



Maximising the benefits of SWIFT gpi with APIs



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Graham Standfield

NAB’s Senior Manager of Product Development, Payments Customer Products and Services

One of Australia’s major banks, National Australia Bank (NAB), first became aware of the benefits of SWIFT global payments innovation (SWIFT gpi) at Sibos 2016. “It was clear that we could deliver a better experience for our customers by harnessing the opportunities provided by full cross-border payments transparency,” says Graham Standfield, NAB’s Senior Manager of Product Development, Payments Customer Products and Services.

SWIFT gpi enables cross-border payments to be tracked via a cloud-based Tracker database, and greater transparency of bank fees. Other benefits include the speed of the end-to-end payment transaction and the ability to transfer remittance information unaltered.

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Planning the project

Extensive analysis and planning was undertaken by NAB before the project began, to ensure smooth implementation of the new system. This included notifying stakeholders of the benefits of the new system, and understanding how to work within legacy platforms and processes.

Banks have two options with regards to getting information from the gpi Tracker: they can build a solution using MT199 messages, or they can use APIs to gain real-time access to payment status information. NAB chose the latter and was the first bank in the world to launch gpi payment tracking via APIs.

“We already had a bank-wide strategy of moving to APIs, and had spent time and effort getting our digital channels API-enabled so that we could quickly bring in new services exactly like this,” says Standfield.

“Our channels were easily able to use existing APIs to contact the gpi Tracker and get up-to-date and real-time access to payment information.”



Getting started

Standfield says NAB implemented the project using 'agile principles'.

"The way that we, as an agile organisation, work is by bringing resources together from different teams, which we call asset teams," he explains.

"The benefit of agile is that you don't have to spend months in the project definition phase – you look at the minimum viable product and break the scope into smaller chunks which work across different asset teams."

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From inbound to outbound

The first goal was to focus on the inbound processing of gpi payments. "To achieve that, we needed to redirect all payment flows through a single asset called our Global Message Manager, and then route them to the different payment systems," says Standfield. "That meant we would have one place where we could update and respond to the gpi Tracker."

In the course of re-routing payment flows, the bank was able to achieve improvements that hadn't been possible in the past. For example, a common error in incoming payments is reversing the position of the BSB (Bank-State-Branch) and account numbers. "We were able to do some payment repairs centrally to automatically swap those numbers around so they are corrected," Standfield explains. "This resulted in an 17% increase in straight through processing, and a better customer experience."

The next iteration of the project focused on **outgoing payments**. "We've now gone live, and all of NAB's outbound payments are now gpi payments – in all currencies and all corridors," Standfield says.

““ **We now have visibility over all payments destined for NAB... which provides useful insights for our operations team.**

Reaping the benefits

NAB's operational team is already seeing the benefits of SWIFT gpi. "We've built the Tracker into a portal so that our teams can monitor all inbound and outbound payments and see the status of those payments," says Standfield. "We now also have visibility over all payments destined for NAB as soon as they are initiated and become visible in the Tracker, which provides useful insights for our operations team. If they log in on Friday night, they can see how many payments will be waiting for them on Monday morning!"

Another benefit is that the operational team can now reconcile payments on the SWIFT network against the information received internally.

Next steps

The next step for NAB will be to provide gpi's tracking capabilities direct to customers. NAB has joined a SWIFT gpi for Corporates pilot program, which focuses on giving corporate customers access to gpi through MT101 messages. "We recognise that there's a lot of opportunity, either through MT101s being enabled with gpi, or alternatively by using our NAB API service," Standfield explains.

The bank will be communicating these changes to customers soon, but Standfield says he is already seeing considerable interest in this topic. "Some of our larger corporate customers are very aware of what's happening in the industry and are already reaching out for more information," he says. "They all want the service, and they can't wait for us to provide it!"