SWIFTRef Reference Data Workshop

Business Forum Romania 2015

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Visit us at www.swift.com/swiftref
Agenda

- **Reference Data**
  - SWIFTRef: Current Portfolio
  - SWIFTRef: Future Portfolio
  - SWIFTRef and KYC Registry
- Comply with EU Directive 260/2012
- Q & A
What is “Reference data”?

Reference Data is any type of data related to financial transactions that does not change in real-time.
How is reference data used? (1/2)

Please transfer **300 USD** to **Mr. Stefano**, who has an acc. **2223658** with **Banco Bradesco**. The money needs to be on his account **tomorrow**!

**SCENARIO 1:**  
INTERNATIONAL PAYMENT

- **Originator’s Bank:** Bank of Tokyo - Mitsubishi, BOTKJPJT
- **Beneficiary’s Bank:** Banco Bradesco, BIC: BBDEBRSP
- **USD-correspondent of Beneficiary’s bank:** Bank of New York Mellon, BIC: IRVTUS3N
- **Mr. Ye:** Bank of Tokyo, BIC: IRVTUS3N
- **Mr. Stefano:** Acc.: 2223658
How is reference data used?(2/2)

Please pay:
Amount: 250 EUR
Beneficiary: Mr. Klum
Beneficiary’s IBAN: DE33210501700007303860

A SEPA PAYMENT

BNP Paribas
BNPAFRPP

Intermediary Bank

Mr. Dassembourg

Is this IBAN valid?
Which Bank (BIC) issued this IBAN?
Through which SEPA payments channel can I reach this bank?
Is this Bank SEPA-ready?
Is this bank a direct or indirect member of this ACH/CSM?
In case they are an indirect member, who’s the intermediary bank?

Mr. Klum

IBAN: DE33210501700007303860
Who needs SWIFTRef and for what?

<table>
<thead>
<tr>
<th>MT103/MT202 pacs Payment processing &amp; routing</th>
<th>Regulatory reporting</th>
<th>Counterparty high-level risk assessment</th>
<th>Collection &amp; Maintenance services</th>
</tr>
</thead>
<tbody>
<tr>
<td>![Financial institutions icon]</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>![Corporates icon]</td>
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<tr>
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<td>✔️</td>
</tr>
<tr>
<td>![Local communities icon]</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
</tbody>
</table>
SWIFTRef data coverage

437,000 Standard Settlement Instructions
On 7000+ users

337,000 LEIs

895,000 National bank identifiers
(153 countries)

179 Currency codes

150,000 GIINs

140,000 local language codes

110,000 BICs

Credit ratings

IBAN data of 64 countries, including 34 SEPA-countries

Bank holidays

18 SEPA Clearing Systems

+ 53% versus 2012

+ 40% versus 2012

From 85% to over 99% data quality

Data cleansing, validating and cross-referencing
Data collection and maintenance, community collaboration

**Central Banks and Banking associations**
- National codes, IBAN

**Financial institutions**
- SEPA, IBAN, SSI

**SWIFTRef users**
- Feedback

**LOU**
- LEI

**MI**
- FI’s membership

**Providers of financial info and ratings**
- Bank financials & ratings, country economics

**MT103+**
- IBAN format (ISO13616)
- BIC (ISO9362)

**SWIFT**

**LEI**
- FI’s membership

**SWIFTRef**

- SWIFT IBAN format (ISO13616)
- BIC (ISO9362)
- MT103+

**Central Banks and Banking associations**
- National codes, IBAN

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**MT103+**
- IBAN format (ISO13616)
- BIC (ISO9362)
SWIFTRef delivery channels

- **FileAct (automated)**
- **SWIFTNet**
- **APIs (web services)**
- **In SWIFTRef partner application**

**Automated file download (API)**
- **Manual query tool (BWO)**
- **Manual file download**

**Formatting**
- TXT
- XML

**Frequency**
- Monthly
- Daily
Daily vs monthly updates

**Monthly update cycle**

- FULL file
- Monthly DELTA file
- Monthly publication date

**Daily update cycle**

- FULL file
- Daily DELTA file
- Daily cycle FULL file

*change*
Why daily updates is a must

- Issue dates and intervals of national sources are different
- There are urgent fixes
- There are daily corrections (bank investigations)
- Number of updates per month is worth 3% of quality
Agenda

- Reference Data
- SWIFTRef: Current Portfolio
- SWIFTRef: Future Portfolio
- SWIFTRef and KYC Registry
- Comply with EU Directive  260/2012
- Q & A
Payments Plus

**BANK DATA**
- Identify Financial Institutions
- Find or cross-reference identifiers
- Validate bank details
- Understand bank hierarchy
- Find history of BICs

**IBAN & SEPA DATA**
- Validate IBANs and BIC codes
- Find BICs from IBANs
- Construct IBANs from BBANs
- Find the best routing path for a beneficiary bank (SEPA)
- Find the adherence to SCT, SDD-B, SDD-C schemes

**SSI DATA**
- Find the correspondent bank
- Find the intermediary bank
- Scope = commercial payments, FX, MM

(* not included in Payments Plus)

**Portfolio**
- Bank Directory Plus
- BIC Directory
- SWIFTRef Reach Plus
- Entity Plus*
SWIFTRef Online portfolio

BANK DATA
- Identify Financial Institutions
- Find or cross-reference identifiers (BIC, LEI, CHIPS, national IDs,...)
- Validate bank details
- Understand bank hierarchy
- Find financial data, credit ratings, ownership, contacts and more

IBAN & SEPA DATA
- Validate IBANs and BIC codes
- Find BICs from IBANs
- Construct IBANs from BBANs
- Find the best routing path for a beneficiary bank (SEPA)
- Find the adherence to SCT, SDD-B, SDD-C schemes

SSI DATA
- Find the correspondent bank
- Find the intermediary bank
- Scope = commercial payments, FX, MM

All the data you need
- Online
- Easy to use
- Any time

Get your free online trial today!
[www.swift.com/SWIFTRef](http://www.swift.com/SWIFTRef)

Historic BIC DATA
- Find all historic changes related to a BIC (since 1 Nov. 2007)
- Find all newly added and deleted BICs
- Get a daily BIC email alert, advising on inter-month changes

SWIFT Broadcasts
- Find all broadcast messages sent since 2009
- Searchable by Sender name, BIC, Category (e.g. Mergers), Time period ...

Bankers World Online
BIC Archive Online
MT094 Online

SWIFTRef Online
SWIFTRef portfolio for corporates

**Corporate Pack One**

To make your **existing client & supplier database (SEPA-)compliant**

**File-based data:**
- All BIC codes worldwide
- BIC/IBAN data of 64 IBAN/SEPA countries

**Online access to:**
- Complete SWIFTRef database

**Corporate Pack Two**

To make **frequent (SEPA and) international payments**

**File-based data:**
- All BIC codes worldwide
- BIC/IBAN data of 64 IBAN/SEPA countries
- National Bank IDs for 152+ countries (incl. local language)
- Payment routing information

**Online access to:**
- Complete SWIFTRef database

**Corporate Pack Three**

To make **frequent (SEPA and) international payments as well as critical FX/MM transactions**

**File-based data:**
- All BIC codes worldwide
- BIC/IBAN data of 64 IBAN/SEPA countries
- National Bank IDs for 152+ countries (incl. local language)
- Payment routing information (incl. SEPA)
- Standard Settlement Instructions

**Online access to:**
- Complete SWIFTRef database

*SAP™ - compliant*
Agenda

- Reference Data
- SWIFTRef: Current Portfolio
- SWIFTRef: Future Portfolio
- SWIFTRef and KYC Registry
- Comply with EU Directive 260/2012
- Q & A
The revised version of ISO 9362 - the International standard for BIC - is being implemented

What changes?

- **The standard becomes “neutral”**
  - While existing BICs do not change, for any new BICs the specificities of the underlying organisation *(location, connection status)* are no longer embedded in the BIC standard itself but become visible through a number of accompanying data attributes.

- **From January 2015 until November 2018: Transition period**
  - The characters in newly registered BICs have no meaning. Only the country code is maintained as is.
  - New BICs are registered with additional data attributes.
  - Existing BICs obtain data attributes.

- **After November 2018**
  - No new BIC will be issued, even when not connected to FIN.
  - All existing BIC will stay unchanged.
  - The 8th character in a BIC has no meaning anymore.

For full details, please check out the [BIC Implementation White paper](https://www.swift.com) on www.swift.com
ISO 9362:2009

- Institution code = identify an institution (group) worldwide
- Country code = ISO 3166-1
- Location code:
  - position 7 = time zone indicator
  - position 8 = network indicator. 1 = not connected to SWIFT FIN
- Branch code

BIC format → 4an 2a 2an [3an]

ISO 9362:2014

- Business party suffix
- Country code = ISO 3166-1
- Business party prefix
- Business party identifier

an = alphanumeric
a = alphabetic
[ ] = optional
Areas not impacted

- Existing BIC
- BIC structure
- Alpha-numeric BIC
- Country code
- Test & Training BIC
Changes > Feb 2015

- New connected BIC
- Connectivity attribute
- Connectivity change
- Category
  - Financial Institution
  - Non-Financial Institution
- Metadata attributes
SWIFTRef directories
- ISO 9362 impact and changes proposed

- Legacy BIC directory
  - BIC connectivity
  - Timezone info
  - Two different versions of BIC directory
    - BIC Directory 2018
    - BIC Plus

- Bank Directory Plus
  - BIC connectivity
  - Update of Bank Directory Plus

- Bank Directory for SAP
  - BIC connectivity
  - SAP software update, transparent to users

- Bank Alliance file (as part of SAE/SAA)
  - BIC connectivity
  - SAA/SAE software update, transparent to users
<table>
<thead>
<tr>
<th>BIC Directory 2018</th>
<th>BIC Plus</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BIC-types included</strong></td>
<td><strong>BIC-types included</strong></td>
</tr>
<tr>
<td>• Active FIN BICs</td>
<td>• Active FIN BICs</td>
</tr>
<tr>
<td>• Unconnected BICs</td>
<td>• Unconnected BICs</td>
</tr>
<tr>
<td>• Active SWIFTNet BICs</td>
<td>• Active SWIFTNet BICs</td>
</tr>
<tr>
<td>• Expired BICs</td>
<td>• Expired BICs</td>
</tr>
</tbody>
</table>

**Content changes**

- BIC connectivity to FIN
- Time zone information

**File structure changes**

- BIC connectivity to FIN
- Time zone information
- Full legal name
- Registered address
- BIC activation date
- BIC expiration date
- BIC status (active, inactive)
- BIC’s reachability over FileAct services
- BIC’s reachability over InterAct services
- Last update date
- Last validation date
- Identifier Type (legal or operational entity, branch)
- Institution type (financ, non-financ)

**Special features**

- Event-driven and interlinked
- Archive-based
- Linked to other SWIFTRef directory entries

**File formats supported**

- .txt, .xml
- .dat, .dos, .ebcdic

- .txt, .xml
- .dat, .dos, .ebcdic
Timeline..

2015

Oct: Availability of Technical specifications and Sample File for
- BIC Directory 2018
- BIC Plus

2016 - 2017

Q1: Go live of BIC Directory 2018
   Go live of BIC Plus

Q1: Automatic update of:
   - Bank Directory Plus

2018

Nov: - Decommissioning of legacy BIC directory
   - End of ISO9362 Implementation Transition period
Entity Plus - Purpose

**Provides:**
- Single and consistent view on legal entities
- Multiple and cross-referenced identifiers of an entity
- Granularity on attributes of various identifiers
- Classification of entities
- Entity hierarchy and ownership

**Assists with:**
- Customers’ entity data management
- Regulatory reporting
- Internal reporting
- Risk management and exposure
- Supports customer due diligence
Entity Plus - Regulations

**LEI**
- Dodd-Frank, EMIR, KYC, AML, Basel III and BCBS 239, MiFID II, Solvency II, AIMFD

**GIIN**
- FATCA Foreign Account Tax Compliance Act

**BRN**
- Reporting to local tax authorities

-To be further complemented-
Entity Plus - Content

Example

Entity

KBC Bank NV (Belgium)

BIC: KREDBEBBXXX
LEI: 6B2PBRV1FCJDMR45RZ53
GIIN: 5DHUWX.00004.ME.056
BRN: 0403.199.702
Example:
3 relationships

- Ultimate parent -

- Head office to branch -

- Ownership -
Provides:

- Participation of FI* to various CSMs* (run over SWIFT, as well non-SWIFT network)
- Identification of direct and indirect participants
- Routing to FIs* via the specific CSM*
- One source (as opposed to multiple)
- Consistent view on attributes
- Single file format and delivery channel

*FI = financial institution
*CSM = clearing and settlement mechanism

Assists with:

- Processing payments in efficient and cost effective manner
SWIFTRef Reach Plus - Content

**SWIFT services**
- *SWIFTNet*

  - **In scope:** Many to many
  - **Out of scope:** MA-CUGs, MI services (many to one), Browse service

  - **Examples:** SCORE FileAct RT, SWIFTNet Funds, SWIFTNet E&I

**SWIFT services**
- *FIN*

  - **Based on service codes (VAS)**

  - **Examples:** DK, T2, EBA

**Non-SWIFT services**

  - **Examples:** FedWire, FedACH, HK IC, CHAPS, BACS, SIC, ...
## SWIFTRef Reach Plus - Content, sample data

<table>
<thead>
<tr>
<th>Platform</th>
<th>Service ID</th>
<th>Service name</th>
<th>Participant ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>SNET</td>
<td>GEN_FA</td>
<td>SWIFTNet FileAct Real-Time</td>
<td>ou=voa,o=vowade2b,o=swift</td>
</tr>
<tr>
<td>SNET</td>
<td>GEN_FA</td>
<td>SWIFTNet FileAct Real-Time</td>
<td>ou=vwc,o=vowade2b,o=swift</td>
</tr>
<tr>
<td>SNET</td>
<td>GEN_FA</td>
<td>SWIFTNet FileAct Real-Time</td>
<td>o=montfrpp,o=swift</td>
</tr>
<tr>
<td>SNET</td>
<td>GEN_FA</td>
<td>SWIFTNet FileAct Real-Time</td>
<td>o=bhifclrm,o=swift</td>
</tr>
<tr>
<td>SNET</td>
<td>GEN_FA</td>
<td>SWIFTNet FileAct Real-Time</td>
<td>o=sbrede22,o=swift</td>
</tr>
<tr>
<td>SNETFIN</td>
<td>DDK</td>
<td>Danish Krone RTGS</td>
<td>ABKFDKK1XXX</td>
</tr>
<tr>
<td>SNETFIN</td>
<td>DDK</td>
<td>Danish Krone RTGS</td>
<td>ABNADKKKKXXX</td>
</tr>
<tr>
<td>SNETFIN</td>
<td>DDK</td>
<td>Danish Krone RTGS</td>
<td>ALBADKKKKXXX</td>
</tr>
<tr>
<td>SNETFIN</td>
<td>DDK</td>
<td>Danish Krone RTGS</td>
<td>ALMBDKKKXXX</td>
</tr>
<tr>
<td>FEDWIRE</td>
<td>FFS</td>
<td>Fedwire Funds Service</td>
<td>021312971</td>
</tr>
<tr>
<td>FEDWIRE</td>
<td>FFS</td>
<td>Fedwire Funds Service</td>
<td>021313103</td>
</tr>
<tr>
<td>FEDWIRE</td>
<td>FFS</td>
<td>Fedwire Funds Service</td>
<td>021313734</td>
</tr>
<tr>
<td>FEDWIRE</td>
<td>FFS</td>
<td>Fedwire Funds Service</td>
<td>021313925</td>
</tr>
</tbody>
</table>

...and additional attributes
SWIFTRef APIs

Real-time identification and validation of reference data

- **Instant** identification and validation of specific reference data
- Access to the **most up-to-date data**
- **Restful** APIs
- **No need for local data storage**
- **No complex integration** of files
- Supporting (de)centralised infrastructures

Standard web-call services between user applications/interfaces and the SWIFTRef utility
SWIFTRef APIs

Real-time identification and validation of reference data

- Get Details of a BIC
- Check the **Validity of a BIC**
- Get Details for an IBAN
- Check **Validity for an IBAN**
- Get the **BIC for an IBAN**
- How to Reach a BIC in SEPA
- Get **SSIs for a BIC**
- Get the LEI for a BIC
- Get the **BIC for an LEI**
- Check the Validity of a National ID
- Get **National IDs for a BIC**
- Get BICs for a National ID
- Get Details of a National ID*
- Get the **IBAN for BBAN***

(*) available mid Oct. 2015
New - SWIFTRef Data Manager

Software, that allows to manage data locally from SWIFTRef and non-SWIFTRef files in an efficient, easy and user-friendly way.
New – Data redistribution to partners

- Data ‘locked’ in
- Used by 3rd parties
- New – Data redistribution to partners
Agenda

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- Comply with EU Directive 260/2012
- Q & A
WORKING TOGETHER:

The KYC Registry

BWO AND KYCR
KYC
Holistic solution

- SEPA IBAN
- Operations data
- Payment routing data
- High level financials
- Entity Identification
- Business focus
- Ownership and Management Structure
- Compliance information
- Tax information
- SSI data
- Shallow detail
- Deep detail
- Narrow scope
- Wide scope

Bankers World Online

KYC Registry
Onboarding Flow
Practical usage

- AML P&P, assess sanctions/PEP policies
- AML Statement/ own AML Q
- Country AML regime
- Strength of regulator?
- Active/past sanctions
- FATF/INCSR/CIPI scores
- Country risk scores

- License(s)
- USA PA Certificate
- Annual Report
- Proof of regulation
- MA/AA
- Statutes and charters

- Board member names (CEO, CFO, CRO, COO, MLRO) up to 5 & biographies
- Confirm board shares Y/N
- Conduct PEP/Sanctions and EDD checks
- negative news/regulatory past

- Economy and Economic data
- News links
- Payments/Holiday info
- High Level Financials
- Credit Ratings

- Parent information
- Country of control

- Legal address
- Head office address
- Registration number
- LEI
- GIIN
- Tax Identification number

- Regulator
- Financial auditor
- AML auditor

Who are we dealing with?
Due Diligence
Prospecting Information
Anti-money laundering information
Agenda

- Reference Data
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IBAN Plus
Ready for EU 260/2012
The components of IBAN Plus / SEPA Plus

IBAN Structure

De-construct and validate IBAN

Exclusion List

Validate Bank ID in IBAN

Find Reachability via SEPA CSM

BE88 2710 8078 2541

Find BIC from Bank ID

IBAN Plus

SEPA Routing

Product Packaging

SEPA Plus

IBAN Plus

IBAN STRUCTURE

EXCLUSION LIST

SEPA ROUTING
Step 1: Deconstruct the IBAN

BE88 2710 8078 2541

- **Country Code**: BE
- **Check Digit**: 88
- **IBAN Length**: 16
- **Bank ID**: 271

* 1) as defined in IBAN Registry  
  2) as required for BIC from IBAN derivation
Step 2: Validate the IBAN

- **Country Code**: BE
- **Check Digit**: 88
- **Bank ID**: 271
- **IBAN Length**: 16

**IBAN Structure**

- **Validate Country Code**: BE
- **Validate Check Digit**: 88
- **Validate Bank ID**: 271
- **Validate IBAN Length**: 16

**Exclusion List**

**MOD 97-10**
Step 3: Find the BIC (EU 260/2012)

Country Code
BE

Bank ID
271

IBAN Plus

GEBABEBBB

BIC
Step 4: Find SEPA reachability
Quality of data (IBAN validation, BIC derivation)

Quality means

• **Completeness** of bank IDs and BICs (274 k) - near 100%
• **Accuracy** of BICs (SEPA BICs) - near 100%

This requires

• Special cases and exceptions (Bank ID/BIC combinations)
• Bank IDs not usable in IBANs (14,000 – Exclusion List)
• Daily updates (0.5 – 1 % quality)
### Standard Pricing File-based solutions (USD)

<table>
<thead>
<tr>
<th>Traffic bands (Total payments per year)</th>
<th>IBAN Plus</th>
<th>SEPA Plus</th>
<th>Payments Plus</th>
</tr>
</thead>
<tbody>
<tr>
<td>125,000 or less</td>
<td>3,000</td>
<td>5,000</td>
<td>19,550</td>
</tr>
<tr>
<td>125,001 – 500,000</td>
<td>3,600</td>
<td>6,000</td>
<td>23,800</td>
</tr>
<tr>
<td>500,001 – 1,250,000</td>
<td>4,200</td>
<td>7,000</td>
<td>31,450</td>
</tr>
<tr>
<td>1,250,000 – 2,500,000</td>
<td>4,800</td>
<td>8,000</td>
<td>40,800</td>
</tr>
</tbody>
</table>

Prices are in USD, and on annual basis.

Additional options:

- **Automated download (+ 10% of annual license)**
- **Daily update (+ 25% of annual license)**
- **Automated download + daily update (+ 35% of annual license)**
# Standard Pricing Online solutions (USD)

<table>
<thead>
<tr>
<th>Concurrent Users</th>
<th>Bankers World Online</th>
<th>SWIFTRef Online (=Bankers World Online + MT094 Online + BIC Archive Online)</th>
</tr>
</thead>
<tbody>
<tr>
<td>First concurrent user</td>
<td>2,500</td>
<td>3,500</td>
</tr>
<tr>
<td>Each additional concurrent user</td>
<td>500</td>
<td>700</td>
</tr>
</tbody>
</table>

*Prices are in USD, and on annual basis.*
Collateral at your disposal

- Generic presentation
- Brochure
- Factsheets in multiple languages
- Data collection & maintenance overview
- Case studies
- Generic + Product videos

SWIFTRef website
- Technical specifications!
- Sample files
- Release letter
- Frequently Asked Questions
- License Agreements
- Webinar recordings

https://swift.com/swiftref
Questions & Answers