Payment Controls
User Webinar

December 2019

- Payment Controls
  - Demo

- Logout Button
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- Reminder of Recent Changes
  - Four Eyes Controls

- SConnect Migration

SWIFT

Risk Scoring

Today

The threat has continued to evolve over time
and SWIFT is looking for new ways to provide stronger, dynamic tools

We want to ensure the tool stays simple to use.

Risk Scoring is a capability whereby you can identify
suspicious payments, leveraging an algorithm centrally
managed by SWIFT.

Payment Controls Capabilities

Risk Scoring
Each payment is scored to help Identify & protect against payment behaviour that is higher risk based on previous attacks, and or is uncharacteristic based upon past behaviour.

New scenarios
Identify payments involving individual institutional participants, chains, countries, message types and currencies that have not been seen previously

Account monitoring
Verify end customer account numbers against institutional black lists and white lists

Threshold
Protect against individual and aggregated payment behaviour that is a potential fraud risk or falls outside of business policy

Business calendars
Identify payments that are sent on non-business days or outside normal business hours

Payment Controls Capabilities

Risk Scoring

Each payment is scored to help Identify & protect against payment behaviour that is higher risk based on previous attacks, and or is uncharacteristic based upon past behaviour.

The Risk Score for each payment looks at:

- **Amount dimension**: amount threshold, exchanged amount over time and for a given currency and for a given beneficiary country, ..
- **Volume dimension**: volume of transactions exchanged amount over time and for a given currency and for a given beneficiary country, ..
- **Corridor dimension** : detection of new corridor, risk of a given corridor

$\Rightarrow$ The score is computed by weighting the individual score received by each of these dimensions

The Risk Score leverages:

- Important information about previous attacks which went over the SWIFT network
- Each institutions' traffic (i.e. have I ever sent a transaction to this institution before?)

Risk Scoring | Roll-out

today

7th of December
T&T & Live Environment Rollout

Non-Blocking mode only

9/10/11th of December
3 Webinars organized with all customers to present Risk Scoring

Q1/2 2020
Further enhancements to risk scoring

Non-blocking & Blocking mode

Risk Scoring | Mock-up demo

Alerts ▾   Payment Controls ▾

Administration ▾   roy-belchamber

Configuration

← Back to overview

Ruleset
SWIFTLab Demo Ruleset ✐ Edit title and description

Previous versions   Active   **Edit draft**

Created on	08 Oct 2018 08:12 GMT	Owning BU	SWIFTLab	Current active date	14 Oct 2018 19:17 GMT	Messaging BIC(s) SWLBBE20
Last updated on	14 Oct 2018 19:18 GMT	Last updated by	roy-belchamber	Current draft date	14 Oct 2018 19:18 GMT	

Message count (1)	Single payment (158)	Amount aggregation (1)	Account monitoring (1)	Business calendar (1)	New scenario (1)	**Risk scoring (0)**

Activate   Edit alert settings

Live rules (0)

Add rule

Rule action ▼	Expiry action ▼	My role ▼	Ordering ▼	Counterpart ▼	Beneficiary ▼	Currency ▼	Message Type ▼	Threshold ▼	Rule title ▼ ↕

Test rules (0)

Rule action ▼	Expiry action ▼	My role ▼	Ordering ▼	Counterpart ▼	Beneficiary ▼	Currency ▼	Message Type ▼	Threshold ▼	Rule title ▼ ↕

Risk Scoring | Mock-up demo

Create 'Risk Scoring' rule

1. General information

Rule title* My 1st Risk Scoring rule instance
33/100

Rule description

Rule action* Non-blocking

When the rule is triggered, a non-blocking, acknowledgement-only hit will be generated
Since the risk scoring rule is a new feature of the Payment Controls service (introduced in December 2019), it is currently only available in non-blocking mode. SWIFT will inform customers when the feature will be available in blocking mode.

To start with risk scoring rule instances will only be offered in non-blocking mode. Blocking mode will be introduced after successful introduction

2. Message type selection

Message type* ☑ 103 *(includes generic MT 103, MT 103 REMIT and MT 103 STP)*
☐ 202
☐ 202.COV

By default, the risk threshold is set to 1000. It's up to you to refine based on your risk appetite, your Payment Activity Report and your own observed behaviour.

Risk threshold

Specify the risk score: 839 /1000

Lower risk   200   400   600   800   Higher risk

Threshold

CAUTION - By defining a threshold, you request SWIFT to alert you only when a transaction reaches a score above this threshold. Risk scores vary from 0 to 1000, with 1000 being the highest risk score. For more details on how such score is computed, please consult the Payment Controls Service Description. Before opting to activate a risk scoring rule, the customer must carefully assess whether such rule fit its own compliance needs. The risk scoring rules are an optional feature, and the customer remains solely responsible for its decision to use it or not.

Cancel   Save rule

Risk Scoring | Mock-up demo

Risk Scoring | Payment Activity Report

- The PAR template has been updated.

- It now contains indications on what hit rate a given risk scoring threshold for one MT or all of them would generate.

- It remains **your** sole responsibility to decide whether or not:
  - a risk scoring rule instance should be used
  - the risk threshold they should apply

Risk Score Alert Rates

The table below gives the estimated alert rates (% of transactions alerted for the message type) and per-day alert volumes (number of transactions alerted per working day) for your institution at different thresholds for the risk scoring rule. For example, with the threshold set to 500 you would expect to alert 70% of MT103 transactions, equivalent to about 4 per working day.

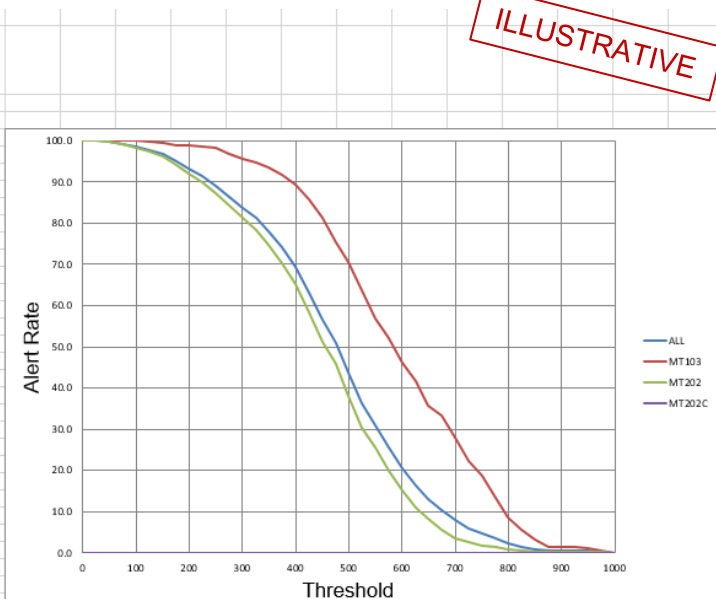|	All Types		MT103		MT202		MT202C	
Threshold	Alert Rate	Per Day	Alert Rate	Per Day	Alert Rate	Per Day	Alert Rate	Per Day
1000	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
975	0.2	0.1	0.5	0.0	0.1	0.0	0.0	0.0
950	0.4	0.2	1.2	0.1	0.3	0.1	0.0	0.0
925	0.5	0.2	1.4	0.1	0.4	0.1	0.0	0.0
900	0.5	0.2	1.4	0.1	0.4	0.1	0.0	0.0
875	0.5	0.2	1.4	0.1	0.4	0.1	0.0	0.0
850	0.8	0.3	3.1	0.2	0.4	0.1	0.0	0.0
825	1.5	0.5	5.5	0.4	0.6	0.2	0.0	0.0
800	2.2	0.8	8.6	0.6	0.8	0.2	0.0	0.0
775	3.4	1.3	13.4	0.9	1.3	0.4	0.0	0.0
750	4.8	1.8	18.9	1.2	1.8	0.5	0.0	0.0
725	6.0	2.2	22.2	1.4	2.5	0.8	0.0	0.0
700	7.9	2.9	27.9	1.8	3.6	1.1	0.0	0.0
675	10.3	3.8	33.2	2.2	5.5	1.7	0.0	0.0
650	13.1	4.9	35.8	2.3	8.3	2.5	0.0	0.0
625	16.4	6.1	41.8	2.7	11.0	3.4	0.0	0.0
600	20.5	7.6	46.1	3.0	15.1	4.6	0.0	0.0
575	25.7	9.5	52.0	3.4	20.0	6.1	0.0	0.0
550	31.0	11.5	56.8	3.7	25.5	7.8	0.0	0.0
525	36.3	13.5	63.7	4.2	30.5	9.3	0.0	0.0
500	43.8	16.2	70.6	4.6	38.1	11.6	0.0	0.0
475	51.0	18.9	75.4	4.9	45.8	14.0	0.0	0.0
450	56.6	21.0	81.4	5.3	51.3	15.7	0.0	0.0
425	63.2	23.4	85.9	5.6	58.4	17.8	0.0	0.0
400	69.4	25.7	89.3	5.8	65.2	19.9	0.0	0.0
375	74.1	27.5	91.9	6.0	70.4	21.5	0.0	0.0
350	78.0	28.9	93.6	6.1	74.7	22.8	0.0	0.0

ILLUSTRATIVE

Demonstration of Risk Scoring, Log out and 4eyes on User Management

Future Updates |

SConnect

SConnect Migration Mandatory to access Payment Controls from Jan 2020

- Oracle has phased out support of Java Applets

- The Java Applet technology is used today by SWIFT to access web applications using personal token.

- SWIFT has chosen SConnect as the alternative technology to which users must migrate.

- SWIFT will provide support for SConnect to all SWIFT products and services that use personal tokens and will phase out support for Java Applet.

- This migration should be transparent for personal token users who have installed the SConnect browser extension.

S-connect | Current status

- **All customers not having migrated to Sconnect by January 1ˢᵗ may loose access to Payment Controls.**

- **Current status is that xxx% of Payment Controls institutions are using Sconnect.**

- **If you don't know where your own institution does stand, please contact us.**

S-connect Checklist

Where can I find more detailed information?

This document is a summary of the information in the SWIFT Knowledge Base Tip 5023168 - How do I install SConnect in Web Browsers?

SWIFT's products are supported with Sconnect in combination with either IE or Firefox. Please see compatibility matrix tip listing for which product/service which browsers can be used.

Also, please find the video to explain how install the SConnect browser: How to install the SConnect browser extension for Internet Explorer

S-connect Checklist

The S-connect checklist will be sent to you as a follow up to this session along with the recording.

SConnect Installation Guide

The purpose of this document is to outline the steps required to successfully install SConnect.

SConnect is a browser extension that enables applications and websites to communicate with personal tokens without Java. To connect to an application portal with a token, SConnect installation is required as Java will no longer be supported by Oracle.

The document's intended audience are the users of Screening Utility and the relevant IT Teams.

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