



How bank of Jilin in China used SWIFT to expand its business scope.

“SWIFT service is convenient, fast and reliable and certainly has met our expectations on expansion of our customer offering.”

Ms Zhao Yuanfang, Vice General Manager, Trade & Finance Department, Bank of Jilin.

Bank of Jilin Co. Ltd. is a commercial bank offering a range of banking services and financial products to its customers. Based in Changchun, China and founded in 1997, it was formerly known as Changchun City Commercial Bank, changing its name in 2007.

The bank has attracted attention for its solid performance. With a registered capital of RMB 6.5 billion and 6,800 employees, it has grown to 349 branches across Jilin province and also maintains a branch in Dalian, Liaoning province. At the end of 2009, Bank of Jilin reported total assets of RMB 108.14 billion and a capital adequacy ratio of 11%.

Benefits

- Extended service offering
- Reinforced image and reputation
- Improved customer service

Challenges

As a relatively new bank, the Bank of Jilin was looking to meet the following challenges:

- Expand customer offering
provide a full range of services for individuals, corporates and institutional customers
- Sustain competition
keep pace with other more established banks
- Manage cost
select a low-cost, yet fully secure network connection
- Develop efficient communications
exchange timely information with correspondent and counterparty banks.

In particular, the bank was keen to introduce new services both to meet existing clients demand, for example, in the area of foreign exchange, and to develop offerings to match their future needs, for example, in trade finance.

Membership process

Once the bank had obtained regulatory approval from the authorities, they were ready to engage in international business and to equip itself with the necessary infrastructure to provide international services. The Bank of Jilin submitted a request to join SWIFT in September 2008. It received its BIC and connected to SWIFTNet only a month later.

The bank did not consider any alternatives.

“Because SWIFT is widely adopted in the industry and provides customers with comprehensive, efficient and reliable services, it was an obvious choice for our messaging needs,” says Ms Zhao.



Benefits

By joining SWIFT, Bank of Jilin has been able to:

- Extend its service offering
Membership of SWIFT has enabled the bank to offer a range of business services. “We are using SWIFT primarily as a channel to engage in foreign exchange business,” says Ms Zhao. “Before joining the SWIFT community, our bank could not provide such a service to our customers.”
With the infrastructure in place, the bank is seeking to expand its offering in new areas such as trade finance for which it sees a growing client demand.

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- Reinforce its image and reputation
With widespread awareness of SWIFT among the banking community, joining the SWIFT community helped Bank of Jilin to enhance its reputation as a state-of-the art provider.
- Improve customer service
Customers benefit from the fact that SWIFT services are more reliable and faster than any other alternatives in the market

Becoming a SWIFT member brings more general benefits too. By joining SWIFT, Bank of Jilin can now participate in SWIFT user group meetings and business forums, where it can engage directly with its domestic and foreign counterparties. It can also take advantage of SWIFT Standards open training courses where it receives the latest news on the industry and market best practice. “Thanks to SWIFT, we have been able to strengthen our business ties with our counterparties,” says Ms Zhao.

Connectivity solution

Bank of Jilin opted for a direct connection to SWIFT with Alliance Connect Bronze: an ideal balance between low cost and secure and scalable connectivity. Alliance Connect Bronze provides permanent connectivity to SWIFTNet through one or two internet connections. If they wish, they can re-use their existing internet infrastructure “We felt that this version of SWIFT Alliance Connect could meet our needs in a cost-effective way,” says Ms Zhao Yuanfang.

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Conclusion

Bank of Jilin is an example of a newer dynamic bank able to implement a low-cost yet secure SWIFT solution that enabled it to extend its customer offering while reaching new counterparties in a reliable and cost-efficient manner. By doing so, the bank has increased its customer satisfaction levels and paved the way to sustainable and scalable future growth.

About SWIFT

SWIFT is a member-owned cooperative that provides the communications platform, products and services to connect over 8,500 banking organisations, securities institutions and corporate customers in more than 200 countries. SWIFT enables its users to exchange automated, standardised financial information securely and reliably, thereby lowering costs, reducing operational risk and eliminating operational inefficiencies. SWIFT also brings the financial community together to work collaboratively to shape market practice, define standards and debate issues of mutual interest. www.swift.com

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