

SWIFT executive perspectives

SWIFT@Sibos spoke to the chief executives of EMEA, Americas and Asia Pacific for their immediate reaction on the events of the week from the perspective of their region; their feedback reflected a highly successful Sibos

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My gut feeling from the week is that I'm ecstatic," says Chris Church, chief executive, Americas, SWIFT. "All of the customers from the Americas that I've spoken to have had a fantastic week. All of my customers came here with their own expectations, and I think those expectations were exceeded in terms of content, attendance, energy and optimism and, most importantly, in terms of the business they got done."

Church attributes this partly to the change in the mood of the industry. "There was without question an underlying optimism that we haven't seen in the last few years. That, plus the fabulous job that our staff have done



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Chris Church, SWIFT.

in pulling this event together, made for a tremendous conference."

Church welcomes the fact that Sibos 2011 will be taking place in Toronto. "This event really sets the bar for the industry. We call it Sibos, but it is THE event of our industry. This year we've set that bar even higher. I know the Canadians here this week are keen to get cracking on ensuring we meet these heightened expectations."

From a regional perspective, Church points to the diversity of institutions and communities within the Americas. "In the United States, there are some very large players who operate on a global stage, who know SWIFT very well and who execute their business at this conference like a finely oiled machine. They know exactly why they are coming here and what they want to get done," he says. In contrast, there were new participants from some of the Latin American communities who came to Sibos for the first time. "They were completely delighted with what they saw," says Church. "They'd heard of Sibos, but having seen it in action, I have every expectation that we're going to see an increased presence from Latin American communities in Toronto."

Church pays tribute to the Sibos event organisers within SWIFT who often work behind the scenes, as well those who acted as the public face of SWIFT, showing off products and services both in the conference sessions and on the exhibition floor. "Like every company we have our challenges and our opportunities, but this was a week when, if you work for SWIFT, you can't help but feel proud of being an integral part of the fabric of an exciting industry."

In addition, says Church, "SWIFT had a really good story to tell at this conference. We have an exciting new strategy that's already

in action, we're delivering on change and we're delivering on the essential customer requirement of driving down costs. Achieving the five-year pricing promise one year early, the 15% rebate, the USD 90 million we've taken out of the cost base going forward, and now the 20% price cut are real deliverables. We're doing, not just talking."

New mood

Traditionally, attendance figures have been relatively high when Sibos has been held in Europe, but even Alain Raes, chief executive, Europe, SWIFT, was taken by surprise this year by the sheer numbers that came through the door.

"Not only were there record numbers overall, but from a broader EMEA perspective, nearly all the constituent communities sent a much larger number of delegates than ever before. On the one hand, we saw the largest African and Middle East presence ever at this Sibos, but even the UK sent more than 1,000 people."

For Raes, the main highlight of the week was the change in mood within the industry that was reflected in the conference halls, in the corridors and on the exhibition stands. "In general terms, it certainly looks like the industry is back in business development mode," he observes. "People are engaging in industry initiatives and investing in new systems. All the feedback I have received from customers points to a renewed sense of purpose."

Raes suggests that the community feels on much safer ground, having faced the threat posed by the global crisis and taken measures to ensure their future. "Everyone agrees that there's a new approach in evidence; many customers told me they have spent the last few years reengineering, cutting and slicing,



Many customers told me they have spent the last few years reengineering, cutting and slicing, and now they have a better foundation to start reinvesting for the future.

Alain Raes, SWIFT.

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On top of that, says Raes, there were clearly a number of hot topics at Sibos In Amsterdam that will have a greater impact in the year ahead. “Issues related to regulation and European integration will clearly drive part of our agenda for the next couple of years,” he adds.

Growth leaders

Sibos in Amsterdam attracted over 1,000 delegates from Asia. “I admit that I was expecting similar numbers to Vienna and thought 750 would be a reasonable expectation, so I’ve been eating humble pie!” says Ian Johnston, chief executive, Asia Pacific.

This is particularly true of delegations from China and India. “This year, we’ve had three times as many participants from China as we had in Vienna and we’ve also had four banks exhibiting,” says Johnston. “India meanwhile had over 160 delegates (see page 3), as well as the Indian village in the exhibition.”

Johnston points to a significantly different mood over the past year in the Asian region compared to US and Europe. “Both Yawar Shah and Lázaro Campos referred from the podium to the business growth in Asia this year and indeed Asia is very vibrant. It’s difficult to see that when you’re a long way away and immersed in the concerns that are reflected in US and European media.”

That said, Johnston believes there is still much to achieve to ensure the durability of the recovery in Asian markets. “From a structural perspective, there is still much that needs to be improved at both a country and a regulatory level. But generally the economies are going really well.”

At Sibos, two dedicated sessions on Asia Pacific were well received, while 25 speakers from Asia contributed to the programme as a whole. The feedback from Asian delegates, meanwhile, reflected the diversity of priorities found across the region. “A member of one

of the regional payment associations told me he spent his whole time at the Standards Forum,” says Johnston. “They’re going through a process of reengineering their payment systems, so they’re really interested in how they can leverage ISO 20022 and what that’s going to mean for the industry. They were here to learn from the experiences of peers in Europe and the US and to see how they could apply those lessons in an Asian context. By contrast, many others I spoke told me they were mostly out at the exhibition stands networking.”



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Ian Johnston, SWIFT.

Standards move mainstream at Sibos

Jamie Shay, head of standards, SWIFT, has helped to bring standards out of the backroom



Jamie Shay, SWIFT.

Jamie Shay, head of standards, SWIFT, who plans to retire in 2011, looks back with some satisfaction on the development of the Standards Forum over the past few years. “Times are changing,” she notes. “We used to come to these meetings and talk about ISO 20022 and people would be asking, ‘why why why?’ This time the question has changed to ‘when and how?’ I’m very pleased with that change.”

She points to the capacity attendance at all the Standards Forum sessions during the Sibos week. “It was mostly standing room only the entire week,” she says. “Everybody

is getting more and more excited about the stuff that we’re doing. They recognise that we’ve gone from maintaining and developing standards to focusing on helping them reduce their costs and implement new things, as well as creating tools to help them, so it’s an exciting time for standards.”

MORE DEBATE

She welcomes the greater involvement of business people in the standards debates. “It used to be a very small group of people who worked on standards. We were the geeks,” she acknowledges. “But we’ve moved towards being more commercial. People are thinking about what is it that clients want.”

This was the seventh Standards Forum at Sibos and Shay’s last. “Since it was first set up by one of my predecessors, Martine De Weirde, we’ve grown the event from simply focusing on standards per se to integrating standards into the business side of things, which is what Sibos is all about.”

Does she have any advice for her successor? “I think we’re going to leverage on the success we’ve had here,” she says. “Over the past year, between Sibos in Hong Kong and Amsterdam, we have had a number of Standards Forums and will continue to hold these events to promote community interest and encourage even more involvement from the business side.”

Shay also points to a switch in mindset among her colleagues at SWIFT. “SWIFT standards is part of the SWIFT2015 strategy, particularly when it comes to TCO reduction; we are thinking about our customer’s costs. Today, we no longer create for the global community first and our customers second. We create for our customers first and the global community second.”

As she prepares to retire to Florida, Shay can be proud of her legacy.

SWIFT promotes interoperability for e-invoicing

It was unanimously agreed by panel members at a SWIFT auditorium session that e-invoicing is undergoing exponential growth

Ifor Williams, senior vice president, Fundtech FSC, confirmed to participants in a dedicated auditorium session that the company's e-invoicing business in Europe is now expanding by 40% a year. "The challenge is that there are over 400 organisations providing e-invoice services in Europe, but so far very little interoperability," he pointed out. The solution is to reinforce links between bank networks and non-bank e-invoice service providers. "Banks have mass reach for SMEs and service providers are best equipped to handle the complex needs of large corporates, so addressing these markets respectively is the best way to bring everyone into the e-invoicing chain," he argued.

Despite the challenges, Andre Casterman, head of trade and supply chain, SWIFT, assured participants that progress is being made. "We are evolving from traditional bilateral links between service providers to an open data sharing platform between and across banks and non-banks via a '4 cornered' model designed to support cross-border, many-to-many connectivity," he said.

According to Erkki Poutiainen, head of payments infrastructure, Nordea, "Banks don't yet have a shared vision, but interest is building. The Euro Banking Association (EBA) working group on e-invoicing has recently published a draft rulebook for standardising business rules and the European Commission is lending its weight by promoting e-invoicing connectivity standardisation via ISO 20022." Markus Hautala, development director, Tieto, agreed that this approach is key. "We already use XML

messaging with other service providers, so ISO 20022 will be our obvious choice."

SWIFT for e-Invoicing

In recognition of the growing industry momentum, a group of banks and service providers, including the three speakers, are piloting an interoperability initiative called 'SWIFT for e-Invoicing' that launches in January 2011.

SWIFT has been working with major e-invoicing service providers to define how SWIFT's network and standards can help stakeholders address interoperability issues and improve the value proposition for their customers.

Participants in SWIFT's e-invoicing ad hoc group include Danske Bank, ING, Nordea, Swedbank, Société Générale, Anachron, Bottomline Technologies, b2boost, Equens, Fundtech, Isabel, Tieto and Unifiedpost. "The approach of the ad hoc group has been pragmatic and focused on making things happen," says Casterman. "So far different discussion groups and industry meetings have helped the group understand issues we need to address, and now SWIFT is providing support to the market to improve the way interoperability is managed."

He points out that e-invoicing is not only about the electronic exchange of messages between trading parties; it also enables them to address several critical operational areas, contributing to overall trade and supply chain improvements, better use of trade and supply chain financing, better visibility of financial information and lower management costs.

"Among the many factors to consider



Ifor Williams, Fundtech FSC.

when selecting an e-invoicing partner is your partner's ability to connect with other service providers," says Casterman. "Our ambition is to help providers grow their business and value proposition through SWIFT's network effect."

Whilst the solution will support all e-invoice formats between service providers, SWIFT has also been involved in e-invoice standards development. "We believe that the ISO 20022 financial invoice standard has great potential to make the world of e-invoicing much more straightforward," he added.

Axis Bank signs for SWIFT's Workers' Remittances solution

Axis Bank, India's third largest private sector bank, has taken a step forward in enhancing its online global remittance service by signing for SWIFT's Workers' Remittances solution. Axis Bank was amongst the first private sector banks to begin operations



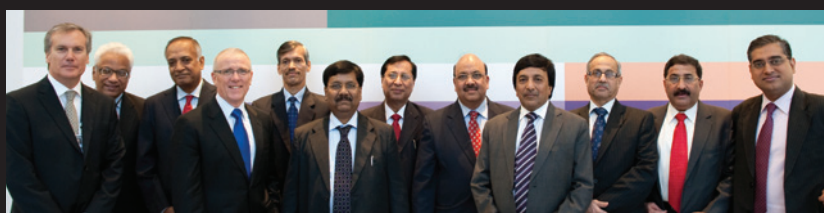
Sameer Nemavarkar, Axis Bank.

in 1994, after the Indian Government allowed new private banks to be established. Today, Axis Bank has a network of over 1100 branches and 4900 ATMs.

Sameer Nemavarkar, senior vice-president, retail, forex and remittance, Axis Bank said, "Axis Bank believes in being a total solutions bank and is making forays on the global front to reach out to Indians based abroad offering them fast and secure remittance services."

Nemavarkar added, "Axis Bank has always been at the forefront of adopting and leveraging technology to streamline and automate their services. SWIFT Workers' Remittances will help us increase speed and resilience while lowering the cost of transactions. This will help these NRIs look after the welfare of their families back home efficiently and cost-effectively."

SWIFT CEO meets senior delegation from Indian Bank Association



Lázaro Campos, CEO, SWIFT, with senior executives from the Indian Bank Association after a fruitful meeting to explore how SWIFT and the Indian banking community can collaborate to support the country's ambitious economic growth and financial sector reforms.

Release 7.0 to boost messaging and security options

New features will allow greater choice for users

SWIFTNet release 7.0 will contain a host of new messaging and security features to create an improved user experience and increased resilience, participants in a SWIFT auditorium session were told on Thursday. The relationship management application (RMA), for example, which has until now been available to manage business relationships for FIN messaging, will be enabled for InterAct and FileAct traffic. "The system will run on principles similar to FIN," explained Pieter Herrebout, senior product manager, SWIFT. "Customers will exchange authorisations and interface details then check traffic against a central database."

On the security side, Isabelle Noblesse, product manager, SWIFT, told session participants that the new SWIFT-managed service available over Browse will give security officers the same functionality to

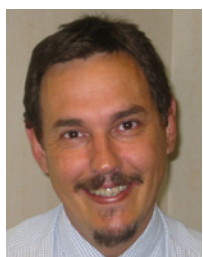
manage their security and routing as the GUI on the existing Alliance WebStation, while also introducing various new security features. The service has certificate management functionality and provides a 'treeview' and other familiar features, but can open numerous certificates' details at the same time. A new delete function is available in the online operations manager that allows security officers to hide obsolete users. "For role manager, we have added new functionality, viewing several users at once," Noblesse added. "Rather than having to look at all of the roles that it is possible to grant to a user, it will now be possible to view only those roles assigned to a user."

The full range of new functionality will be available from 31 December 2010, when SWIFTNet 7.0 becomes available. This is a mandatory upgrade, which must take place before March 2012.

Showcase sessions attract potential customers to the SWIFT stand

The 58 'showcase' sessions, delivered by the SWIFT Training team on the SWIFT stand throughout the week, attracted a large number of interested customers, who welcomed the opportunity to sample a taster of 13 SWIFT products and services. The 10-minute highlight sessions on products and services such as Accord, Watch, Asset Servicing, Alliance Access, Web Platform, 3SKey, Workers' Remittances and several others proved to be very popular and the ideal gateway to gathering more in-depth information afterwards on the stand or during one of the SWIFT auditorium sessions.

Noah and JSE complete first South African implementation of Accord for Securities



Brett Kotze, JSE.



Quintin Siebert, Noah.

Noah Financial Innovation, an independent, niche, South African-based stockbroking and financial services provider, and the JSE have completed a successful proof of concept and subsequent implementation of Accord for Securities, a SWIFT solution for pre-settlement matching of securities trades originating from hedge funds.

The solution automatically identifies discrepancies in trade details and standing settlement instructions (SSIs) that could cause trades to fail. As a result, problems can be resolved much earlier, preventing trade failures, and enabling brokers to reduce operational risks and costs and improve service levels.

According to Quintin Siebert, IT manager, Noah, the initial impetus for the project came from Goldman Sachs, one of the broker's major international clients. Based on SWIFT's established FX, money market and OTC derivatives matching Accord platform, the solution was developed to meet the requirements of a group of major prime and executing brokers for central matching of securities trades. "We certainly see opportunities to sell the service to the rest of the market," adds Siebert.

Brett Kotze, general manager clearing & settlement at the JSE, confirmed that global brokers are keen to see the solution adopted in the South African market. "A lot of them have already subscribed to Accord for Securities and are looking forward to leveraging that solution for confirmation matching as widely as possible."

Both Siebert and Kotze agree that the proof of concept proceeded smoothly. "It went pretty much according to plan," says Kotze. "There was a lot of documentation and support available from SWIFT. Where we didn't understand something, we could contact SWIFT and they were very quick to advise us. Technically it went really quickly and dealing with SWIFT was a very pleasant experience."

Sanctions screening as a service

SWIFT aims to lighten the burden of compliance for smaller institutions

Andrew Schmidt, research director, global payments at TowerGroup, kicked off the SWIFT auditorium session on sanctions screening and anti-money laundering (AML) with a startling fact: "If AML was a country, its GDP (USD 2.5+ trillion) would make it the fifth largest in the world." According to TowerGroup statistics, 70% of global AML non-compliance involves politically exposed or sanctioned people and is therefore a magnet for fraud. Watch lists of these people (and even countries), add yet another layer of screening to the know-your-customer profile.

For financial institutions, this ever-expanding AML environment provides no competitive advantage and involves significant cost. But it must be done. "The irony," Schmidt pointed out, "is that the more efficient organisations become at flushing out suspicious activity, the more fraud migrates downstream to smaller banks. This puts a burden on those institutions without the transaction volume or the resources to handle AML effectively."

To address the challenge, in 2011, SWIFT is launching a centrally managed sanctions screening service to help smaller institutions comply with evolving sanctions regulations. Nicolas Stuckens, AML & sanctions initiatives, banking market, SWIFT, outlined its functionality. "Financial messages are screened against multiple watch lists held in the database and alerts are issued, enabling the bank to suspend onward payments pending investigation," he explained. "Incoming messages can also be checked before other operations are performed, including transaction acknowledgement. This solution will give the SWIFT community a quick, easy and cost-efficient option to the sanctions screening challenge," Stuckens concluded.



Nicolas Stuckens, SWIFT.

Towards STP in collateral management

SWIFT is enhancing its collateral management solution to cover bilateral as well as tri-party requirements



Fabrice Tomenko, Clearstream Banking.

In an increasingly risk-conscious environment with growing cross-border exposures, the case for conducting business on a collateralised basis is growing stronger and more compelling.

Collateral management is becoming a key tool in mitigating counterparty risk. However, it remains a complex area of activity with limited automation. In an auditorium session on Thursday, Fabrice Tomenko, head of collateral management, global securities financing, Clearstream Luxembourg, mapped out the varieties of collateral management techniques in use and the information flows required to support them, while Banu Apers, senior market director, securities markets, SWIFT, explained SWIFT's approach to helping its customers automate these flows. "Enhancing straight-

through processing through greater use of automation and common standards is key to addressing the challenge of risk mitigation," said Apers.

"There is a push for standardisation in both a bilateral and tri-party context," noted Tomenko, who pointed out that while collateral management is a useful tool for mitigating counterparty risk, the process itself is not risk-free, particularly where elements of the collateral management function – involving selection, valuation, margin calls, settlement, substitution, optimisation and custody – are handled manually.

SWIFT already offers an established solution for tri-party collateral management, based on ISO 15022. SWIFT messages have been customised to cover requests for collateral, returns and/or substitutions, proposals and responses to proposals for collateral and mark-to-market reporting for both the collateral and the underlying exposure.

With the growth in margin-call exchanges and global regulatory requirements, SWIFT is now delivering a new solution to cover bilateral collateral management flows, said Apers. The solution, based on ISO 20022, can be used across asset classes and will be delivered in two phases. Flows for margin calls and substitutions will begin piloting in December, with live launch planned for March 2011. A second phase containing the flows for interest payments and reporting will pilot in February 2011 with live launch set for May 2011.

Clearstream and BME work together on OTC reporting



Left to right: Alain Raes, SWIFT. Stefan Lepp, Clearstream. Jesús Benito, Iberclear. Peter Wiatrowski, SWIFT. Juan Martinez, SWIFT.

Bolsas y Mercados Espanoles (BME), the Spanish stock exchange operator, and Clearstream, the international central securities depository, have joined forces in a project to provide reporting services for a wide range of over-the-counter (OTC) financial instruments. The initiative is in line with the European Commission's forthcoming regulations, which aim to achieve greater operational control and transparency in OTC derivatives.

Both Stefan Lepp, member of the executive board at Clearstream, and Jesús Benito, CEO, Iberclear, BME Group, pointed to Sibos as an important catalyst in encouraging collaborative initiatives. "Sibos is not only a good networking opportunity, but also a place where new contacts and new opportunities can be initiated," said Lepp. "Clearstream's Consolidated Global Liquidity and Collateral Management Hub is gathering significant momentum and our growing links and partnership agreements with infrastructure providers across the globe are finding substantial support from our customers. This goes hand-in-hand with our unique partnership with BME and further paves the way towards increased transparency, reliability and efficiency."

"I would like to congratulate Sibos on the success of this year's gathering, which has brought together the world's premier financial institutions, market infrastructures, authorities and economic and financial leaders to deal with the matters that are shaping the future financial landscape," commented Benito. "In this respect, the deep analysis provided on topics such as the forthcoming regulation of the OTC markets and the transparency role of trade repositories deserve praise."

Citi and Habib Bank Pakistan live with SWIFT's Workers' Remittances



Representatives of Habib Bank Ltd, Citi and SWIFT.

Following the successful implementation of SWIFT's Workers' Remittances solution for pension payments, Citi has extended the use of the SWIFT platform for person-to-person payments with Habib Bank Pakistan. Diane Reyes, global payments head, Citi, said, "Citi is delighted to work with Habib Bank to enable person-to-person and pension payments into Pakistan using the SWIFT network."

Habib Bank is the first commercial bank established in Pakistan since 1947. It has a domestic market share of over 40% as well as a 55% market share in inward foreign remittances.

Citi adds SWIFT training programmes in Asia Pacific

Citi has signed with SWIFT for a regional training programme in Asia Pacific. The contract includes a series of SWIFT training courses focused on payments and trade across 10 different locations: Sydney, Melbourne, Beijing, Shanghai, Guangzhou, Taiwan, Indonesia, Malaysia, Thailand, Bangladesh. As a part of the contract, SWIFT will train hundreds of attendees, comprising a mixture of Citi staff and clients.



Left to right: Daniel Deweyer, SWIFT. Helen Nazzaro, Citi. Munir Nanji, Citi. Helene Rosenberg, SWIFT.

Asia Pacific banks lead the way in supply chain efficiency

Added value to TSU platform attracts Bank of China and Bank of Tokyo-Mitsubishi UFJ

To provide surety in an open account environment without involving paper collateral that compromises STP, SWIFT now offers the BPO (Bank Payment Obligation), an enhancement to the TSU (Trade Services Utility), which provides an integrated view of supply chain data. Although most supply chain activity is corporate-to-corporate, banks are increasingly looking to see how they can leverage TSU BPO to provide value added services to their corporate clients.

In Asia-Pacific, Bank of China (BOC) is working with SWIFT to promote TSU BPO, as Guosheng Wang, general manager, global trade services, BOC, explained in an onsite interview: "Corporates don't have the technology to integrate with trade partners and financial institutions electronically. We hope that together with SWIFT, banks will spare no effort to develop the TSU platform to offer customers an electronic financial supply chain solution that



delivers operational efficiency, eases the payment process, reduces trading costs, minimises risk and optimises liquidity."

Tuesday's SWIFT forum on TSU BPO progress in Asia Pacific confirmed Wang's vision. "In some cases, it is happening with speed: it took BOC and Bank of Tokyo-Mitsubishi UFJ only three months to create a link," said Xiong Yuanmeng, senior manager, trade finance, BOC.

Left to right: Connie Leung, SWIFT. Xiong Yuanmeng, Bank of China. Daisuke Kamai, Bank of Tokyo-Mitsubishi UFJ. Alicia Say, Trade Van.

"It's easy to do if you know your counterparty," commented Daisuke Kamai, manager, trade business division, Bank of Tokyo-Mitsubishi UFJ. The Japanese bank has also embarked on a similar initiative involving TSU BPO with Korea Exchange Bank.

BBH initiative promotes funds messaging automation in Taiwan



William Rosenszweig, Brown Brothers Harriman.

Brown Brothers Harriman (BBH) has been spearheading a project to automate funds messaging between large mutual fund providers and banks in Taiwan.

"The fund providers are starting to speak with one voice to the buy-side distributor banks, who typically use fax-based systems, and we have now got nine banks on board," noted William Rosenszweig, managing director, investor services and markets, BBH, in a progress update at Sibos on the Asian Fund Automation Initiative. "As a SWIFT aggregator,

BBH receives fund messages in the banks' proprietary formats, transforms them via Infomediary and sends them over SWIFT to the fund providers, and vice versa," he explained. "Since we act for the fund providers, the service is free and painless for the banks. It's a win-win-win situation. Fund providers cut costs, banks provide a faster customer service and SWIFT increases network traffic."

The pilot starts in December 2010 with go-live set for Q2 2011. Plans for future rollout include Hong Kong, Singapore and South Korea.

Vneshekonombank to move to Alliance platform

The Russian state-owned Vnesheconombank [Bank for Development and Foreign Economic Affairs] has signed a contract with SWIFT to move to the Alliance platform. The platform will be the basis for the future implementation of SWIFTNet services by the bank in Russia. "The bank decided to move to the Alliance platform to facilitate the centralisation of the operations in the Vnesheconombank group and provide innovative services to our customers, while significantly delivering reduced service costs," said Alexander Gruzinov, director for banking security at Vnesheconombank.



Left to right: Michael Bacheleishvili, Alliance Factors. Valeri Khamov, Vnesheconombank. Alexander Gruzinov, Vnesheconombank. Alain Raes, SWIFT. Steven Palstermans, SWIFT. Tatiana Fateeva, SWIFT.

Deutsche Bank and Standard Bank announce financial supply chain partnership using TSU

Deutsche Bank and Standard Bank of South Africa have announced a financial supply chain partnership pilot project using the SWIFT Trade Services Utility (TSU) infrastructure.

The pilot project enables both banks to monitor various supply chain events in order to explore ways of providing liquidity in open account trade transactions. Using TSU, Deutsche Bank and Standard Bank will exchange supply chain data automatically for their respective buyers and sellers. They will leverage the TSU matching functionality to provide a basis for payment or financing

services for their clients. The pilot is planned to include live transactions for corporate clients who have agreed to participate.

"Standard Bank is ready for TSU and we have already handled quite a number of live transactions using this solution," said Jerry Pearce, managing director and global head of products, Standard Bank.

Jonathan Richman, global product head, trade and financial supply chain, Global Transaction Banking, Deutsche Bank, added, "We are pleased to partner with Standard Bank for this important step forward that begins to turn the promise of TSU into a reality. This alliance will help clients conduct international trade on open account terms, improve automation and risk



*Karin Mathebula, Standard Bank.
Peter Knodt, Deutsche Bank.*

management while accessing new types of finance to improve cash flow."

Bank of Montreal now live with Alliance Integrator



Bank of Montreal has gone live with SWIFT Alliance Integrator and SWIFT Alliance Access to complement its existing infrastructure. With the support of SWIFT consulting services in the Americas, this completes the first phase of the bank's integration project. "SWIFT Alliance Integrator is well designed to facilitate our phased approach to migrating our interfaces off our legacy systems without requiring major changes to them," said Anna Ngai, technology head, technology development, capital markets and risk management, Bank of Montreal. "SWIFT's consulting services have also helped speed up our development and implementation," she added.

Left to right: Anna Ngai, BMO Financial Group. Pat Antonacci, SWIFT. Ester Heikkila, BMO Financial Group. Fredda Cole, SWIFT.

Hua Nan Bank, TradeVan and SWIFT sign MOU on end-to-end supply chain solution

Hua Nan Bank, TradeVan and SWIFT have announced an MOU to collaborate in offering an end-to-end supply chain service based on TSU/BPO for open account trade. TradeVan will be enhancing its Trade2Cash cross border supply chain service to support the use of

BPO by its corporate clients. The collaboration will enable Hua Nan Bank to provide financing services through the use of TSU. At Sibos, Alicia Say, TradeVan, presented a pilot project with a trading company in Taiwan.



From left to right: Michael Cheung, SWIFT. Tsung-Jen Chen, Bank of Taiwan. Alicia Say, TradeVan. T.C. Huang, Taiwan Business Bank. Derek Y.P. Chang, Hua Nan Bank. Jeremy Ou, Chinatrust Commercial Bank. Patrick de Courcy, SWIFT. Connie Leung, SWIFT.

First-time exhibitor votes to return

While SWIFT@Sibos focuses on SWIFT's own activities at the event, one of its major roles behind the scenes is enabling the business that its community conducts on the exhibition floor

PASHA Bank, one of the largest commercial banks in Azerbaijan, was a first time exhibitor at Sibos this year. By midweek it was already confident enough of the benefits of exhibiting to confirm its presence in Toronto. "Our purpose in coming here was to let people know about the bank and the country, which is the most thriving in the region," says Farid Akhundov, chairman of the board of PASHA Bank. "I'm very pleased with the level of interest we've attracted. Our message was that we are a strong, reliable partner, and I think we are getting that message across. All the meetings we've had have proved that our participation has been successful."

The bank has been talking both to financial institutions and to IT and service providers. "Our particular focus this year is on Chinese and other Asian banks," says Akhundov. He notes that with the majority of the bank's board attending Sibos, "We had an offsite meeting of the board and have already made a decision to participate in Sibos in Toronto next year."



Farid Akhundov, PASHA Bank.

How the SWIFT Partner Programme benefits mutual customers

SWIFT certification provides comfort to customers that solution providers meet key functionality and performance criteria

SWIFT Partner Management is a compliance programme for applications, standards, connectivity and messaging solutions and services with a structured roadmap to advanced levels of strategic alliance. Frank Smits, head of SWIFTReady office, partner management, SWIFT, explains: "The partner portfolio includes access to SWIFT testing tools, advice and, where applicable, SWIFTReady certification labels with options at higher levels for joint marketing, industry engagements and commercial initiatives."

Customers of a SWIFT partner – typically financial institutions and corporates – also benefit from the relationship. "SWIFT provides an easy, neutral and transparent way for customers to qualify a product or service before procurement," says Smits. "Because our testing and compliance procedures are so rigorous, they can be assured that certified partners and engineers are proven and fully compatible with their SWIFT environment – anywhere in the world."

Registered vendors are also entitled to apply for SWIFTReady labels for their product or service. To achieve SWIFTReady certification, their products or services must be measured against stringent criteria for SWIFT standards, messaging services and connectivity. Labels are awarded on an annual basis.

SWIFT certification is also useful when customers are preparing project specifications. "A customer can go to the SWIFT website and find a comprehensive list of criteria relating to SWIFTReady applications, consultancy services or other services. This can be cut and pasted into a RFP to provide the full set of requirements needed to ensure SWIFT compliance," says Smits. Full details of the Partner Programme can be found at: www.swift.com/partners.

Orange, SWIFT to extend access to French corporates

Orange Business Services (OBS) has launched Hub Finance to provide SEPA-compliant SWIFT access to 90,000 French firms whose bank communications would otherwise be interrupted by the decommissioning of both the local X.25 network and France's ETEBAC protocol in September 2011.

OBS is a subsidiary of France Telecom and its Trading Solutions arm provides voice and electronic trading infrastructure and services to financial institutions. The firm will market the service via its 13-agency network in France.

French corporates, including many small-to-medium enterprises (SMEs), currently use X.25 and ETEBAC to exchange files with banking partners, but France is adopting a new bank communication protocol as part of its migration to payment instruments that can be used across the Single Euro Payments Area (SEPA).

"A fully-managed solution, Hub Finance, will connect French corporates to more than 8,500 banks via a secure platform accessible by the Orange VPN or the

internet," says Yannick Moulin, product manager, Orange Business Services. According to Orange, these accessibility options guarantee a high level of service availability. The platform will extend access to SWIFT to French SMEs.

OBS and SWIFT intend to integrate SWIFT's new digital identity solution, 3SKey, which enables corporate treasurers to manage multiple banking relationships using a single, multi-network personal digital identity solution.



Yannick Moulin,
Orange Business
Services.

Credits

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