SWIFT gpi – Cross-border payments, transformed

Tackling the challenges in cross-border payments

Speed
Roche

Transparency
General Electric

Tracking
Viacom

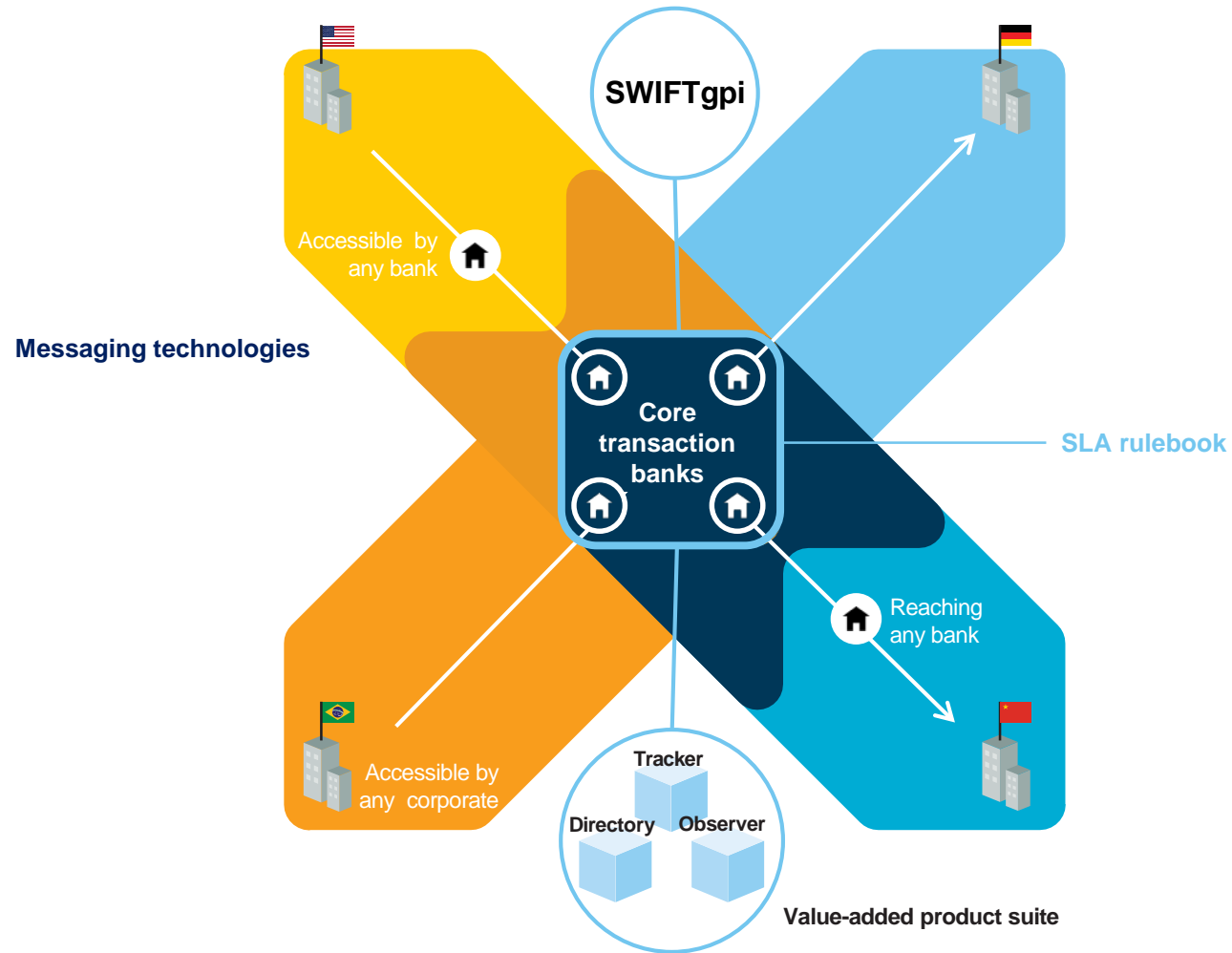Remittance information
Zoetis

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Time for SWIFT gpi

SWIFTgpi

Messaging technologies

Accessible by any bank

Core transaction banks

SLA rulebook

Reaching any bank

Accessible by any corporate

Tracker

Directory   Observer

Value-added product suite

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Enhancing customer experience by delivering a new standard in cross-border payments

"Yesterday" | Traditional correspondent banking

Slow, can take multiple days

No transparency on costs

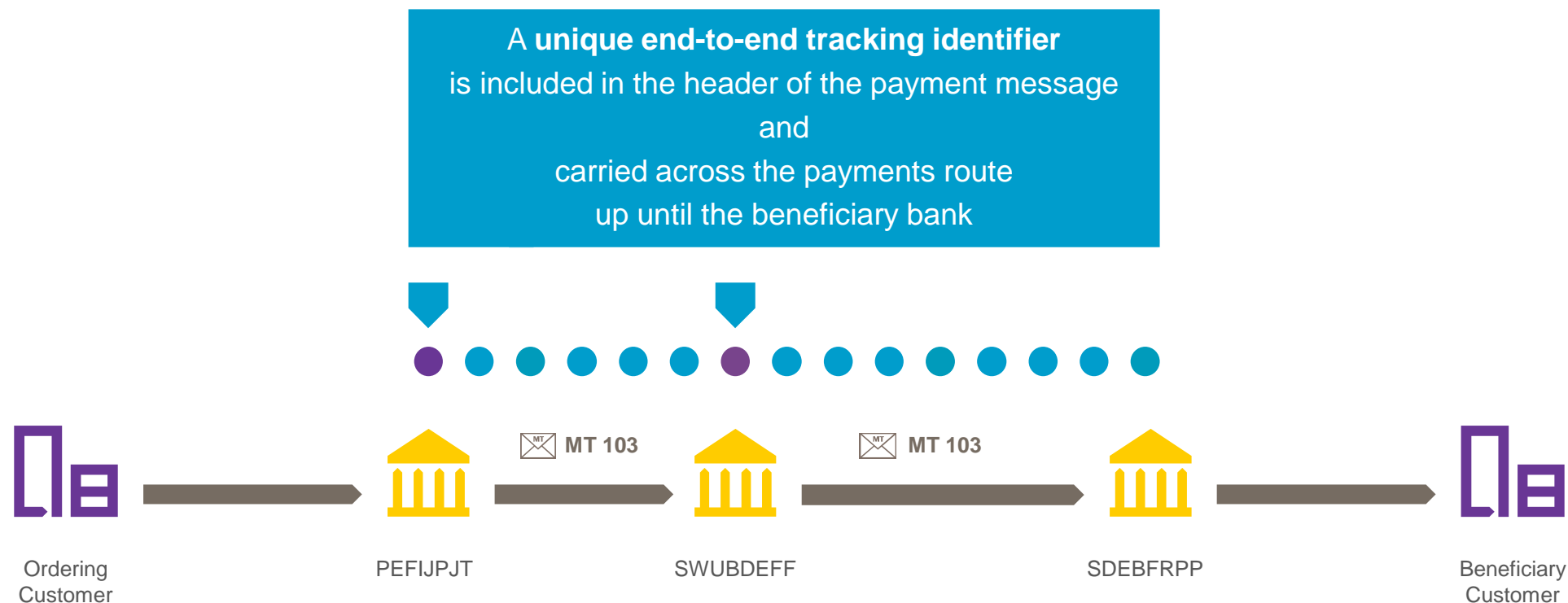No transparency on time

No confirmation of credit

"Today" | SWIFT global payments innovation (gpi)

➢ Faster, same day* use of funds

➢ Transparency of fees

➢ End-to-end payments tracking

➢ Remittance information transferred unaltered
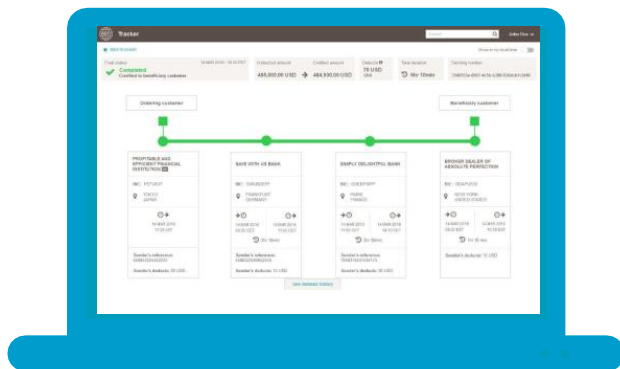
(*) within the timezone of the receiving gpi member

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Key element:
A unique end-to-end tracking identifier

A **unique end-to-end tracking identifier**
is included in the header of the payment message
and
carried across the payments route
up until the beneficiary bank

Ordering Customer

PEFIJPJT

MT 103

SWUBDEFF

MT 103

SDEBFRPP

Beneficiary Customer

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Key features

The Tracker

End-to-end payments tracking database
- to monitor progress of a gpi payment in **real time**
- to obtain **transparency on deducts**
- to receive **confirmation** that **payment** was **credited**

thanks to **unique end-to-end tracking identifier.**

Accessible via GUI **,** MT 199 and APIs
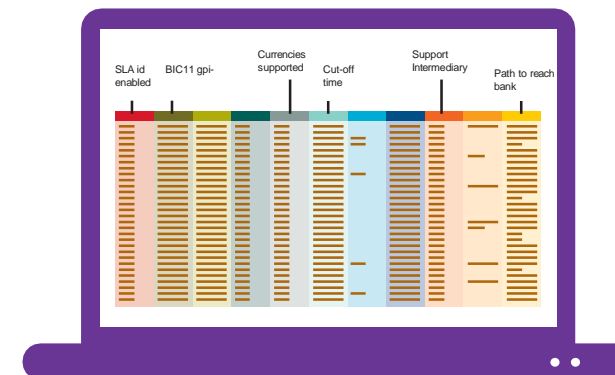
The Observer

Business Intelligence dashboard showing gpi bank and community compliance with gpi SLA
- to **ensure control**
- to **monitor and enforce SLA**
- to **guarantee service quality**

Observer Insights, available as part of the standard gpi service. Observer Analytics, upon demand
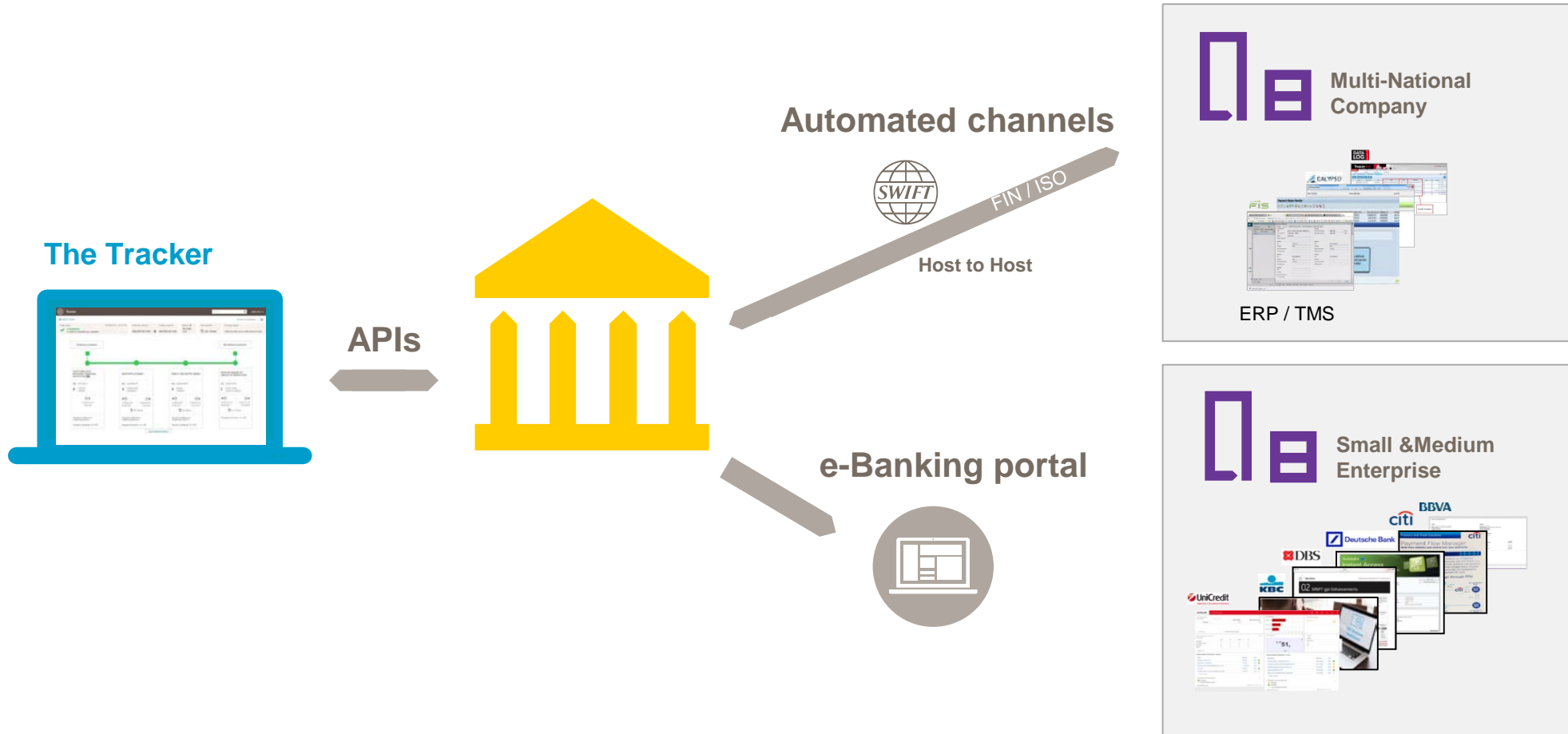
The Directory

Directory providing **operational info on gpi members, BICs, currencies, cut-off times**
- to **calculate best gpi payment route**

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gpi banks can use APIs to integrate the Tracker into their customer channels

The Tracker

APIs

Automated channels

SWIFT

FIN / ISO

Host to Host

e-Banking portal

Multi-National Company

ERP / TMS

Small &Medium Enterprise
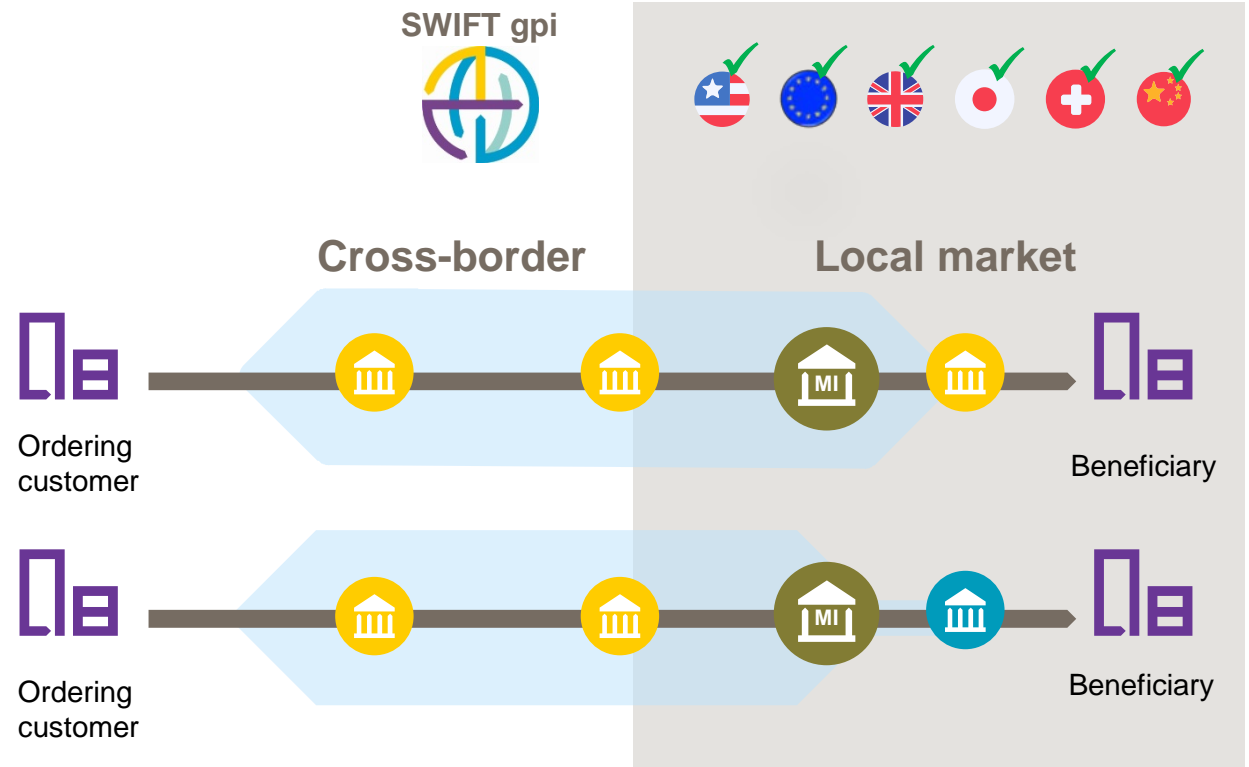
Key participants:
The market infrastructures

Market infrastructures play key role in:

- **SWIFT gpi clearing**:
  To pass on unique gpi identifier and data between gpi banks

- **SWIFT gpi tracking**:
  To pass on unique gpi identifier to local non-gpi member banks

Market infrastructures support gpi:

- **When based on SWIFT**:
  fully supporting gpi

- **When not based on SWIFT**:
  Local market practice for gpi mapping (to be) agreed

- **When using ISO 20022**:
  gpi recommendations available

SWIFT gpi

Cross-border   **Local market**

Ordering customer   Beneficiary

Ordering customer   Beneficiary

Key enablers:
Payment application vendors

Payment application providers play a key role in gpi-enablement

- Convert corporate payment requests into SWIFT gpi payments
- Encapsulate gpi business logic and SLA in payment transactions
- Reduces efforts for Banks using gpi ready application providers

gpi label ensures vendor applications support gpi by default

- Compliance with gpi rulebook
- Commitment to gpi roadmap
- Speeds up and reduces costs of gpi adoption for banks

Today 15 applications are gpi-ready :

- ACI Worldwide
- CBA
- CFT Russia
- CGI
- China Systems Corporation
- ECS Financials
- EdgeVerve Systems Ltd
- Fiserv (Prev- Dovetail)
- Finastra (Prev- D&H)
- FIS
- Montran Corporation
- Oracle
- Surecomp
- Tata Consultancy Service
- Tieto

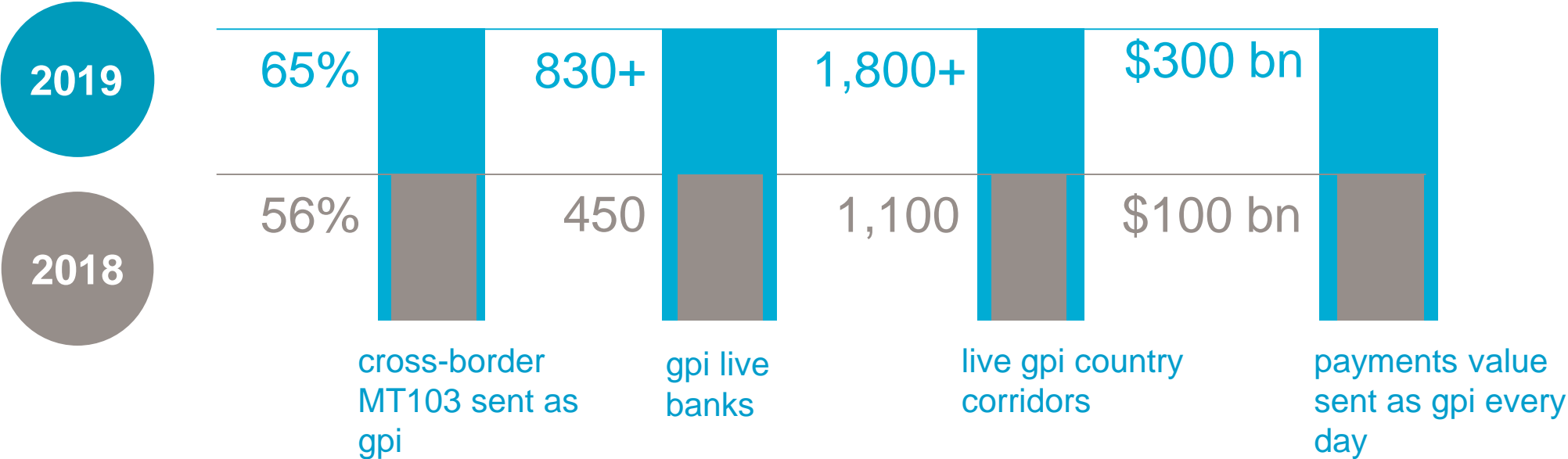SWIFT gpi - Cross-border payments transformed – March 2020 - Do not disclose with third parties without SWIFT's prior consent

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Global adoption

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SWIFT gpi – a collaborative eco-system

Corporates

100+
Enabled BICs, 60+ participants

SWIFT gpi

3,990
financial institutions signed

Financial institutions

Market infrastructures

80+
Enabled Mis, 75% already support gpi service levels

Application providers

20+
Top global vendors enabled

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SWIFT gpi – the new norm in cross border payments **globally**

	2019	2018
cross-border MT103 sent as gpi	65%	56%
gpi live banks	830+	450
live gpi country corridors	1,800+	1,100
payments value sent as gpi every day	$300 bn	$100 bn

Source: Observer, powered by SWIFT BI - 2020

SWIFT gpi – faster than ever

Time	Percentage
Within 5 minutes	(≈36%)
Between 5 and 15 minutes	8%
Between 15 and 30 minutes	4%
Between 30 minutes and 1 hour	5%
Between 1 and 2 hours	6%
Between 2 and 4 hours	8%
Between 4 and 6 hours	5%
Between 6 and 12 hours	10%
Between 12 and 24 hours	11%
More than 1 day	4%

40% within 5 min

50% within 30 min

96% within 24h
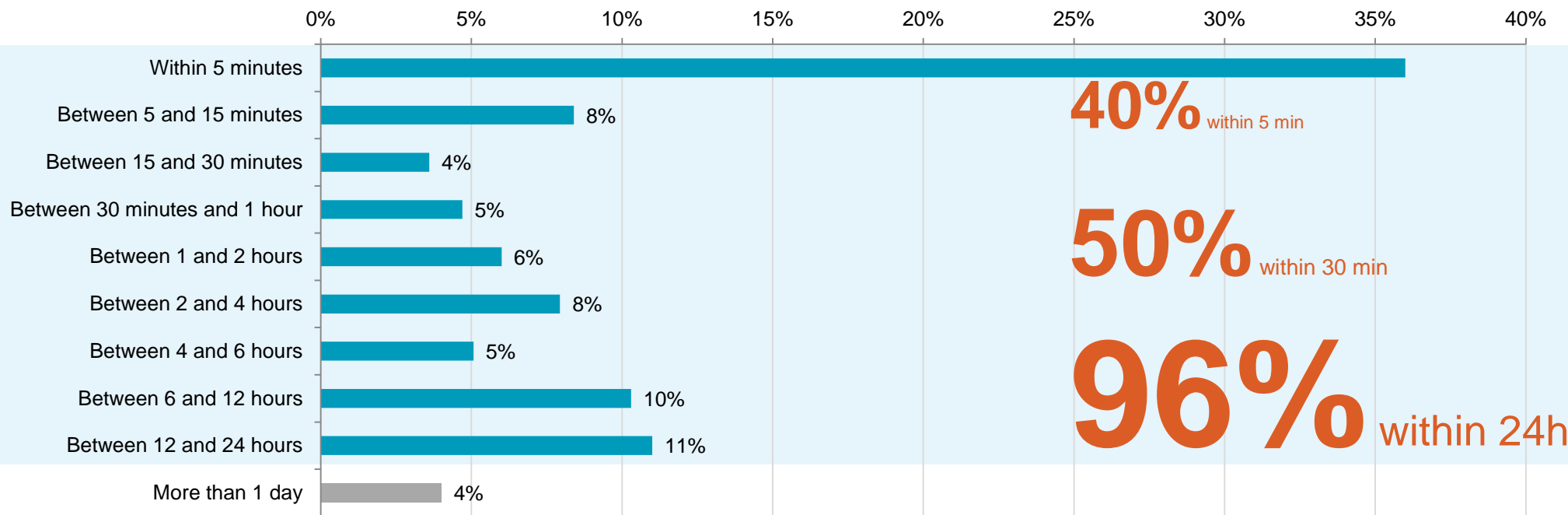
Building on the speed of gpi combined with domestic and regional real-time payment systems, we have launched **gpi instant payments**

Value perceived by financial institutions and corporates

Reduce Costs	Delight Customers	Grow Business
Increase operational efficiency in your customer claims and investigations management Ability to do **cash forecasting** and **optimise your liquidity management**	**Significantly increase customer satisfaction** by offering speed, certainty, transparency and a confirmation of credit for cross-border payments **Build a reputation** of leader in global payments innovation	Retain and attract new customers Sell payments services to third parties

Accounting & core functions	Budgeting, planning and forecasting	Treasury & Cash Management
Better cash flow management **Speed and visibility on critical payments** **Certainty of payment** for buyers and sellers **Transparency** on bank fees **Reduced exception handling & investigations**	Enhanced **predictability and traceability** Greater planning and decision making **Improved reconciliation** and forecast reporting	Reduced settlement time Leverage investment opportunities Higher visibility for capital and credit management **Reduced FX risk**, resulting in important FX savings

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SWIFT gpi – going broader

2018

gpi Tracker
UETR on all SWIFT payments

2019

Basic Tracker
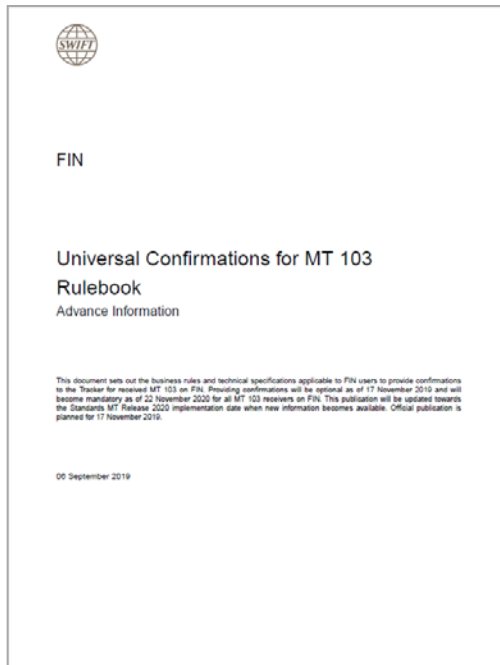All SWIFT members will benefit from end-to-end tracking

2020

Universal Confirmations
All SWIFT Financial Institutions to confirm MT 103

Universal Confirmations Rulebook – *Advance information publication*

FIN

Universal Confirmations for MT 103
Rulebook
Advance Information

This document sets out the business rules and technical specifications applicable to FIN users to provide confirmations to the Tracker for received MT 103 on FIN. Providing confirmations will be optional as of 17 November 2019 and will become mandatory as of 22 November 2020 for all MT 103 receivers on FIN. This publication will be updated towards the Standards MT Release 2020 implementation date when new information becomes available. Official publication is planned for 17 November 2019.

06 September 2019

- Providing confirmations to the Tracker will be optional as of 17 November 2019 and will become **mandatory as of 22 November 2020 for FIN users receiving MT 103** [1]

- Publication since **June 2019** in Knowledge Centre (User Handbook) on swift.com (Advance Information)

www.swift.com/confirm

MT Standards Release 2020

Additional usage rule on MT 103 requiring confirmations
to the Tracker - SR 2020 Standards Release Guide

NEW: Interactive **SWIFTSmart e-learning** module on the rulebook, access it here

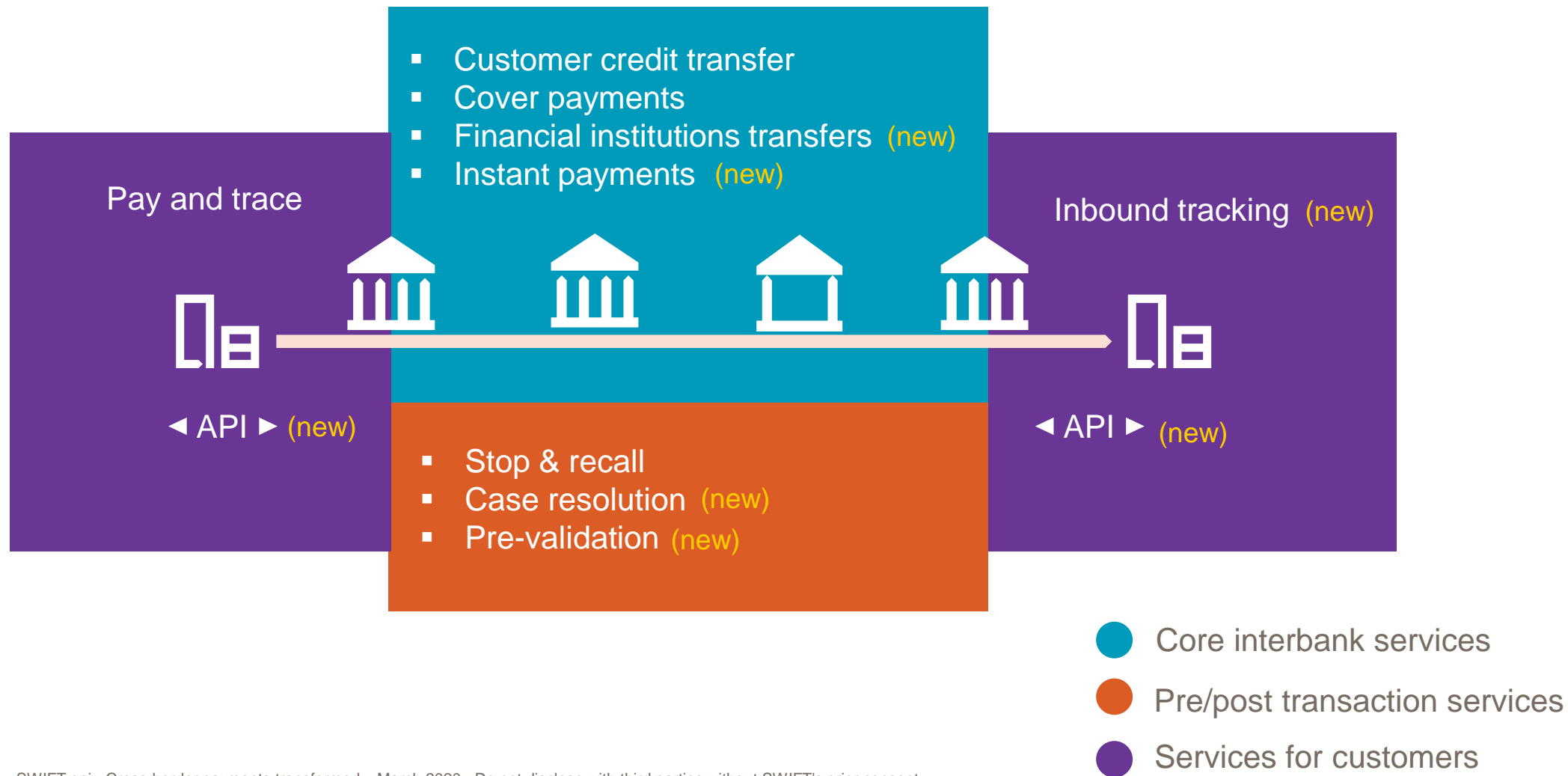SWIFT gpi - Cross-border payments transformed – March 2020 - Do not disclose with third parties without SWIFT's prior consent

(1)   FIN Users in user categories Supervised Financial Institution (SUPE) and Payment System Participant (PSPA)

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Rich evolution roadmap

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The gpi roadmap

Pay and trace

◄ API ► (new)

- Customer credit transfer
- Cover payments
- Financial institutions transfers (new)
- Instant payments (new)

- Stop & recall
- Case resolution (new)
- Pre-validation (new)

Inbound tracking (new)

◄ API ► (new)

● Core interbank services

● Pre/post transaction services

● Services for customers

New gpi services for corporates

Inbound tracking
IN PILOT

– Optimised cash forecasting and liquidity management
– Real-time notification of incoming payments and confirmation of credit on collection accounts
– Improved exception handling

21 pilot participants, incl. corporates

gpi tracker

Payment advice
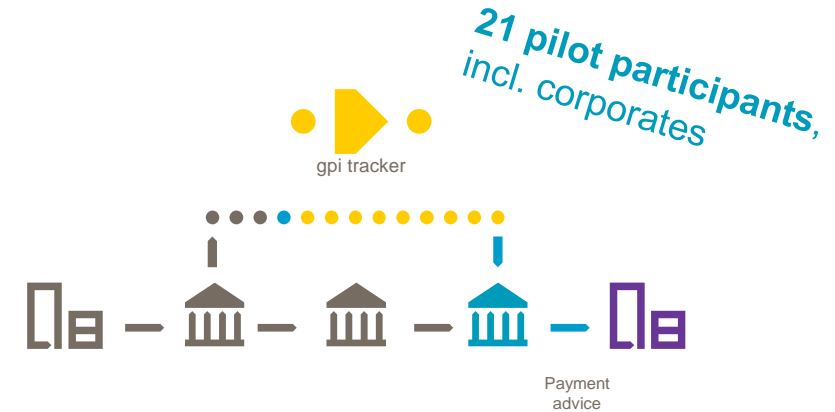
Corporate to Bank APIs
IN DESIGN

– Open API specifications
– Standardized queries/answers
– Leverages filtering capability
– Extra payment status information (i.e. exact location)

gpi tracker

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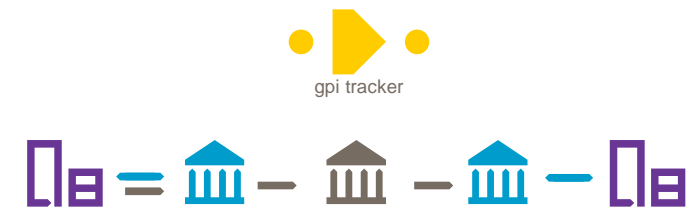
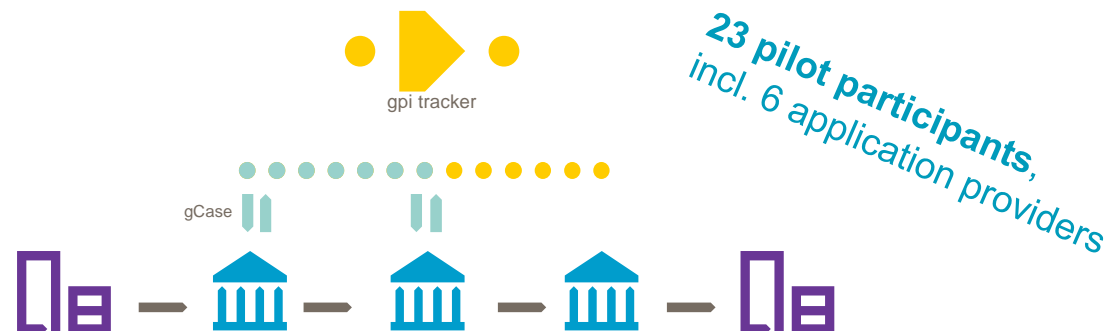# New pre/post transaction services

Pre-validation
IN PILOT

– Accelerating and reducing the cost of international payments
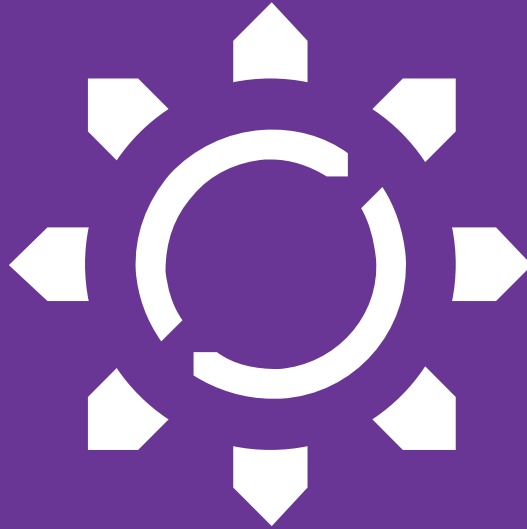– Optimising corporate payment flows, avoiding liquidity issues and reducing invoicing fraud

31 pilot participants

Case resolution
IN CONTROLLED LIVE

- Reduction of operational costs
- Increased processing efficiency
- Enhanced customer satisfaction

gpi tracker

gCase

23 pilot participants, incl. 6 application providers

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Expansion into new markets

New core interbank services

Financial institution transfers
COMING UP SOON

- Enhanced STP
- Predictable outcome

gpi tracker

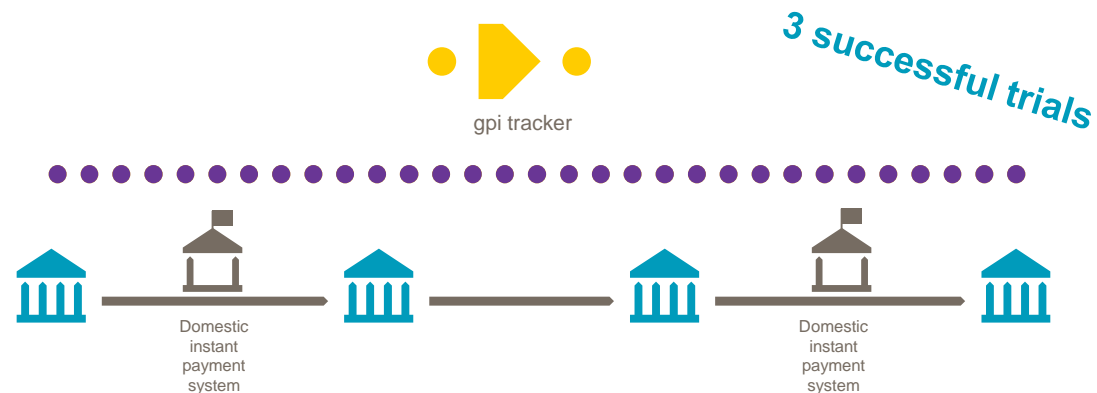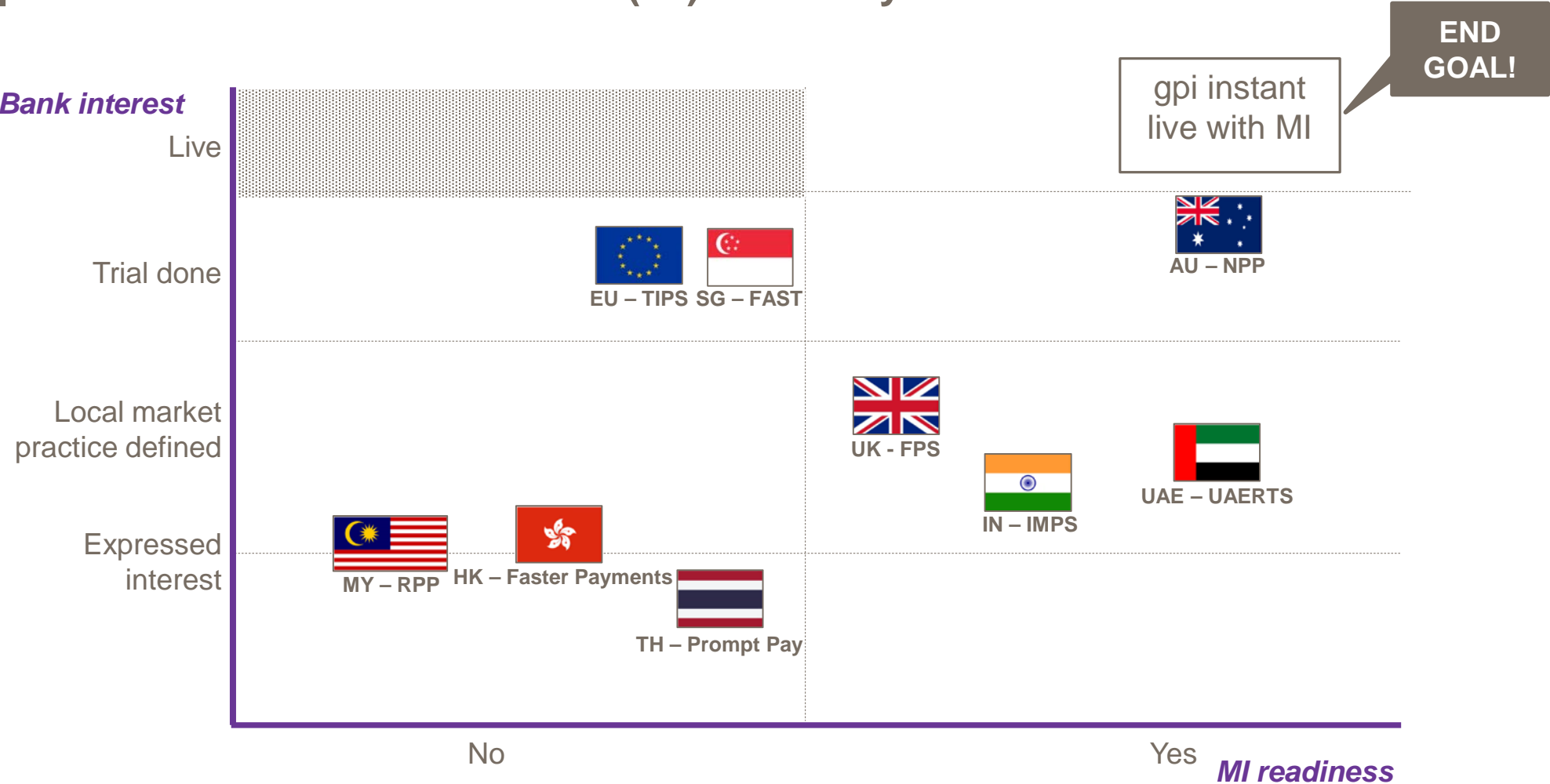*17 early adopters*
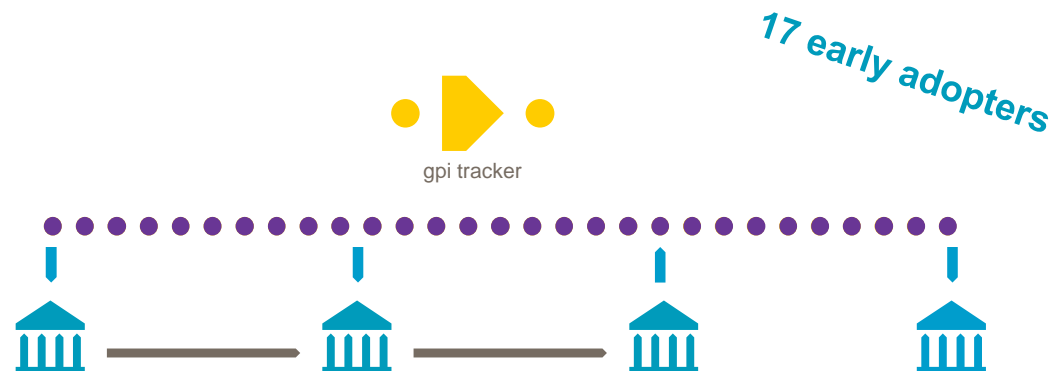
gpi instant payments
LIVE

- Extended operating hours and instant credit confirmations, offering end-clients the ability to pay and get paid in real-time
- Bridging various payment market infastructures using gpi

gpi tracker

3 successful trials

Domestic instant payment system

Domestic instant payment system

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gpi instant market infrastructure (MI) - maturity matrix

Bank interest

END GOAL!

gpi instant live with MI

Live

Trial done — EU – TIPS   SG – FAST   AU – NPP

Local market practice defined — UK - FPS   UAE – UAERTS

IN – IMPS

Expressed interest — MY – RPP   HK – Faster Payments

TH – Prompt Pay

No   Yes

MI readiness

Getting started with SWIFT gpi

1 Learn more on www.swift.com/gpi and www.swift.com/confirm

2 Contact us via swiftforbanks@swift.com or swiftforcorporates@swift.com

www.swift.com