

UETR	87365ec7-3cd9-412e-801d-eb3bfcf54452
TRANSMISSION DATE / MESSAGE TYPE	06/08/2021 / MT-103 SINGLE CUSTOMER CREDIT TRANSFER
SENDER BIC / SWIFT	COBACHZHXXX
FUNDS TRANSFER	5000000.00 EURO
ACCOUNT NUMBER	Ch6408836000482310012
ACCOUNT TITLE	AL DAR SHARES AND BONDS
BENEFICIARY BIC / SWIFT	AXISINBBA03
ACCOUNT NUMBER	918030026559561
ACCOUNT TITLE	AMBITION MICA LIMITED
BANK / INSTITUTION	AXIS BANK LIMITED
BANK / INSTITUTION ADDRESS	CORPORATE BANKING BRANCH AHMEDABAD INDIA
STATUS	! INTERCESSOR DETRITUS

Note:-

Through correspondent banking, banks can access financial services in different jurisdictions and provide cross-border payment services to their customers, supporting international trade and financial inclusion.

In view of the importance of correspondent banking, the keen interest of central banks of any region in this activity and any threats to its safe and efficient functioning, the Governors of the BIS Economic Consultative Committee (ECC) have mandated the CPMI to produce a report on this issue. In response, the CPMI Working Group on Correspondent Banking has prepared this technical report describing current trends and analysing measures that might alleviate some of the concerns and cost issues related to correspondent banking.

In addition, an analysis using SWIFT data shows that there seems to be a trend towards concentration in correspondent banking activities.

Rising costs and uncertainty about how far customer due diligence should go in order to ensure regulatory compliance (ie to what extent banks need to know their customers' customers - the so-called KYCC) are cited by banks as among the main reasons for cutting back their correspondent relationships.

To avoid penalties and related reputational damage, correspondent banks have developed an increased sensitivity to the risks associated with correspondent banking. As a consequence, they have cut back services for respondent banks that

- (i) do not generate sufficient volumes to overcome compliance costs;
- (ii) are located in jurisdictions perceived as too risky;
- (iii) provide payment services to customers about which the necessary information for an adequate risk assessment is not available;
- (iv) offer products or services or have customers that pose a higher risk for anti-money laundering/combating the financing of terrorism (AML/CFT) and are therefore more difficult to manage.