



Solutions

SWIFT for Corporates

Corporate implementation plan

Version 1.0

This document contains a typical implementation plan to assist a Project Manager at a Corporate with the roll-out of "SWIFT for Corporates"

15 September 2010

Preface

About this document

Corporates are on SWIFT, because it offers them a secure, reliable, global, single window access to all their financial service providers.

The purpose of this document is to provide the reader with an implementation roadmap to ensure his/her organisation is operationally ready to make use of SWIFT for Corporates. This document contains the milestones and actions that a Project Manager at a Corporate, should take into consideration when implementing "[SWIFT for Corporates](#)".

Intended Audience

This document is intended for corporations' staff in Treasury Service Centers, AR/AP departments, Financial Control Groups and Information Technology (IT) and Implementation Services, among others. Engaging your staff across multiple lines of business should help you uncover opportunities to leverage your connection to SWIFT.

Related documentation

This guide refers to additional documentation where more information on SWIFT's portfolio components can be found.

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1 SWIFT for Corporates

1.1 Implementation plan

This template of a typical implementation plan is created to assist you with the roll-out of your SWIFT project. It contains the milestones and actions that a Project Manager at a Corporate, should take into consideration when implementing “[SWIFT for Corporates](#)”.

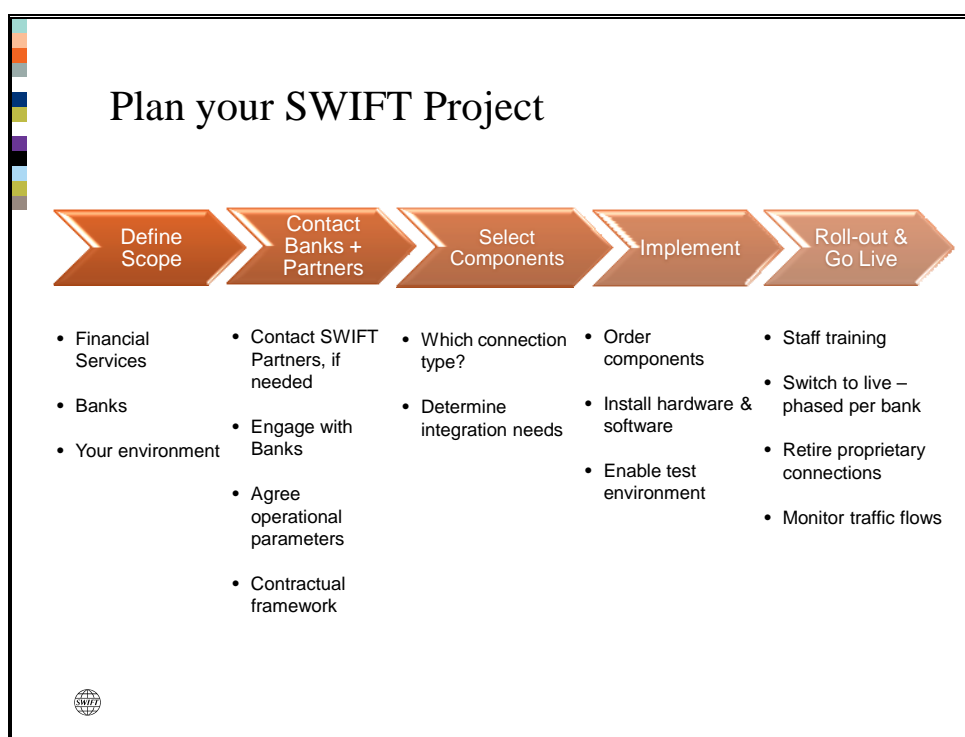
We recommend that you use this plan as a guideline and review it together with your Bank(s) and Service provider to ensure all players are aligned.

For each stage in the roadmap, you will find more detailed information below, including hyperlinks to downloadable documents.

Should you require assistance with the definition or the roll-out of your project, the following services are available to assist you:

- [SWIFT Consulting services](#)
- [SWIFTReady Consultancy providers and experienced Service Bureaux](#)

If you have specific questions about “SWIFT for Corporates”, feel free to contact support@swift.com or your [regional support centre](#).



2 Define project scope

2.1 Selecting financial services

Most banks are offering their corporate clients a number of key services over SWIFT. You should consider which of these services you would like to deploy and which bank should provide you the services.

- **Cash Management:** 3rd party payments, collections and account reporting. These are mostly low value and non-urgent, batched transactions (but can sometimes also be of high-value and time critical).
- **Treasury Management:** including liquidity and financial risk, i.e. currency and interest rate management. Typically urgent/high value payments and reporting (intra- and end-of-day), as well as treasury deal confirmations (e.g. FX and [Accord](#)).
- **Trade Finance:** documentary credits and guarantees, to import as an applicant to your issuing bank and to export from your advising bank to you as beneficiary.
- **Exceptions & Investigations:** to automate the follow-up of payment instructions that contain issues or to investigation about the status of earlier submitted transactions.
- **EBAM:** Electronic Bank Account management allows you to open, close and maintain bank accounts owned by your organisation, including mandates with different thresholds.
- **3SKey:** Allows you to sign messages at an individual level. The 3SKey solution is network, application and bank independent.

More details about these services and how to implement them, can be found in the following documents:

- [SWIFT for corporates – Corporate Operational Readiness Guide](#)
- [SWIFT for corporates - Standards MT Implementation Guide – Volume I](#)
- [SWIFT for corporates - FileAct Implementation Guide](#)
- [SWIFT for corporates - Standards MX Implementation Guide](#)

2.2 Banks

SWIFT recommends that you contact your bank(s) to review your different service needs. To assist you, we are providing a [list of financial institutions](#) that are offering SWIFT services today.

2.3 Your environment

Within your financial department, your treasurers are often using an ERP (Enterprise Resource Planning) or TMS (Treasury Management System). To increase straight through processing and to reduce errors, we strongly recommend that your systems are directly linked with the SWIFT interface.

It is important to analyse your business needs and identify the systems that will be used to exchange data with your banks.

3 Contact your Bank and Partners

3.1 SWIFT Partners

SWIFT has certified a number of Consultancy Partners, Service Bureaus and Application providers with Corporate experience, that are available to assist you with your project.

[SWIFTReady Consultancy Partners](#) are thought leaders in the SWIFT for corporates space. They are well placed to help you with:

- Feasibility studies
- Project planning and management of corporate cash & treasury projects.

The [SWIFT Service bureaus](#) have a proven track record of assisting corporates to do business through banks worldwide, using the SWIFT network.

These service bureaus will organise your project end-to-end, including:

- Assist with project definition
- Agree implementation plan with banks
- Connectivity and message formats
- System integration for SWIFT connectivity
- Running and monitoring your services

[SWIFTReady Application Partners](#) are software vendors which offer an application that is SWIFT compliant and certified. These SWIFTReady Application Partners provide you with solutions for Cash and Treasury Management and support both SWIFT messaging and connectivity.

3.2 Engage with Banks

A major milestone in the project roll-out is to engage with the banks that you have identified as [your service provider\(s\)](#). We recommend that you start with your main bank, where the majority of your financial operations are taking place today.

[Partners](#) that are assisting you with the project roll-out, can provide additional support and expertise in this matter, as they have completed similar projects before.

3.2.1 Agree operational parameters

With each of the financial institutions you need to agree operational parameters, for the different services you are requesting.

Within the "[Corporate Operational readiness guide](#)" you can find 2 templates that will help you to ensure that all aspects of your service requirements are covered.

- Appendix A: FIN implementation form
- Appendix B: FileAct implementation form

These templates specify all the parameters you may want to agree upon with your bank in order to use a FIN and/or FileAct service under SWIFT for Corporates. The parameters in the template do not intend to be exhaustive, nor are they relevant for all banks. It is a "template" that intends to offer a standardised form, from which your bank can remove or add sections as relevant for the services that your bank offers over SWIFT for Corporates.

3.2.2 Contractual framework

Each financial institution has a contractual framework, to identify the roles and responsibilities of each of the parties, when exchanging SWIFT messages. To facilitate this step in the process, SWIFT can provide a SCORE contract template that can be attached to an existing agreement. As it is a template, it can be modified so that both parties agree with the conditions.

The SCORE contract template can be requested at SWIFT, [by email](#).

4 Select components

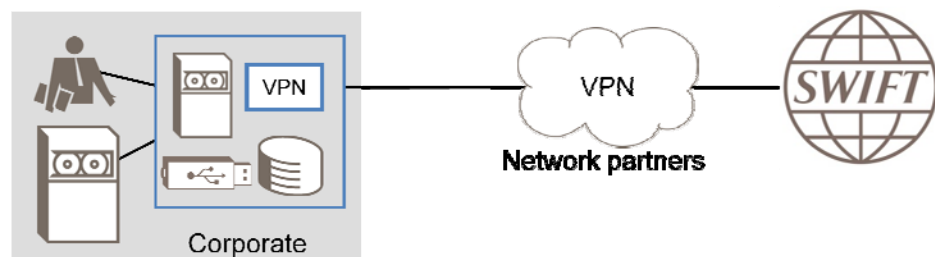
4.1 Which connection type?

There are several ways to connect to SWIFT, Corporates are typically using one of these 3 possibility, depending on their needs and traffic volumes:

- **Direct Connection:** Manage your own infrastructure

When looking for maximum flexibility and control, you should choose the direct connection model, and deploy the connectivity products in your premises. This connections is usually installed by high volume users (global Corporates) with millions of payments per year.

This model offers the widest range of integration options and stores all messages and files in local databases. SWIFT connectivity offering for new customers in this segment is [Alliance Access Kit](#) and [Alliance Entry Kit](#).



- **Indirect Connection:** Outsource your SWIFT connection

When preferring to outsource your connectivity to a third party, you should choose the indirect connection model. Two alternatives are available:

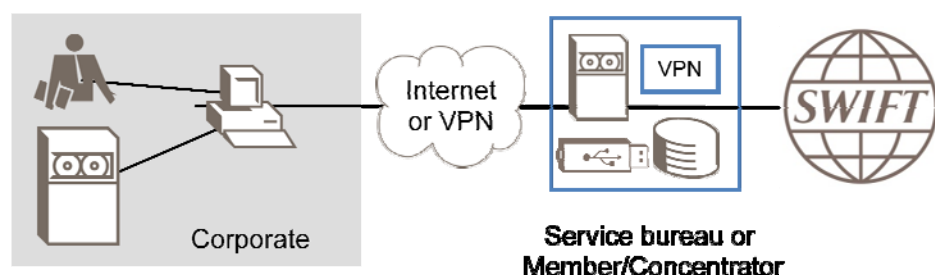
- [Service Bureau for Corporates](#)

These Service Bureaux have a proven track record of assisting corporates to do business with banks worldwide using the SWIFT network. They will organise your project end-to-end, including:

- Project definition
- Implementation plan with banks
- Connectivity and message formats
- System integration for SWIFT connectivity
- Running and monitoring your services

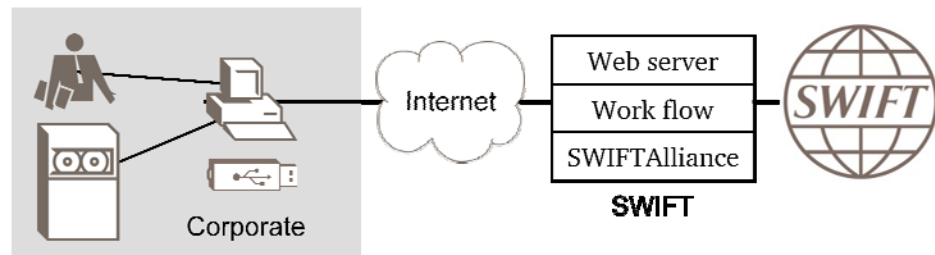
- [Member-Concentrator](#)

Member-concentrators are financial institutions that provide SWIFT access to corporates. They typically take care of the SWIFT administration, the connection to SWIFTNet and message handling, therefore reducing the total cost of ownership.



- **Alliance Lite:** Low volume solution

With [Alliance Lite](#), new customers who plan to exchange less than 200 messages/files per day can benefit from a light connectivity model based on a standard browser and internet connection towards a SWIFT server.



4.2 Determine integration needs

To increase straight through processing (STP) and to reduce possible errors, it is important to integrate the SWIFT interface into your back-office with your ERP or TMS system. The following [SWIFTReady Application Partners](#) and [Service Bureaus](#) provide you with integration tools that are SWIFT compliant.

SWIFT also provides an off-the shelf solution called [SWIFTAlliance Integration](#), that helps to connect your business applications to SWIFT with minimum effort.

Should you have specific needs, our [SWIFT Consulting Services](#) or [SWIFTReady Consultancy Partners](#) are also available to provide you with tailor made solutions.

5 Implement

5.1 Order components

To be able to order SWIFT services, a corporate needs [to join SWIFT](#) and become an authorised user. Corporates have the choice to enter different service models, depending on their user category:

- **Corporates eligible for [SCORE \(recommended\)](#)**

- Corporates that are publicly listed in an FATF member country
- Corporates that are recommended by a SCORE Financial institution

Details can be found in the [SCORE Service description](#)

- **Corporates eligible for [MA-CUG](#)**

- A bank will need to approve a registration request from a Corporate, before entering an MA-CUG.

Additional information can be found in the [MA-CUG Service description](#)

To complete the joining process, the corporate also needs to provide the [required membership documents](#) to SWIFT.

When a corporate has selected a Partner (Service Bureau, Member Concentrator or Consultancy Partner) to assist with the SWIFT implementation project, the Partner will ensure that all the necessary components are ordered.

Below is a sample of components that should be ordered, depending on the configuration you have selected:

- [SWIFT registration](#), including BIC (Business Identifier Code)
- Network Connectivity
 - Depending on the selected configuration, you should also involve a [SWIFT Network Partner](#)
- Security Components
- Interface software (Direct connection only)
- Messaging services: FIN & FileAct

The SWIFT components can be [ordered from the swift.com website](#)

5.2 Install hardware and software

Depending on the configuration you have chosen, you will need to install different component. If you have selected a SWIFT Service Bureau to assist you with your project, they will coordinate this activity for you. For a typical configuration, the following steps should be taken into consideration:

- [Network connection](#) installed (VPN or Internet)
- Security components are put in place
 - Identify Security Officers
 - [Install HSM](#) and PKI certificates
- Prepare computer systems

- If needed, install SWIFTNet link and interface software, depending on connection type (see chapter 4.1)
- [Confirm operational readiness](#) for messaging services at SWIFT

5.3 Enable test environment

SWIFT offers you the possibility to connect to a test environment. It allows you to send and receive messages and files to and from your bank, as if you were using the live services.

SWIFT strongly recommends to use this test environment to fine tune the message flows between your organisation and each individual bank.

To be able to perform these tests successfully, SWIFT provides you with a test BIC (Business Identifier Code) and test services on the SWIFT network.

Your bank will be able to provide you with test scenario's that will simulate a normal working day.

6 Roll-out & go-live

6.1 Staff training

The SWIFT Training department, offers a series of courses to help your staff familiarise themselves with “SWIFT for corporates”.

It will enable them to learn “best practices” to optimise the use of the new environment.

You can choose between several delivery channels and we can even design a course tailored to your needs.

[More details can be found on the Training website.](#)

6.2 Switch to live

Once your environment has been tested end-to-end, you need to agree a schedule to go live with your banks, preferably one at the time.

We recommend a phased approach, for example you can start with account statements, followed by bulk payments and treasury payments.

Switching from test to live can be achieved by replacing the test BIC's with live BIC's and the test service names, by the live service names.

6.3 Retire proprietary connections

It is important to dismantle the unused proprietary connections to ensure that 1) they are not used by mistake and therefore causing operational errors and 2) to reduce the operational cost by removing the proprietary systems, including the maintenance contracts.

Keeping the proprietary systems as a backup solution is not required as resilience, recovery, security and redundancy is build-in to the SWIFT system.

6.4 Monitor traffic flows

Once your project goes into maintenance mode, we recommend that you monitor your traffic to and from your banks. It will allow you to optimise business flows and forecast trends. To assist you with this process, SWIFT can offer you [“Watch”](#) that is analysing your traffic on a monthly base.