

SWIFT MT 798

– Interchange for multi-banking corporates

MT 798 offers increased control and enhanced effectiveness – a real advantage for trade finance operations in multi-banking corporates.

Characteristics

SWIFTNet's MT 798 – or “trade envelope” – is a common messaging format which can be supported by multiple banks. By connecting to SWIFTNet, your company can replace the requirement of working with the specific front-end trade finance systems of multiple banks. A standard such as MT 798 allows a single, secure, standardised communication type between your banks, allowing you to compile consolidated trade finance positions with increased visibility. When your bank receives a SWIFT trade message – Documentary Credit or Guarantee, for example – through SWIFTNet, you are immediately updated and the data can be used in your business management systems. This enables direct integration of data into your internal workflow procedures.

SWIFT connectivity

SWIFTNet is owned by the 9,000 banks that use the network for exchanging financial data. Recently, SWIFTNet has made it possible for corporates to connect and consolidate the complete range of their banking relations including securities, forex, liquidity management, cash management payments and trade finance.

Benefits of SWIFT MT 798 messaging

SWIFTNet SCORE (Standardised Corporate Environment) allows you to send and receive messages on your trade finance transactions via a single multi-product and multi-bank channel. It offers a messaging solution for all your trade finance workflows and reduces end-to-end cycle time – and potentially costs – in your trade finance management.

Example 1. Benefits in your handling of Outbound Bank Guarantees:

- Global procedures, access and credit limit management
- Global user administration, authorisation and approval process
- Real-time control and traceability of individual transactions, validities, total outstanding volumes compiled by region, business area, and more
- A base for audit and transfer pricing

Example 2. Benefits in your handling of Inbound Export Documentary Credits:

- One common 24/7 globally standardised process for Letters of Credit (L/Cs)
- Improved daily work by electronic communication with banks
- Increased coordination of banks used for trade finance products
- Improved service towards your sales forces and customers
- Reduced lead time for both presenting correct documents to banks electronically and ‘Order to Cash’

Additionally, data is exchanged through one secure and reliable standard channel replacing physical formats such as e-mails and facsimiles. You will no longer need to learn the different functionalities and keep separate security tokens for multiple web-portals, while you will be able to access consolidated views of individually formatted reports from your different banks.

Combined with SWIFT's secure FileACT communication, MT 798 also enables electronic presentation of shipping documents.

CONTACT

Please contact us and find out more about our trade finance solutions.

NORDEA.COM/TRADEFINANCE

SHORTCUTS

Read how Nordea helped Volvo Group switch to MT 798:

NORDEA.COM/VOLVOGROUP

FACTS

SWIFTNet's MT 798 is a standard messaging format that allows a single, secure, standardised communication type between you and your banks.

MT 798 allows you to compile consolidated trade finance positions with increased visibility.

It can reduce end-to-end cycle time – and potentially costs – in your trade finance management.

Technical requirements

The main prerequisite for multi-bank interchange through the SWIFT MT 798 standard is the implementation of software to manage SWIFT information. There are standard IT applications available in the market but internally developed solutions can be equally effective, so the decision on technical platforms and implementation remains in your hands.

Moving ahead – business case

The decision whether you should move to the SWIFTNet channel or not depends on multiple aspects such as your number of transactions and selected core banks,

organisational structure and ambition level. Nordea has extensive experience acting as close partner with several Nordic corporates in multi-banking interchange initiatives and will advise you on whether this is the correct solution for you, and how you should go about making the change. Do not hesitate to contact us at an early stage when considering new initiatives in this area – we are happy to share our views and experience for your benefit.

You can even read a case study on how we advised and helped the Volvo Group move to the MT 798 system:

nordea.com/volvogroup

Benefits for you and your banks through harmonizing your banking interchange

