

Sanctions Screening Webinar

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Agenda

1. WebAccess migration – *Mandatory Change*
2. New Sanctions lists & New Categories & Message types– *Enhancement*
3. Screening & industry best practices

1- Web Access Migration to simplify access to SWIFT Platforms **Mandatory.**

Why: Streamline access to SWIFT services & prepare for S-connect migration

How you can get ready: Configure your firewall to allow connection to the new IP addresses (as in the KB below) – starting from **July**

Migration delivery date: by end of Q3

What changes: the login /authentication process

New single URL for *Test* Sanctions Screening (*MV-SIPN & Internet access*)

<https://sanctionsscreeningtest.browse.swiftnet.sipn.swift.com>

New single URL for *Live* Sanctions Screening (*MV-SIPN & Internet access*)

<https://sanctionsscreening.browse.swiftnet.sipn.swift.com>

What does not change: The portal and all your configuration & settings

More info: Please refer to the Knowledge Base <https://www2.swift.com/kb/#/tip/5023282>

2-1 New Sanctions lists on Sanctions Screening

Action: Review this list of **new** and **available** lists to see if any should be added?

- Indian Ministry of Home Affairs (*IMHA*)
- Thai Anti-Money Laundering Office (*TAMLO & TAMLO-UN*)
- South Korea - Financial Services Commission (*FSC-SK*)
- South Korea - Ministry of Strategy and Finance (*MSOF*)
- South Korea - Ministry of Strategy and Finance (*US EO13572*) (*SKOR*)
- UN Other Measures (*UNOM*)
 - (*Relates to asset freeze applying to North Korean vessels & DE-FLAGGED & Prohibited port entry*)

For more information please consult the inventory of lists:

Link: https://www2.swift.com/knowledgecentre/publications/sanc_scrn_inv_list/

2-2 New Categories & Message types (Copy option)

A set of new categories have been added:

- **FX and Commodities** (Categories 3 and 6 – all messages type screened by default – both categories included)
- **Securities** (subset of MTs from category 5 *)
 - * ***Restricted Securities messages are*** : MTs 502, 503, 509, 513, 514, 515, 516, 517, 518, 519, 527, 530, 540, 541, 542, 543, 558, 559, 565, 578, 586, 592, 595, 596, 598, 599
- **Cash Management & Customer status** (subset of MTs from category 9 *)
 - * ***Restricted Cash Management & Customer status messages*** : MTs 910, 992, 995, 996, 998, 999
- **New Trade message types** SWIFT STANDARD RELEASE *New Trade message types are available within Sanctions Screening* : MT708, MT744, and MT759

How to create a new e-order to screening additional Message Types:

Step 1

Go to the SWIFT.com (www.swift.com) and open the correct change e-order form for Sanctions Screening.

Step 2

Complete the e-order and confirm the new configuration within the change e-order form. Screenshots on the right.

5.01 – 5.04 allows you to select your new configuration

Note: you have to tick the boxes for all categories you want to screen (including the existing ones)

Sanctions Screening change

Enter the requested information.

The orange arrow icon ▶ indicates mandatory fields

Please use below form to change your Sanctions Screening service's subscription. For more information about Sanctions Screening over SWIFT service, see the Sanctions Screening over SWIFT Service Description.

The screenshot displays a web form for changing Sanctions Screening service configurations. It is divided into several sections:

- Registered customer information:** A header section with a close icon.
- Institution that you order for:** A section with a BIC field (marked with a mandatory icon) and a reference number 2.01.
- Preferred implementation:** A section explaining that implementations occur during weekends. It includes a 'Preferred implementation date' dropdown menu set to 'Saturday July 20 2019' and a reference number 3.01.
- Sanctions configuration existing parameters:** A section titled 'Below is your current Sanctions Screening service configuration, for both Live and Test & Training environments. This configuration will be completely replaced by the configuration you will define in the next section, in both Live and Test & Training environments.' It lists four parameters:
 - TEST BIC8 to be registered in the service:** Reference 4.01.
 - Sanctions configuration existing parameters:** Reference 4.02. Includes checkboxes for 'Payments (Categories 1 and 2 and 910)', 'Trade (Categories 4 and 7)', 'Treasury (Categories 3 and 6)', 'Securities (Category 5)', and 'Cash Management & Customer Status (Category 9)'. 'Payments' and 'Trade' are checked.
 - Transaction type:** Reference 4.03. Includes radio buttons for 'National and International transactions' (selected) and 'International transactions only'.
 - Traffic direction (Sent, Received or both):** Reference 4.04. Includes checkboxes for 'Sent' and 'Received', both of which are checked.
- Sanctions configuration new parameters:** A section titled 'Please define below the future and complete configuration required for your subscription to Sanctions Screening service. This new configuration will replace completely your Live and Test & Training configuration.' It lists four parameters:
 - TEST BIC8 to be registered in the service:** Reference 5.01.
 - Sanctions configuration new parameters:** Reference 5.02. Includes checkboxes for 'Payments (Categories 1 and 2 and 910)', 'Trade (Categories 4 and 7)', 'Treasury (Categories 3 and 6)', 'Securities (Category 5)', and 'Cash Management & Customer Status (Category 9)'. 'Payments', 'Trade', and 'Securities' are checked.
 - Transaction type:** Reference 5.03. Includes radio buttons for 'National and International transactions' (unselected) and 'International transactions only' (selected).
 - Traffic direction (Sent, Received or both):** Reference 5.04. Includes checkboxes for 'Sent' and 'Received', both of which are checked.

4.01 – 4.04 shows your existing configuration

Screening & Industry Best practices

Very Important Notes on Alert Management Workflow

- **Standard workflow:** L1 users review alerts and decide if they should be released or escalated. If the L1 user suspects a true hit, the payment will be escalated for further investigation by L2.
- **4-eye workflow :** Both the L1's decision to release and reject MUST be approved by L2 user.

An institution **should never select both workflows** (4-eye workflow & standard workflow).

If both workflows are selected **no alerts will be visible for L2 user and the message cannot be actioned.**

Important Notes on the Hit Reduction Rules

1- Vessel Rule for Payments (*VPSUCP/VPSUCN*).

- The purpose of this rule is to suppress the hits on Vessel names if found in specific payment messages (below), (FIN Cat 1 and 2 messages)
 - *MTs 101, 102, 102 STP, 103, 103 STP, 103 REMIT, 104, 107, 110*
 - *MTs 202, 202 COV, 205, 205 COV*
 - *MT 910*

This rule will suppress alerts unless the hits are found in specific fields, namely: field 70 & field 72

2- Vessel Rule for Trades (*VTSUCP/ VTSUCN*)

- The purpose of this rule is to suppress the hits on Vessel names if found in specific trade messages. (**FIN Cat 4 and 7 messages**)
 - *MTs 400, 410, and 412*
 - *MTs 700, 710, 720, 734, and 750*

This rule will suppress alerts unless the hits are found in specific fields, namely: Field 46A, field 77J & field 72

Important Notes on the Hit Reduction Rules

Highly used in industry

3- Standard Reference Field (SRSUCP/ SRNBCP) (Copy option only)

- The purpose of this rule is to suppress (or to set to non-blocking) the hits that appear in **field 20 Sender Reference**, or in one of its variants fields :
20C or 20D, for all the FIN messages

4- Related Reference Field (RRSUCP/ RRNBCP) (Copy option only)

- The purpose of this rule is to suppress (or to set to non-blocking) the hits that appear in **field 21 Related Reference** or in one of its variants fields:
21A, 21B, 21C, 21D, 21E, 21F, 21G, 21N, 21P, 21R for all the FIN messages

For more information, please refer to the *Hit Reduction Rules User Guide*

Important Notes on the Exception list creation

The creation of an exception list helps to *reduce the volume of false alerts*, so more focus can be allocated on the remaining fewer alerts.

It is recommended to regularly review the results generated by the XML screening report. This reflects the subset of messages for which alert, either in blocking or non blocking mode, were raised. This can assist in raising new exceptions.

We recommend a regular review of the exception list, to ensure of its continued effectiveness in preventing false positives being raised.

For more information, please refer to the Knowledge Base :

Exception List usage guidelines <https://www2.swift.com/kb/#/tip/5017682>

XML screening report

Live Messages History Messages - Reports - Audit - Administration

Reports

All BU * All Reports

Reports Tools Columns View

File	Template Name	Constraint Date Type	Data End Date	Data Start Date	Generation Date	Name
	XML Weekly Screening Report	Filtering Date	08/07/2019 02:14:03	08/07/2019 02:14:03	08/07/2019 02:00:00	N/A
Download	XML Weekly Screening Report	Filtering Date	30/06/2019 23:59:59	24/06/2019 00:00:00	01/07/2019 02:33:35	repc
Download	XML Weekly Screening Report	Filtering Date	23/06/2019 23:59:59	17/06/2019 00:00:00	24/06/2019 04:21:50	repc
Download	XML Weekly Screening Report	Filtering Date	16/06/2019 23:59:59	10/06/2019 00:00:00	17/06/2019 07:00:50	repc
Download	XML Weekly Screening Report	Filtering Date	09/06/2019 23:59:59	03/06/2019 00:00:00	10/06/2019 05:55:08	repc
Download	XML Weekly Screening Report	Filtering Date	02/06/2019 23:59:59	27/05/2019 00:00:00	03/06/2019 03:12:08	repc
Download	XML Weekly Screening Report	Filtering Date	26/05/2019 23:59:59	20/05/2019 00:00:00	27/05/2019 03:01:46	repc
Download	XML Weekly Screening Report	Filtering Date	19/05/2019 23:59:59	13/05/2019 00:00:00	20/05/2019 03:13:28	repc
Download	XML Weekly Screening Report	Filtering Date	12/05/2019 23:59:59	06/05/2019 00:00:00	13/05/2019 06:30:30	repc

For more information, please refer to the Knowledge Base:

<https://www2.swift.com/kb/#/tip/5020966>

Example 1:

```
{1:F01ZYFSBEB0AXXX7911546264}{2:I103ZYFTBEB0XXXXN}{4:  
:20:test00001  
:23B:CRED  
:32A:140423AUD5000,  
:33B:AUD5000,  
:50K:/101020000297152  
ALI ZOMOROUD  
Summerside, Prince Edward Island  
Canada  
:57A: ZYFSBEBX164  
:59:/FR123456789123456789  
Esteve Perpinya Perpinya  
;Girona  
Spain  
:70:CUSTOMER SAID SOMETHING  
:71A:OUR  
:72:/INS/PAY BY WIRE  
-}{5:{PDE:}}
```

OFAC7890 ID : Jarraya Khalil (a.k.a “Said”) is matching on all free text tags that contains “**SAID**”, “*for example : customer said*”.

This is matching to OFAC entry only.

Exception: **SAID will not work!**


To create an *effective exception* on this record, the following needs to be done:

Reference: Common words

Exception: **SAID SOMETHING**

Eliminate only IDs: **OFAC7890**

From Sanctions Screening portal

 **Create new Exception**

Reference *	<input type="text" value="COMMON_WORDS"/>
Name *	<input type="text" value="SAID SOMETHING"/>
Search code *	<input type="text"/>
City	<input type="text"/>
Country	<input type="text"/>
Scope *	<input type="text"/> OFAC7890

Example 2:

+ Create

```

{1:F01ZYFSBEB0AXXX0389007845}
{2:I199ZYGDBEB0XXXXN}{4:
:20:TEST
:79:WE REFER TO YOUR 103 DATED 31/04/17
REFERENCE
67574 FOR USD 799,99 VALUE 31/04/17
THIS TRANSACTION HAS NOT BEEN COMPLETED.
WE REQUEST
YOU TO RESUBMIT THE TRANSACTION FROM YOUR
ACCOUNT
WITH SWHQBEBBXXX TO OUR ACCOUNT BEFORE SEP 2019
-}{5:{CHK:56D0601B30D7}{TNG:}
{MRF:190621142417190621ZYFSBEB0AXXX0389007845}}
        
```

Type	Unit	Copy Serv.	In/Out
199	SSCRBEB3		In

Info	SSCRBEB3
Transaction ref	TEST
Related ref	
Sender	ZYFSBEB0XXX
Receiver	ZYGDBEB0XXX
Amount	0.0 ???
Created on	2019/06/21 14:24:27
Value date	?

Origin	Designation	Type	Priority
MOSF	UN IRAN	Company	0

Name	SAFETY EQUIPMENT PROCUREMENT (SEP)
Address	
City/State	
Country	
Search codes	
Passport	
National ID	
BIC codes	
Confidentiality	0
Comment	
Keywords	UN

3 hits (3 / 0)

Hit ID	Tag	Match
⚠ MOSF000405	79	100
⚠ THUN000405	79	100
⚠ MFIR200045	79	100

Synonyms [More information](#)

Name

- SAFETY EQUIPMENT PROCUREMENT
* SEP

City/State

Country

Hyperlinks

http://www.un.org/en/sc/2231/2231%20List_17%20Jan.htm

Font size 10 12 14 16 18 >>

From Sanctions Screening portal

The screenshot shows a web application interface for editing an exception. At the top, there is a navigation bar with 'Logout', 'Home', and 'Full Screen' buttons. Below this is a secondary navigation bar with 'Live Messages', 'History Messages', 'Reports', and 'Audit' links. The main content area is titled 'Edit Exception' and contains a form with the following fields:

- Reference***: A text input field containing 'SEP MONTH' and a close button (X).
- Name***: An empty text input field.
- Search code***: A text input field containing 'SEP##'.
- City**: An empty text input field.
- Country**: An empty text input field.
- Scope***: A list of codes: 'MOSF000405', 'THUN000405', and 'MFIR200045'. To the right of the list are 'Add' and 'Remove' buttons.

At the bottom of the form, there are three buttons: 'Cancel', 'Reset', and 'Update'.

Industry- Best Practices

Annual review to assess the effectiveness of Sanctions Screening Controls, this includes:

- **Institution & customer base jurisdictions:** Are there new regulations to comply?
New clients within new countries to deal with ? Domestic or international?
- **New products & services offered by institution :** Cross border transactions or trade related products
- **The volume of transactions & distributions channels**

Depending on the risk appetite of the FIs regular monitoring & control need to be put in place.

How to get information on SWIFT

Operational status notifications

1- at least one contact within the institution **MUST be registered to SWIFT.COM and subscribed to Sanctions Screening Operational status notifications.**

2- Customers **MUST maintain their users contact details to ensure continuous access to latest operational notifications.**

Notifications can be either by email AND/OR SMS

This will be reflected in the service description and other clients documentations.

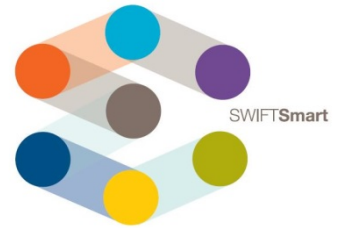
How to subscribe:

[Link to ACCESS: https://www2.swift.com/idm/myinfo/notifications.faces](https://www2.swift.com/idm/myinfo/notifications.faces)

The screenshot shows the 'Personal Info' page in the SWIFT user interface. At the top, there are navigation tabs: Profiles, Personal Info (selected), Admin Functions, Search Users, mySWIFT, and Online Help. Below the navigation is a user profile icon and the text 'Personal Info'. A 'Help ?' link is visible in the top right corner. The main content area has tabs for Identity, Notifications (selected), and Newsletters. An information box states: 'On this page you may subscribe to operational service notifications. You may choose to subscribe to notifications by mail, SMS, or both. The telecommunications industry does not guarantee the delivery of SMS notifications. In turn SWIFT cannot guarantee that the notifications will be delivered, even after the best possible effort was made.' Below this is a table titled 'Operational status notifications' with columns for 'Email' and 'SMS'. The 'Email' and 'SMS' column headers are highlighted with a red box. The table lists various services and their notification preferences. The 'Sanctions Screening', 'Target Instant Payment Settlement (TIPS)', and 'Target2 for Securities' rows are highlighted with a red box. At the bottom right, there are 'Edit' and 'Send test sms' buttons.

Operational status notifications	Email	SMS
Alliance Lite	All severities	All severities
Alliance Lite2	All severities	None
Alliance Remote Gateway	All severities	None
Australian New Payments Platform	None	None
CLS	None	None
CREST	None	None
SWIFT India	None	None
SWIFT gpi	None	None
SWIFT messaging & connectivity	All severities	All severities
SWIFTRef Delivery Channels	None	None
Sanctions Screening	All severities	All severities
Target Instant Payment Settlement (TIPS)	None	None
Target2 for Securities	All severities	None
Treasury	All severities	All severities

Online Training Modules - SWIFTSmart



There are TWO modules that have been created on SWIFTsmart:

1- *Sanctions Screening introduction*: This includes the following:

- Workflows & User roles
- Sanctions Screening Web Interface
- Sanctions Lists (public and Commercial lists)

[SWIFT Smart Introduction to Sanctions Screening Module](#)

2- *Compliance policy module*, this covers the following:

- Message Type Management
- Sanctions List Management
- Private List Management

[SWIFTSmart Compliance policy Module](#)



Topic to cover for next webinar

- 1- Private list : Creation for : Company, country, individual
- 2- Reporting : How to use these reports to create exceptions, interpret the data
- 3- Why not do both !
- 4- Other topics of your interest

If there are others topics you would like to learn more about or have more questions

- **Asma BAURTALLY**

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Additional collateral

- [Sanctions Screening Service Documentation Set](#)
- [Getting Started](#)
- [Inventory of Lists](#)
- [Service Description](#)
- [User Guide](#)
- [Hit Reducing Rules User Guide](#)
- [SWIFT Smart Introduction to Sanctions Screening Module](#)
- [SWIFTSmart Compliance policy Module](#)
- How to become a [SWIFT.COM](#) user:
<https://www2.swift.com/search/kb/fetchTip.faces?tip=5019388>



www.swift.com