

A Central Bank in Asia Achieves Payment Efficiencies

WorldLink® Payment Services offers comprehensive payment solutions to a central bank to deliver payments to pensioners living overseas

Case Study

The Client The client is a central bank in a key country market in Asia Pacific. Its role includes conducting monetary policy, issuing the nation's currency, and maintaining a strong financial system. The client also acts as a banking and payments service provider for the country's government agency to disburse social security payments to thousands of pensioners living overseas.

The Challenge The client needed to distribute pension payments each month to around 56,000 pensioners in 100 countries by check. Pensioners had to exchange the check into local currency, incurring foreign exchange costs and lifting fees as well as experiencing significant delays in receiving value.

The Solution Citi was well-positioned to provide a solution to meet the client's cross-border payment requirement through WorldLink® Payment Services. Payments are made either electronically or by check as required by each individual. WorldLink enables the client to print checks remotely in more than 30 currencies and mails them directly to the pensioner or to an embassy in the respective country for collection. As most WorldLink checks draw on local banks, the beneficiary receives near or full value of the funds much more quickly.

WorldLink's cross-border Automated Clearing House (ACH) and fund transfer capabilities allow electronic payments to pensioners through local electronic payment methods using the domestic clearing systems in 20 countries globally (and therefore are generally not subject to lifting fees) without the need to maintain local currency accounts.

The Result With Citi's WorldLink Payment Services, the client now has a flexible and robust solution for making regular payments to more than 70,000 pensioners living across the globe. Payments are made electronically into pensioners' overseas bank accounts or mailed to the pensioners, making payments faster, more convenient and with minimal costs.

The client was able to simplify payment processing by using a single, host-to-host communication channel for multiple payment types across all relevant countries and currencies. Payment processing costs have been reduced and pensioners receive maximum value.

Since first implementing WorldLink, the client has expanded its use by providing international payments capabilities to other government agencies for making social security and supplier payments.