payable Prior to VAT .....	(H)
	VAT Collectable by Airline (19) .....	(I) +
	VAT Payable to Intermediary .....	(J) -
	<b>NET DUE AIRLINE</b>	<b>.....</b>
	[23]	

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### △ Attachment 'C'

CASS	Reporting Periods Per Month	Remittance Frequency	Remittance Date		Settlement Date
			Cheque	Electronic Payments	
Argentina	2	2	15	15	First following day
Australia	2	2	32	32	2 days after remittance
Austria	1	1	no	28	2 days after remittance
BELUX	2	1	no		6th of following month
Brazil	2	2	15	15	1 day after remittance
Canada	2	2	no	28	same as remittance date
Chile	2	2	30	30	4 days after remittance
China	2	2	no	30	1 day after remittance
Costa Rica	2	2	15	15	1 day after remittance
Ecuador	2	2	30	30	1 day after remittance
Egypt	2	2	30	30	4 days after remittance
France	2	1	30	30	30th day following month
Germany	1	1	no	30	30th day following month
Greece	4	1	28	28	same as remittance date
Ireland	2	1	30	30	same as remittance date
Italy	2	1	30	30	1 day after remittance
Japan	2	2	no	30	same as remittance date
Korea	2	2	30	30	2 days after remittance
Mexico	2	2	15	15	2 days after remittance
Morocco					
Netherlands	2	1	30	30	1 day after remittance
New Zealand	2	2	30	30	same as remittance date
Nordic	1	1	no	30	30th day following month
Panama	2	2	15	15	1 day after remittance
Peru	2	2	15	15	1 day after remittance
Philippines	2	2	30	30	2 & 5 days after remittance
Portugal	1	1	no	30	30th day following month
Saudi Arabia					
Singapore	2	2	no	30	1 day after remittance
South Africa					
Spain	1	1	no	30	30th day following month
Switzerland & Luxembourg	1	1	no	30	30th day following month
Turkey	2	2	30	30	2 days after remittance
UK	2	1	30	30	1 day after remittance
USA	2	2	30	30	daily after remittance
Venezuela	2	2	15	15	3 days after remittance

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### △ Attachment ‘D’

CASS	Grace Period	Notes
Argentina	10 consecutive days	Max four irregularities in 12-month period
Australia	10 consecutive days	Max four irregularities in 12-month period
Austria	10 consecutive days	Max four irregularities in 12-month period
BELUX		
Brazil	10 consecutive days	Max four irregularities in 12-month period
Canada		
Chile		
China		
Costa Rica		
Ecuador		
Egypt		
France		
Germany		
Greece		
Ireland		
Italy		
Japan		
Korea		
Mexico		
Morocco		
Netherlands		
New Zealand		
Nordic		
Panama		
Peru		
Philippines		
Portugal		
Saudi Arabia		
Singapore		
South Africa		
Spain		
Switzerland & Luxembourg		
Turkey		
UK		
USA		
Venezuela		