LINK! Connecting the Chairpersons Community

News for SWIFT Chairpersons and their community

In this issue

Dear Chairpersons,

As you would expect, our 'lead story' is about strengthening security in the SWIFT Community. Our aim is to increase cyber security cooperation within the financial industry, and to help the community protect itself against cyber threats. The programme stresses the importance of the community's involvement and engagement. And the community starts with the National Member, the User Groups and you, the Chairpersons. Where can you find information? How can your SWIFT community support the programme? What can you do concretely to help ensure its success? We are asking a few things in this newsletter and will keep you informed and engaged in the weeks and months to come as we are rolling out the Customer Security Programme.

We are also giving you a heads-up on a number of important initiatives where you – as SWIFT Chairperson – can continue to make a difference: Raising awareness for banks in your community to join the KYC Registry and contribute quality data or consider a community approach; Encourage your constituencies to us the Change

Request Forum to capture their Standards Change Requests; create already a mySWIFT account, Raise awareness of SWIFTSmart.

Blockchain continues to be a hot topic so we are pleased to share with you the link to the SWIFT-Accenture paper as well as a study from the SWIFT Institute.

We also have a brand new Corporate Brochure and the 2015 annual review is available for download too.

Happy reading!

Kristien

Kristien Peelman
National Groups Centre of Expertise, SWIFT

Strengthening security in the SWIFT community

As you know, the Board has endorsed a new SWIFT Customer Security Programme, building upon existing SWIFT and industry efforts.

The aim of the programme is to reinforce the security of the global financial community. Our National Member and User Groups will be critical to the success of this programme.

The Customer Security Programme will focus on five mutually reinforcing initiatives:

1. Improve information sharing amongst the global community

2. Enhance SWIFT related tools for customers

3. Enhance guidelines and provide audit frameworks

4. Support increased transaction pattern detection

5. Enhance support by third party providers

Action is currently underway across all of these initiatives. We will keep you informed of announcements related to the programme in the months to come and there will be a further update during the Chairperson's meeting at Sibos in Geneva.

Three important actions you can take now for your own and members' institutions:

1. Subscribe to the new Security Notification Service

You need to sign up to SWIFT's new Security Notification Service to receive new notifications.. Please subscribe to the service here and encourage your members, users and Chief Information Security Officers (CISO) to do the same. The Security Notification Service provides updates on recently reported customer fraud cases, including the Modus Operandi and related Indicators of Compromise (IOCs). This information is shared with the community on a subscription-basis, rather than by email so you need to sign up to ensure you are aware when new notifications are posted.

2. Urge members and users in your community to register CISO contact information with SWIFT

SWIFT's cyber response team undertakes detailed cyber forensics and analysis on suspect events. To support fast and efficient information sharing, it is therefore important that SWIFT has accurate and up-to-date CISO contact information, from all of our customers. To address the need to quickly identify and contact Chief Information Security Officers, we are updating our internal processes and systems to allow registration and maintenance of CISO contact information. Further information will follow shortly on this process. Once available, we will be strongly urging our National Member and User Groups to encourage compliance from respective constituent members.

3. Nominate one lead CISO representative

Lastly, we ask you to nominate one CISO who would serve as a lead representative for your National Group for deeper bilateral engagement with SWIFT on the Customer Security Programme. Please coordinate this action within your

communities and share back with kristien.peelman@swift.com as soon as possible.

If you have further queries, please direct them to **csp.feedback@swift.com**.

For reference, all public communication on security topics can be found on www.swift.com/customer-security-programme. This dedicated page, also available directly from the homepage of SWIFT.com, will provide regular updates on the programme.

Thank you for your support in this collaborative effort to reinforce the security of the global banking system.

Must reads

Blockchain continues to drive many papers and research. Here are just a few must reads.

SWIFT on distributed ledger technologies

[This paper](#) investigates how Distributed Ledger Technologies (DLTs) could be used in financial services. Published in collaboration with Accenture, the paper is based on an in-depth technology assessment by SWIFT of DLT usage across financial institutions, highlighting the opportunities as well as the challenges for industry wide adoption.
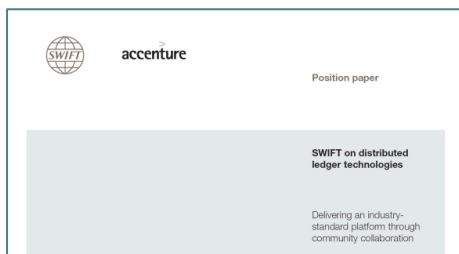
SWIFT Institute - [The impact and potential of blockchain on the Securities Transaction Lifecycle](#).

The paper finds that while blockchain offers the potential to transform the industry, fully achieving these benefits will require board level buy-in to a substantial commitment of time and resource, and active regulatory support for reform of business processes, with relatively little short term payoff.
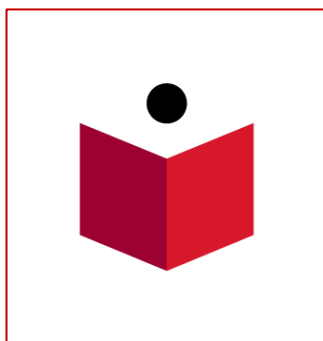
2016: A pivotal year for Blockchain [Observations](#) from the DLT experts at the SWIFT Business Forum London.

Out now

SWIFT's Annual Review 2015 has been approved by the AGM and is now available on [swift.com.](#)
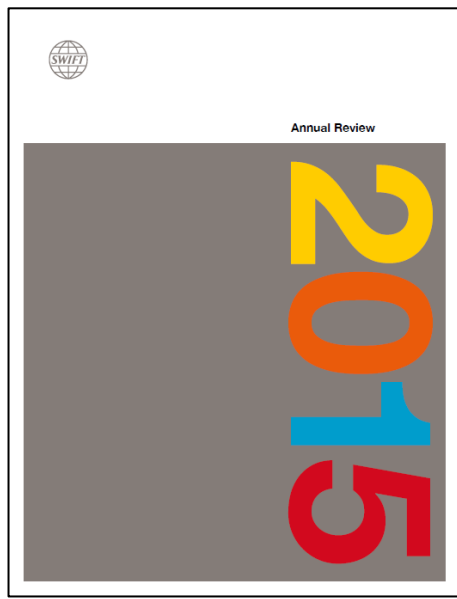
Also available is our brand new Corporate brochure. You can download it [here](#).

Standards Change Request Forum

More than 200 people, including many of you, have now been introduced to the new collaboration platform for MT Standards change requests via a series of webinars. [The Change Request Forum](#) will provide a much-wanted way to improve the sharing of information surrounding MT standards change requests, the need of which was first raised at the SWIFT Chairpersons' meeting at Sibos 2015 in Singapore.

The forum will be a free of charge new feature of MyStandards and will be available from July 1016, at the start of the MT Standards Release (SR) 2017 change request process. You are invited to join by [registering for MyStandards](#) for free and clicking on "Get your free individual access now".

We ask all Chairpersons to encourage your constituencies, including your user & member groups, to participate in using the Change Request Forum from the outset.

If you have questions, please contact SWIFT Standards at [changerequest.forum@swift.com](#).

Ready for SWIFTSmart

As Chairpersons you will soon be the first ones to connect to the brand new SWIFTSmart production environment. You will receive an email from us inviting you to connect. Gradually we will also invite your colleagues and open up SWIFTSmart to the entire community so more users will be able to live the SWIFTSmart experience.
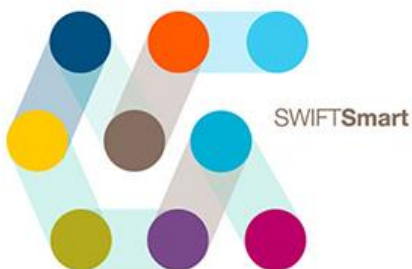
In the meantime, share the news that SWIFTSmart is coming soon and watch this little video to find out what it brings to you!

Online learning with SWIFTSmart

More background information:
SWIFT gets SWIFTSmart with new eLearning platform.

Thank you to more than 60 of you who joined the SWIFTSmart WebEx meetings on 28 June. We will make promotion material available. More on SWIFTSmart at the Chairpersons meeting and Sibos

The ISO 20022 revolution

ISO 20022 has emerged as the default messaging standard for securities and payments market infrastructures (MIs) around the world.

However, as ISO 20022 implementations proliferate, the variability in the ways in which the standard is deployed, in terms of message versions, market practice rules and release cycles, threatens to undermine its value as a means to reduce industry cost and operational risk and enable interoperability.
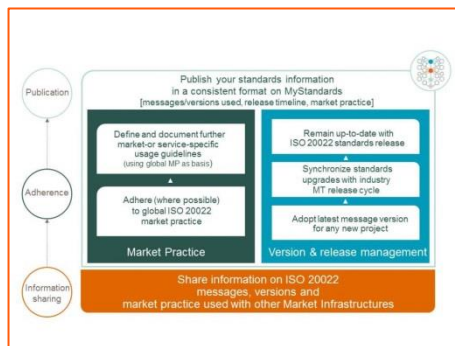
To address this problem at an industry level, SWIFT has launched the "ISO 20022 Harmonisation Charter" in collaboration with a number of MIs.

To support the Charter, SWIFT has published the 'ISO 20022 Harmonisation Best Practice Information Paper' which examines each of the three best practice principles in more detail and considers the implications and benefits for stakeholders.

Learn also how ISO20022 enables innovation in ASEAN and Asia Pacific by clicking here.

mySWIFT – Give it a try
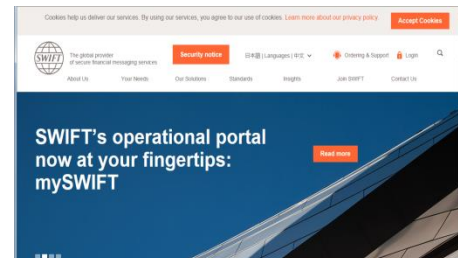
mySWIFT is the new one-stop shop to help you manage your SWIFT products and services, keep track of your order and invoices, access online support as well as the Chairpersons server on swift.com.

Want to give it a try and get familiar with this handy user-friendly portal ahead of its transition as the new SWIFT.com login homepage? Then login via mySWIFT or discover it via swift.com at https://www.swift.com/support.

Innotribe – And the winner is…

Hello Paisa, The Sun Exchange, and WeCashUp win the 2016 Innotribe Startup Challenge for Africa. Together they will share their insights at Sibos on innovation happening on the ground in Africa. They also receive a 10,000 USD cash prize each.

The Innotribe Startup Challenge is travelling to Latin America for the first time in search of the best startups to showcase their products during the SWIFT Latin American Regional Conference in Mexico on 28 and 29 June.

SWIFT Institute challenge

The University of Warwick wins the SWIFT Institute Challenge. Tasked with identifying a solution to the challenge of remittances via banks in the UK, the 'HADU' Warwick Business School team presented a solution that focuses on using near sound data technology to deliver mobile money and a network of branded high-security buses to deliver physical cash, both in Indonesia. The Warwick Business School team receives a 15,000 GBP prize and a visit to Sibos.

New payments data quality service

SWIFT will launch a Payments Data Quality service, an advanced reporting and data analytics service to help financial institutions comply with new international requirements for originator and beneficiary information in payments messages. The new service will help banks monitor their compliance with the Financial Action

Task Force's (FATF) Recommendation 16 for wire transfers, which was issued in 2012.

The Payments Data Quality service will be available in Q3 2016.

The KYC Registry – building momentum

More than 2500 entities joined The KYC Registry to date. One of the highlights was the adoption of the Registry by Bolivia's entire banking community. In April, the Greek community decided to join the Registry as a group. Their feedback has been very positive, as their community clearly sees the benefit of adopting the Registry collectively to enhance the transparency and attractiveness of the Greek market.

We intend to replicate this success by following a similar approach with other communities. For more information about community deals, contact us at KYC.Registry@swift.com.

Data consumption is picking up, as demonstrated by more than 1,480 new access requests to date. During the first months of 2016, we worked intensively with users to increase the amount of data published in the Registry. These collaborative efforts have paid off, as 40% of registered entities have now published their KYC data in the platform.
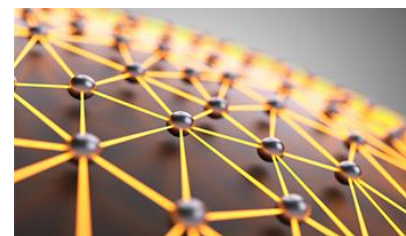
KYC Adverse Media

SWIFT has partnered with Dow Jones to provide KYC Registry users with a global source of curated news and regulatory notifications about financial institutions. KYC Adverse Media provides a perfect complement to the information in the Registry and helps you leverage the Registry as a one-stop shop for CDD and KYC information.

The KYC Registry and SWIFTRef Bankers World Online

The KYC Registry and SWIFTRef Bankers World Online have been brought together to provide clients with the information they need to assess prospects, evaluate relationships and conduct ongoing due diligence and remediation. Bankers World Online can help explore new correspondent relationships, review existing ones, and manage straight-through payments processing and regulatory reporting. For more in-depth assessments and client onboarding, The KYC Registry offers a global source of standardised, high-quality KYC information that addresses regulatory requirements worldwide.

Used together, Bankers World Online and The KYC Registry provide a comprehensive KYC information service for correspondent banking.

SWIFT India live

SWIFT India went officially live on 3 March 2016. The new service enables harmonised exchange of structured financial information between domestic participants in the domestic Indian community, while keeping the same level of resiliency and security that SWIFT offers at a global level.

Kiran Shetty is appointed new CEO of SWIFT India. This appointment will further strengthen leadership following the go live of the SWIFT India domestic financial messaging platform.

RMB adoption improves across India

SWIFT's RMB Tracker shows that the Renminbi is the fourth most active currency for payments between India and China/Hong Kong by value while the US dollar continues to dominate the corridor. Whilst recent SWIFT data shows that India's use of RMB for payments in value with China and Hong Kong is on the rise, the country still shows one of the lowest RMB adoption rates among Asian countries, ranked 38th worldwide.
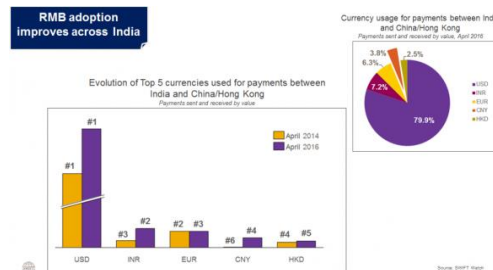
More insights on swift.com. To subscribe, click here.

BIC Directory 2018 and BIC Plus – Updates

Following ISO-approval of the revised BIC standard, ISO 9362, our legacy SWIFTRef BIC Directory has undergone a number of changes. These changes are now reflected and have been implemented since end of March 2016 in the form of two new SWIFTRef BIC directories:

• BIC Directory 2018
• BIC Plus

While the **BIC Plus** will provide a much richer version of the legacy BIC Directory, including not only current and historic FIN and SWIFTNet BICs but also a large number of new BIC-related attributes (collected through the renewed ISO BIC registration and validation procedure), the **BIC Directory 2018** will only differ from the current BIC Directory in respect to BIC connectivity (FIN) and Time Zone (TZ) information, both of which will be populated in an existing field of the legacy BIC Directory.

BIC Directory 2018 will only be available upon request for existing users of the legacy BIC Directory for which the structure of BIC Plus represents a technical challenge for their legacy system.

Both directories will co-exist with the legacy BIC Directory until November 2018, which represents the end of the ISO 9362 implementation transition period. As a BIC directory user you will need to adapt your back-office systems and adopt the BIC Directory 2018 or the BIC Plus at your best convenience before November 2018.

Technical specifications for the BIC Plus and the BIC Directory 2018 are available today via the SWIFTRef download portal.

African Advisory Group

At the 23rd African Regional Conference in Mauritius in May, SWIFT held its inaugural African Advisory Group (AAG) meeting. Comprised of 12 key industry players from across the continent and drawn from the banking and securities industries, the aim of the AAG is to provide crucial insights into the challenges and opportunities facing the African financial markets and to find out how SWIFT can better support the needs of the growing African community.

The full day of discussion and debate covered a variety of topics including: insights from analysis of SWIFT data, the evolution of the payments landscape, the role of standards and harmonization, financial crime compliance and the growing needs of Africa's corporates.

The group also had a presentation from the **Bill & Melinda Gates Foundation** on its Financial Services for the Poor Programme and a discussion on areas for collaboration.

PMPG

The PMPG has produced several market practice documents, for example, guidelines to comply with FATF Recommendation 16 (field 50 and 59).

More information on the PMPG's mission, market practices, white papers and meeting minutes can be found on the **pmpg website**.

You are invited to attend the 6th PMPG Annual Forum on Saturday 24 September in Geneva (Saturday before Sibos). Sessions will cover topics such as: Instant Payments Across Borders, ISO 20022 Global Adoption, AML/Financial Crime Round Table, Usage of Legal Entity Identifier (LEI) in Payments and CPMI Report on Correspondent Banking.

RSVP to **info@pmpg.info** – Registration is mandatory – The event is free of charge.

SCORE

At the AGM the extension of the eligibility in the SCORE model to all users in the SWIFT user category of 'Supervised Financial Institution' (Resolution 244) was unanimously approved. This means that SWIFT

users in the SWIFT user category 'Supervised Financial Institution' are allowed to join SCORE and interact with corporate entities which have joined.

It should be noted that no change occurs to the corporate eligibility criteria as approved at previous General Meetings of shareholders.

Chairpersons meeting – 25 September

By now you should all have received your personal invitation to attend the Chairpersons meeting on 25 September and Sibos in Geneva, Switzerland. Please send us an **email** if you have not yet received your invitation. The meeting will take place at the Palexpo Convention Center. This all day meeting will again be a combination of plenary and break-out sessions. We will end the day with a networking dinner. The Customer Security programme will be high on the agenda. To further build the agenda, we have asked you what you would like to see covered during the

day. Thank you to 75 of you who have taken the time to give us their input.

Once you have registered, please book your travel as soon as possible either through your travel agent or via the SWIFT appointed travel agency, Carlson Wagonlit (ticket paid direct by SWIFT). To book your flight ticket, you can contact the travel agency at the following number +322655 4700 or by email: **swift.lln.be@contactcwt.com**

Venue Chairpersons meeting and Sibos: Palexpo, Route Francois Peyrot, 30CH – 1218 Grand Saconnex, Switzerland

Chairpersons Hotel: Crown Plaza Geneva, Avenue Louis Casai 75-77, 1216 Geneva, Switzerland

Sibos 2016

What are the forces transforming the finance sector? And how are strategies, operations and products evolving in response? These are the central themes of Sibos 2016 in Geneva.

The structure and content of this year's Sibos is being reshaped to focus on four key areas – banking, compliance, culture and securities.

The aim is to provide delegates with a deep and clear understanding of far-reaching competitive, technological, cultural, and consumer-based shifts and as such Sibos 2016 will include a more prominent educational aspect than previously. Keep monitoring **www.sibos.com** for the latest news and download the Sibos app.

Coming up

Our events season continues, notably LARC in Mexico, the SWIFT Greater China Regional Conference, the SWIFT Business Forum South Africa and many other events coming later in the year.

Past events

Interested to find out what was discussed at business forums in the Philippines, Frankfurt, Switzerland, London, ARC, etc.. Read the summaries on swift.com.

Free Webinars

SWIFT hosts webinars on a regular basis for example on BI or SWIFTRef. Just click on the link and register to join.

Housekeeping

To ensure you continue to receive updates from us and also to make sure our records are up to date, it is imperative you inform us of any changes to your professional role/function and contact details related to SWIFT National Member/User Group activities.

Welcome

We have the pleasure in welcoming the following persons to the SWIFT Chairpersons community:

Marcelo Gonzalez, Operations Director, Bancoldex, Colombia

Lada Rebac, Manager, Payment Services and Cash Management, OTP Banka, Croatia

Glensher G. Maduro, Head Payments, Centrale Bank van Curaçao en Sint Maarten, Curacao

Constantinos Papadopoulos, Senior Director, Head of Banking Operations, Central Bank of Cyprus, Cyprus

Joseph Akunyumu-Tetteh, Director and Head of Banking Department, The Bank of Ghana, Ghana

Valentina Nagay, Director, International Relations and Trade Finance, Sberbank, Kazakhstan

Dane Krstevski, National Bank of the Republic of Macedonia, Macedonia

Gijs Schreuder, Head Market Infrastructures and Business Management, ABN AMRO, The Netherlands

Mariusz Dziobek, Specialist, Network Systems Section, IT Department, The Central Securities Depository of Poland.

Vladimir Kasander, PSS, Slovakia

Thank you!

Thank you for your time, dedication and enthusiasm with which you chaired the National Member and User Groups over the years and provided us with their views.

Marcel Leeflang, the Netherlands, Vladimir Ristik, Macedonia, Marinos Lambrianidis, Cyprus Zdenko Rupnik, Croatia, Gustavo Vega Villamil, Colombia, Josef Galis, Slovakia, Elly Ohene-Adu, Ghana, Veronica Thode, Curacao, Alexander Shislov, Kazakhstan.

2016 SWIFT physical Board meetings

Saturday 24 September
Wednesday 14 December

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