



## **Wolfsberg Group, Clearing House Statement on Payment Message Standards**

We endorse the following actions to enhance transparency regarding parties to transactions in international payments. These actions will promote the effectiveness of risk-based programs designed to reduce vulnerabilities associated with financial intermediation and enable banks to avoid the use of their facilities by individuals and organizations that the banks would not accept as their own customers, including, most particularly, those engaged in money laundering, terrorist financing or transactions in violation of relevant sanctions.

These actions are: (i) the creation of a new or enhanced SWIFT payment message format for third-party cover payments that enables information regarding the originator and the beneficiary to be included; and (ii) the adoption of certain basic payment message standards within the banking industry.

With the support of the global regulatory community, and assuming acceptance by the SWIFT membership, it is anticipated that an appropriate message format change could be implemented as early as November 2008.

The four payment message standards that should be observed by all financial institutions are:

- Financial institutions should not omit, delete or alter information in payment messages or orders for the purpose of avoiding detection of that information by any other financial institution in the payment process.

- Financial institutions should not use any particular payment message for the purpose of avoiding detection of information by any other financial institution in the payment process.
- Subject to all applicable laws, financial institutions should cooperate as fully as practicable with other financial institutions in the payment process when requested to provide information about the parties involved.
- Financial institutions should strongly encourage their correspondent banks to observe these principles.

The major financial institutions that have developed and will observe these standards will also strongly encourage their correspondent banks to observe them. To be successful, however, this initiative must necessarily involve the public and private sectors. The effectiveness of these standards requires adherence by the financial institutions originating payment messages and encouragement of their adherence by their regulators.