

# Financial IT

Innovations in FinTech

## THE RISKS OF OPEN BANKING FOR CORPORATE TREASURY

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Management Solutions,  
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## ING COOPERATES WITH FINTECHS TO CREATE A DIFFERENTIATING CUSTOMER EXPERIENCE

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## BANKING WHICH IS INTELLIGENT, SUSTAINABLE AND DIGITAL

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# MAKING SWIFT gpi ACCESSIBLE TO ALL BANKS

# MAKING SWIFT **gpi** ACCESSIBLE TO ALL BANKS

Banks that are future-ready will gain a lot of valuable commercial intelligence.

Straight-Through-Processing (STP) has long been an objective for banks – large and small. This is because of the increase in customer satisfaction level that comes with enabling customers to transparently and efficiently monitor the movement of their cross border payments. SWIFT gpi has arrived to regulate and facilitate this process and is now becoming the global standard in cross-border payments [See SIDEBAR]

## Wins for all?

SWIFT gpi means that cross-border payments can be done faster, can be tracked and cost less to execute for banks and their customers.

However, the desire to adopt this innovation has been marred by the high initial cost of subscribing to this SWIFT product; that cost is in addition to acquiring the suitable software that will enable banks to operate at the highest security and compliance standards required to compete globally.

On the flip side, there are multiple advantages in implementing SWIFT gpi – such as tapping into the details of the remittance, the monitoring of the transaction and currency indices and the control that banks can exercise to fend off digital threats. These factors support the need for adopting SWIFT gpi more urgently.

The win for banks today will come when those financial institutions can become future-ready and able to handle SWIFT gpi payments, without the need to spend hundreds of thousands of dollars to install major software that adds complexity to its core system.

## Enter Corzap

Corzap is a software solution platform that was developed over several years after closely mapping the life of a cross border payment – from the second the request to transfer comes from a customer to the final notification when the payment is fully settled into the recipient's account. The entire chain of events that transpires is now being digitised in order to allow customers and banks to track the status of the payment at any instant.

*“Our vision is to provide affordable and effective software solutions that enable our clients – banks and service bureaus – achieve straight-through-processing of payments through SWIFT and to become totally compliant with the requirements of SWIFT gpi”* notes Amr Soliman, Corzap's CEO.

*“Our solutions sit on top of the core bank system (or service bureau) and continually update all parties in the payments chain – the ordering bank, the beneficiary bank and the various correspondent banks – on the progress of a particular payment and even the sending and receiving parties.”*

## Three solutions

Over the last year, we have consolidated our product offering to provide turn-key digital solutions. These solutions were designed after listening to our customers and understanding their requirements to grow their customer base.

The first solution is an advanced message-tracking system, which enables banks to identify where is the payment at any point in time.



SWIFT gpi will become the norm for cross-border payments over the next year or so. According to SWIFT, over 500 banks have already signed up, globally, with the result that SWIFT gpi payments are being made in about 150 currencies and through over 1,300 country corridors. By the end of 2019, every bank that has adopted SWIFT gpi will be able to trace every payment sent to any of the 11,000 banks in the global SWIFT network.



Corzap provides future-ready software solutions that enable banks and service bureaus achieve straight through processing and gpi compliance of their SWIFT transactions. It has been implemented with global banks and leading service bureaus.

[www.corzap.com](http://www.corzap.com)

**Amr Soliman,**  
CEO, Corzap



The second solution is an operational one that was created to help banks reduce the manual error that happens when a cross border payment is done. By reducing manual error, a bank can now claim the rightful fees and correspondent charges automatically from the beneficiary and correspondent banks. Our customers were delighted with this module as they were now able to monitor and generate revenue on all non-compliant messages that hinder STP, and more importantly validate all fees and charges with all partner correspondents as per the agreements in place.

The last solution ensures compliance with the SWIFT gpi standards. By achieving compliance status, banks and service bureaus will be recognised as global operators adhering to the highest compliance standards of cross-border payments as defined by SWIFT. This puts any bank in the running with all the top financial players.

### Sibos 2019: from Africa to the rest of the world

The fintech industry and the many software companies are racing to develop digital solutions for banks and financial institutions to help them achieve better

operational efficiency and fiscal compliance. However, there is a growing number of smaller boutique software houses that are disrupting the status quo. These players have honed in on the segment of small and medium sized banks that would like to challenge the TOP100 in providing boutique and customised service to their clientele. Many of these smaller challenger banks are domiciled in emerging markets and are usually not big enough to invest in expensive software and systems and choose to operate through a service bureau which could provide them with advantages of scale through the wider client base that the service bureau enjoys. Africa is the home to a handful of service bureaus – each with several hundred bank clients. The service bureaus are fast embracing cost effective SWIFT gpi solutions that are offered by software houses like Corzap.

*“Sibos 2019 as a global event for everything “SWIFT banking and tech” is a great opportunity to showcase what emerging software houses can offer, and showcasing African tech development will be a great opportunity to compete on a global stage and offer other emerging markets the opportunity to see what similar banks are implementing today at a fraction of the cost of the big software companies.”* explains Amr.

### The Face of Smart Softwares

Going beyond the set offering of softwares, there is an even greater opportunity that is being discussed in events like Sibos around a complete suite of business intelligence tools that help banks make more informed business decisions and better services to their clients based on fact. Given the large amount of data that resides in a SWIFT message, new softwares are being designed to provide a solid database back end that will use machine learning and AI to analyse the volume of transactions and report back insights that allow banks to grow their services to their clients in a customised manner. With the growth in implementation of SWIFT gpi and increasing the volume of transactions being done daily, banks will start receiving valuable insights on topics such as currency corridors, volume of transactions by currency, destination and transaction purpose. This opens up the opportunity to accurately plan forex reserves, seasonality of payments and fee volumes that corporates pay.

The future of straight-through processing is bright and SWIFT gpi in partnership with a smart Software house – like Corzap – is the new way forward for banks that want to compete in a global market.