



**SWIFT ebook**

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# 5 ways your corporate payments are now simpler than ever

The new way to pay

- ① Payments are now easily traced if there is a problem
- ② Payments now come with full transparency on fees and costs
- ③ Payments now arrive with data and remittance information unaltered
- ④ Payments can now be recalled if you suspect an error or potential fraud
- ⑤ Payments now come with final confirmation when the funds have been credited or if the payment was rejected

[Find out more](#)

# The world of payments is undergoing systemic transformation and **there's a new way to pay.**

Digitisation has simplified the way we carry out day-to-day tasks. Whether we want to join a gym, buy a car, order a pizza or hail a taxi, our ability to do so at our fingertips has opened up a new level of convenience in the consumer world.

The corporate world is benefitting from this shift too. If you can track a parcel from a merchant half way around the world all the way to your front door, why not a multi-million dollar payment to your supplier? Well, now you can.

The banking community has evolved to meet the requirements of doing business in the modern world. Using new technology, standards and business rules, the payments experience for corporate treasurers is more straightforward than ever.

**Here are five ways cross-border payments for corporates have progressed and how you can make the most of these improvements:**

# Payments are now easily traced if there's a problem

Moving money domestically is usually a straightforward experience. Funds are cleared and settled in near real-time, giving corporates instant access to their incoming payments and allowing them to better manage their cash forecasting and liquidity.

Moving money across borders is increasingly becoming an as fast and as seamless experience. However, there are added complexities which can cause bottlenecks.

First, money has to move through different regulatory jurisdictions. Then it needs to be converted to and from different currencies. Finally, to be received in as timely a manner as possible it should arrive within bank opening hours across time zones.

Payments may be delayed for any of these reasons. That's why having end-to-end tracking, similar to the way you can track a parcel online, is key to improving corporate payments.

Now this is a reality.

Many leading banks provide instant and accessible tracking information, enabling corporates to quickly find out where a payment is at any point in time.

## Payments now come with full transparency on fees and costs

“SWIFT gpi provides insights into payment routes, including traceability on processing times, the number of intermediaries involved and the fees charged at each stage,”

**Darling Ingredients Ltd**

Have you ever paid a supplier and then found out that they received less than you sent? Or have you been paid and had to chase up a deficit or try and reconcile the payment with an invoice?

Both scenarios cause unnecessary bottlenecks which can damage business relationships and increase costs.

That's why full transparency on fees and exchange rates is key to keeping the wheels of trade in motion.

Now, it's possible to send cross-border payments with full visibility over the bank fees charged and FX rates applied. All parties can manage their finances and relationships accordingly – and make better decisions faster.

# Payments now arrive with data and remittance information unaltered

The community of SWIFT gpi banks have signed up to a global service level, meaning no alteration of remittance information through the end-to-end lifecycle of a payment.

Sending thousands of cross-border payments daily followed by invoice matching and reconciliation adds a layer of complexity to corporate back-office administration.

To further complicate the process, data can be amended or truncated during the payment process by any of the parties involved.

Now it's possible to dispatch payments across the world with all the relevant information left unaltered. That way when you or your counterpart receives a payment, you can leverage automated tools to file them in the right place and keep your books in order.

## **Payments can now be recalled if you suspect an error or potential fraud**

With end-to-end traceability, an erroneous payment can be terminated centrally with just its unique reference ID.

Mistakes can happen. When you're dealing with figures in the millions, acting quickly is imperative to minimise the damage.

Just like accidentally sending an email to someone in error and then retracting it, you should be able to halt your payment in flight, and then recall it before it's too late.

And if you suspect your money may have been stolen, acting quickly and decisively can be the difference between recovering your funds or not.

Now, banks can intercept a payment on your behalf instantly, regardless of where it is in the payment chain.

And if the payment has already been credited, banks can now send an instruction to the beneficiary bank to immediately recall the funds.

In addition to stopping erroneous or fraudulent payments, this also prevents administrative hassle for all parties involved.

## Payments now come with a final confirmation

By the end of 2020, every single customer payment on SWIFT using the MT 103 message type will come with confirmation of credit or notification of rejection as standard.

We receive confirmations every day. Think about when you send an instant message to a friend for example; the ticks let you know the recipient has read your message.

When sending a payment, you want that same level of certainty that the payment has been received.

This is also applicable if the payment hasn't been delivered. With access to real-time payment tracking, you're able to quickly identify problems and tackle them before a late payment adversely affects business relationships.

Benefits of payment confirmations include:

- an improved supply chain by enabling fast delivery of payment
- the fostering of better business relationships by reducing the need for chasing missing payments
- the development of new innovations leveraging technologies to make payments even more seamless

# The new landscape for corporate payments

“There are many challenges to tackle with cross-border payments but SWIFT gpi, combined with the broader SWIFT for corporates programme, bring considerable benefits to improving the transparency and visibility of our cross-border payments.”

**Martin Schlageter**

Head of Treasury Operations, Roche

## Accounting and core functions

- Better cash flow management
- Speed and visibility on critical payments
- Certainty for buyers and sellers
- Transparency on bank fees
- Reduced exception handling and investigations

## Budgeting, planning and forecasting

- Enhanced predictability and traceability
- Greater planning and decision making
- Improved reconciliation and forecast reporting

## Treasury and cash management

- Reduced settlement time
- Leverage investment opportunities
- Higher visibility for capital and credit management
- Reduced FX risk

# Ensure your payments are fast, traceable and transparent

Thousands of banks are already delivering fast, traceable and transparent cross-border payments for their customers using SWIFT gpi. And the community is growing.

All payments come with unique tracking information, transparency on fees and FX, and a service level agreement to credit payments on the same day. Nearly 100% of payments are credited within 24 hours, many in minutes or even seconds.

By the end of 2020, all payments will come with final confirmation that the funds have been credited to the end beneficiary.

Many banks are already providing this information to corporate treasurers through self-service banking portals or customer service channels.

Now this information can be embedded directly into your own ERP or treasury management system, integrating cross-border payments even more seamlessly into your internal processes.

**So what does this mean for you?**

# **SWIFT gpi for corporates**

Corporates can now benefit from fast, transparent, traceable payments with SWIFT gpi for corporates.

## **Looking to find out more?**

To explore the benefits of this transformed payments experience, contact your bank or visit **SWIFT gpi for corporates**.

### **Benefits of SWIFT gpi for corporates:**

- Transparency of fees
- Faster, same day use of funds
- End-to-end payments tracking
- Remittance information transferred unaltered
- Increased growth of international business
- Enhanced supplier relationships
- Increased treasury efficiencies
- Confirmation of credit

Visit **[www.swift.com/gpi](http://www.swift.com/gpi)** to learn more about gpi, our plans to make payment confirmations universal by 2020, and how we can help you.

**Contact** your SWIFT account manager or visit [www.swift.com/our-solutions/swift-gpi/join-swift-gpi](http://www.swift.com/our-solutions/swift-gpi/join-swift-gpi)



#### 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

For more information about SWIFT,  
visit [www.swift.com](http://www.swift.com).

#### About SWIFT 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, totalling over \$300bn, are sent every day using the new gpi standard. 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

With SWIFT gpi, the correspondent banking community, together with fintechs, corporates, and others, is collectively removing frictions and reducing the costs associated with cross-border payments. Since its launch in January 2017, gpi has dramatically improved the cross-border payments experience for corporates in over 1,100 country corridors.

Key features of SWIFT gpi include enhanced business rules and a secure tracking database in the cloud accessible via APIs. New gpi services are routinely developed with the gpi member community and rolled out to the growing network of banks.

Thanks to SWIFT gpi, corporates can grow their international business, improve supplier relationships, and achieve greater treasury efficiencies. On average, 40% of SWIFT gpi payments are credited to end beneficiaries within 5 minutes. 50% are credited within 30 minutes; 75% within 6 hours; and almost 100% within 24 hours.

Already, 3,500 banks accounting for 85% of SWIFT's total payments traffic have committed to adopting gpi and 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.

**[www.swift.com/gpi](http://www.swift.com/gpi)**