Estimated percentage of prime billings rejected

To obtain an estimate on the percentage of Prime billings rejected during a given period of time, the ratio of the sum of 1st stage rejections to the sum of prime billings submitted has been considered. For the method of calculation, refer to the last page.

**SMI-A: Settlement through the ACH (Airlines Clearing House) using ACH rules**

Actions Taken

- Two educational presentations were given at the WFS industry meetings.
- A bulletin was sent in July, highlighting the IATA Financial Committee initiative to reduce the number of rejections in the industry.
- 33 airlines were contacted and provided with personalized rejection memo analysis reports.
Global

In comparison to the base year 2015, the average monthly rejection memo count has decreased by 6%.

By Stage

While the analysis is mainly based on 1st stage rejections, the percentages of 2nd and 3rd stage rejections are also tracked.
Method of measuring progress on the volume of Non-Sampling Rejections raised:

An estimate of the percentage of prime billings rejected is computed by taking the sum of Stage 1 rejections for the past 12 months over the sum of prime billings submitted during the previous 12 months. The ratio is recalculated at each month in order to monitor the trend.

\[
\frac{\text{Sum of Stage 1 RM of Past 12 months}}{\text{Sum of Prime Billings of Past 12 months}} \times 100\%
\]

Example:

\[
\frac{\text{Sum of Stage 1 RM of Mar 2015-Feb 2016}}{\text{Sum of Prime Billings of Mar 2015-Feb 2016}} \times 100\% = \frac{8,774,486}{125,255,314} \times 100\% = 7.01\%
\]