

REFUND POLICY & PROCEDURES

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Policy Number	
Discipline Head	Director Finance
Applies to	Travel Agents, Travel Consultants, GSAs and Staff
Effective Date	01 May 2023
Next Revision Date	30 th April 2026
Approved By	General Manager
Related Policy	

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1.0 EXECUTIVE SUMMARY

1.1 The purpose of this Refund Policy is to provide guidance to the staff of Air Botswana who are responsible for performing the tasks of refunding the eligible client on request where applicable, and to the Travel Agents and Travel Consultants and appointed General Sales Agents (GSA'S) to create a clear understanding of the policy and procedures relating to the refund and cancellation process with regards to the travel documents of Air Botswana.

1.2 The benefits is to:-

- a) Standardise the refund processing.
- b) To offer clarity and better customer service

2.0 DEFINITIONS

For purpose of this policy and procedure, unless otherwise stated the following definitions shall apply:

2.1 Admin fees and charges

Expenses charged to cover preparation cost including services rendered in issuance of the tickets including Global Distribution charges.

2.2 Agency Debit Memo (ADM)/Agency Credit Memo (ACM)

It is the legitimate accounting tools used by airline to adjust **any** incorrectly reported document by agents or the airline.

2.3 Alternative form of payment

It means making a payment other than cash. Alternative methods of payment include payments made using a loyalty program point.

2.4 Billing Settlement Plan (BSP)

It is the central point through which data and funds flow between travel agents and

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airlines. Instead of every agent having an individual relationship with each airline, all of the information is consolidated through the BSP. Agents make one single payment to the BSP (remittance), covering sales on all BSP Airlines.

2.5 Fare rules

Set of conditions that determine the price of an air ticket for each seat class. They also define whether a ticket is refundable or nonrefundable or whether additional charges are applicable (e.g., for baggage or booking changes).

2.6 Form of Payment

Form of Payment means cash, a cheque, electronic transfer (EFT), a debit/credit card, or any other means by which Customers pay for the services.

2.7 General Sales Agent (GSA)

Means any Person to whom a Member of IATA or non-IATA air carrier has delegated general authority to represent it for purposes of sales of passenger and/or cargo air transportation in a defined territory and who is remunerated accordingly.

2.8 Global Distribution System (GDS)

System used by travel agents to create bookings and issue tickets e.g. Amadeus, Sabre.

2.9 Involuntary refund

It is the request for a refund of a totally unused, or the unused portion of a travel document which can be solely attributed to the airline being unable to provide the contracted conveyance of passenger for various reasons e.g.

- a) Flight cancellation
- b) Offloading
- c) Misconnection due to airlines fault

2.10 Process

Series of actions taken to fulfill a refund request.

2.11 Original Issuing Office

The office that initiated the sale of ticket

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2.12 Qualifying ticket

Any legible ticket

2.13 Refund of ticket

Refund of an Air ticket is the cancellation of a business, either by a passenger being a no-show, a flight being cancelled or delayed or unforeseen circumstances preventing a passenger to travel and is only to be processed by the airline that issued the original document.

2.14 Turnaround time

Time it takes to process a refund request.

2.15 Voluntary refund

Any qualifying ticket refund request initiated by a customer for reasons solely attributed to the customer.

3.0 POLICY STATEMENTS: -

3.1 Air Botswana to refund the unused portion of a qualifying ticket.

3.2 Only the original issuing Airline should refund a ticket, as the value of a document is frequently unrecognizable or illegible due to coupon information that includes high provision payments. In most cases the issuing airline is the only one able to decide the actual value of these documents.

3.3 The amount to be refunded will be determined basing on the portion already consumed as well as administrative fees and charges as applicable.

3.4 For voluntary refund the turnaround time shall be maximum of (30) days from date of receipt.

3.5 For involuntary refund the turnaround time shall be maximum of (7) days from the date of receipt.

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3.6 Refund in the unfortunate case of death of a passenger or death in the immediate family according to Passenger Air Tariffs General Rules 9.3.4.1 is spouse, children (including adopted children), parents, brothers, sisters, grandparents, grandchildren, fathers and mothers in law, brothers and sisters in law, sons and daughters in law. (Proof of relation will be required). Death certificate shall be required as proof of death.

3.7 Refund in case of illness will not be applicable even with the Doctor's sick note. Passengers are encouraged to take travel insurance.

4.0 Refusal to refund a ticket:

Air Botswana may refuse to refund a ticket on lawful instructions from Government authorities.

5.0 Administration fees:

Air Botswana will charge an administration fee of BWP 500.00 plus Value Added Tax(VAT) for all voluntary refunds.

6.0 Penalties:

Cancellations, no-shows, change fees, penalties will apply as per the fare rules.

7.0 Government and/or Airport Authority Taxes

(Referred to as Official Tax in the document) These are included in the price of a ticket and are levied by airport operators, governments, or other authorities. Below are the examples of the Official Taxes.

a) Botswana

BW /DEPARTURE TAX

CW /VALUE ADDED TAX – DOMESTIC

S8 /PASSENGER SECURITY CHARGE

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b) South Africa

EV /PASSENGER SAFETY CHARGE

UM /PASSENGER SERVICES AND SECURITY CHARGE

WC /AIR PASSENGER TAX

ZA /PASSENGER SERVICE TAX

ZV /VALUE ADDED TAX

c) Zimbabwe

CB /PASSENGER SERVICE CHARGE

XI /AVIATION INFRASTRUCTURAL DEV FUND LEVY FEE

d) Zambia

JI /AIR PASSENGER SERVICE CHARGE

QJ /SECURITY CHARGE

RM /AVIATION INFRASTRUCTURE AND DEVELOPMENT CHARGE

H2 PASSENGER SAFETY CHARGE

K2 CUTE AND CUSS CHARGE

7.1 Carrier-Imposed Fees (YQ/YR)

non-official fees imposed by carriers under sub code (YQ/YR).).

7.2 Air Botswana shall refund taxes/fees/charges according to the table below.

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ALL SECTORS	FREE TICKETS AD/ID	FREE TICKETS LOYALTY	BARGAIN/BARGAIN PLUS	SEMI FLEX	FLEX
RBDs within Brand	Q-Fares	U-Fares	X-/N-/S-/V-/M-Fares	T-/L-/K-/H-Fares	B-/Y-Fares
BEFORE DEPARTURE					
Official Tax Refund Permitted	YES	YES	YES	YES	YES
Carrier Imposed Tax/Fees/Charges (YQ/YR) Refund Permitted	YES	YES	NO	YES	YES
AFTER DEPARTURE					
Official Tax Refund Permitted	YES	YES	YES	YES	YES
Carrier Imposed Tax/Fees/Charges (YQ/YR) Refund Permitted	YES	YES	NO	YES	YES



7.3 Ticketing service fee (OB fee)

All Ticketing service fees are considered consumed at the time of ticket purchase and therefore non-refundable.

8.0 PROCEDURES

8.1 REFUND - AIR BOTSWANA TICKET OFFICE SALES

8.1.1 Upon receipt of a refund request, Agents should validate if it's a qualifying ticket before completing a Refund Application Form and submitting to the Refund Section (See Appendix A)

8.1.2 The status of the qualifying ticket should be changed to "REFUNDED" in system and attached to the Application Form before being submitted to Refunds Section.

8.1.3 The Accounts Officer in Refunds Section computes the refundable amounts according to the fare rules and subject to all relevant deductible amounts as per the policy and attach all copies of relevant documentation.

8.1.4 The completed refund request with all necessary documents attached will then be forwarded to the Revenue Accountants for checking and approval.

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8.1.5 Once the refund is approved the Refund request will then be forwarded to the relevant departments for payment i.e., if it is cash, it will be forwarded to Treasury department for payment, online will be forwarded to E-commerce office to process and those bought on credit will be forwarded to Accounts Receivables for issuance of credit notes.

8.1.6 All own station and online tickets refunded for the month will be captured in Maureva MS Excel template and send to Maureva for processing on the last day of every month.

8.2 BSP REFUNDS

8.2.1 Agents will submit their refunds directly to BSPlink with all relevant supporting documentation to the online application and shall be actioned within thirty (30) days from the date of application.

8.2.2 An admin fee of **BWP500 plus VAT** and all applicable penalties as per clause 5 and 6 will be charged for all voluntary refunds submitted to BP and through BSPlink.

8.2.3 Refunds submitted directly to BSPlink by the agents, shall be computed according to the fare rules and all applicable penalties/charges/admin fees and commission deducted and then authorized by Air Botswana Sales Audit through BSP Link.

8.2.4 Any Agent's error will be a cost for the Agent and will not be responsibility of the airline.

8.2.5 Refunded coupons will then be downloaded into the Revenue Accounting System by Maureva team.

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8.3 GSA'S TICKET REFUNDS

8.3.1 Upon receipt of a refund request, the GSA should complete and submit a Refund Application attaching all relevant documentation.

8.3.2 GSA shall ensure that ticket is refundable according to the fare rules and that the correct penalties, admin fees etc have been deducted. All tickets refunded are to be reported on a separate sheet (Refund Report on TSR) in month of refund application. GSA will ensure that the correct commission is also deducted on this Report and submitted with the normal Ticket Sales Return.

8.3.3 For admin and penalties fees refer to the relevant fare rules and for admin fees refer to sections 5 and 6.

8.4 ONLINE TICKET REFUND

8.4.1 Refunds for all tickets sold on internet shall be processed at Air Botswana Head Office and refund applications shall be processed via the internet link provided on the website.

8.4.2 For admin and penalties refer to the relevant fare rules and for admin fees refer to sections 5 and 6.

9.0 REVISIONS AND UPDATES

9.1 Any revisions and updates to this policy document shall be approved by the General Manager.

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REFUND POLICY AND PROCEDURES

Recommended by : MAIPELO MOTSHWANE

Signature: *Motshwane* 27/04/2023

Position: **DIRECTOR, FINANCE**

Approved by: A.T. KHUNWANA

Signature: *A.T. Khunwana*

Position : **AIR BOTSWANA GENERAL MANAGER**

Date : 05/05/2023

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APPENDIX A:
Refund application form

To: REFUNDS SECTION
ACCOUNTS DEPT.
GABORONE



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FORM OF PAYMENT	
INVOICE NO. _____	DATED _____

SELLING OFFICE
DATE REF 12501

THE FOLLOWING DOCUMENTS HAVE BEEN RECEIVED FOR THE REFUND FROM
..... ADDRESS

TICKET/MCO No.	COUPON	UNUSED SECTORS

NOTE: NON REF FILL IN THE INVOICE NUMBER

WHITE COPY: CUSTOMER
YELLOW COPY: ACCOUNTS
BLUE COPY: SELLING OFFICE

SIGNATURE

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