IATA WEBINAR

IATA ICH

IATA CLEARING HOUSE
SMI "X" FEATURE

23 April 2025
09:00 – 10:00 [EDT]

IATA

IATA Legal Reminders

- Participants are reminded that live streaming of this webinar by participants to parties not in attendance is not permitted, except as indicated by and with the express permission and knowledge of IATA.

- Unauthorized recording of the meeting is also prohibited.

- IATA will record the webinar and share the link afterwards to the members of this group and shared by email.

Agenda & Speakers

- **Intro to SMI “X”**
- **What is it ?**
- **Why was it introduced?**
- **SMI “X” Status**
- **Feedbacks**
- **Requirements**
- **Recap**
- **Q&A**

Jesse Reeves	Senior Manager ICH Operations **IATA**
Vivian Fernandes	Assistant Manager ICH Operations **IATA**
Yu Song	Assistant Manager ICH Finance **IATA**
Mark West	Global Finance Transformation Lead – S2C **SWISSPORT**

Testimonial

SMI “X” What is it ?

- Additional Settlement Method Indicator “SMI”
- Defined under Part C Procedure 15 of the ICH Manual
- Complements existing SMIs i.e. SMI “I” (ICH) and “M” (Inter clearance with ACH)
- Does not replace existing SMIs
- Available to date for Category M (Miscellaneous / Non-transportation billings)
- Additional Clearance Agreements in supplement to the STD agreement with individualized:
  - ❖ Set-up
  - ❖ Group of Participants
  - ❖ Calendar
  - ❖ Set of notifications and reports

SMI “X” Why ?

- **To respond** to the industry needs in continuous evolution:
  - ❖ Additional settlement currencies beside EUR/USD/GBP
  - ❖ Flexible clearance calendars

- **To address new Business opportunities and/or support** towards industry commitments:
  - ❖ ACE01/ACE02 “Aviation Carbon Exchange” helping to become carbon neutral

- **To simplify** existing processes Invoicing and Settlement in the same currency:
  - ❖ Supplier invoices in local currency
  - ❖ No more Five-Day Rate “FDR”, Call Day Rate “CDR”, Call Day Adjustment “CDA”

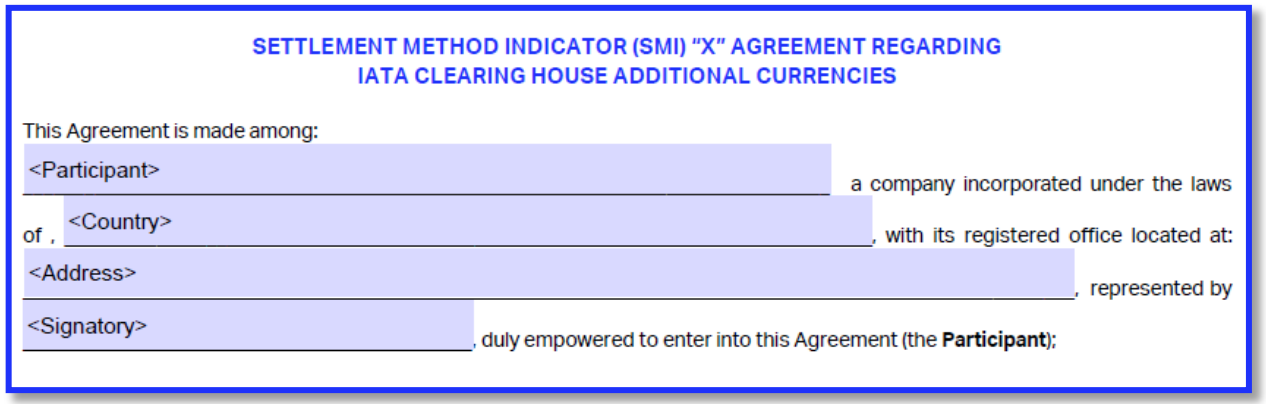
SMI "X" Status

- **SMI "X" is Live !**
- Add. Currencies:
  USD, EUR, GBP, CHF, SGD, JPY, AUD, CNY*

  CHF since Jan-24 (over CHF 6M)
  ✓ Weekly settlement

- ACE:

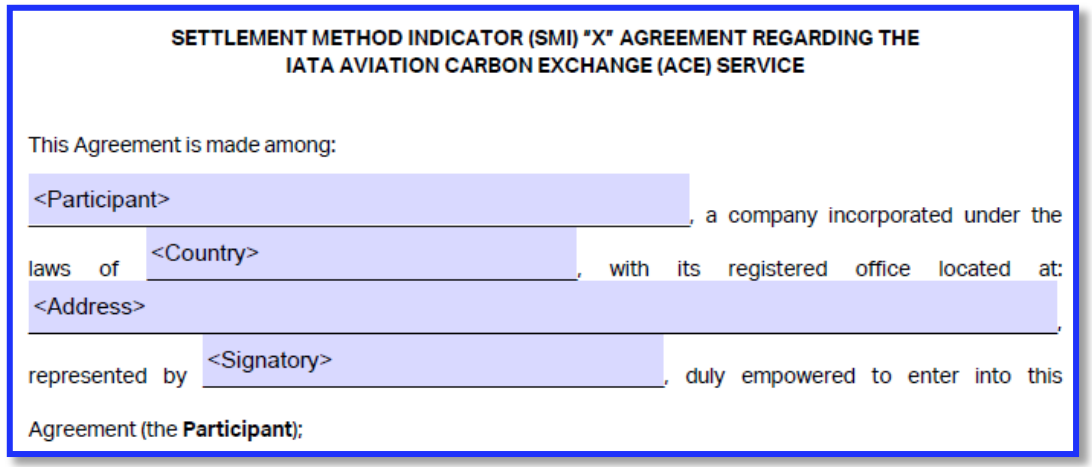
  USD since Nov-21 (over USD 2.5M)
  ✓ Up to daily settlement



SETTLEMENT METHOD INDICATOR (SMI) "X" AGREEMENT REGARDING
IATA CLEARING HOUSE ADDITIONAL CURRENCIES

This Agreement is made among:

<Participant> a company incorporated under the laws of , <Country>, with its registered office located at: <Address>, represented by <Signatory>, duly empowered to enter into this Agreement (the **Participant**);

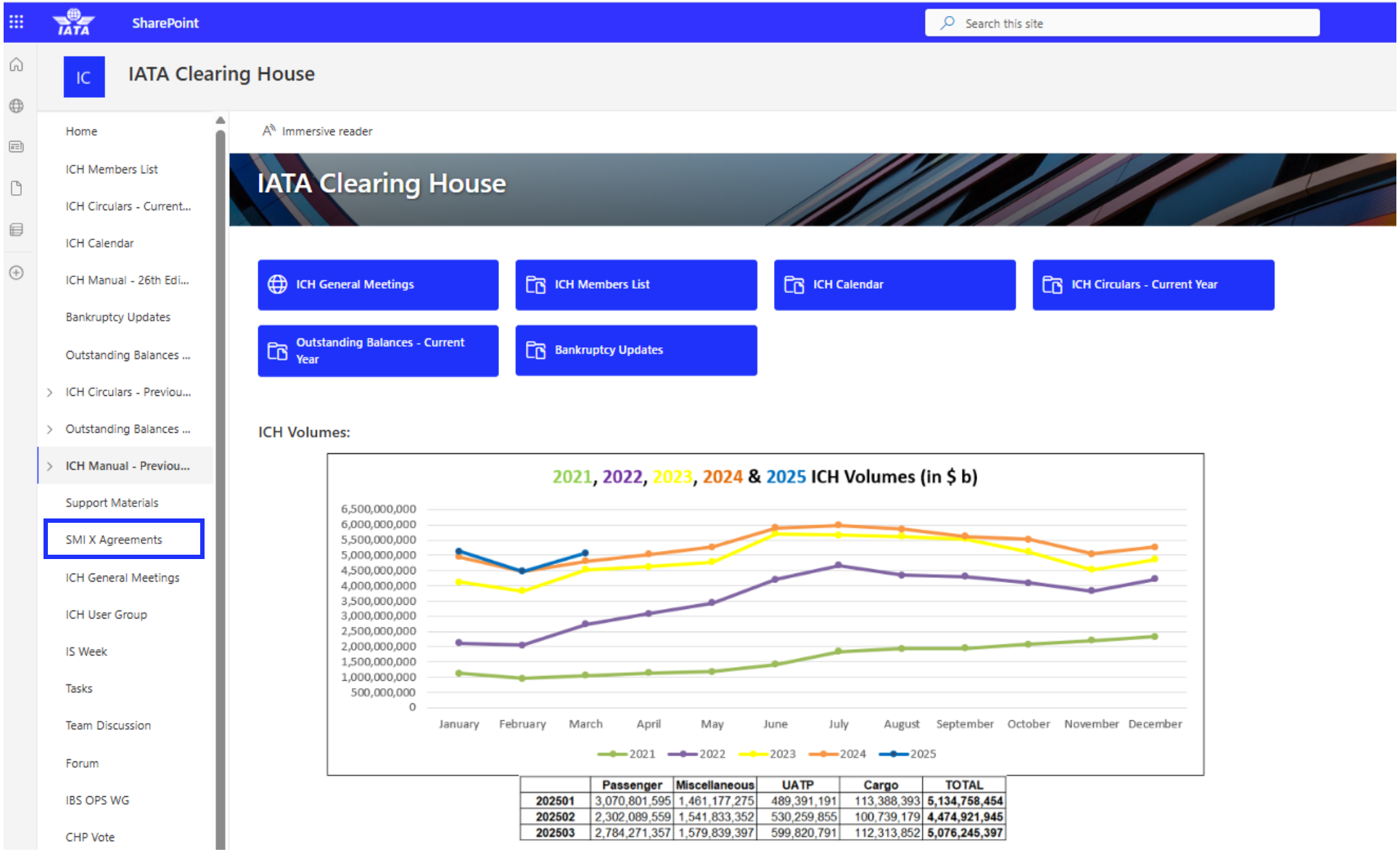


SETTLEMENT METHOD INDICATOR (SMI) "X" AGREEMENT REGARDING THE
IATA AVIATION CARBON EXCHANGE (ACE) SERVICE

This Agreement is made among:

<Participant>, a company incorporated under the laws of <Country>, with its registered office located at: <Address>, represented by <Signatory>, duly empowered to enter into this Agreement (the **Participant**);

Where to find the SMI “X” agreements ?

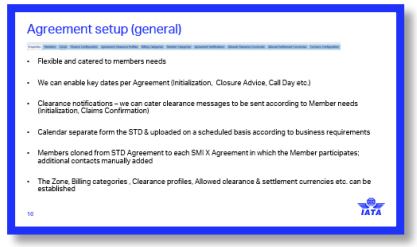


	Passenger	Miscellaneous	UATP	Cargo	TOTAL
202501	3,070,801,595	1,461,177,275	489,391,191	113,388,393	**5,134,758,454**
202502	2,302,089,559	1,541,833,352	530,259,855	100,739,179	**4,474,921,945**
202503	2,784,271,357	1,579,839,397	599,820,791	112,313,852	**5,076,245,397**

SMI-X CHF

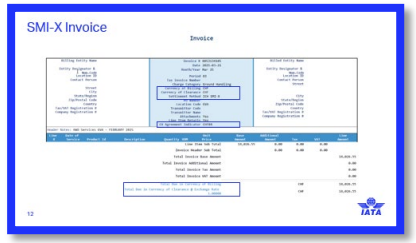
- Live since Jan-24 with over CHF 6m settled
- Weekly Clearances

SETUP

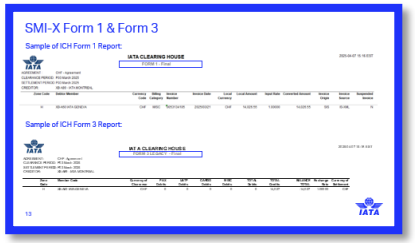


XML

INVOICES



FORMS



Agreement setup (general)

- Flexible and catered to members needs
- We can enable key dates per Agreement (Initialization, Closure Advice, Call Day etc.)
- Clearance notifications – we can cater clearance messages to be sent according to Member needs (Initialization, Claims Confirmation)
- Calendar separate form the STD & uploaded on a scheduled basis according to business requirements
- Members cloned from STD Agreement to each SMI X Agreement in which the Member participates; additional contacts manually added
- The Zone, Billing categories , Clearance profiles, Allowed clearance & settlement currencies etc. can be established

IS-XML File with SMI-X CHF

The following values should be provided under the <PaymentTerms> section of the IS-XML file:

<SettlementMethod> node with the value as 'X'

<CHAgreementIndicator> with the values according to your ICH Agreement.

<NetDueDate> with the values according to your ICH Agreement.

<ClearanceCurrencyCode> with the values according to your ICH Agreement.

<CurrencyCode> with the same value as <ClearanceCurrencyCode>

<ExchangeReate> node the value as '1.00000'

Below is an example:

```
<PaymentTerms>
<CurrencyCode>CHF</CurrencyCode>
<ClearanceCurrencyCode>CHF</ClearanceCurrencyCode>
<ExchangeRate>1.00000</ExchangeRate>
<SettlementMethod>X</SettlementMethod>
<PaymentTermsType>0011</PaymentTermsType>
<NetDueDate>2025-04-01</NetDueDate>
<CHAgreementIndicator>CHF04</CHAgreementIndicator>
</PaymentTerms>
```

IS-XML File with SMI-X CHF

Additionally, the following values should be provided under the <InvoiceSummary> section of the IS-XML file:

< TotalAmountInClearanceCurrency > node with the value of the total amount in Clearance Currency.

Below is an example:

```
<InvoiceSummary>
    <LineItemCount>1</LineItemCount>
    <TotalLineItemAmount>14026.550</TotalLineItemAmount>
    <TotalAmount>14026.550</TotalAmount>
    <TotalAmountInClearanceCurrency>14026.550</TotalAmountInClearanceCurrency>
</InvoiceSummary>
```

SMI-X Invoice

Invoice

Billing Entity Name	Invoice # 0053134105	Billed Entity Name
	Date 2025-03-21	
Entity Designator & Num.Code	Month/Year Mar 25	Entity Designator & Num.Code
Location ID	Period 03	Location ID
Contact Person	Tax Invoice Number	Contact Person
	Charge Category Ground Handling	Street
Street	Currency of Billing CHF	
City	Currency of Clearance CHF	
State/Region	Settlement Method ICH SMI-X	City
Zip/Postal Code	PO Number	State/Region
Country	Location Code GVA	Zip/Postal Code
Tax/VAT Registration #	Transmitter Code	Country
Company Registration #	Transmitter Name	Tax/VAT Registration #
	Attachments Yes	Company Registration #
	Line Item Details Yes	
	CH Agreement Indicator CHF04	

Header Notes: HWO Services GVA - FEBRUARY 2025

Line #	Date of Service	Product Id	Description	Quantity	UOM	Unit Price	Base Amount	Additional Amount	Tax	VAT	Line Amount
			Line Item Sub Total				14,026.55	0.00	0.00	0.00	
			Invoice Header Sub Total					0.00	0.00	0.00	
			Total Invoice Base Amount								14,026.55
			Total Invoice Additional Amount								0.00
			Total Invoice Tax Amount								0.00
			Total Invoice VAT Amount								0.00
			Total Due in Currency of Billing						CHF		14,026.55
			Total Due in Currency of Clearance @ Exchange Rate 1.00000						CHF		14,026.55

SMI-X Form 1 & Form 3

Sample of ICH Form 1 Report:

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FORM 1 - Final

2025-04-07 15:16 EST

AGREEMENT : CHF - Agreement
CLEARANCE PERIOD: P03 March 2025
SETTLEMENT PERIOD P03 March 2025
CREDITOR: XB-A89 - IATA MONTREAL

Zone Code	Debtor Member	Currency Code	Billing Category	Invoice Number	Invoice Date	Local Currency	Local Amount	Input Rate	Converted Amount	Invoice Origin	Invoice Source	Suspended Invoice
H	XB-A60 IATA GENEVA	CHF	MISC	0053134105	2025/03/21	CHF	14,026.55	1.00000	14,026.55	SIS	IS-XML	N

Sample of ICH Form 3 Report:

IATA CLEARING HOUSE

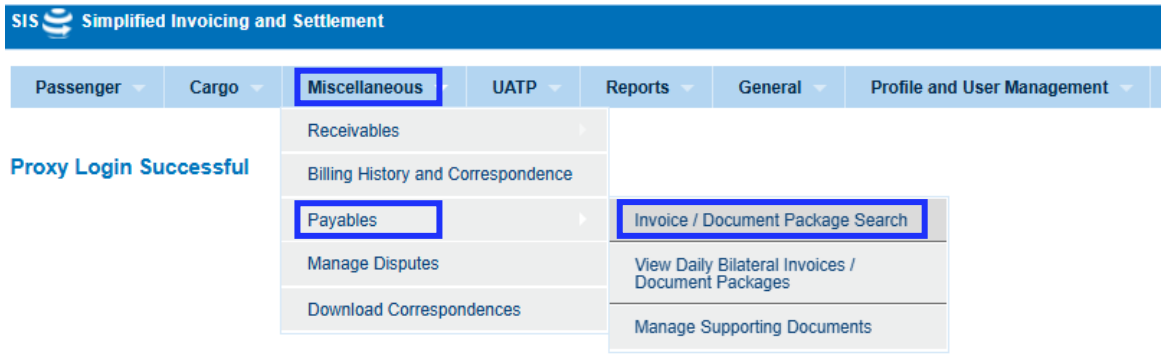
FORM 3 LEGACY - Final

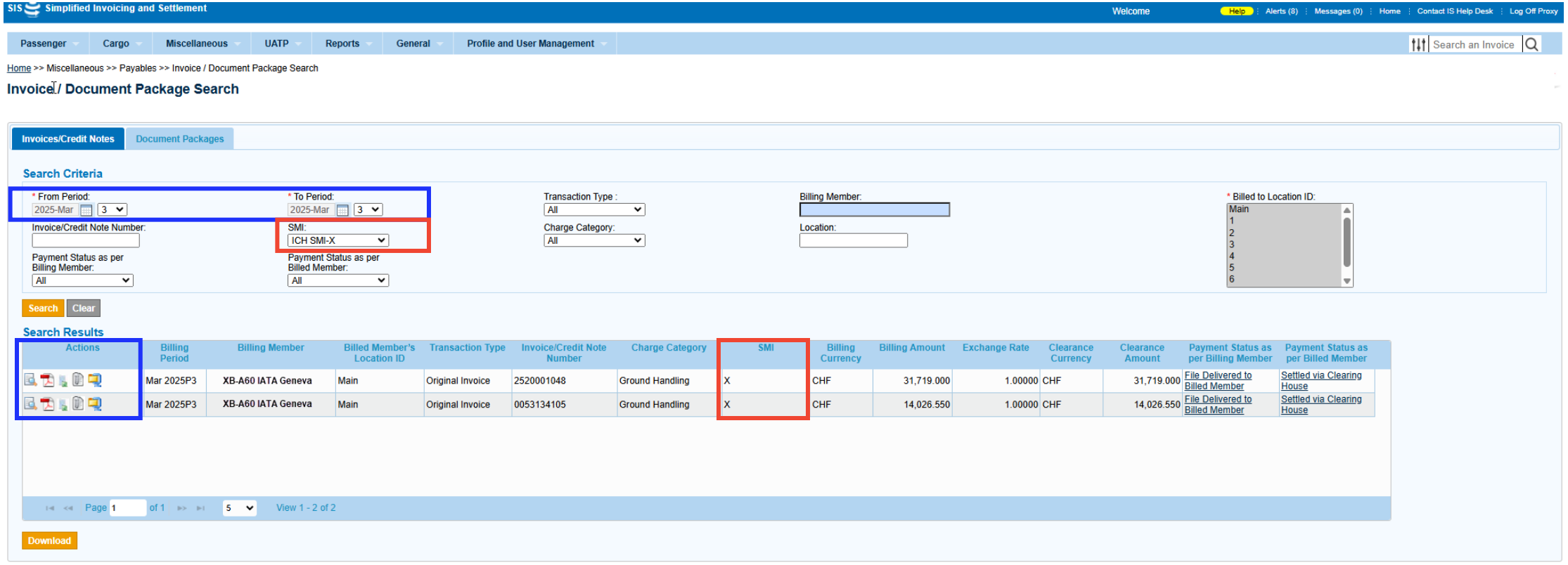
2025-04-07 15:18 EST

AGREEMENT : CHF - Agreement
CLEARANCE PERIOD: P03 March 2025
SETTLEMENT PERIOD: P03 March 2025
CREDITOR: XB-A89 - IATA MONTREAL

Zone Code	Member Code	Currency of Clearance	PAX Debits	UATP Debits	CARGO Debits	MISC Debits	TOTAL Debits	TOTAL Credits	BALANCE TOTAL	Exchange Rate	Currency of Settlement
H	XB-A60 IATA GENEVA	CHF	0	0	0	0	0	14,027	-14,027	1.00000	CHF

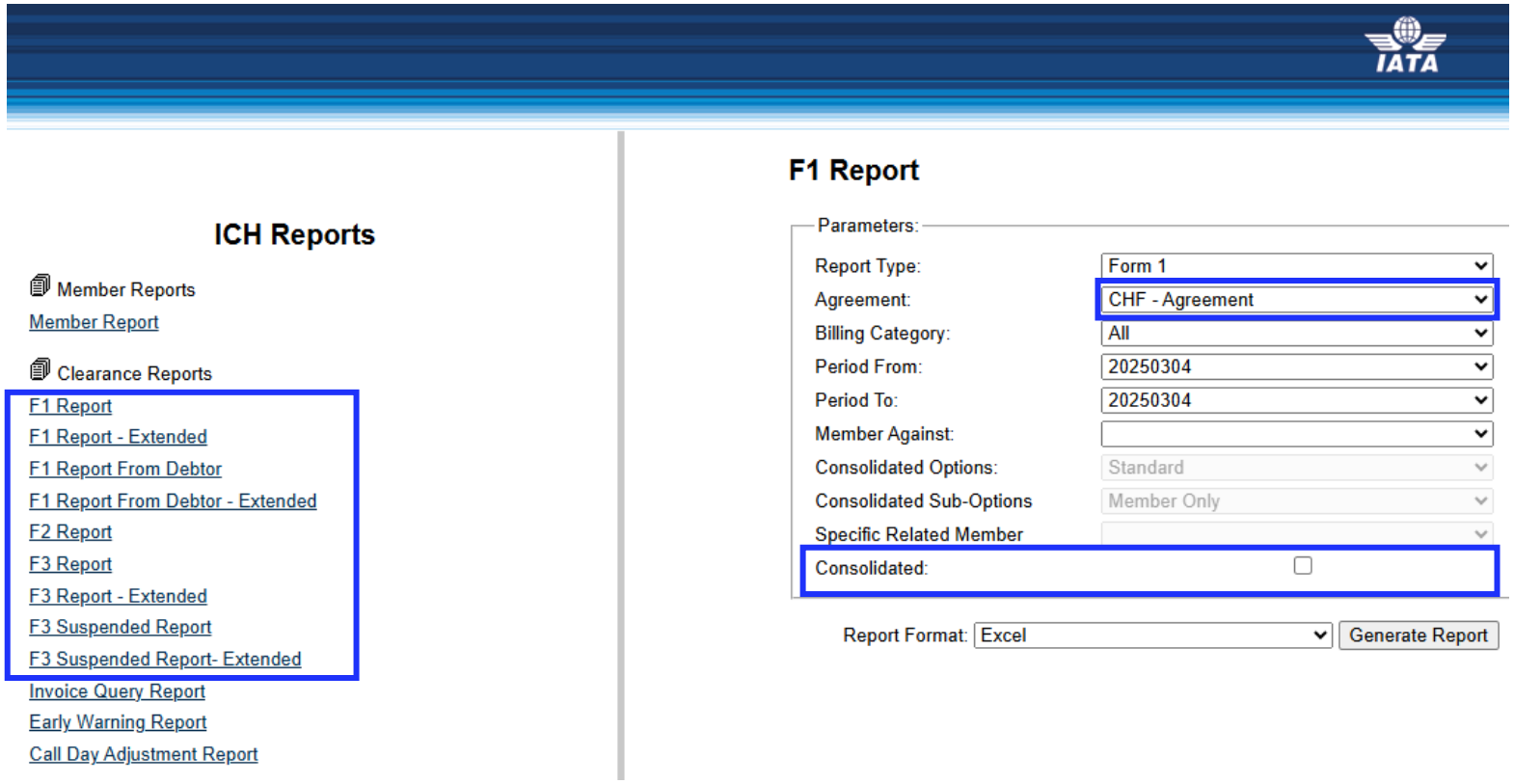
Invoices


SIS Simplified Invoicing and Settlement
Passenger
Cargo
Miscellaneous
UATP
Reports
General
Profile and User Management
Proxy Login Successful
Receivables
Billing History and Correspondence
Payables
Manage Disputes
Download Correspondences
Invoice / Document Package Search
View Daily Bilateral Invoices / Document Packages
Manage Supporting Documents


SIS Simplified Invoicing and Settlement
Welcome
Help
Alerts (8)
Messages (0)
Home
Contact IS Help Desk
Log Off Proxy
Passenger
Cargo
Miscellaneous
UATP
Reports
General
Profile and User Management
Search an Invoice
Home >> Miscellaneous >> Payables >> Invoice / Document Package Search
Invoice / Document Package Search
Invoices/Credit Notes
Document Packages
Search Criteria
* From Period:
2025-Mar
3
* To Period:
2025-Mar
3
Transaction Type :
All
Billing Member:
* Billed to Location ID:
Main
1
2
3
4
5
6
Invoice/Credit Note Number:
SMI:
ICH SMI-X
Charge Category:
All
Location:
Payment Status as per Billing Member:
All
Payment Status as per Billed Member:
All
Search
Clear
Search Results
Actions
Billing Period
Billing Member
Billed Member's Location ID
Transaction Type
Invoice/Credit Note Number
Charge Category
SMI
Billing Currency
Billing Amount
Exchange Rate
Clearance Currency
Clearance Amount
Payment Status as per Billing Member
Payment Status as per Billed Member
Mar 2025P3
XB-A60 IATA Geneva
Main
Original Invoice
2520001048
Ground Handling
X
CHF
31,719.000
1.00000
CHF
31,719.000
File Delivered to Billed Member
Settled via Clearing House
Mar 2025P3
XB-A60 IATA Geneva
Main
Original Invoice
0053134105
Ground Handling
X
CHF
14,026.550
1.00000
CHF
14,026.550
File Delivered to Billed Member
Settled via Clearing House
Page 1 of 1
5
View 1 - 2 of 2
Download

ICH Reports

Reports
Processing Dashboard
SIS Usage Report
SIS IS-WEB Usage Report
Member/Contact Report
SIS Users Report
IS and CH Calendar Report
Invoice Deletion Audit Trail Report
Invoice Reference Data
Financial Controller
Passenger
Cargo
Miscellaneous
E-Invoicing Report
Download Offline Reports
Interline Billing Summary
Interline Payables Analysis
Suspended Billings
Pending Invoices In Error
Top 10 Interline Partner - Receivables
Top 10 Interline Partner - Payables
Access ICH Reports
Access ACH Settlement Reports


ICH Reports
Member Reports
Member Report
Clearance Reports
F1 Report
F1 Report - Extended
F1 Report From Debtor
F1 Report From Debtor - Extended
F2 Report
F3 Report
F3 Report - Extended
F3 Suspended Report
F3 Suspended Report- Extended
Invoice Query Report
Early Warning Report
Call Day Adjustment Report
F1 Report
Parameters:
Report Type: Form 1
Agreement: CHF - Agreement
Billing Category: All
Period From: 20250304
Period To: 20250304
Member Against:
Consolidated Options: Standard
Consolidated Sub-Options Member Only
Specific Related Member
Consolidated:
Report Format: Excel
Generate Report

SMI "X" ACE

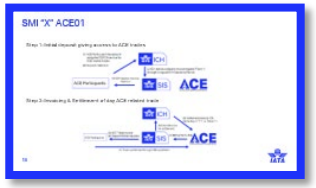
"ACE" Aviation **C**arbon Exchange

- The "ACE " Aviation Carbon Exchange
- Leveraging on IATA's e-invoicing platform SIS and settlement platform ICH
- In close partnership with CBL Xpansiv active SIS & ICH participant (XB P00)
- Real time reporting & monitoring of deposits
- Same day value or T+1 Settlement
- Live since November 2021!

- Objective: achieve net zero emissions by 2050 "Fly Net Zero" with " **SAF** " **S**ustainable **A**viation **F**uel and other alternatives including Carbon Offset
- The Start ! "**CORSIA** " **C**arbon **O**ffsetting and **R**eduction **S**cheme for **I**nternational **A**viation developed by ICAO and adopted by Governments in 2016

XML

OVERVIEW



IS-XML (SMI-X ACE01)

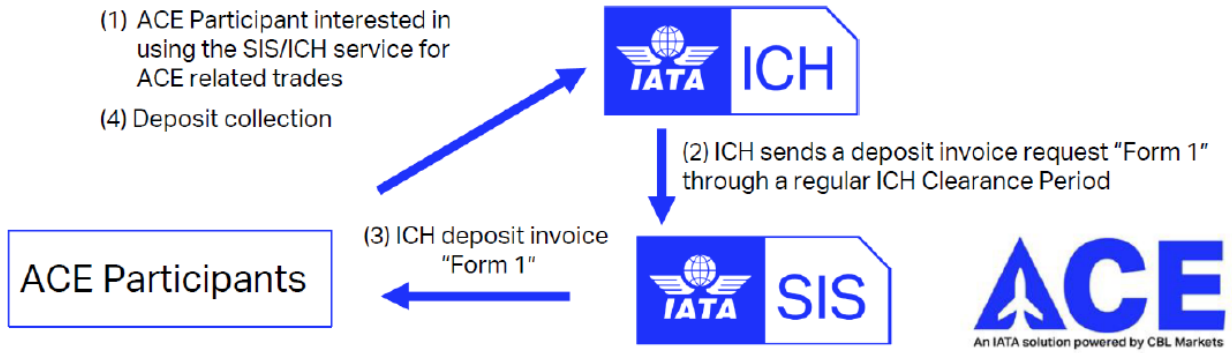
```
<Invoice>
<InvoiceHeader>
<InvoiceNumber>TEST01</InvoiceNumber>
<InvoiceDate>2025-03-26</InvoiceDate>
<InvoiceType>Invoice</InvoiceType>
<ChargeCategory>Finance</ChargeCategory>
<SellerOrganization>
<OrganizationID>XXX</OrganizationID>
<LocationID>Main</LocationID>
</SellerOrganization>
<BuyerOrganization>
<OrganizationID>YYY</OrganizationID>
<LocationID>Main</LocationID>
</BuyerOrganization>
<PaymentTerms>
<CurrencyCode>USD</CurrencyCode>
<ClearanceCurrencyCode>USD</ClearanceCurrencyCode>
<ExchangeRate>1.00000</ExchangeRate>
<SettlementMethod>X</SettlementMethod>
<NetDueDate>2025-03-26</NetDueDate>
<CHAgreementIndicator>ACE01</CHAgreementIndicator>
</PaymentTerms
```

IS-XML (SMI-X ACE02)

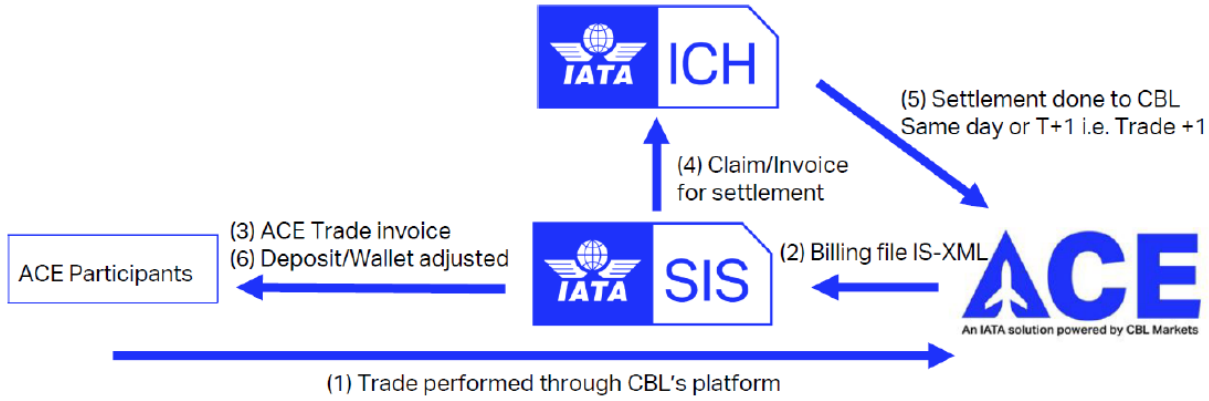
```
<Invoice>
<InvoiceHeader>
<InvoiceNumber>TEST01</InvoiceNumber>
<InvoiceDate>2025-03-26</InvoiceDate>
<InvoiceType>Invoice</InvoiceType>
<ChargeCategory>Finance</ChargeCategory>
<SellerOrganization>
<OrganizationID>XXX</OrganizationID>
<LocationID>Main</LocationID>
</SellerOrganization>
<BuyerOrganization>
<OrganizationID>YYY</OrganizationID>
<LocationID>Main</LocationID>
</BuyerOrganization>
<PaymentTerms>
<CurrencyCode>USD</CurrencyCode>
<ClearanceCurrencyCode>USD</ClearanceCurrencyCode>
<ExchangeRate>1.00000</ExchangeRate>
<SettlementMethod>X</SettlementMethod>
<NetDueDate>2025-03-26</NetDueDate>
<CHAgreementIndicator>ACE02</CHAgreementIndicator>
</PaymentTerms
```

SMI "X" ACE01

Step 1: Initial deposit giving access to ACE trades



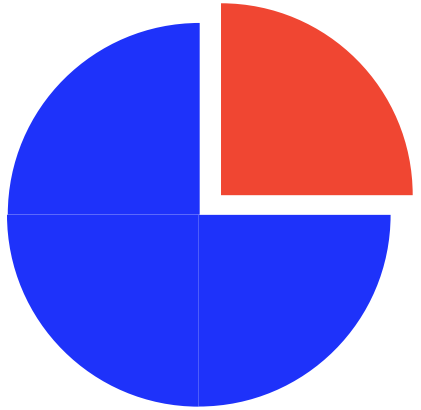
Step 2: Invoicing & Settlement of day ACE related trade



SMI "X" CNY

Where are we now?

- Highly Regulated
- Designated CNY Account
- Payment file structure xml
- Reconciliations



SMI "X" Feedbacks

中国南方航空
CHINA SOUTHERN

- An efficient, standardized, and airline-friendly service provided by ICH.
- No currency conversion during the clearance.
- Provide various interline clearance methods between airlines. (create new sub-group, flexible currencies and clearance calendar choices)

XIAMENAIR

- Simplified process of billing for local Airline members in China, no currency conversion
- Accelerate the speed of clearing funds flow, reduce the risk during clearance, improve billing efficiency
- Reduce exchange losses, no FDR
- Personalized billing mode between SMI X partners with currency CNY, separate setup , calendar, reports, notifications, settlements

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SMI “X” Requirements

- Be an active Clearing House Member in good standing.
- Sign up to one or multiple SMI “X” agreements by completing, signing, and returning the applicable SMI “X” participation form(s)
- Existing data fields on the IS XML and the IS IDEC will be used to differentiate transactions settled through the SMI “X” agreements, with a unique agreement code (5 alpha numeric)
- Provide to the Clearing House new banking details, as applicable

SMI “X” in a Nutshell

- Free and Optional
- Unlimited opportunities
- No changes required to use the existing “Standard Agreement” and the processing from SIS as well as settlement via ICH of SMI“I” and/or “M” transactions
- ICH legacy clearance reports remain unchanged
- No more Five-Day Rate “FDR”, Call Day Rate “CDR” and Call Day Adjustment “CDA”
- Available for Miscellaneous / Non-transportation billings
- **Operationally ready, let’s use it !**

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IATA ICH

Q&A

THANK YOU!

IATA