



Financial Crime Compliance

SWIFT Payment Controls

Client

Regional African bank

Regional African bank protects connection to global financial system

Features

Real-time, 'in-flight' monitoring of the payments you send

Secure, SWIFT-hosted service with zero footprint and instant switch-on

Simple rule configuration management with mix and match alert operating modes

Intelligent technology that learns behavioural patterns over time, supporting continuous improvement

Benefits

Mitigate regulatory and reputational risk

Complete independence from your internal back-office systems

Stop high-risk payments in real-time

Improve payment speed, transparency and reliability

Faster, secure and trusted payments are more critical than ever, particularly as the threat of cyber fraud continues to grow. Meanwhile, major banks have 'de-risked' correspondent relationships in developing or higher-risk markets as compliance costs rise and risk management policies become tighter.

Looking for a cost-effective and simple solution, a regional African bank took advantage of SWIFT Payment Controls to monitor its outbound payments in real time. By using the SWIFT-hosted service, the bank was able to set up rules for blocking and alerting high-risk and out-of-policy payments quickly and easily – bringing peace of mind and achieving compliance with the SWIFT Customer Security Programme (CSP).

Challenge

For banks around the world, wire payments security is a pressing concern – and this large regional African bank was no exception.

Given the heightened threat of cyberattacks, the bank welcomed the introduction of SWIFT Customer Security Programme (CSP) in 2016. SWIFT CSP requires banks to adopt suitable payment controls and processes to secure their local environment – so the bank was looking for a quick and easy way of adopting the necessary controls.

At the same time, the bank was conscious of the threat of correspondent banks 'de-risking' certain respondents in high-risk markets. Being able to demonstrate effective processes and controls to correspondents was therefore a priority. The bank was also looking for a way to manage its payment flows more efficiently.

It was clear that the bank needed external help to achieve these goals, but it lacked the resources needed for a costly or complex implementation. The goal was to find an easy-to-adopt, robust solution to deploy at minimal cost.

"As an institution, we are very committed to addressing the requirements of the Customer Security Programme. With SWIFT Payment Controls we can meet global expectations about fraud prevention and demonstrate transparency and compliance to our counterparties in a way that is appropriate for a bank of our size."

"SWIFT Payment Controls alerting is simple and intuitive to set up. The case management system is easy to use, and we always have a record of how every alert is investigated and resolved."

"We used SWIFT Payment Controls reporting to understand our payments behaviour and create simple, straightforward alerting rules. Now we can better enforce our risk policies and fine-tune our alerting as transaction patterns and potential risks evolve."

Solution

Enter SWIFT Payment Controls. The new SWIFT-hosted service enables customers to monitor their sent payments in real time. Payments that fall outside your policy can be alerted or blocked to prevent fraud. The service also provides daily reporting, enabling you to track changes in your payment activity over time.

With no software or hardware to implement, banks can be up and running in no time at all. And because the service has been built by SWIFT, it directly addresses the requirements of the CSP.

Getting started

After initial discussions with SWIFT, the African bank was eager to be onboarded. They took part in the pilot testing programme that precedes the launch of all SWIFT community-driven compliance solutions. Without the need for in-house IT skills or resources, the bank was able to get started straight away.

First, the bank took advantage of the service's daily reporting functionality to gain a better understanding of its current payment activity by country, currency, value and time of day. The bank then drew up a baseline for its expected behaviour, and a clear path for creating the rules in the tool.

Setting the rules

Using this information, the bank found it easy to build effective rules to prevent payments from falling outside the newly created policies, while tuning these rules to avoid excessive false positive alerts. This process includes applying rules by country, currency and institution, as well as by aggregated volume and value. With the service in place, any flagged payments are either alerted, or blocked and then held for review.

Moving forward

After working on the pilot, the bank is enthusiastic about the benefits of SWIFT Payment Controls. Looking ahead, the service's intelligent technology will enable the bank to achieve additional improvements in the future.

SWIFT is a member-owned cooperative, providing secure financial messaging services to more than 11,000 organisations, across the financial ecosystem, in almost every country in the world. For nearly five decades we have delivered certainty, continuity and excellence by constantly evolving in an everchanging landscape. In today's fast moving, increasingly connected and challenging world, this approach has never been more relevant.

www.swift.com