

CONDENSED AGENDA: 1-DAY SEMINAR ON DOMESTIC AND CROSS-BORDER PAYMENTS

Payment mechanisms

- Attributes of all the following operations types...
- C2B operations : Cash, Card, Cheque and retail Direct Debit operations
- B2B operations: Credit Transfer and Business-to-Business Direct Debit operations
- Business model
- Clearing paths
- Costs and risks

Value-dating and float

- When monies affect the ledger balance, the value-dated balance and the available balance
- Mail float
- Funds float
- Information float
- Techniques to combat float

Clearing & Settlement

- Clearing of retail instruments
- Finality and payment risk
- Net Settlement Clearing and Real-time Gross Settlement Clearing
- Central bank money
- Collateralisation of intraday positions
- Dispositioning at clearing closure and use of Repurchase Agreements

Infrastructure for cross-border payments:

- SWIFT
- Usage of currency correspondents
- Cover payments and serial payments
- Correspondent commitments and clearing house opening times
- Obligatory information on the Payer

Pitfalls in cross-border payments

- Value-dating and float
- Cut-off times at sending and receiving bank, and at intermediaries
- Information gaps and "use of funds"
- FX costs
- Lifting fees
- Central bank reporting
- Exchange control
- Embargos

Techniques to counteract pitfalls including:

- In-country accounts
- Advices to Receive
- Intraday reporting

Regulatory initiatives to counteract pitfalls:

- Payment Services Directive
- Dodd-Frank
- Single Euro Payments Area
- Global Payment Framework
- ISO 20022
- And to aggravate them: Financial Action Taskforce, AML/KYC/KYB