

Tracking cross-border payments end-to-end (the easy way)

published on 09.08.2018 by Wim Grosemans

The lack of traceability in international payments has long been a bane for corporates. That is all set to change. Improved visibility and transparency, resulting in greater payments certainty are around the corner.

We're all familiar with postal tracking systems. You simply log in to the courier's website or app at any time of day and can see where your parcel is and when it is expected to arrive. And if your delivery has been held up, you can determine where there is a delay.

Until recently, this kind of traceability was a mere pipe dream for international corporate payments. There was no way to easily ascertain when cross-border payments were credited, when they were rejected, or why they had failed. And as for knowing what fees were deducted, well, let's just say it wasn't self-evident.

Such a lack of visibility can have a significant impact on treasury's efficiency, including: challenges around cash flow forecasting; payment delays; unhappy suppliers or customers; financial risks; increased potential for fraud; and time-consuming investigations.

Thankfully, SWIFT gpi is now making end-to-end tracking of cross-border payments a reality. A pilot has just been announced to make this process even more seamless for corporate treasurers.

Soon, a group of 10 multinational corporates, and 12 banks, including BNP Paribas, will begin testing an enhanced multi-bank standard to further improve the cross-border payments experience for multi-banked corporates. This enhanced standard will allow treasurers to initiate and track gpi payments to and from multiple banks.

This will provide treasurers with improved visibility and transparency, resulting in greater payments certainty and traceability, as well as less onerous exception handling. Of course, they will also have the ability to reconcile directly in their treasury operations ? bringing additional process efficiencies.

At BNP Paribas we will be proposing two alternative (but not exclusive) solutions to corporate treasurers to track their gpi payments:

- either via our international e-banking platform, Connexis Cash. This service is live and our clients can already consult the GPI MT199 and MT103 messages online (independent of the channel used to initiate the gpi transaction)
- or, for corporates who want a bank agnostic solution, we plan to also provide PSR (Payments Status Report) in MT199 or pain.002 format, that corporates will be able to directly integrate in their ERP/TMS

With these new gpi developments treasurers will be able to access their payments status across their H2H channel or their e-banking. This means that even corporates who do not have direct access to SWIFT can benefit from the gpi tracking services.

At BNP Paribas, we believe in making life as easy as possible for our corporate clients. Through this functionality, and ongoing innovations, tracking cross-border payments is quickly becoming as easy as A-B-C; or rather, as easy as G-P-I.

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The Payment Services Directive 2 or PSD2 has been in full force for more than six months, and its impact is being felt not just in the European Union, but across the globe ? with several markets, such as Singapore, Australia, and Nigeria, as well as Hong Kong announcing open banking initiatives inspired by the PSD2. Banks' long-time monopoly on their customers' account information and payment services is disappearing.

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