

PROCEDURES ON SWIFT.gpi MT103 ON BANK BNI46 , JAKARTA, INDONESIA

NATURE OF THE TRANSACTION.

SWIFT global payments innovation (gpi) brings together the world's leading transaction banks to significantly improve the customer experiences in cross-border payments by increasing speed, transparency, and end-to-end tracking of cross border payment. It has a gpi Tracker module that tracks end-to-end in real time, offers monitoring and transparency on debits and provides credit information as soon as the beneficiary receives the payment. It ensures smooth clearing of gpi payments between gpi member banks and as per early this 2018, BNI46, BRI and Bank Sinar Mas have been registered as member banks of SWIFT.gpi. It also extends the gpi benefits up until the local beneficiary bank.

SWIFT.gpi MT103, is direct bank to bank, is also a general banking practice but its uncommon transaction in Indonesia. Hence, there is established SOP (Standard Operating Procedures) but its not yet commonly used at BNI46. However, bank compliance can give exemption to certain extent to adopt the transaction.

SETTLEMENT FROM PMI TO LOCAL CLEARING

Payment market infrastructures (PMIs) have a critical role to play in facilitating the end-to-end tracking of cross-border payments. Hence, as soon as an international payment reaches domestic market, PMIs normally come in the picture of local clearing and settlement. Since messages flagged as gpi carry additional information, PMIs need standardised market practice with BI or their community to pass through the gpi data when gpi payments are exchanged through local payment systems. The clearing systems of the most widely used currencies (EURO, USD, AUD, CHF, CNY, GBP etc) are already gpi-enabled because they use the SWIFT FIN Copy service or have a local market practice in collaboration with SWIFT.

SENDING A GPI MESSAGE OVER A PAYMENT MARKET INFRASTRUCTURE USING SWIFT

Payment market infrastructures that use SWIFT messaging services and standards support the SWIFT gpi experience by default through the existing SWIFT Standards Release process.

On normal SWIFT FIN Copy, gpi payments are identified by two dedicated fields in the User Header (Block 3) of the FIN MT exchanged in the framework of SWIFT.gpi:

FIELD 121: contains the Unique End-to-End Transaction Reference (UETR)

FIELD 111: contains the gpi Service Type Identifier

The presence of these two fields in the FIN MT:

- Allows receiving gpi banks to know that the transaction has to be processed according to the gpi rulebook.
- Allows the gpi Tracker to automatically update the transaction status in real time.
- Allows gpi banks to consult and update the status of a specific transaction in the gpi Tracker

Future gpi standards-related changes will be part of the normal SWIFT Standards Release Process. Payment market infrastructures using regular SWIFT FIN (instead of SWIFT FIN Copy) will be able to receive payments with the gpi fields as of Standards Release 2017 and cannot yet pass on the gpi fields to the instructed agent. Passing on the gpi fields may become possible as part of evolving standards release enhancements or alternative future solutions

REMITTANCE DEPARTMENT BANK BNI46.

Remittance Dept has its own “security system” built-in system standard to OFAC compliance / ISO 15022 / ISO 20022 on messaging and BASELL III Accord protocols. The system will make status of each remitting party on real time basis during transaction and before transaction. Each of end of business day, the Remittance Dept receives MT103, MT103.1 and MT940/950 Confirmation on MT202 COV received. The department will evaluate the matching of MT103 Received with ACK from the remitting bank and the MT202 COV report. If they find MT103 is matched with the MT202 COV , then the remittance department will credit to the client account and transfer report is then made to PPATK or AML Agency in due course.

SWIFT.gpi TRACKING ORDER

The sender side will give to BNI46 4 items for checking and they are TRN, Date of transaction, Time of transaction, and Amount / Currency. With the gpi Tracker, it is easy to check on REAL TIME basis the cash funds flow of movement as well as when it hits the local PMIs / local clearing house.

PRECAUTION.

If problem persists, bank to bank communication is made available. Our branch manager will make a call to the remitting bank officer or vice versa to solve a problem.

This introduction is prepared by Compliance Dept of Silver Grace Assets Investment Management Ltd as stipulated with the SWIFT.gpi product knowledge and the local Bank Indonesia regulation and BNI46.