



The SWIFT global payments innovation: embracing the future of cross-border payments


Janssen Marianna, SWIFT Regional gpi expert

13th of March 2017

SWIFTgpi

SWIFT gpi initiative: revolutionary or evolutionary change?





*“Remember, the greater the
opportunity, the fewer are
those who see it.”*

*Capt. James Cook
1728-1779*

New Banking Landscape ^{1/4}

A significant disruption or an immense opportunity?

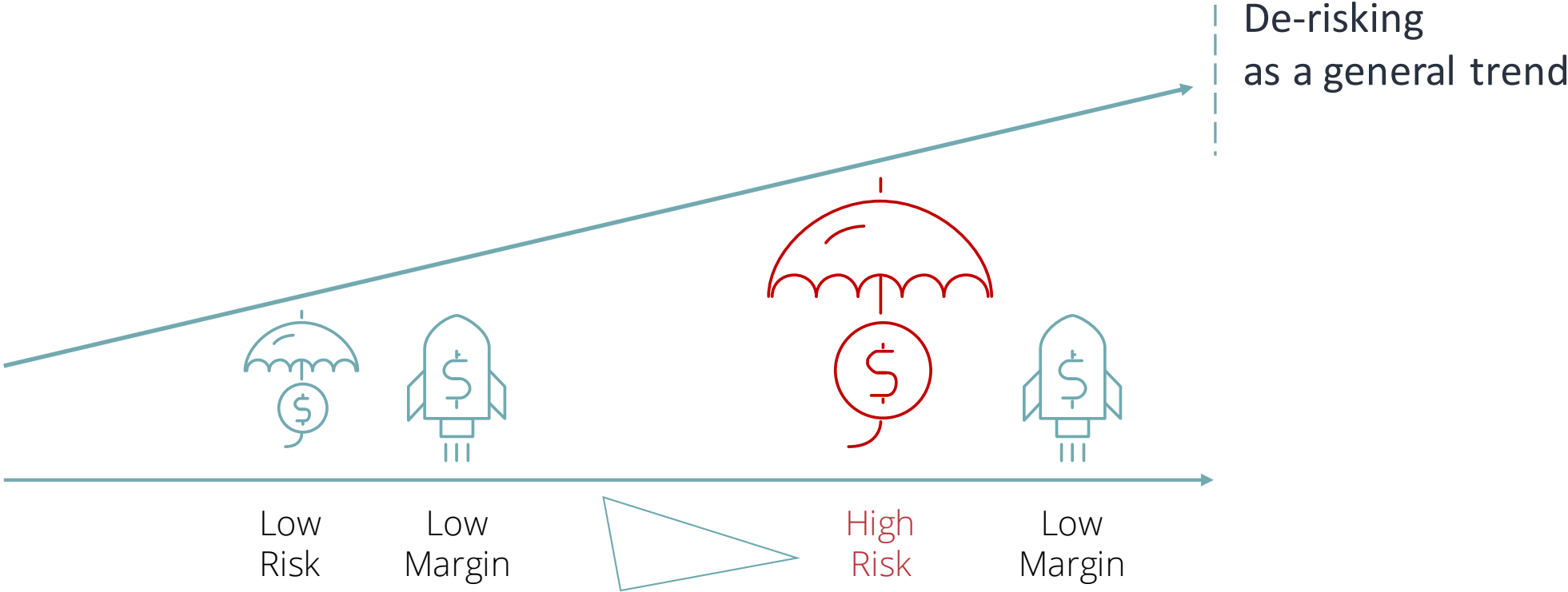


Challenges and Trends

- ▶ Digitalisation and new non-traditional digital players, intensified competition
- ▶ New technologies available generating new business needs in the traditional banking business, moving away from proprietary solution towards channel/format/platform agnostic solutions
- ▶ More than ever demanding customers, re-evaluating services provided by Financial Institutions, trend of reducing the number of banking relationships
- ▶ Regulatory pressure, the cost of compliance

Correspondent banking ^{2/4}

Evolution of the business model

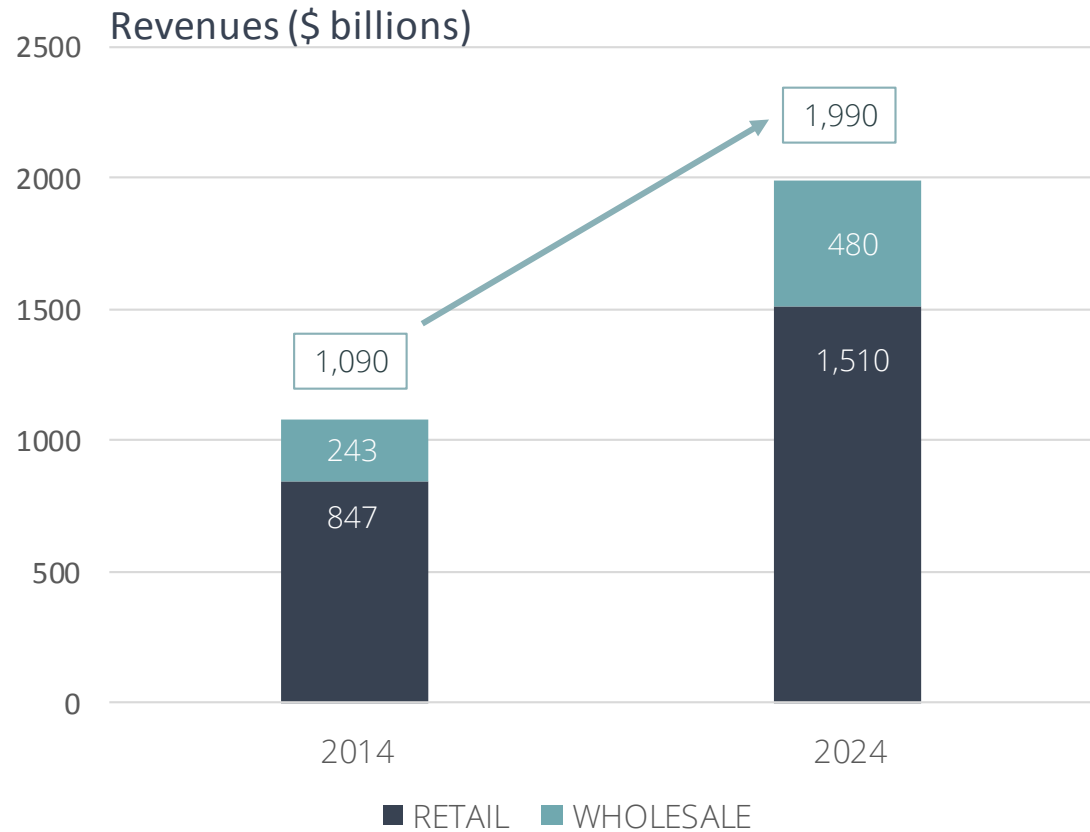


New Banking Landscape ^{3/4}

A significant disruption or an immense opportunity?

900\$ bn. potential
Revenue growth
through 2024

Source: BGC Global Payments report 2015



New Banking Landscape ^{4/4}

A significant disruption or an immense opportunity?



Opportunities for banks

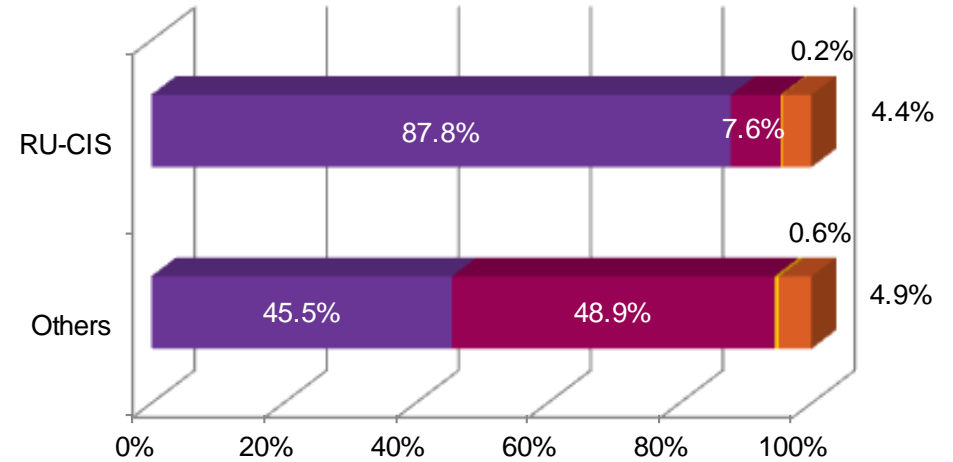
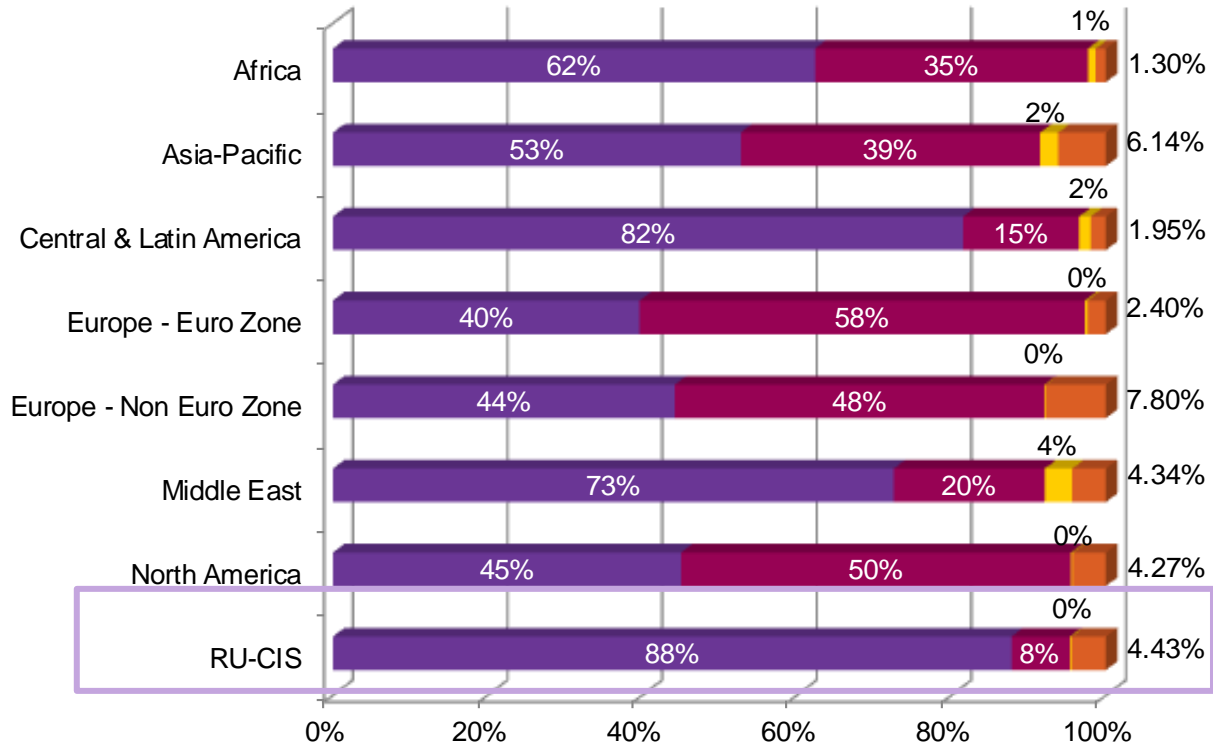
- ▶ Rejuvenation of retail banking and leveraging technologies in other segments by delivering new services
- ▶ New opportunities of acquiring new capital and new customers by offering innovative and attractive solutions
- ▶ The ones with a customer-centric strategy will see the customer portfolio growth, others will see a significant decrease
- ▶ The quickest will monetise the bulk of new revenues, the less adaptive will face margins deterioration and potentially loss of business

Russian payments market: trends & specificities



World Regional FIN Traffic

Live & Delivered total traffic in 2016



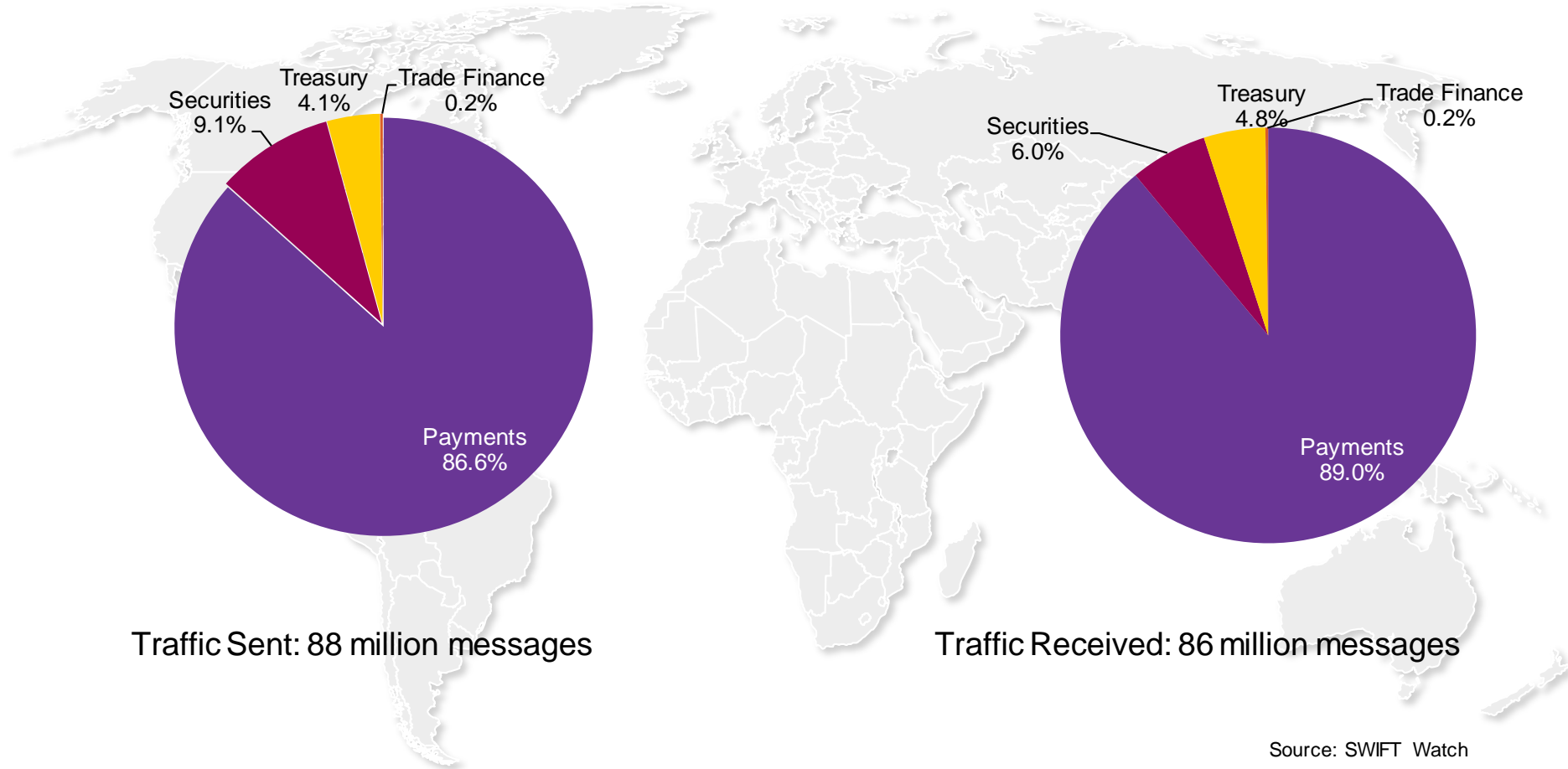
Source: SWIFT Watch

- Payments
- Securities
- Trade Finance
- Treasury



FIN Traffic Market Repartition in Russia & CIS countries

Live & Delivered traffic in 2016



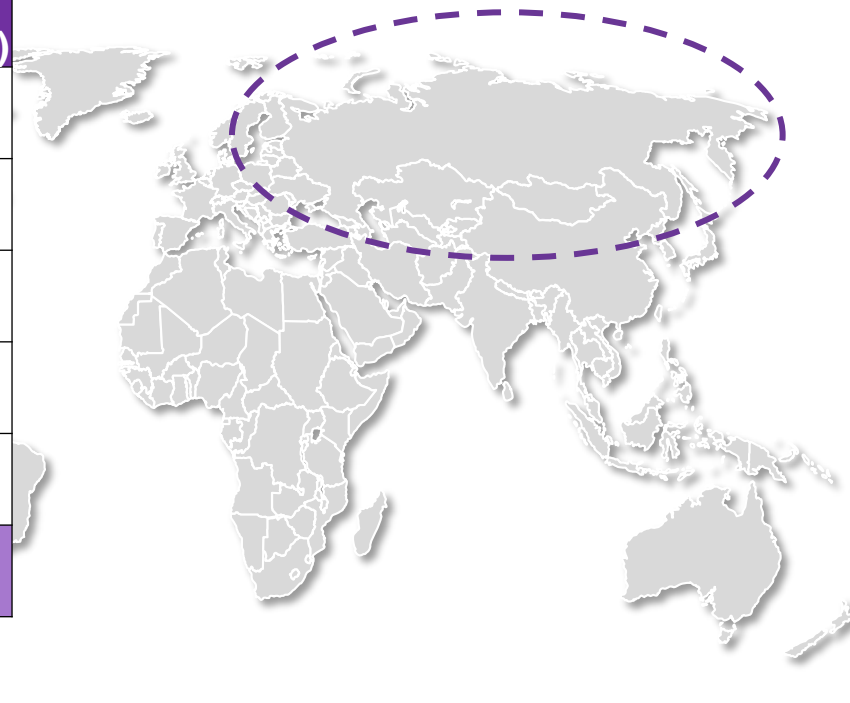
Source: SWIFT Watch



Top Countries with Highest FIN Traffic in Russia & CIS countries

Live & Delivered traffic in 2016

Ranking	Country	Total Traffic	Weight in Russia & CIS	Growth (2016 vs 2015)
1	Russia	157,232,152	88.9%	+15.33%
2	Belarus	6,143,949	3.5%	+8.31%
3	Kazakhstan	4,761,647	2.7%	-1.49%
4	Georgia	2,138,275	1.2%	+20.78%
	Other Countries	6,554,514	3.7%	-8.58%
	Total RU-CIS	176,830,537		13.50%



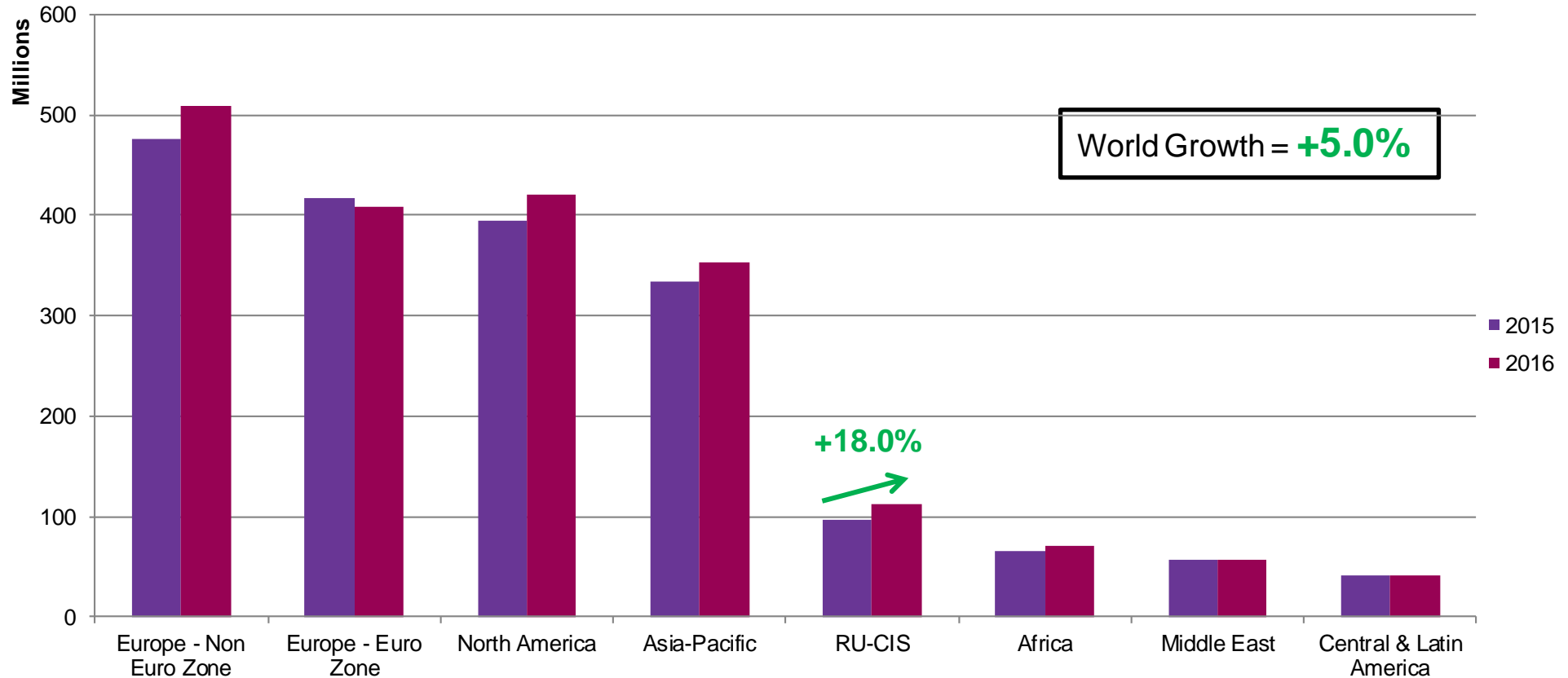
Total Traffic = Traffic Sent + Traffic Received

Source: SWIFT Watch



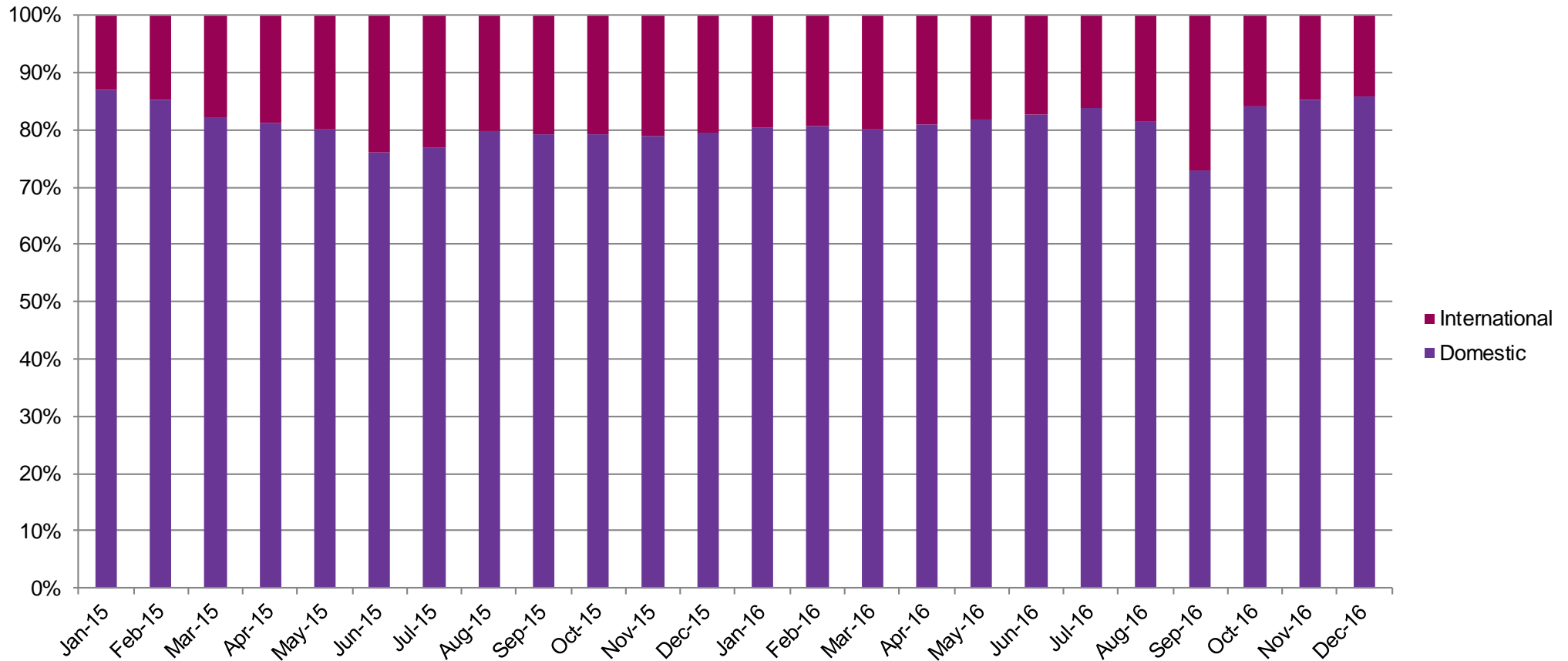
World Regional Transactions in Payment Market

Live & delivered transactions of MT 103s in 2015 and 2016



Distribution of Payments Transactions of Russia & CIS countries

Live & delivered transactions of MT 103s in 2015 and 2016



Payments Transactions Evolution of **Russia** only

Live & delivered transactions of MT 103s in 2015 and 2016



Growth
Transactions Sent
FY2016 vs. FY2015
+18.78%

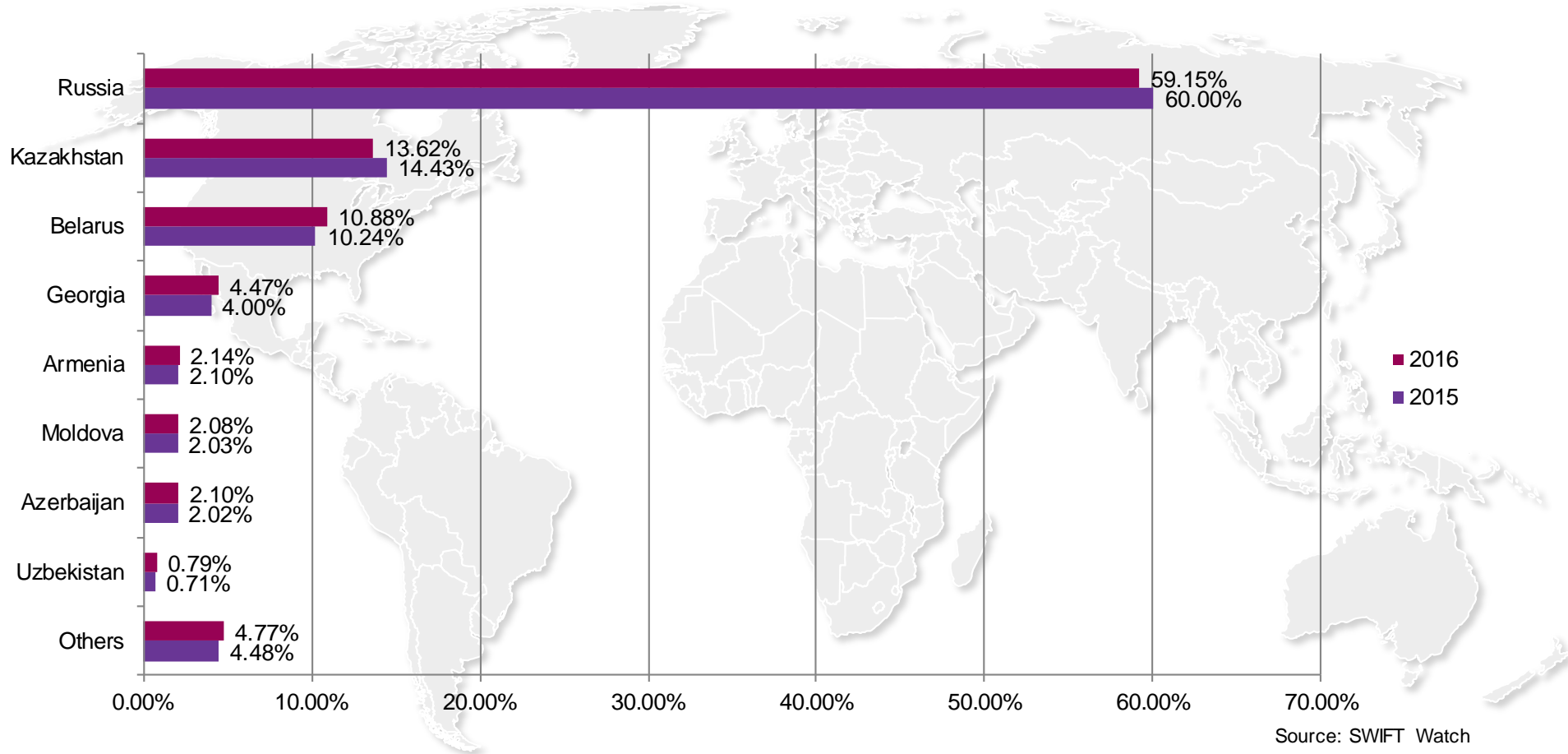
Transactions Received
FY2016 vs. FY2015
+20.06%

Source: SWIFT Watch



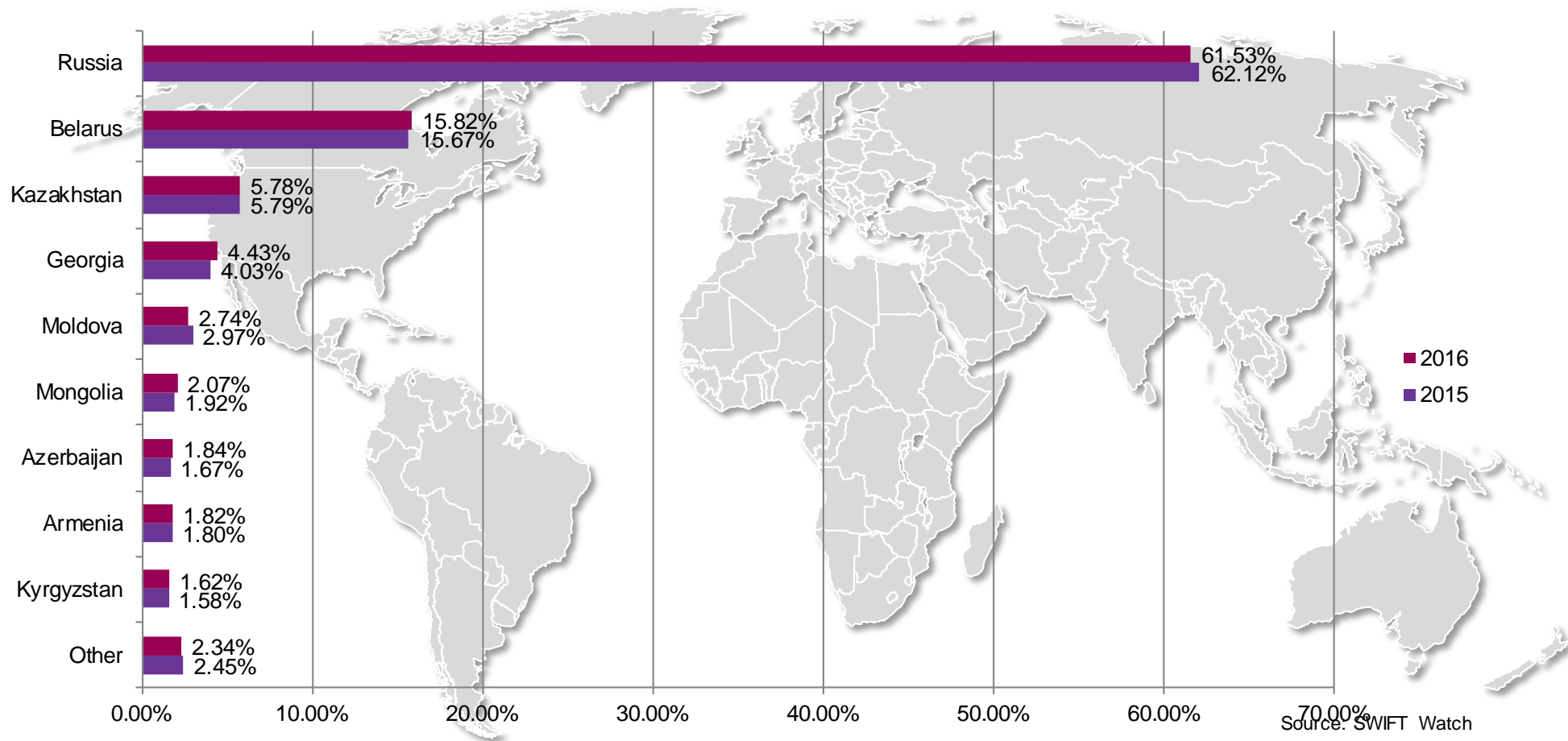
Weight of international payments sent by Russia & CIS countries

Live, *international* & delivered MT103s transactions sent in 2015-2016



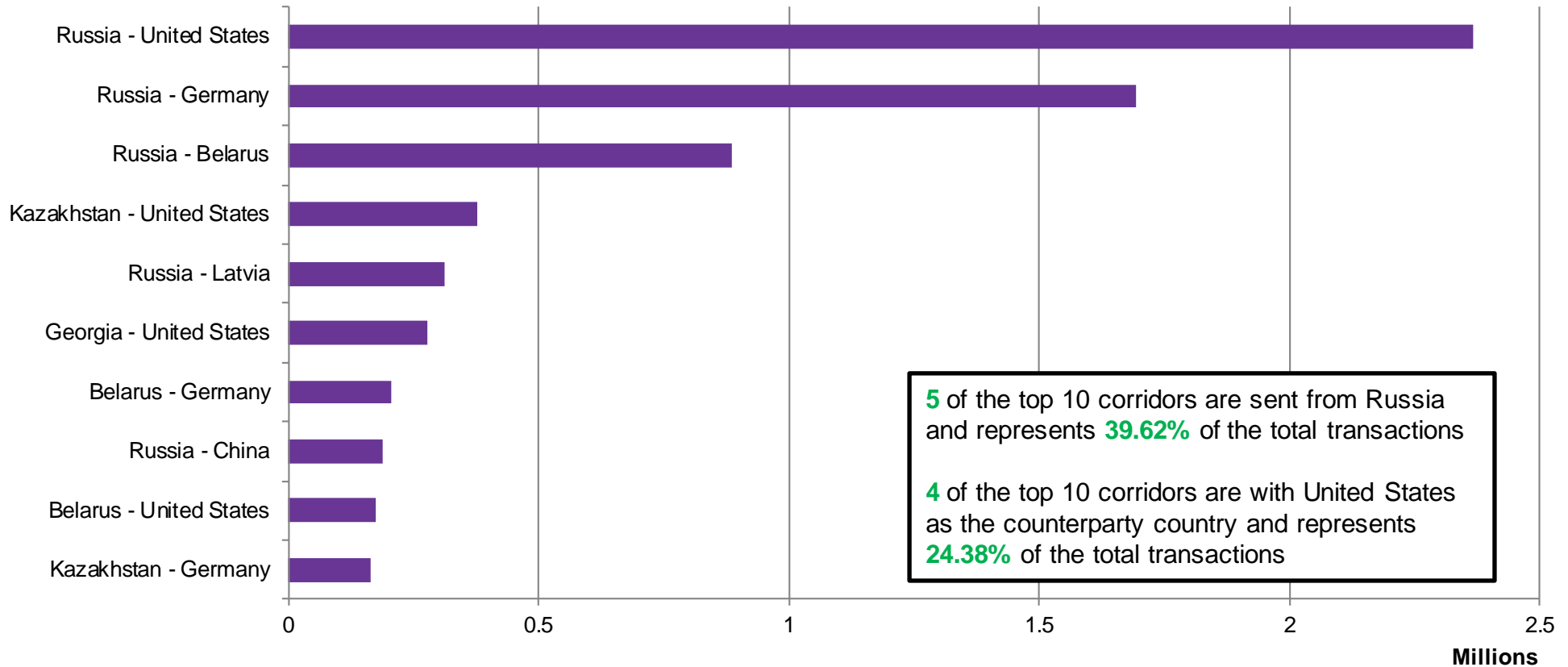
Weight of international payments received by Russia & CIS countries

Live, *international* & delivered MT103s transactions received in 2015-2016



Top 10 Payments Corridors from Russia & CIS countries to the World

Live, **international** & delivered transactions of MT 103s in 2016

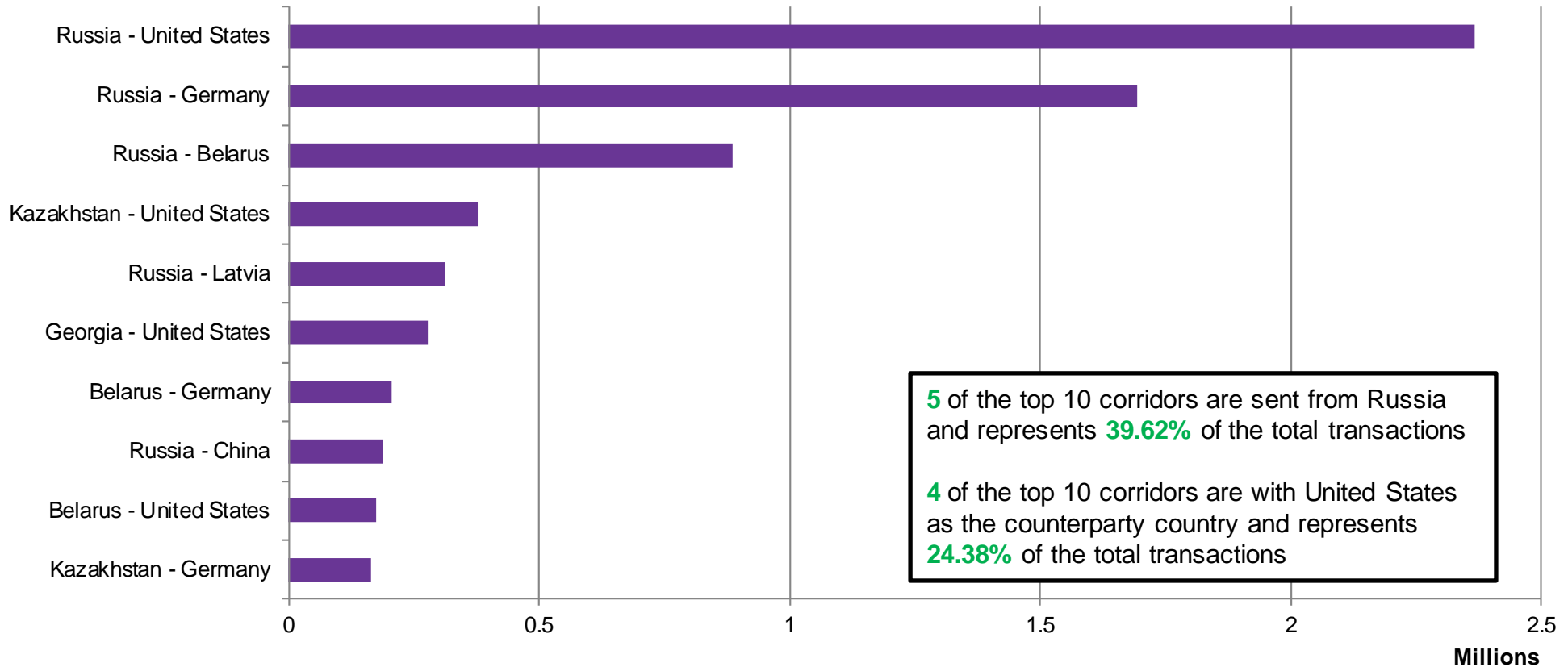


Source: SWIFT Watch



Top 10 Payments Corridors from Russia & CIS countries to the World

Live, **international** & delivered transactions of MT 103s in 2016

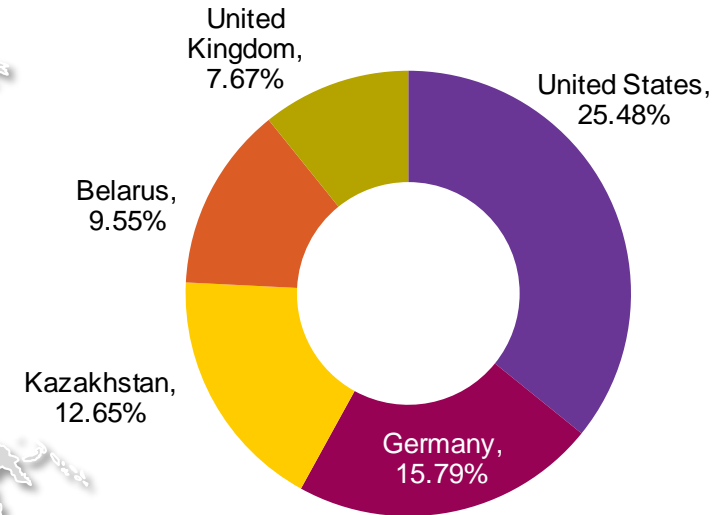
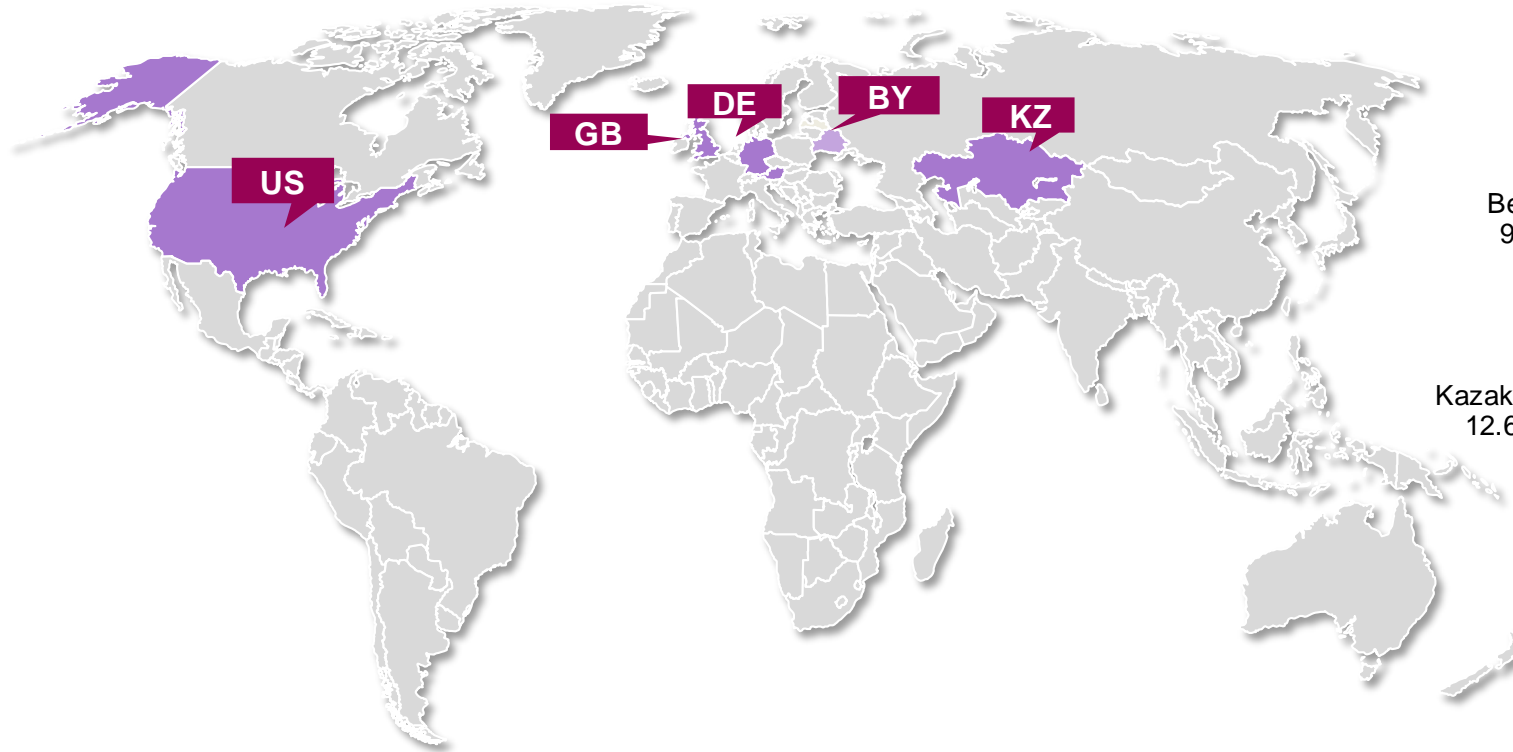


Source: SWIFT Watch



Top 5 Counterparties for Payments with **Russia** as the Receiver

Live, **international** & delivered MT 103s to Russia in 2016

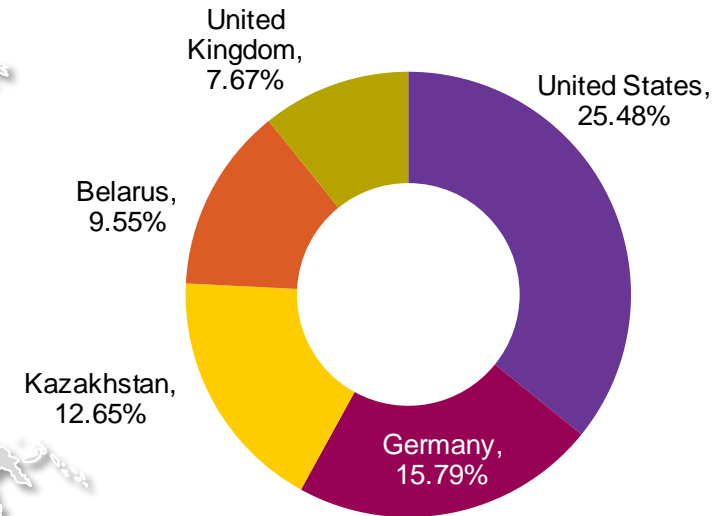
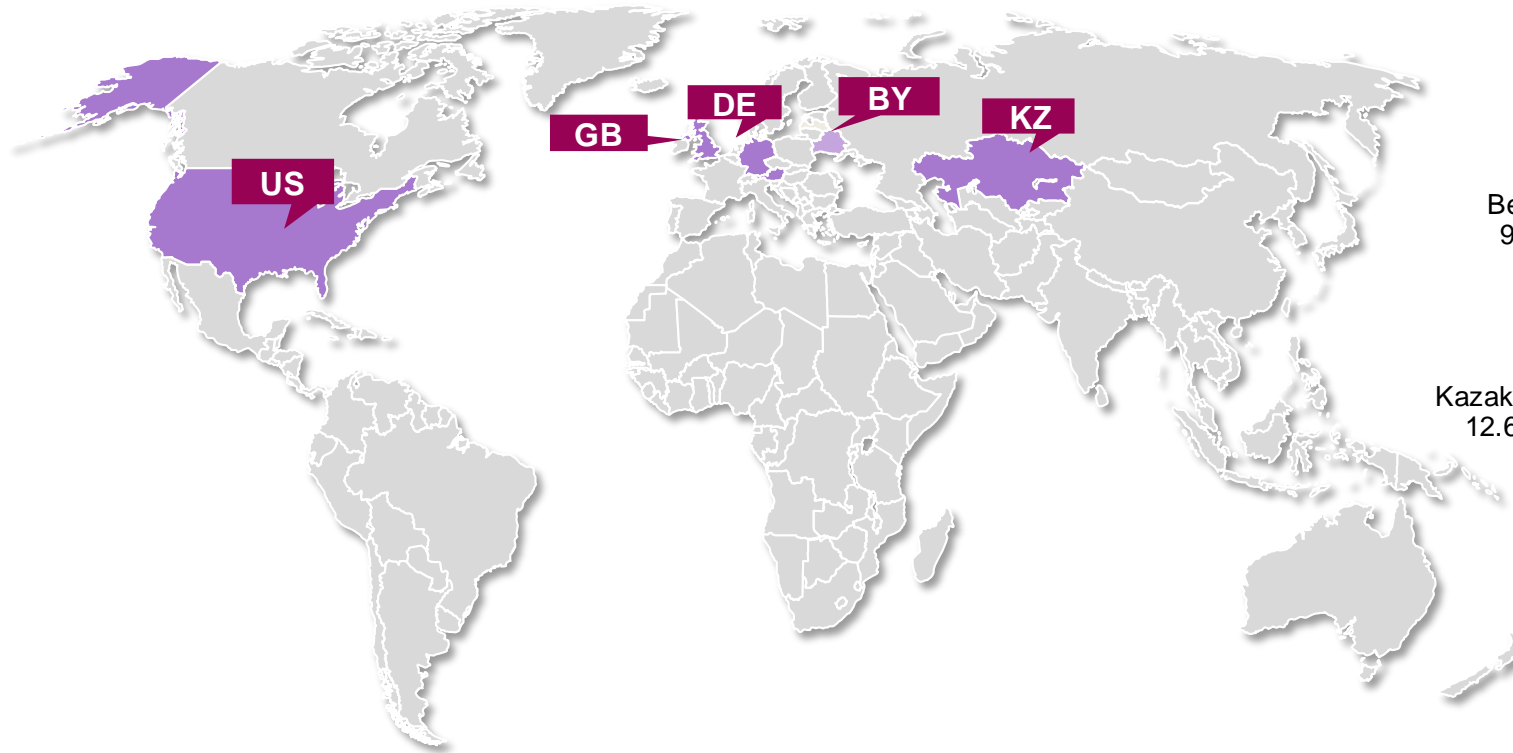


Source: SWIFT Watch



Top 5 Counterparties for Payments with **Russia** as the Receiver

Live, **international** & delivered MT 103s to Russia in 2016

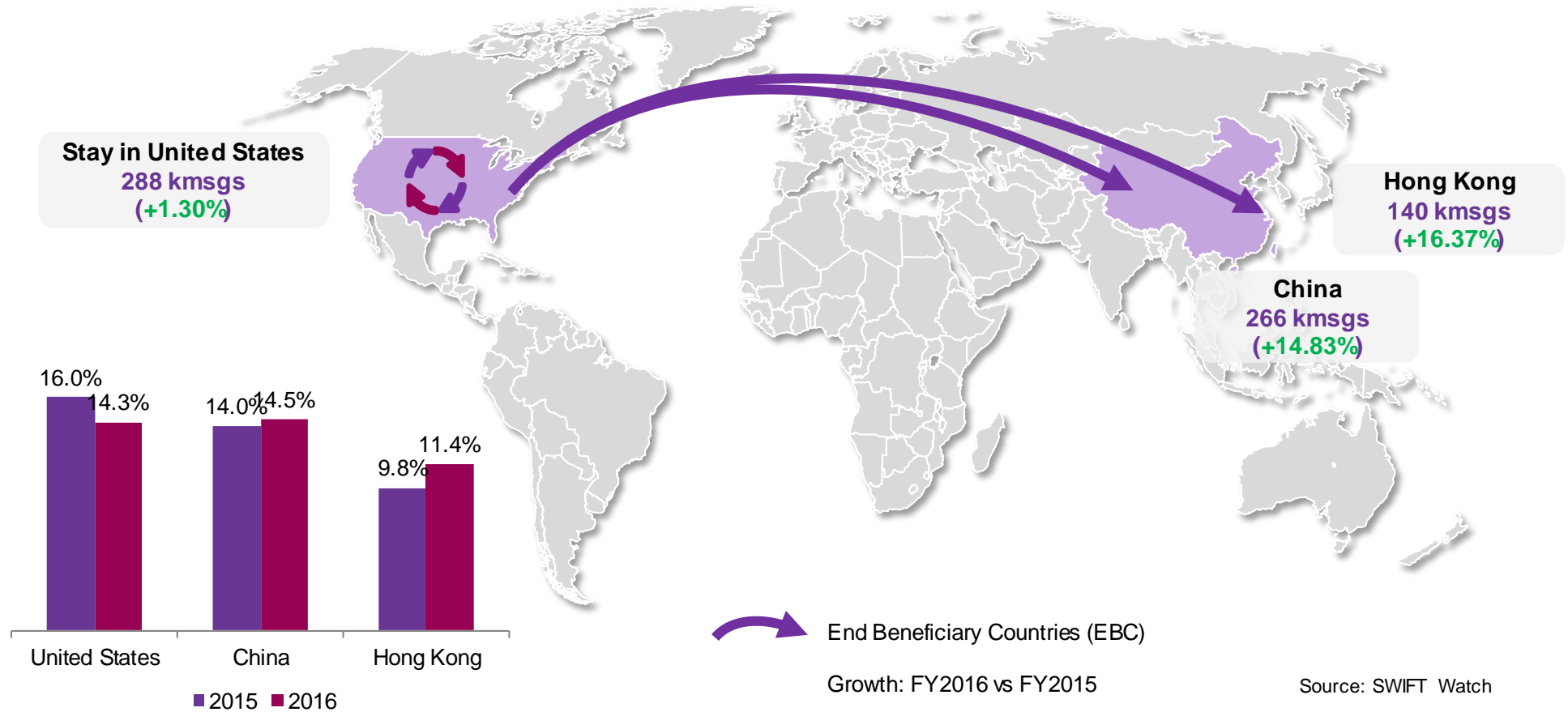


Source: SWIFT Watch



Top 3 End Beneficiary Countries of Transactions Sent to US

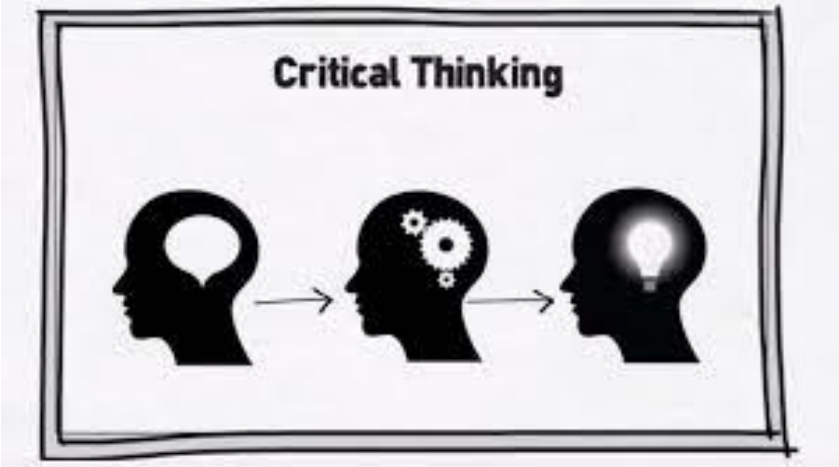
Live international & delivered MT 103s from **Russia** in 2016



New challenges, new business rules: the leaders and the followers



SWIFT gpi: the reason of existence



SWIFT gpi - One year on

100

gpi member banks

224

Countries

75%

of all payments traffic on SWIFT

21

Banks
successfully piloted

12

Banks exchanging
live gpi payments

60+

Country corridors
e.g. US – China, UK – Denmark, UK – Italy, UK – Netherlands



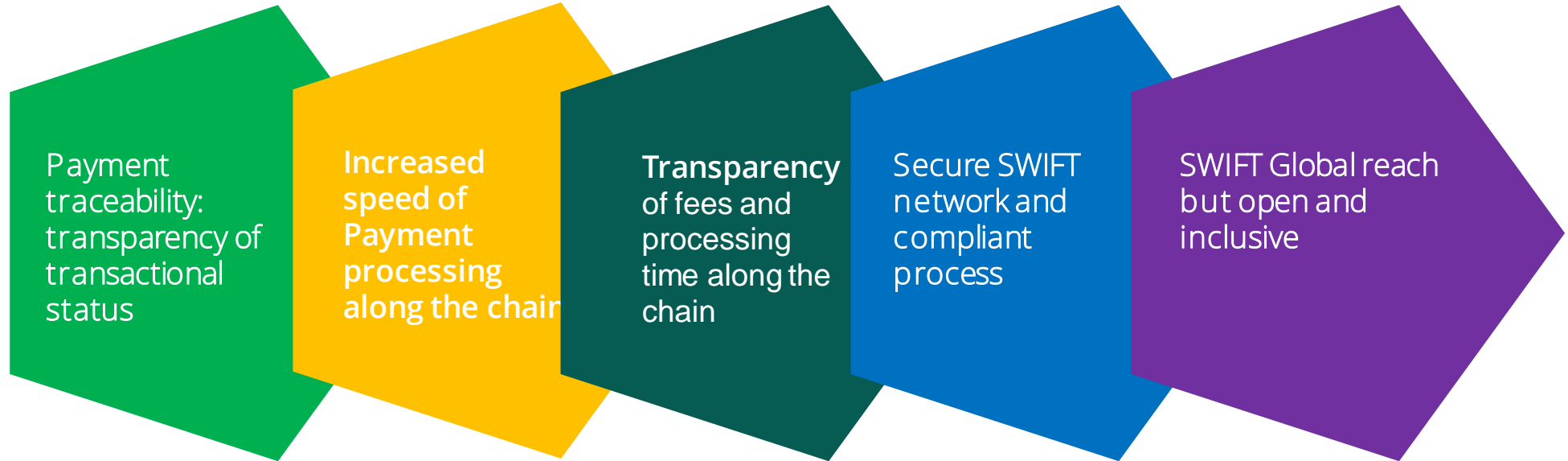
SWIFT gpi offering: the fundamentals

[gpi video 1](#)

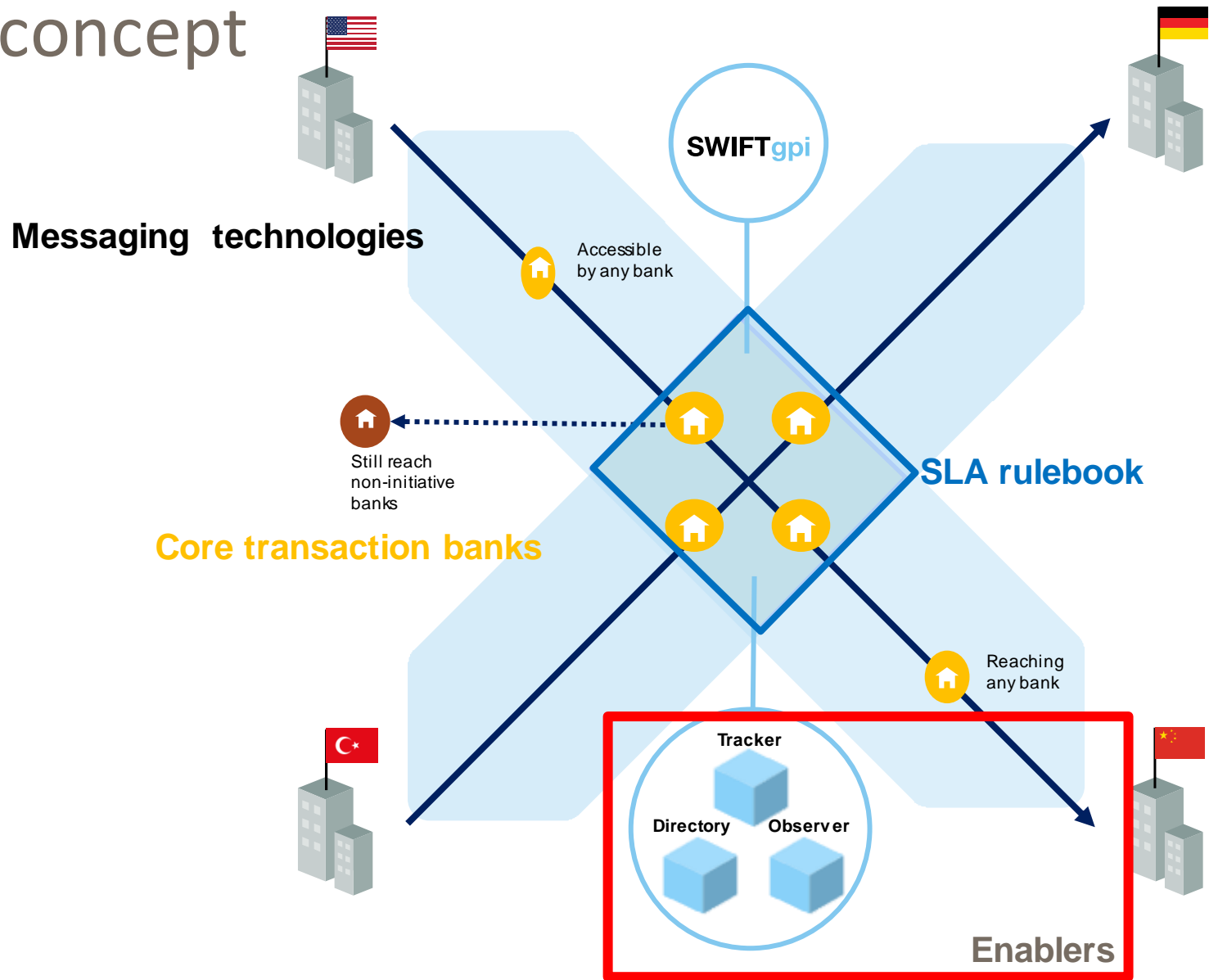


SWIFT gpi promise: the fundamentals

Deliver a better customer experience through increasing efficiencies



SWIFT gpi concept



SWIFT gpi product offering



SWIFT gpi product suite

Directory

- Providing operational info on gpi members, BICs, currencies, cut-off times
- Essential reference data to calculate best gpi payment route

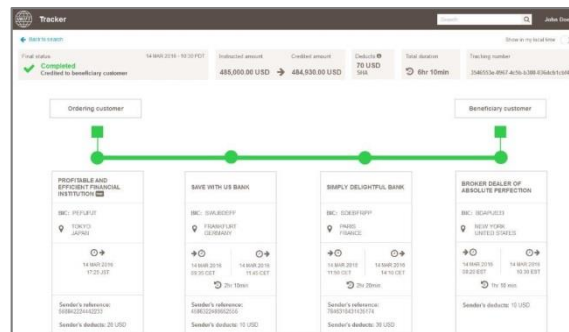
SERVICE NAME	PARTICIPANT ID	PARTICIPANT NAME	COUNTRY	CURRENCY	CUT-OFF TIME
GP11 001	ANZBAU30XXX	AUSTRALIA AND NEW ZEAL	AU	AUD	16:00+10:00
GP11 001	ANZBAU30XXX	AUSTRALIA AND NEW ZEAL	AU	EUR	16:00+10:00
GP11 001	ANZBAU30XXX	AUSTRALIA AND NEW ZEAL	AU	USD	16:00+10:00
GP11 001	ANZBAU30XXX	AUSTRALIA AND NEW ZEAL	AU	CAD	16:00+10:00
GP11 001	BOFAUS30XXX	BANK OF AMERICA, N.A.	US	USD	18:00-06:00
GP11 001	DA BADK00XXX	DANSKE BANK A/S	DK	DKK	13:45+01:00
GP11 001	DA BADK00XXX	DANSKE BANK A/S	DK	EUR	13:45+01:00
GP11 001	DA BADK00XXX	DANSKE BANK A/S	DK	EUR	13:45+01:00
GP11 001	DA BADK00XXX	DANSKE BANK A/S	DK	USD	13:45+01:00
GP11 001	UNCRITM0XXX	UNICREDIT SPA	IT	EUR	16:00+01:00

Availability

December 2016 via SWIFT r
Reach Plus
July 2017 dedicated gpi Directory

Tracker

- End-to-end payments tracking database to monitor progress of a gpi payment
- Allows to track a payment's path in real time, obtain transparency on deducts and confirmation that payment was credited



Availability

- GUI: November 2016
- MT 199 / API: May 2017

Observer

- Business Intelligence dashboard showing bank compliance with gpi SLA.
- Ensure control, monitoring and enforcement of SLA, and, consequently, service quality

Compliant

Non compliant

Non compliant

Suspended

Terminated

Availability

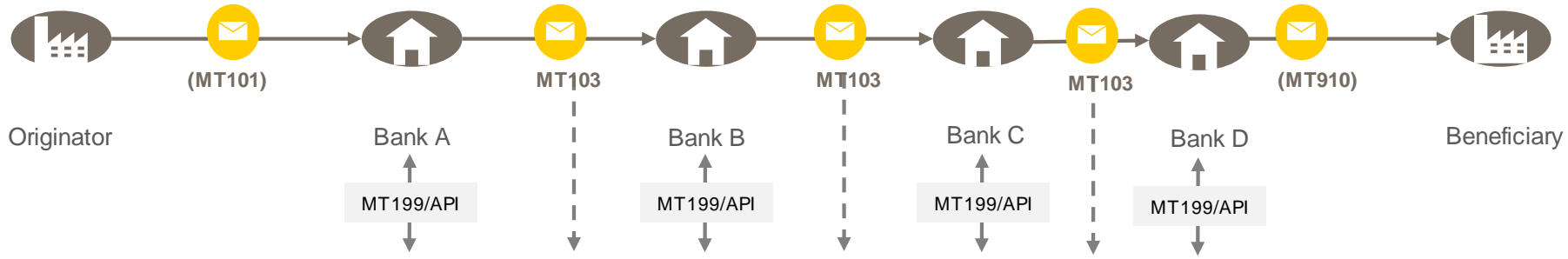
- Basic version: May 2017
- Advanced version: Q4 2017



SWIFT gpi Tracker



SWIFT gpi Tracker “in the cloud”



“One-glance” status overview

Track path, in real time

Details of banks along the chain

Transparency of total fees and time

Unique, end-end tracking number

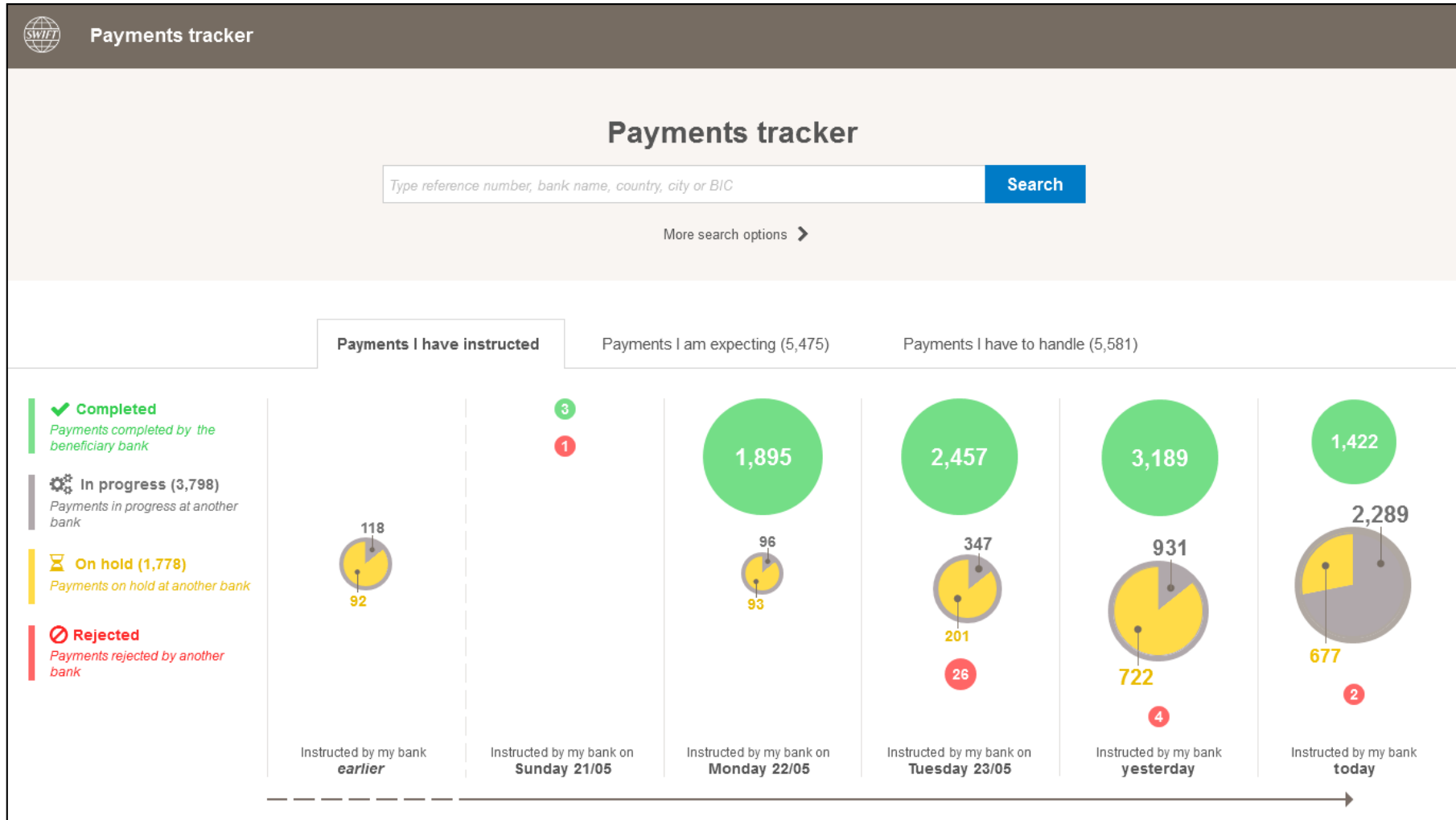
Central payments database, hosted at SWIFT

Updated via MT199 or API

Data consumption via GUI, via MT199 (push) or via API (pull)



Gpi Tracker – visuals



Tracker – in progress (1)

Payments tracker Search on SWIFT tracking number

← Back to search Show in my local time OFF

Latest status 11:35 CET - 14 MAR 2016 Instructed amount 485,000.00 USD Charges ⓘ Elapsed time 2hr 50min SLA type 001 ⓘ SWIFT tracking number 3546553e-0967-4c5b-b380-036dcb1cbf46

In progress
Arrived at DEUTSCHE BANK AG me

Originator Beneficiary

BANKHAUS ANTON HAFNER KG
BIC: ANHODE77
AUGSBURG GERMANY
10:25 CET 14 MAR 2016
Internal reference n°: 56884224442233
Charge: 20 USD

DEUTSCHE BANK AG me
BIC: DEUTDEHH
HAMBURG GERMANY
13:15 CET - 14 MAR 2016
11:35 CET 14 MAR 2016
1hr 40min

TAIPEI FUBON COMMERCIAL BANK, LOS ANGELES BRANCH
BIC: TPBKUS6L
CITY OF INDUSTRY, CA UNITED STATES

[See detailed history](#)



Tracker – in progress (2)

Payments tracker

Q

← Back to search
Show in my local time OFF

Latest status

In progress
Sent to WELLS FARGO BANK, N.A.

13:45 CET - 14 MAR 2016

Instructed amount

485,000.00 USD

Charges

Elapsed time

6hr 10min

SLA type

001

SWIFT tracking number

3546553e-0967-4c5b-b380-036dcb1cbf46

Originator

Beneficiary

BANKHAUS ANTON HAFNER KG

BIC: ANHODE77

AUGSBURG GERMANY

→

10:25 CET
14 MAR 2016

Internal reference n°:
568842224442233

Charge: 20 USD

DEUTSCHE BANK AG

BIC: DEUTDEHH

HAMBURG GERMANY

→ | →

11:35 CET | 13:45 CET
14 MAR 2016 | 14 MAR 2016

2hr 10min

Internal reference n°:
4586322488652555

Charge: 10 USD

WELLS FARGO BANK, N.A.

BIC: WFBIUS6WFFX

SAN FRANCISCO, CA UNITED STATES

08:35 PDT - 14 MAR 2016

→ | →

TAIPEI FUBON COMMERCIAL BANK, LOS ANGELES BRANCH

BIC: TPBKUS6L


CITY OF INDUSTRY, CA UNITED STATES

See detailed history





gpi dedicated event_March 2017

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Tracker – in progress (3)














 **Payments tracker** Search on SWIFT tracking number

[← Back to search](#) Show in my local time OFF

Latest status  In progress Arrived at WELLS FARGO BANK, N.A.	14:50 CET - 14 MAR 2016	Instructed amount 485,000.00 USD	Charges 	Elapsed time  6hr 10min	SLA type 001 	SWIFT tracking number 3546553e-0967-4c5b-b380-036dcb1cbf46
--	-------------------------	--	---	--	--	--

Originator

Beneficiary

BANKHAUS ANTON HAFNER KG BIC: ANHODE77  AUGSBURG GERMANY  → 10:25 CET 14 MAR 2016 Internal reference n°: 568842224442233 Charge: 20 USD	DEUTSCHE BANK AG  BIC: DEUTDEHH  HAMBURG GERMANY →   → 11:35 CET 13:45 CET 14 MAR 2016 14 MAR 2016  2hr 10min Internal reference n°: 4586322488652555 Charge: 10 USD	WELLS FARGO BANK, N.A. BIC: WFBIUS6WFFX  SAN FRANCISCO, CA UNITED STATES  08:35 PDT - 14 MAR 2016 →   → 06:50 PDT 14 MAR 2016  1hr 45min	TAIPEI FUBON COMMERCIAL BANK, LOS ANGELES BRANCH BIC: TPBKUS6L  CITY OF INDUSTRY, CA UNITED STATES
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Tracker – completed

Payments tracker

← Back to search
Show in my local time OFF

Final status

✔ Transfer completed
Credited to the beneficiary

14 MAR 2016 - 18:30 CET

Instructed amount

485,000.00 USD →

Credited amount

484,930.00 USD

Charges ⓘ

70 USD

Total duration

6hr 10min

SWIFT tracking number

3546553e-0967-4c5b-b380-036dcb1cbf46

Originator

●
●
●
●

Beneficiary

BANKHAUS ANTON HAFNER KG

BIC: ANHODE77

📍 AUGSBURG GERMANY

🕒 →

10:25 CET
14 MAR 2016

Internal reference n°:
568842224442233

Charge: 20 USD

DEUTSCHE BANK AG me

BIC: DEUTDEHH

📍 HAMBURG GERMANY

→ 🕒

11:35 CET
14 MAR 2016

🕒 →

13:45 CET
14 MAR 2016

🕒 2hr 10min

Internal reference n°:
4586322488652555

Charge: 10 USD

WELLS FARGO BANK, N.A.

BIC: WFBIUS6WFFX

📍 SAN FRANCISCO, CA UNITED STATES

→ 🕒

06:50 PDT
14 MAR 2016

🕒 →

09:10 PDT
14 MAR 2016

🕒 2hr 20min

Internal reference n°:
966548442244422

Charge: 30 USD

TAIPEI FUBON COMMERCIAL BANK, LOS ANGELES BRANCH

BIC: TPBKUS6L

📍 CITY OF INDUSTRY, CA UNITED STATES

→ 🕒

09:20 PDT
14 MAR 2016

🕒 →

10:30 PDT
14 MAR 2016

🕒 1hr 10 min.


Internal reference n°:
74586311521444

Charge: 10 USD


gpi dedicated event_March 2017

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Tracker – rejected

**Payments tracker**Search on SWIFT tracking number

[← Back to search](#) Show in my local time OFF

Latest status  Rejected Lorem ipsum dolor sit amet, consectetur	12:00 CET - 14 MAR 2016	Instructed amount 485,000.00 USD	Charges ⓘ	Total duration 🕒 2hr 50min	SLA type 001 ⓘ	SWIFT tracking number 3546553e-0967-4c5b-b380-036dcb1cbf46
--	-------------------------	--	------------------	--------------------------------------	--------------------------	--

Originator



BANKHAUS ANTON HAFNER KG

BIC: ANHODE77

📍 AUGSBURG GERMANY

🕒 →
10:25 CET
14 MAR 2016

Internal reference n°:
568842224442233


Charge: 20 USD

Beneficiary

TAIPEI FUBON COMMERCIAL BANK, LOS ANGELES BRANCH

BIC: TPBKUS6L

📍 CITY OF INDUSTRY, CA UNITED STATES


DEUTSCHE BANK AG 

BIC: DEUTDEHH

📍 HAMBURG GERMANY

🕒 13:15 CET - 14 MAR 2016

→ 🕒
11:35 CET
14 MAR 2016

 **Rejected**
12:00 CET
14 MAR 2016

🕒 25min

[See detailed history](#)

gpi dedicated event_March 2017

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Tracker – detailed search page

Payments tracker

Enter tracking number, bank name, BIC code, originator, beneficiary, ...

Bank name or BIC

+ Add extra bank

Bank role

Current location of the payment
 At my bank At another bank

SLA type

Amount **Currency**

Time

Status of the payment
 In progress On hold Completed Rejected Sent outside

[Hide more search options](#) **Search**

11 search results [Show in my local time](#) OFF [Export](#)

▼ Status	Status	Originator bank	Intermediary banks	Beneficiary bank	Instructed amount	Curr.	Time sent by originator bank
<input type="checkbox"/> In progress (3) <input type="checkbox"/> On hold (2) <input type="checkbox"/> Completed (4) <input type="checkbox"/> Rejected (1) <input type="checkbox"/> Sent outside (1)	In progress	CITIGROUP INC CITIAUSXXX	KBC BANK BELGIUM KREDEBB BANKHAUS ...AFNER ANHODE77XXX ...	DEUTSCHE BANK DEUTTDHH	219.000,00	EUR	7 APR 2016 14:34 CET
		BNP PARIBAS FORTIS BNPANL2A	CREDIT AGRIL...DINGS AGRIBSNXXX DANSKE BANK A/S DABADKKKGL0 CITIGROUP INC CITIAUSXXX	KBC ASSET...EMENT KBCABEBB	65.000,00	AUD	8 APR 2016 12:06 CET

More targeted search capability, combination of fields

Overview of all transactions, filtering capability



SWIFT gpi Directory



gpi Directory

BIC at which the participant is reachable for receiving gpi payments

The country determining the bank holidays of the participant

The currency accepted in incoming gpi payments, by the Participant ID

Participant's gpi cut-off time for a currency (not a general cut-off time for all payments nor bilaterally agreed cut-off times)

Whether or not the participant acts as a gpi intermediary for this currency

How to reach the participant ?

- Through an intermediary
- Through Direct or Cover account relationship
- Through a FIN Payments Market Infrastructure

PARTICIPANT ID	ID TYPE	PARTICIPANT NAME	COUNTRY	CURRENCY	CUT-OFF TIME	CUT-OFF DAY	LOCAL TIME ZONE	ACTS AS INTERMEDIARY	REACHABLE THROUGH	CHANNEL TYPE	START DATE	STOP DATE
ANZBAU3MXXX	BIC	AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED	AU	AUD	16:00+10:00		Australia/Sydney	Y		D-C		
ANZBAU3MXXX	BIC	AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED	AU	EUR	16:00+10:00		Australia/Sydney	N		D-C		
ANZBAU3MXXX	BIC	AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED	AU	GBP	16:00+10:00		Australia/Sydney	Y	BARCGB22XXX	INTERMEDIARY		
ANZBAU3MXXX	BIC	AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED	AU	USD	16:00+10:00		Australia/Sydney	Y	CHASUS33XXX	INTERMEDIARY		
BARCGB22XXX	BIC	BARCLAYS BANK PLC	GB	GBP	16:00+00:00		Europe/London	Y		D-C		
BARCGB22XXX	BIC	BARCLAYS BANK PLC	GB	EUR	16:00+00:00		Europe/London	Y	EBA	FIN-PMI		
BARCGB22XXX	BIC	BARCLAYS BANK PLC	GB	EUR	16:00+00:00		Europe/London	N	TGT	FIN-PMI		
BARCGB22XXX	BIC	BARCLAYS BANK PLC	GB	USD	16:00+00:00		Europe/London	Y	HKI	FIN-PMI	20160915	
BARCGB22XXX	BIC	BARCLAYS BANK PLC	GB	CNY	16:00+00:00		Europe/London	Y	HKI	FIN-PMI		
BARCGB22XXX	BIC	BARCLAYS BANK PLC	GB	CNY	16:00+00:00	D-1	Europe/London	Y	BKCHHKHXXX	INTERMEDIARY		
BARCGB22XXX	BIC	BARCLAYS BANK PLC	GB	JPY	09:00+00:00	D-1	Europe/London	Y	SMBCJPJTXXX	INTERMEDIARY		
BARCGB22XXX	BIC	BARCLAYS BANK PLC	GB	USD	16:00+00:00		Europe/London	Y	BARCUS33XXX	INTERMEDIARY		
BARCGB22XXX	BIC	BARCLAYS BANK PLC	GB	USD	16:00+00:00		Europe/London	Y	CITIUS33XXX	INTERMEDIARY		
BARCGB2LXXX	BIC	BARCLAYS BANK PLC	GB	USD	16:00+00:00		Europe/London	Y		D-C		
CITIUS33XXX	BIC	CITIBANK N.A.	US	USD	15:00-05:00			Y		D-C	20160901	
CITIUS33XXX	BIC	CITIBANK N.A.	US	USD	15:00-05:00			Y		D-C		20160831
CITIUS33XXX	BIC	CITIBANK N.A.	US	CNY	15:00-05:00	D-1		Y	HKI	FIN-PMI		

The data shown here is fictitious and only serves to illustrate the syntax and possibilities. Blue fields are populated by SWIFT.



SWIFT gpi Observer

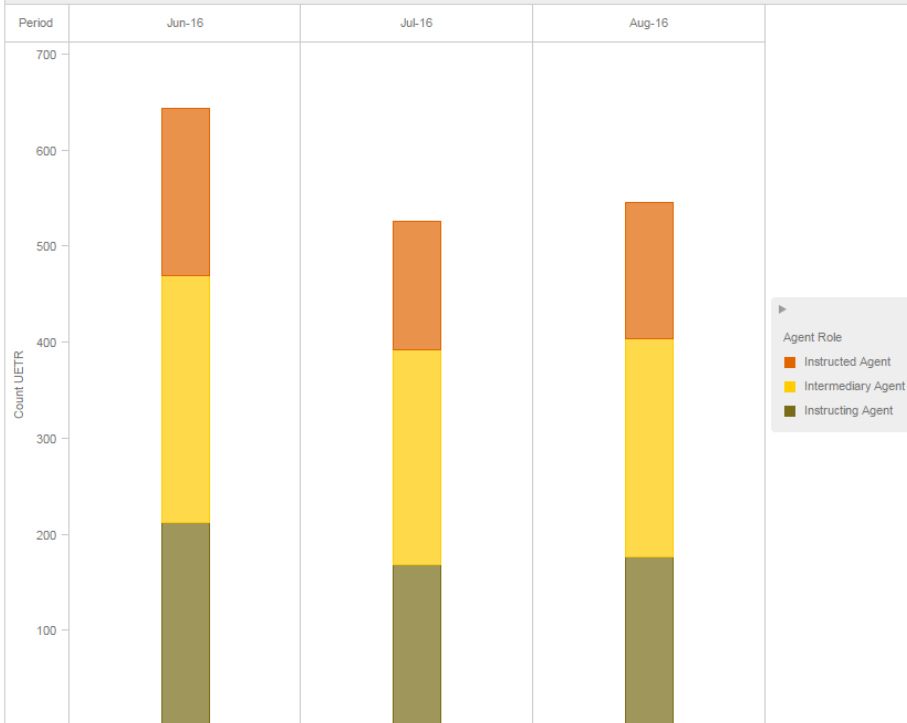


gpi Observer - How well are you performing against the SLA? Overview

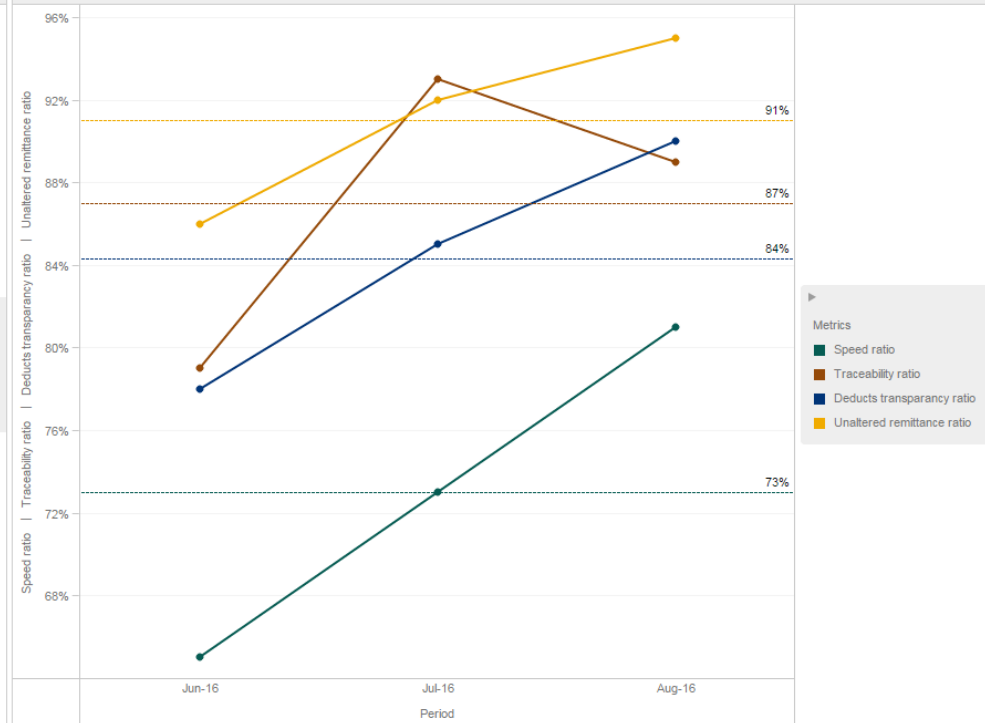
Your SLA Quality Index for the last month

Agent Role	Speed ratio	Traceability ratio	Deducts transparency ratio	Unaltered remittance ratio	Quality index per role	Global Quality Index
Instructing Agent			75%		75%	81%
Intermediary Agent	75%	67%	88%	95%	81%	81%
Instructed Agent	81%	89%	90%		87%	81%

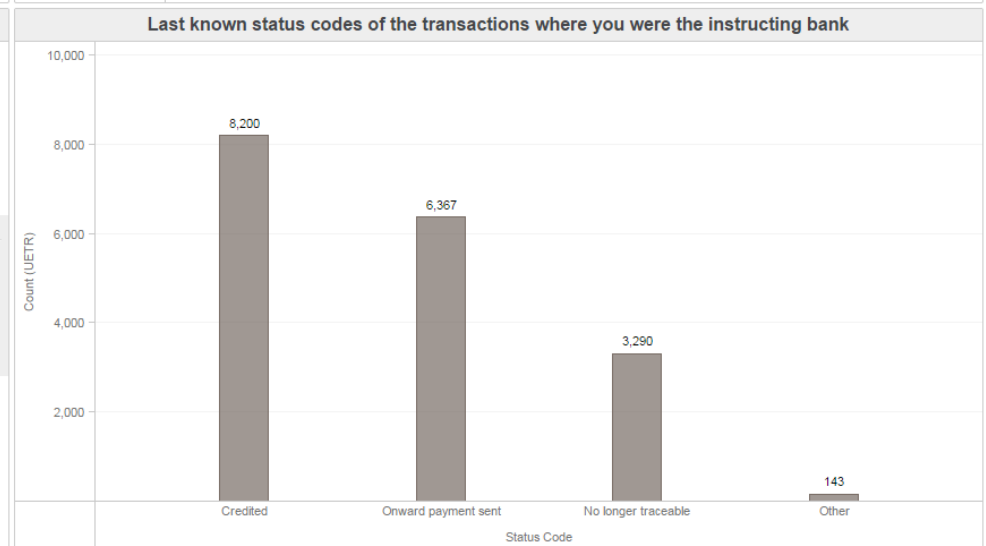
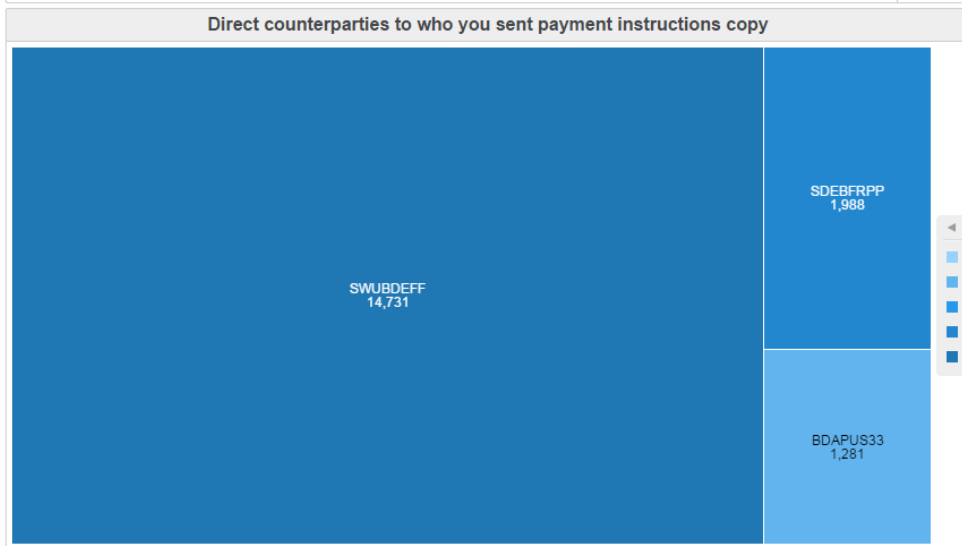
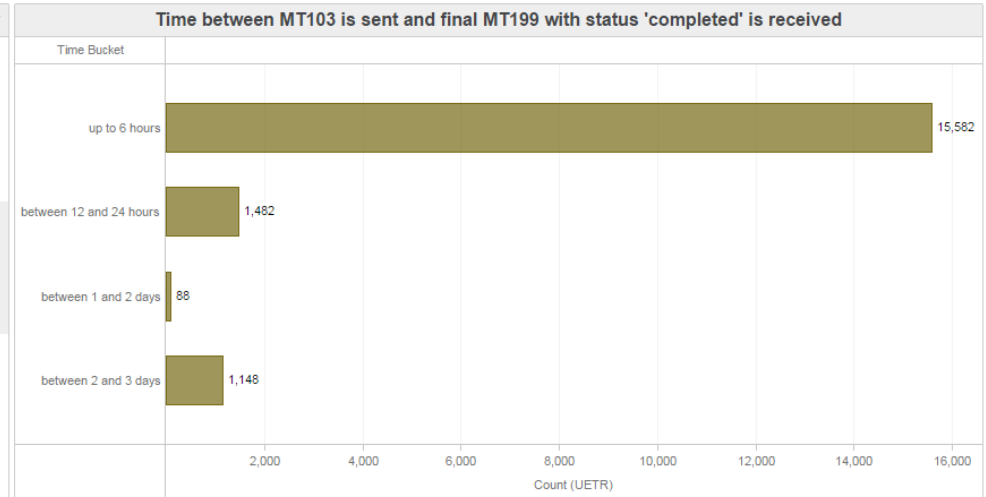
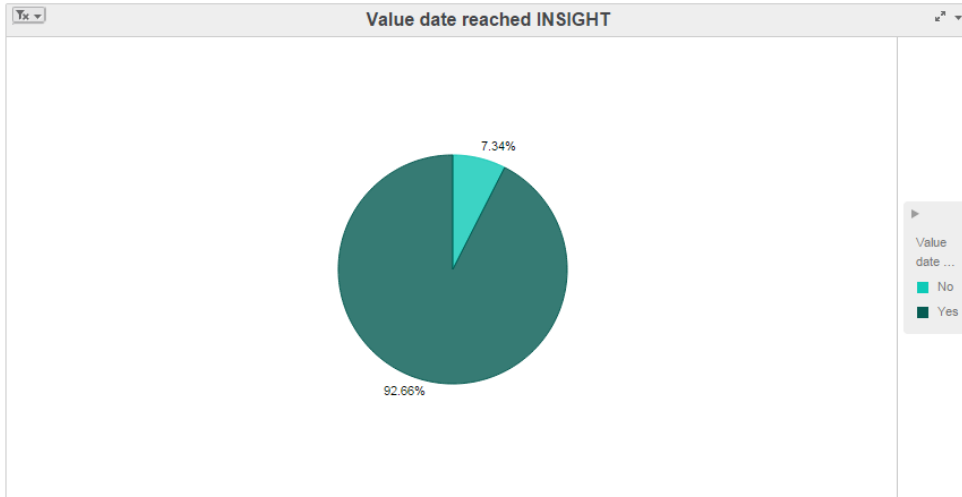
Evolution of your gpi transactions per role



Evolution of your performance per business rule



GPI Observer - How many of the transactions you initiated have met the SPEED business rule ?
 Note that the below statistics are taking future value dates into account

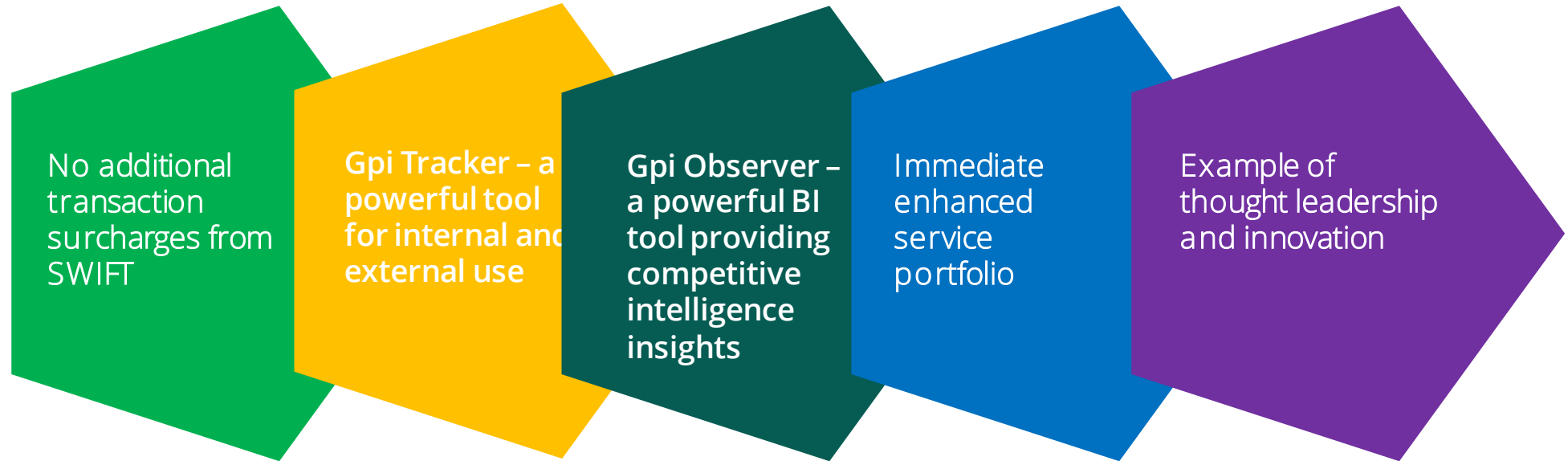


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