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SWIFT launches new service to block suspicious payments

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'Payment Controls' complement SWIFT's anti-fraud services by allowing real-time monitoring, alerting and blocking

Brussels, 22 October 2018

SWIFT today announces the introduction of **Payment Controls**, an intelligent new in-network solution to combat fraudulent payments, and to help strengthen its customers' existing security.

The commercial availability of the service marks an important milestone in SWIFT's Customer Security Programme (CSP) – a community initiative launched in 2016 that has increased security and trust across the global financial community.

Payment Controls helps payment operations teams mitigate fraud risk in real-time through its unique alerting and reporting capabilities. The service may be set to flag, hold, release or reject high-risk or uncharacteristic payments in real-time, according to business needs. Initially targeted at smaller financial institutions, the utility service is hosted in the SWIFT cloud to allow users immediate access, with no hardware or software installation or maintenance.

Payment Controls is an important safeguard for firms as the frequency and speed of payments increases. The service bolsters SWIFT's global payments innovation (gpi) – the new standard in global payments, which has dramatically improved cross-border payments since it was launched last year.

As part of gpi, and to further strengthen customer defences, SWIFT will introduce a new 'stop and recall' capability that will enable banks to immediately stop and recall a payment anywhere in the chain. The new feature will provide another barrier against fraud – mitigating business disruption and financial losses in the face of rising threats.

Luc Meurant, Chief Marketing Officer at SWIFT, said: "The growing threat of cyberattacks has never been more pressing, and banks need to be able to verify the integrity of payments in real time. Payment Controls demonstrates our commitment to playing our part in protecting the security of the wider financial services industry. I am confident that the new service will be an important weapon in the fight against fraud."

Mark McNulty, Managing Director, Head of Global Clearing and FI Payments, said: "Putting the right security tools in place is vital for any bank in its pursuit to mitigate risk. The launch of SWIFT's Payment Controls service is a very welcome step forward towards reinforcing and safeguarding the security of our ecosystem. It will help banks screen transactions based on their risk policies and can be an important part of a bank's overall toolkit to help mitigate risk in payments."

Patricio Melo, Executive Vice President of Technology and Operations at Banco Davivienda, said: "For Davivienda it is a privilege to work with SWIFT, especially at this pivotal moment in the financial industry, in which banks should be working towards strengthening their payment processing systems and reducing the threat of fraud. Through the service provided by SWIFT's Payment Controls, we are confident that our system will not only be better protected from fraud risk, but allow us to then deliver a trusted service to our clients."

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About SWIFT

SWIFT is a global member owned cooperative and the world's leading provider of secure financial messaging services. We provide our community with a platform for messaging and standards for communicating, and we offer products and services to facilitate access and integration, identification, analysis and regulatory compliance.

Our messaging platform, products and services connect more than 11,000 banking and securities organisations, market infrastructures and corporate customers in more than 200 countries and territories. While SWIFT does not hold funds or manage accounts on behalf of customers, we enable our global community of users to communicate securely, exchanging standardised financial messages in a reliable way, thereby supporting global and local financial flows, as well as trade and commerce all around the world.

As their trusted provider, we relentlessly pursue operational excellence; we support our community in addressing cyber threats; and we continually seek ways to lower costs, reduce risks and eliminate operational inefficiencies. Our products and services support our community's access and integration, business intelligence, reference data and financial crime compliance needs. SWIFT also brings the financial community together – at global, regional and local levels – to shape market practice, define standards and debate issues of mutual interest or concern. SWIFT's strategic five year plan, SWIFT2020, challenges SWIFT to continue investing in the security, reliability and growth of its core messaging platform, while making additional investments in existing services and delivering new and innovative solutions.

Headquartered in Belgium, SWIFT's international governance and oversight reinforces the neutral, global character of its cooperative structure. SWIFT's global office network ensures an active presence in all the major financial centres.

About gpi

The SWIFT global payments innovation (SWIFT gpi) is the largest change in cross-border payments over the last 30 years and is the new standard. SWIFT gpi dramatically improves the customer experience in cross-border payments by increasing their speed, transparency and end-to-end tracking. Hundreds of thousands of cross-border payments are today being sent using the new gpi standard, and payments are made quickly, typically within minutes, even seconds.

SWIFT gpi allows corporates to receive an enhanced payments service, with the following key features:

- Faster, same day use of funds within the time zone of the receiving gpi member
- Transparency of fees
- End-to-end payments tracking
- Remittance information transferred unaltered

As an initiative, SWIFT gpi engages the global banking industry and fintech communities to innovate in the area of cross-border payments while reducing their back-office costs. Since its launch in January 2017, gpi has dramatically improved the cross-border payments experience for corporates in over 600 country corridors. Key features of the gpi service include enhanced business rules and a secure tracking database in the cloud accessible via APIs.

Thanks to SWIFT gpi, corporates can grow their international business, improve supplier relationships, and achieve greater treasury efficiencies. Overall, nearly 50% of SWIFT gpi payments are credited to end beneficiaries within 30 minutes, and almost 100% of payments within 24 hours. Those that take longer typically involve more complex foreign exchange conversions, compliance checks or regulatory authorisations.

In addition to over 260 financial institutions that have adopted gpi, more than 55 payment market infrastructures are already exchanging gpi payments, enabling domestic exchange and tracking. Payment market infrastructures have a critical role to play in facilitating the end-to-end tracking of cross-border payments because as soon as international payments hit the destination country, they are typically cleared through local payment infrastructures.