

Saudi Arabian Monetary Agency

Banking Inspection Dept.

30 August 2009

٤٤٢٩٢ / ب. ص. ١٥٤

From : Saudi Arabian Monetary Agency
To : All Banks
Attention : Managing Directors, Chief Executive Officers and General Managers
Subject : Due Diligence and Transparency Regarding Cover Payment Messages Related to Cross-Border Wire Transfers

The Basel Committee on Banking Supervision has issued the attached paper in May 2009 entitled: "Due Diligence and Transparency Regarding Cover Payment Messages Related to Cross-Border Wire Transfers". This guidance aims to enhance transparency in cross-border payment messages. The paper also addresses issues including information to be included on payment messages, various mechanisms that must be used to ensure that complete and accurate information has been included in messages and the different roles of parties involved in these mechanisms.

The proposal also takes into consideration Financial Action Task Force (FATF) Recommendation VII on wire transfers, and the SWIFT Community Technical solution which is planned for implementation in November 2009.


It is very important for the Banks to review and implement the systems and procedures in response to the proposals in Section II "The Roles of Banks Processing Cross-Border Wire Transfers".

SAMA requires banks to examine their current practices in light of these new guidelines and ensure that they are in line with those described in this paper. Any major differences or deviations from these recommendations should be reported to SAMA by 15 October 2009. Also, in evaluating banks' practices in future, SAMA supervisors will take into account these guidelines.

If you need any clarification, you may contact Mr. Khalid S. Alsebayel at telephone number (01)466-2539 or Mr. Tariq Javed at (01)466-2532.



Encl.: a/s


Dr. Abdulrahman Al-Hamid
Deputy Governor
for Technical Affairs

٢١٢١٤