

BANK OF AMERICA 

# Treasury Technology

In the Asia Pacific Region

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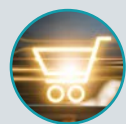
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**The articles in this supplement provide a detailed survey of the current situation of treasury technology in Asia Pacific (APAC). Leaders from Bank of America's Global Transaction Services based in APAC discuss with Tom Alford, Deputy Editor, TMI, the availability of such technology, its uptake, pros and cons, and its likely development in a wide range of fields, particularly payments.**

In the article entitled *Sharpening the Competitive Edge*, Dhiraj Bajaj and Chandana Thantrige survey the future of treasury technology, emphasising that companies already engaging with it have a significant advantage. Cash flows in APAC are steadily increasing and can't be handled "with people alone". If treasury doesn't change alongside the demands of its underlying business, it risks becoming a bottleneck.

The article outlines the main areas where technology is deployed, including forecasting, and where AI and other analytical tools can mine vast pools of historical data to detect subtle shifts in behavioural patterns. Blockchain is

another focus, and countries such as Singapore, Malaysia, and Australia are already looking into the possibilities of using CBDCs for cross-border payments. The adoption of digital solutions by treasury should be viewed as a long-term investment – both financially and in terms of partnership with technology providers – and Bank of America offers early client consultation on handling changes to the digital environment.

Digital payments and real-time transactions are prime areas for the deployment of technology in APAC. In the article entitled *No Looking Back*, Aziz Parvez, Sunil Bhatia, and Param Thind describe how real-time technologies are not just stand-alone tools. An ecosystem of complementary processes and systems is required for users to reap the benefits. Some regular scheduled payments, for example payroll, don't have to be executed in real time; and there are other challenges, such as managing liquidity risks, but these issues are being swiftly resolved. The article stresses that there is no point in a corporate using real-time processes unless the 'first leg', from the payer to its





bank, is also in real-time. APIs can ensure the necessary connectivity here. Having a banking partner that can help weigh up market trends and nuances of real-time ecosystems is invaluable, but the final choice must always remain with the corporate. Bank of America has found increasing numbers of companies are expressing interest in real-time technologies – a rise partly fuelled by the Covid-19 pandemic. APAC already has a healthy appetite for real-time transactions in the B2C and B2B space, enabling cutting-edge concepts, such as alias-based payments, to emerge as contenders in payments-to-account.

In the article entitled *Breaking New Ground*, Venkat ES and Serina Hourican survey the payments landscape in APAC. Its diversity is understandable in such a vast territory where delivery ranges from jurisdictions where cash, cheque, and paper-based clearing and settlement prevail, to others with the most advanced electronic systems in the world. The latter include every digital option, from consumer payments via QR codes on mobile devices, to real-time corporate treasury, wholesale settlements,

CBDCs, and cryptocurrencies. Some APAC countries have leap-frogged more advanced territories and shifted straight from cash and paper-based processes to the latest mobile and real-time solutions. The main focus of payments activity is probably on the consumer space, and the APAC business community can lead the way in adopting payments initiatives into their commercial and B2B environments.

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*Digital payments and real-time transactions are prime areas for the deployment of technology in APAC*

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Among the new technologies, APIs have proved to be the most useful compared with host-to-host or standard online portal connectivity. Blockchain is also having an effect on real-time activity. Although real-time cross-border payments remain the final frontier, there has been progress, albeit bilateral. Singapore's Fast and Secure Transfers (FAST) system has linked with India's Unified Payments Interface (UPI), for example, and there are plans for FAST to connect to Thailand's PromptPay. One of the main benefits of real-time payments is on the receivables side, especially in the supply chains of large corporates. Treasuries have built strong reputations as service-providers within their organisations, and having access to enhanced cash-flow data, aided by real-time payment processing, helps other business functions to appreciate just how important treasury has become.

In the article entitled *In Safe Hands*, Nirmal Khaderia and Dinesh Albuquerque focus on the commitment of Bank of America to developing technology-powered solutions. The pressure on treasurers to tackle one of their most challenging subjects, liquidity management, is especially intense for corporates operating across APAC because they navigate multiple currencies and FX exposures, complex regulatory and tax considerations, and different time zones. A lack of visibility across APAC markets can often lead to trapped cash, a significant obstacle when tackling operational and strategic funds management.

Technology – including APIs, automated reconciliation solutions, and XML-based host-to-host liquidity reporting tools – plays a fundamental role in addressing these

issues. Bank of America is focusing on efforts to develop the right structured offerings such as its end-of-day (EOD) sweeping capabilities and host-to-host liquidity reporting tools, the effectiveness of which is enhanced by solutions such as the bank's new CashPro Assistant forecasting tool. Together, these new capabilities act as the foundation of an efficient and automated liquidity management process for corporates operating in APAC, simultaneously strengthening treasury operations and adding significant value across multiple business units. The article emphasises that whether with APIs, real-time liquidity, or heuristic solutions, Bank of America's approach ensures that it is constantly maintaining the practicality and everyday suitability of its offerings.

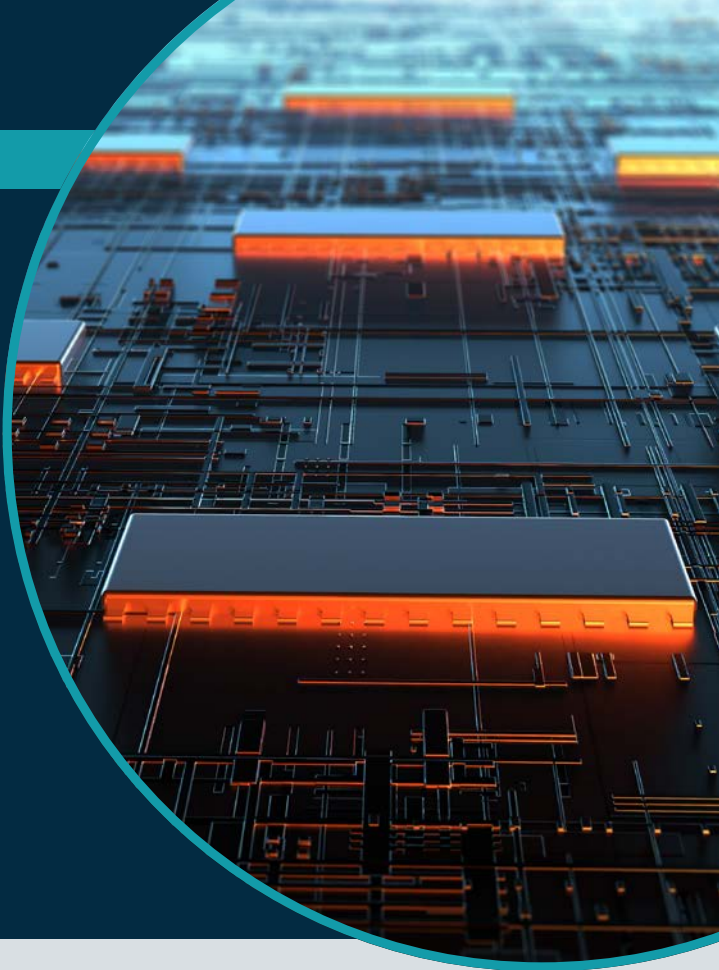
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“ *The main focus of payments activity is probably on the consumer space, and the APAC business community can lead the way in adopting payments initiatives into their commercial and B2B environments* ”



# Sharpening the Competitive Edge

## The Future of Treasury Technology



**Dhiraj Bajaj**

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**Technology has played a key role in shaping corporate treasury over the past few decades, but the best is yet to come. Bank of America's Dhiraj Bajaj, Head of Financial Institutions and Non-Bank Financial Institutions Sales, Asia Pacific, Global Transaction Services, and Chandana Thantrige, Head of Financial Institutions and Transactional FX Product, Asia Pacific, Global Transaction Services, discuss how today's treasurers can move towards the digital future with confidence.**

As anyone familiar with Moore's Law will know, the pace of development and adoption of technology is fated to gather ever-greater momentum. Exploring the future possibilities of the digital domain is now an essential part of today's treasury role and it's clear that the best opportunities will be available to those who are engaging with progress now.

The adoption into treasury of appropriate technology has for some time been a matter of discussion, with Bajaj noting that the evolution of the function over the past decade or so has seen it gaining in complexity and strategic importance in all regions. "But in a region such as Asia, where businesses with a presence in multiple countries face a particularly fragmented regulatory environment, complexity has seen technology become an integral part of treasury operations."

Across the region's sectors, payments and collections processes continue to progress at different rates. With the shift from legacy to modern comes the challenge of aligning treasury activities with the growing demand for 24/7/365 operations led by other business functions, especially sales.

While Bajaj notes that his own client base of large FIs, banks, and non-bank FIs is still adapting, and have a limited need for out-of-hours payments itself, there is a mounting call for real-time payments within the wider ecosystems of these clients. For example, an insurance company that can take real-time non-card payments for the immediate issuance of new travel policies requires a treasury solution that can both receive and book such transactions from a range of clearing systems within the same time frame.

### **Adapt and thrive**

For many more businesses now, these calls for all to keep up are part of the evolving challenge linked to changes in their underlying ecosystems. It's why pressure is mounting on treasurers to ensure real-time facilitation tools, such as APIs, are being deployed, even if in some cases the direct need is not apparent. The key point here, says Bajaj, is that treasurers are service providers to internal lines of business. "If the demands of



the underlying business are changing, the treasury team needs to adapt too, to ensure those lines of business can compete in the market by providing the services that their customers demand. If it doesn't, treasury risks becoming a bottleneck and ultimately a constraint on growth."

The consumerisation of business processes, driven by customer demand for near-instant service, has seen cross-regional cash flows in APAC increase many times over, notes Thantrige. "You can't manage that with people alone; you need technology too. And the better a business is equipped to manage rapid inflows and outflows in terms of cost, speed, and transparency, the more it is able to extract value from these 24/7 markets."

It's obvious that treasury technology will become increasingly important over the coming years, but Thantrige warns that any system deployment must be aligned with the strategic aims of the lines of business. It's important to know that there is not one single solution that fits all needs emerging from all the new technology candidates for adoption by APAC treasuries. However, he notes, there are certain treasury functions that have risen further up the agenda in recent times, and that these may steer the course of action.

One of these is cash forecasting, its importance demonstrated by huge recent investments by Bank of America (BoFA) in a number of tools designed to enhance clients' working capital management. The same applies to regional treasury or shared service centres (SSCs), with many expected by the lines of business they serve to be more efficient and cost-effective in handling payments and collections.

As individual challenges and opportunities emerge, so the broader technological landscape is shifting towards a more supportive composition. This is most notably seen with the SWIFT payments messaging infrastructure migrating to the ISO 20022 standard in November 2022. This, notes Thantrige, creates a common language for payments data-formatting across the globe, ensuring enriched data can be provided between parties. "It's about connecting with banking partners in a more efficient way, with more rich and standardised data to deliver an end-to-end experience that entails a high level of automation," he comments.



**Dhiraj Bajaj**  
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Another potential game-changer for treasury is the deployment of AI within the realms of forecasting, says Bajaj. "Treasury expectations of banking partners to deliver a seamless real-time flow of data to drive improved reconciliations are shifting. Now the goal is tackling a more complex mix of local and cross-border payment flows. This calls on AI and other analytical tools to monitor huge pools of past data to detect often subtle shifts in behavioural patterns to enable better projection of future cash flow positions."

Technology has a strong role to play in the micromanagement of liquidity under current circumstances too, says Bajaj. With US Federal Reserve interest rate increases likely to continue, he explains that the opportunity cost for borrowings and idle cash balances on APAC regional currencies increases in line. "With low rates, those costs are not so much of an issue, but as rates creep higher and higher, treasury is going to need a laser-like focus on the efficient management of its working capital."

And as US interest rates rise, so FX rates may become a challenge for treasurers operating in APAC. With most domestic currencies depreciating against USD, firms reporting in USD will have to better manage their earnings in those currencies. For Bajaj, technology can assist treasury's understanding of its exposures, and support decisions around risk mitigation.

Blockchain has long been a solution without a specific aim. However, Bank of America, working with a leading Blockchain technology provider, is on the point of going live with a blockchain-based real-time cross-border payments solution. Over the past year it has been building digital, single-currency corridors between the US and a number of markets in Asia. This enables low-cost and transparent remittances. The aim is to cover multiple domestic currencies, with selected large local banks as facilitation partners.

This, notes Bajaj, is a direct response to the non-bank low-value payment service providers that have emerged in recent years. Importantly, he feels the new solution "moves away from 'blockchain as a concept', to 'blockchain as a rail facilitating real time cross border payments'". The scalability of the offering suggests it could easily become a 24/7/365 cross border payments option for smaller-value payment transactions, with the added attraction that the technology connects directly to the client's Bank of America account using multiple online channels.

### Regulator role

In a dynamic and challenging economic environment, it is in part the role of regulators to help create a level playing field to ease the flow of business. In APAC there are a number of proactive regulators that are seeking to do just this, says Thantrige. At the same time, there is a buoyant technology sector across the region that is bringing new solutions to market. "The need is to create a balance between giving treasurers secure options as

they carry out their duties, while ensuring they are protected by the proper regulatory controls in each jurisdiction.”

Bank of America is present in 12 countries in APAC, eight of which have currency controls. The challenge this presents to an international business with sizeable money movements is a key topic of discussion with the region’s regulators, admits Thanthrige. This is why Bank of America is a member of most regional discussion groups, ensuring the voice of its corporate clients is heard, while offering its own thought leadership to the regulatory community.

Regulatory receptiveness to ideas and views from across the commercial spectrum is helping APAC progress. And by opening up to the views of a global bank such as Bank of America, with its footprint across APAC, EMEA, North America and LatAm, regional authorities can access and discuss new ideas and best practice from around the world.

Of course, changing the regulatory environment to facilitate the roll-out of new solutions, while protecting users, takes time. But with collaboration the guiding philosophy, Thanthrige says the speed of progress in APAC has picked up noticeably in the past few years.

While Bajaj cautions that not every regulator in the region is on the same page in terms of technology, he sees considerably more tech-driven dialogue now between stakeholders, with some authorities very open to cutting-edge ideas, especially around payments and the storage of value.

Indeed, with China having already launched its e-CNY in January 2022, and India’s digital rupee launching in the 22/23 financial year, progressive APAC jurisdictions such as Singapore, Malaysia, and Australia, are already looking into the feasibility of multiple central bank digital currencies (mCBDCs) for cross-border payments.

## Preparation and partnership

With foreign bank branches in multiple locations in APAC backed by its global footprint, the needs of Bank of America’s multinational corporate clients seeking to build a presence

in these markets can access our on-the-ground knowledge and experience, says Bajaj. With particularly complex needs in currency-controlled jurisdictions, he says “our presence gives us an edge when representing global client interests in these markets”.

This was highlighted by the rapid roll-out of digitalisation programmes during the pandemic. “We were at the forefront, explaining to regulators, market by market, how, for instance, as a bank we no longer needed physical signatures to open and manage accounts because a secure digital solution used in other regions has already become the norm,” Bajaj explains.

With technology development moving at pace – as Moore’s Law insists – there are two key steps for treasurers to take to maintain forward momentum, says Bajaj. With most treasuries operating with minimal personnel, the drive for efficiency through technology, especially where centralisation is a core strategy, is not difficult to understand. But it is incumbent upon the treasurer “to ensure the whole treasury team is digitally inclined and savvy, and open to accepting and adapting to new processes and tools”, he says.

With the delivery of new technologies, especially new banking platforms and core systems, often some training is required, even for the most intuitive of interfaces. The second step proposed by Bajaj is therefore to encourage rapid adaptation to the new system so that the team can progress to leveraging the functionality offered, both as a discrete system and as part of the organisation’s wider technology infrastructure. Of course, as vendors and banks continue to develop their technologies, it is important for treasury to keep up with each iteration, especially as a major upgrade may be needed to access new tools.

With Bank of America capturing most of its core CashPro platform in a mobile environment, Bajaj says users able to combine these two steps will make the most of the switch to such a new environment. “In this and in many other cases, leveraging digitalisation boils down to attitude and skill set. If you have a forward-looking attitude and a team with the skill sets and readiness to adapt to and use these new tools, life will be much easier, especially in the current circumstances.”

“ Treasury expectations of banking partners to deliver a seamless real-time flow of data to drive improved reconciliations are shifting. ”



**Chandana Thanthrige**  
Head of Financial Institutions and Transactional FX Product, Asia Pacific, Global Transaction Services, Bank of America

The switch to a technology-enhanced treasury operation may require a cultural shift, but for Thantrige, the adoption of digitalisation by treasury also has to be viewed as a long-term investment, both financially and in terms of partnerships. "A key question is whether treasury wants to buy or build its technology response," he suggests. "But it also has to consider the importance of selecting the best partners for its journey – it need not be a solo flight – and for this it should select those with the most sustained investment in its solutions because this will ensure the longevity of its strategic and tactical responses."

Longer-term plans and partnerships enable treasury teams to focus on the elements that are relevant to them and to their business, and not become enmeshed in a constant uphill struggle to upgrade systems or find and replace partners and tools. But rather than relying on one partner for everything, working with a small group of technology partners enables treasury to avoid concentration risk, as it would from a financial perspective.

Thantrige advises that due diligence around partner selection must ensure as far as is possible that those selected are sufficiently agile to be able to deliver the right solutions and upgrades at the right time. Agility may stem from the provider's openness to working with third parties, including fintechs, vendors and other FIs.

## Looking to the future

With global events of the past few years demonstrating how dramatic change can quickly impact individual businesses, trading partners, supply chains, and even entire economies, digitalisation programmes have become a matter of survival for many.

Recent disruptions have accelerated the speed with which technology providers, including banks, have been able to deliver solutions. However, says Bajaj, treasurers need to keep pace to ensure that they are armed with the best tools for the job. This is not only about heading off challenges, but also about

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identifying and seizing opportunities as they arise. The learning curve is, by definition, on a continuous upwards sweep.

"The approach we take for our core clients is to invite them into thought-leadership sessions on technological change," he explains. As an example, the migration of SWIFT messaging to the ISO 20022 XML format referred to earlier has taken several years in the making. "We started our APAC client education programme at the beginning of the year, with more sessions planned before its formal launch in November, so that our clients have enough time to prepare their internal processes to benefit from the new technology."

With the enriched data that ISO 20022 roll out will offer, the work being carried out now with clients will help them form plans to remove typical payment friction points through, for example, the deployment of automated reconciliation tools.

## Early learning, quicker results

"Early education gives some treasurers the opportunity to join pilot programmes with us, helping to build out an even more sustainable solution set," says Bajaj. Client engagement in major changes, such as SWIFT's XML roll-out, therefore helps to create solutions that have been tested in the real world, and which therefore have proven commercial value. It also reinforces stakeholder understanding that the legacy core systems that have underpinned operations for decades are now becoming not just obsolete but a risk both in terms of potential failures and in growth constraint.

The Bank of America team is open for early client consultation on significant changes to the digital environment. It enables forward planning, says Bajaj. With limitations on treasury technology budget and resources, an informed view of technological progress is essential to be able to optimise funding allocation in adopting the right platform of the future.

With the world increasingly moving to a 24/7/365 trading place, banks and businesses alike need to keep up like never before, advises Thantrige. "Legacy technology cannot deliver in this world, so we are making sure our own systems are constantly gearing up to meet our clients' needs," he notes. "With different sectors and geographies, come different requirements. We are taking a holistic view so that the best of all worlds is shared through technology, creating network interoperability and ultimate flexibility for our clients to better service their clients."

The later digital engagement is left, the longer the journey to the forefront will be. But it should be clear by now that by keeping pace with progress and finding the right time to leap aboard, treasurers in APAC, and indeed all other regions, have an opportunity to help deliver a stronger bottom line and a more competitive business for the future.

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# No Looking Back

## Digital Payments and Real-time Transactions for All



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Deputy Editor, TMI

**Real-time technologies are not intended as stand-alone tools, they require an ecosystem of complementary processes and systems to really reap their benefits. TMI seeks best practice guidance from Bank of America experts, Aziz Parvez, Head of Corporate Treasury Sales, Asia Pacific, Global Transaction Services, Sunil Bhatia, Head of Payments and Bank Transformation, Asia Pacific, Global Transaction Services, and Param Thind, Head of Digital Channels and Transformation, Asia Pacific, Global Transaction Services.**

Think real-time treasury and it should evoke visions of a set of wide-reaching technologies and processes combining to deliver far more than the sum of its parts. However, sometimes discussions focus on one particular aspect, usually payments, missing the way in which real-time tools come alive as part of an ecosystem capable of adding value to the whole business.

From an APAC treasury perspective, real-time delivers improved working capital and cash flow management, explains Parvez. Corporates working with multiple SME distributors in an analogue world often have to manage

cheque payments, with settlements taking up the three days. The delay in booking the cash can enforce avoidable counterparty limits on SME spend.

“The more there is a delay in payment, the longer there is a build-up of that limit which means restricting the volume of sales,” he explains. “But with real-time payments, faster receipt and booking of cash means those counterparty limits can be released earlier, and the sale of goods can be churned faster.”

For businesses engaged directly with consumers, such as insurance companies, a real-time architecture improves the collections and reconciliations processes too, notes Bhatia. “Even if a real-time payment has minimal information flowing with it, the mechanism still helps identify the payment, but when it has full reference data, reconciliation can be almost immediate.”

It’s clear for Thind that, over and above the working capital and cash flow efficiencies, depending on the context and use case of real-time, these mechanisms become part of the overall business process. “Being able to process payments 24/7/365 can reveal a broadening range of new business

opportunities, especially around e-commerce,” he says. “Being directly able to debit a customer’s bank account using a real-time clearing mechanism can provide a superior alternative to credit cards creating greater operational and cost efficiencies. Even being able to generate QR codes to take immediate payment is opening up new opportunities such as home cash on delivery and enhancing the overall consumer experience.”

## Supporting infrastructure

Of course, the roll-out of real-time transactions depends on the implementation of a supporting infrastructure. Bhatia notes a widening domestic adoption of the necessary platforms across APAC countries. “This extends to the whole of Southeast Asia. Singapore, Malaysia, Indonesia, Thailand, India, China, Hong Kong, and Australia – all now have developed and adopted real-time payment systems and infrastructures.”

The progress is such that many have surged ahead of some Western markets, such as the US, Bhatia continues. Many of these markets created a mandatory foundation, launched by their central banks, because they want to drive the digital economy, moving away from physical cash and cheques, he explains. “This is giving strong momentum to regional uptake, with enormous payments volumes being processed in countries such as India and China.”

The appetite to go digital in Southeast Asia is already seeing the region developing beyond domestic real-time transactions. Singapore is collaborating separately on real-time cross-border mechanisms with Malaysia, Thailand, and India. By connecting networks and creating interoperability, it significantly increases reachability and appeal for users.

Cross-border pilots are underway, but there is still far to go, notes Parvez. “Adopting messaging standards such as ISO 20022 is enabling interoperability and easier connectivity. But there are aspects that the regulators are still working on, especially around the free flow of currencies where restrictions are currently in place.”

The move towards cross-border real-time payments also demands a conversation around FX processing, adds Bhatia. “Most financial institutions still want to do their own FX. In the pilots we saw just a few banks controlling it and offering that service.

It is possible that a commercial decision on FX will prevail, but a central bank could take the responsibility, in which case it would control FX, notes Parvez. “One thing is certain, after the pilot, adoption will be much higher if an open market for FX is created. These aspects are evolving, as more countries come into the cross-border flow discussion.”

Indeed, as more countries consider cross-border real-time payments, Parvez adds that participants will have to consider

how best to support real-time payments while completing their sanctions-screening obligations. However, he does not foresee any real issues here.

To ensure the high-level directives, such as those around sanctions screening and anti-money laundering, are met, regulators will be providing relevant guidelines. But in terms of network usage and control, that still rests with the banks, explains Parvez. “It’s no different from what we see now with SWIFT transfers. Where there are cross-border flows, the domestic regulators give the guidelines, but ultimately it is the banks across the entire chain that have to ensure those guidelines are followed.”

With every stakeholder aware of the requirements to build the infrastructure to move forward, regional associations of banks, plus the central banks, are already engaged in formal conversations as they plan the next steps, notes Bhatia. “Pilots help create the right environment for all to see how the mechanisms work in practice. They should reveal any additional challenges but also alert participants to the best way to scale up the solution.”

It’s encouraging that the entire ASEAN Plus Three economic community (13 countries in total) has been working towards the creation of a unified real-time payments market, similar to SEPA but without the single currency, says Bhatia. With the strategy to bring these markets and financial infrastructures closer together, the aim is connected independence. “The pursuit of a framework and a guiding philosophy is why we’re seeing a lot of traction for real-time in the Southeast Asian market. The willingness and encouragement from the respective governments is making it happen, and that’s making it easier to do business across the region.”

## Treasury reality

For a real-time environment to become an everyday reality for treasurers operating in APAC, “expect evolution because it’s not going to happen overnight”, cautions Thind. “There are certain

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use cases where it makes sense, and others where it does not. Regular scheduled payments such as payroll typically do not need to be executed in real time, especially where additional costs may be incurred by using real-time [systems].”

It’s true also that if the payee does not need a real-time payment, or is in no position to manage its receipt, then there is no reason to do so. What’s more, with most trade conducted on 30-, 60- or 90-day terms, paying as late as possible is just sound business practice.

One drawback for treasurers is that real-time systems typically have value ceilings below their usable threshold. While these are being reviewed on a country-by-country basis, Bhatia explains that in some markets in Asia, there are no limits from a clearing-house perspective but in reality, banks impose limits to mitigate their own liquidity risk. Additionally, where clearing processes are based on net end-of-day settlement, while intraday settlement for clients is guaranteed, this is not so for banks’ treasuries. Banks using this model may be less willing to increase their limits.

For corporates too, real-time payments carry a liquidity risk. “Because funds are transferred immediately, they may need to consider pre-funding these payments, or asking the bank to fund using an overdraft limit,” suggests Parvez. This, of course, adds cost.

From a technology perspective, Thind comments that real-time systems are introducing many new tools. These require thorough investigation. But with most banks now publishing APIs, at least connectivity between counterparties in the payments chain is being resolved at pace.

In a domestic real-time system, a payment travels from the payer’s bank to the clearing system, onwards to the beneficiary bank, and finally the beneficiary account. However, Thind warns, “there’s no point using real-time [processes] if the first leg, from the payer to its bank, is not also in real time”. APIs provide a real-time connection between the client (payer) system and their bank, but he says upgrading internal systems to this level is essential to derive the full benefit of real-time technology.

Corporate payment mechanisms do not function in isolation. Even traditional models require a supporting system capable of confirming and applying each payment to an Enterprise Resource Planning (ERP) or Treasury Management Systems (TMS). In a real-time environment, Thind points out that unless each component keeps pace, then the idea of real-time falls down. “It means taking a holistic view, then developing the entire end-to-end infrastructure and ecosystem to match the payments system.”

Concerns aside, APAC is moving closer to the ‘always on’ state. India, for example, has already implemented 24/7/365 Real Time Gross Settlement (RTGS) so that funding of settlements is never halted. As this practice evolves and expands, and stakeholders become more comfortable using the real-time ecosystem than their archaic physical cash and cheques, so limits will rise. This effect has been seen in the UK, where the limit has now reached £1m from a low start, with consumer adoption being followed by business acceptance, the latter influenced in part by the fact that a real-time payments system presents a useful additional option in certain circumstances.

### Partner power

The need to fully understand how the domestic and international real-time market is developing, from a regulatory, technological, and commercial perspective, places pressure on the corporate treasurer to make the right decisions on an ongoing basis, notes Parvez. Having a banking partner that can work with its clients to bring about the most appropriate response has distinct advantages, driven by real-world experience and knowledge.

“We explain to clients the market trends and nuances of real-time ecosystems, but the decision on how to proceed has to be theirs,” says Parvez. By weighing up the challenges and opportunities, and analysing the most fruitful outcomes of adoption versus other models, it will be possible to move into the real-time space. The decision to digitalise may have already been pushed up the agenda by fallout from the pandemic. The adoption of remote and automated operations, and e-commerce solutions in particular, have



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accelerated rapidly. For Bank of America, the aim is to continue supporting clients in the receipt and management of these payments flows.

The move by various APAC governments during the pandemic to allow the use of electronic payments for tax and other statutory payments – traditionally paper-based activities – effectively sanctioned other automated and digitised processes. Indeed, the realisation of these advantages has seen a far greater opening up to digitalisation in the wider landscape, says Bhatia.

With Bank of America's focus on promoting client API uptake, through its CashPro® API channel, it is enabling the connections essential to drive real-time payment optimisation, says Thind. The channel now even offers a developer portal where clients can view and work with the bank's published API specifications as they build interfaces with their own systems.

As part of its strategy to help create the supporting infrastructure for real-time payments, Thind says BofA also provides the Intelligent Receivables® tool to clients. This helps them reconcile incoming payments, using AI to analyse real-time receipt and application of funds, enabling rapid deployment. "We're ensuring clients need undertake only minimal development; it's about us doing all the hard work so they can connect systems to achieve all of the benefits."

### Cutting-edge concepts

With the real-time vision already evolving in a number of APAC markets, and the pandemic having forced the hand of many stakeholders, Parvez explains that clients, from SMEs to large corporates, have been expressing ever more interest. "I'm fully expecting more countries to start adopting real-time systems soon," he predicts. "Then I think we could see these systems supporting digital currencies, such as the proposed mCBDCs [multiple central bank digital currencies], for both domestic and cross-border flows." With pilot projects already under discussion, he believes this is closer to a reality than many may think.

Clearly, APAC is developing a healthy appetite for real-time transactions in the B2C and B2B space, comments Bhatia. This is enabling cutting-edge concepts such as alias-based payments to emerge as contenders in the payment-to-account space.

The alias-based model (also known as the proxy model) is typically mobile-based. It uses a unique identifier – an email or mobile number – that is registered with a payment processor and associated directly with the owner's bank account. This isolates the banking details from the payment but still allows the bank to undertake all the usual payment screening processes.

Payments can be sent to a bank account linked to the alias without the payer needing to know the payee's account number. Because the payment instruction is linked to the alias rather than the International Bank Account Number (IBAN) the alias



**Param Thind**  
Head of Digital Channels and Transformation, Asia Pacific, Global Transaction Services, Bank of America

owner can, in theory, easily change payment accounts. On the corporate side, it also means that if a customer or supplier using an alias switches payment account, the corporate has no need for any account maintenance in its ERP, TMS or other systems of record.

Examples of this already exist. Singapore's FAST-based PayNow can use an individual's mobile number or national identity card number as an alias, or use the Unique Entity Number (UEN) for corporates so the payer needs to hold no bank account details. A similar system is being used in India's Unified Payments Interface (UPI), Hong Kong's Fast Payment System, Indonesia's BI-Fast mechanism and other country real-time payment schemes as well.

### No looking back

According to the Deloitte 2020 report, 'The Next Wave Emerging digital life in South and Southeast Asia', Asia had four countries in the global top 10 for e-commerce retail volume: China (1st), Japan (4th), South Korea (5th) and India (8th), and four of the top 10 e-commerce growth rates: the Philippines (25%), Malaysia (23%), India (21%) and South Korea (19.5%).

The demonstrable compulsion for digital consumption in Asia is not lost on Thind. The move towards digital began its journey on the consumer and retail side, "but the consumerisation of wholesale payments is coming", he believes. "Treasurers are consumers too. They can see what's happening in their private lives, and now they are expecting the same experience professionally. Real-time is going to be the standard everyone is demanding."

Indeed, Thind concludes, as the space becomes ultracompetitive, with more entrants and new technologies vying for attention, so costs will fall and real-time becomes the norm. And with regulatory initiatives across APAC making good progress, he feels that even real-time cross-border – the current major pain point – will be resolved. "There's no looking back now. Real-time [as a process] is expanding rapidly, and will continue to do so."

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# Breaking New Ground Harnessing Payments Innovation in APAC



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**The pace of payments technology development across APAC is breathtaking. Treasury must understand the scale and significance of these changes to fully harness their benefits. In the company of Bank of America's Venkat ES, Head of Treasury Products, Asia Pacific, Global Transaction Services, and Serina Hourican, Head of Commercial Sales, Asia Pacific, Global Transaction Services, TMI maps out this rapidly evolving landscape.**

APAC is a complex region in that it is home to a wide range of distinct regulatory frameworks that shape the evolution of its payments and settlements mechanisms. Despite the complexity, it is also perhaps the fastest-evolving market when it comes to payments innovation. For treasurers who understand the balance between both, exciting opportunities for progress await.

Payments landscape diversity within APAC is hardly surprising given that it is a vast territory encompassing the sub-continent, north Asia, Southeast Asia, and Australasia. Delivery ranges from purely functional structures and processes where cash, cheque and paper-based clearing and settlement prevail, to the most advanced electronic landscapes in the world. However, Venkat notes that where adoption of the new is yet to take hold, there is increasing evidence that digitalisation is gaining ground rapidly.

By presenting every digital option, from consumer payments via QR codes on mobile devices, to real-time corporate treasury and wholesale settlements, to central bank digital currencies

(CBDCs) and crypto, APAC is heralding new opportunities for all stakeholders to finally abandon hard cash. As innovative options such as buy-now-pay-later come into play, so adoption rates are accelerating. Quoting Accenture payments trends research indicating that almost 50% of regional B2C merchants want electronic payments, Venkat describes the uptick in demand as a "regional revolution of payments".

The proliferation of smartphone adoption right across APAC set the scene for this, in a consumer context, some years ago. In north Asia, China is home to close on 1.2bn active devices. In South Asia, India has seen around 1bn connected devices pressed into action. In terms of wider payments solution progress, Australasia has already made rapid progress, and in Southeast Asia, the cluster of countries that includes Indonesia, Thailand, Malaysia, the Philippines, and the economic hub of Singapore, digital adoption has huge momentum, says Venkat.

"Today, we are at an inflexion point," he states. "The traditional economies and payments mechanisms are being replaced by some of the most advanced technologies. That means only one way to go: digital payments will drive the market even further forward."

With divergence a defining characteristic of APAC payments for some time, it may suggest there is a lot of catching up to do in some countries. However, Hourican is quick to overturn any pre-judgment as to what this may mean. Indeed, she

notes that certain APAC countries have leveraged their lack of legacy systems, processes, and technologies to effectively “leapfrog” some of the previously more advanced territories.

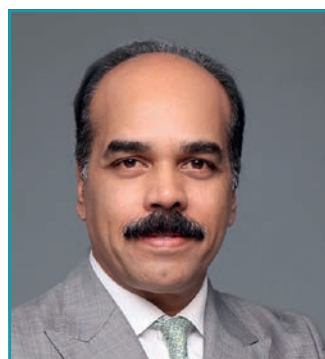
By cutting out the intermediate stages of development, Hourican says it has been possible to shift straight from cash and paper processing to the roll-out of the latest agile mobile and real-time solutions. She adds that while the pandemic has accelerated the digital programme in many other regions, some APAC countries had already been on this journey for some time, making their leapfrog action all the more noteworthy.

### Consumer first

As tools such as APIs, UPIs (India’s inter-bank Unified Payments Interface), Request to Pay (RtP), and the aforementioned QR code payments, drive uptake of real-time payments in APAC, the real focus of payments activity seems to be the consumer space.

Hourican notes that first steps in a new world are often taken by retail and consumer participants. But, she adds, often the progress made here seeps into the business and commercial banking sector. Treasurers can now use mobile banking access to check and make payments, for example. However, she says the consumer-first mantra is in part guided by domestic regulations and laws that seek to ensure consumer-derived systems are “fit-for-purpose” in the considerably more complex corporate context before allowing them to be rolled out, especially, she adds, around notions of security.

But the emergence of new technologies in the business world has a strong demographic element too, continues Hourican. “When retail systems that have been designed for ease-of-use and instant delivery have been accepted as the norm for consumers, it’s only logical that those consumers will start to expect the same levels of convenience in their professional lives,” she says. “It follows that as APAC currently has a deeply digital native populace, its business community should be ahead of the queue when it comes to transposing payments innovations into their commercial and B2B environments.”



**Venkat ES**  
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It’s observable too that consumer behaviour and opinion is a strong driver (perhaps the strongest) when it comes to changing the views and approach of the business world. As such, the evolution of the payments landscape in APAC into a more advanced yet user-friendly version of itself has an inevitability about it.

However, in the corporate treasury space, there are three prerequisites for efficient operation, says Venkat. He believes that the delivery of these is also beginning to have considerable influence over the uptake of payments innovations in the region.

First, information has to be deliverable in real time. New real-time payments systems and their supporting infrastructures are clearly enabling a real-time view of payments and liquidity positions. Second, a regulatory framework aimed at fostering digital disruption – including new infrastructures and channels – has to be in place to support corporate activities. APAC regulators are indeed developing the necessary infrastructures, the latest being the push in some jurisdictions, such as China, for CBDCs.

And third, proposed treasury solutions must meet real-world needs. Historically, treasurers have depended on the connectivity between their own core systems and those of their banks to manage payments. An ever more creative community of fintechs – many now partnering with banks and core system vendors – is offering plug-and-play API-based solutions, ensuring the B2B payments solutions palette is expanding considerably, based on treasury input.

### Pick of the new

Not every payments solution created will be adopted; it is a hard market to break into. But certain underlying technologies have proven to be more useful than others in facilitating payments progress. Top of the list is APIs, notes Venkat. “We’re already seeing open banking is a reality in EMEA, with the API mechanism being leveraged to develop many new use cases,” he says.

Believing that APIs are proving “transformational”, compared with host-to-host or standard online portal connectivity, Venkat sees the technology as the most significant driving force for real-time adoption. “Connectivity and transaction processing is simpler, and even if a solution is not immediately available in-house or from the bank, there is likely to be a plug-and-play fintech offering.”

Hourican concurs, noting that while there was a nervousness about API adoption and integration a few years ago, she says this has receded. “There’s now a realisation that the technology establishes an easy-to-set-up, two-way flow, rather than the traditional IT-intensive one-way data pull of host-to-host. This has seen APIs grow massively, with clients understanding that they can now obtain information in near real time, helping them make



rapid and informed decisions.” Coupled with real-time payments, she says the data flow creates a powerful response to treasury needs, from cash flow forecasting to investment decisions.

Another technology that is having an effect on real-time activity in APAC, albeit to a lesser degree than APIs, is blockchain. It’s used as an underlying security measure in certain transactions, but it’s not having the level of success that its preceding hype had suggested, notes Venkat. It has played an important role in helping to digitise trade documentation, as the technical basis of the smart contract, but in cross-border payments, the work of Ripple is a possible exception, its impact has been limited, he comments. The reason for this is the rapid emergence of SWIFT gpi as the favoured solution for tracking and tracing cross-border payments.

## Instant APAC

The idea that instant payments is a positive development is highlighted by how well Singapore has received and developed the concept, says Hourican. The possibility of sending and receiving Singapore dollar funds from one bank to another using a mobile number through PayNow, or paying via a QR code, shows clear thinking by the city-state’s banking authorities. But she says while these authorities, banks and fintechs are collaborating intelligently to develop instant payments for retail and corporate users at a domestic level in some APAC countries, cross-border deployment requires further detailed consideration across the region.

“Stakeholders in each jurisdiction have their own thoughts and objectives as to how they want instant payments to work,” she comments. “But that then creates a lack of uniformity across those countries, and we’re now finding

that cross-border interoperability is not yet practicable.” From an Asian perspective, she believes the expectation was that ASEAN [Association of Southeast Asian Nations] member states would lead the push for interoperability, but she feels this is yet to be pursued.

Although real-time cross-border payments remain “the final frontier”, Venkat notes progress, albeit bilateral. Singapore’s FAST (Fast And Secure Transfers) has linked with India’s UPI, and there are plans for FAST to connect to Thailand’s PromptPay. Malaysia’s DuitNow is also set to connect with Singapore’s PayNow, with a launch in Q4 2022. Plans to link APAC payments further afield, notably with the US-based privately owned Zelle platform, are also mooted.

## Why instant?

Discussions around instant payments often assume that its adoption is a given. But implementation in the corporate space still requires a robust reason, otherwise it has the appearance of a technology looking for problem. For this to happen, the idea has to keep evolving until it hits the corporate sweet spot, says Venkat.

Instant payments have always started with low-value transactions, with most representing C2B payments. As the use case develops, so companion technologies have emerged. One such product is the digital wallet, such as those offered by WeChat or Alipay in China. “These are now becoming a standard payment option for many merchants, and they are even being used cross-border,” says Venkat. “It places the digital wallet in a similar space to Visa and Mastercard, but the wallet also enables users to transact on their mobile devices and instantly see the transaction value in their home currency.”

## CHECKLIST: PREPARE TO LEVERAGE THE NEW PAYMENTS ENVIRONMENT



Bring all internal stakeholders on board as early as possible to begin discussing expectations and impact



Ensure existing systems are ready to receive and process out-of-hours payments



Ensure visibility of liquidity is sufficient to ensure cash availability for real-time payments



Discuss and plan mitigation of increased risk of cyber threats and fraud



Discuss core system connectivity with new real-time solutions from fintechs and banks



Map internal systems and processes across all impacted functions to ensure readiness to leverage real-time data



Consider how to incentivise clients to use the new real-time payment facility



Ensure the appropriate payment channels are offered to all customers

Venkat notes that India's UPI is now not only a real-time payments mechanism but also a tool facilitating settlement across digital wallets such as Paytm, the country's largest provider, and a flood of new providers from telcos and other non-banks that access the country's real-time rails.

These systems, alongside global mechanisms such as Apple Pay, add multiple options for consumers, says Venkat. "The next stage is to take it up a level, to provide that optionality in the B2B space." Currently, he sees most treasuries using real-time mechanisms for instant payments but believes that "it is only a matter of time before digital wallets are designed for the B2B space".

There is also the gathering momentum of CBDCs' development to consider. Venkat believes that their deployment first in the wholesale environment will facilitate a new means of making large-value settlements and transfers between banks and large financial institutions. Corporate level adoption will follow, he says.

To assist this order of progression, Venkat anticipates the push for multi-CBDCs (or m-CBDCs) to gain momentum too. This would see jointly operated central bank payments systems forming a single multicurrency platform, comprising several CBDCs. This would effectively offer corporates and other users an instant global payments system with central-bank level trust with commercial bank support. Should this happen, he sees it establishing a parallel to SWIFT as a global payments mechanism (although of course SWIFT is a messaging system and not a payments system per se).

### Advantage treasury

The treasury benefits of instant transactions are well documented: the cash is credited to the bank account almost without delay, which means cash flow is more visible and working capital management is optimised. "The immediacy and transparency of the mechanism means treasury teams can make better-informed decisions," comments Hourican. Of course, the corporate's customers can also benefit in cash flow terms if they know their payments will be processed immediately, not least in terms of potentially freeing up credit lines for additional purchases.

While enhanced payments visibility has indisputable benefits for treasury, taking this journey via instant payments requires the business to be fully committed to its execution, says Hourican. "It means ensuring you have consensus from all of the different internal stakeholder functions, including IT," she notes. The stakeholder list extends to ensuring clients of the business are ready and willing to pay via this mechanism too, she continues. "With some businesses still wedded to payments by cheque, it will mean finding appropriate incentives for them to switch to a digital route."



**Serina Hourican**  
Head of Commercial Sales, Asia Pacific, Global Transaction Services, Bank of America

For Venkat, the real benefit of real-time payments is on the receivables side, with the main advantage for large corporates found in their supply chains. He cites a number of real-world examples, including one involving the supply chain pyramid of a major global beverage company.

At the bottom end of the scale – among the many thousands of so-called 'mom and pop' shops – is a credit risk that can only be managed by the customer settling its outstanding invoices before the next stock consignment can be dispatched. This constrains the level of sales that these smaller businesses can make, especially where the processing of their payments falls foul of weekends or holidays.

Shift that scenario to instant payments, and Venkat says those smaller businesses can make payments 24/7/365 to ensure they receive delivery of their goods when they need it. "And for the corporate, this model means sharper credit risk management and stronger sales, which in turn drives profitability and improves liquidity." With appropriate modification, such as the application of robust cybersecurity processes – a matter to which the corporate banks will be attuned – he argues that this model can be extrapolated across entire sectors and industries.

Taking a slightly different angle, Hourican notes how over the past decade or so, treasuries have built strong reputations as service providers within their organisations. "Having access to enhanced cash flow data, aided by real-time payment processing, is helping other parts of the business see just how important the treasury function is," she says. For example, where M&A funding is often sourced by treasury from a syndicated loan or debt issuance, cash flow forecasting optimisation means excess cash can be used as an additional funding source.

With treasury being called upon earlier in the process to advise upon funding options, it's a clear demonstration that real-time payments systems and the host of new applications that support it, are helping cement the reputation of treasury as the driving force of progress.

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# In Safe Hands

## The Future of Liquidity Technology in APAC and Beyond



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**Dinesh Albuquerque**

Managing Director, Corporate Banking Subsidiaries, APAC, Bank of America



**Venkat ES**

Head of Treasury Product, Global Transaction Services, APAC, Bank of America



**Tom Alford**

Deputy Editor, TMI

**Liquidity remains top of the agenda for most treasurers in APAC. With the complexities and challenges of its markets vying for attention with its opportunities, Bank of America's Nirmal Khaderia, Head of Corporate Banking Subsidiaries, APAC, Venkat ES, Head of Treasury Product, GTS, APAC, and Dino Albuquerque, Managing Director, Corporate Banking Subsidiaries, APAC, showcase the bank's commitment to developing technology-powered solutions.**

There will not be a professional treasurer on the planet who does not understand the impact that technology can have on mounting a more robust response to changing market conditions, regulatory pressures and increasingly aggressive competition. Of course, not all will feel they are in a position to avail themselves of the best the bank, vendor and fintech community has to offer, yet the pressure to tackle one of the most pressing issues of the day, liquidity management, is notably driving the discussion up the agenda.

Across the world, the trading environment in the past few years has become so much less predictable. "Arguably we are in the early phase of a challenging cycle. At the hands of

the pandemic, geopolitical instabilities, supply-chain issues, and a massive spike in energy costs and commodity prices, the markets have become hair-trigger sensitive to change," notes Khaderia. "With inflation rising so interest rates begin to climb as central banks try to contain the pressure. It means the impact of volatility on just about every aspect of treasury activity, but especially liquidity management, is immense as they seek to navigate these troubled waters."

Khaderia continues: "Against this backdrop, the need for most corporates operating across APAC is to find greater visibility and control over their corporate cash as they navigate through multiple currencies and FX exposures, complex regulatory and tax considerations and time zones". He confirms that discussions and feedback from a number of Bank of America's multinational clients in the region repeatedly show that liquidity management in APAC is indeed one of the top challenges and priorities today.

"That lack of visibility can become a material issue for some," he says. "It quite often leads to trapped cash in APAC markets which clients cannot readily access for their ongoing



global usage. It also creates significant inefficiencies in both operational and strategic funds management.”

Tackling the problem may see some companies trying to consolidate their cash but a number of issues are being faced by those who take this path, notes Albuquerque. “Often these issues relate to navigating currency-specific restrictions and regulations in accessing and centralising liquidity across APAC markets,” he explains.

“Consolidating liquidity across APAC often means treasurers are having to navigate the multitude of tax, legal and accounting considerations that are applicable to each APAC market in which they operate,” says Albuquerque. This often gives rise to a further issue: the manual effort required to execute this process. “At its most basic level of impact, a complex business is likely to see day-to-day operational activities disrupted, but manual actions also raise the risk level, not just from keying errors but also from fraud.”

With all this in mind, the impact on day-to-day treasury decisions, and indeed on longer term corporate resilience and planning, is significant, says Khaderia. “It means treasurers are quite often keeping larger surplus balances in their operating entities than is required just to fund their flows. This naturally leads to costly cash inefficiencies.”

But the complexity in utilising internal funds across APAC markets also means some are compelled to borrow in certain markets even while having surplus funds in other markets, adds Albuquerque. “This ultimately impacts longer term corporate planning and resilience, since large pockets of internal liquidity are trapped in APAC markets and cannot be deployed in support of the overall corporate goals and strategy.”

### Foundations for success

Fortunately, there are options open to treasury to try to resolve these issues. Many can be addressed to a large extent by careful evaluation of the company’s priorities and operating model, suggests Khaderia. “On a practical, day-to-day level though, technology can be foundational



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“*The need for most corporates operating across APAC is to find greater visibility and control over their corporate cash as they navigate through multiple currencies and FX exposures, complex regulatory and tax considerations and time zones.*”

in addressing these issues. And we don’t even need to be looking at high-end or complex technologies here. Even a basic forecasting tool with the ability to fine-tune through back-testing can go a long way in establishing the fundamentals.”

The most important starting consideration in this context is visibility over data, says Venkat. This is where new and rapidly evolving technologies have an important role to play. These include APIs – which can offer real-time balance and transaction updates – as well as automated reconciliation solutions, and XML-based host-to-host liquidity reporting tools that offer automated updates to client TMS and ledgers.

“Once these foundational elements are established, a number of bespoke liquidity automations are available through highly customised parameters,” comments Venkat. “These can help treasurers navigate through the various cross-border complexities, and deliver consolidated liquidity solutions for the region.”

By bringing to market solutions such as its end-of-day (EOD) sweeping capabilities, and host-to-host liquidity reporting integration, Bank of America is focusing a lot of effort on developing the right structural offerings. These solutions take on even greater day-to-day usability when augmented by tools such as the bank’s new CashPro Assistant forecasting tool, and its mobile app with its 2-click maximum for most functionality.

Bank of America’s EOD sweeping capabilities will be available for use via the Singapore/London USD corridor by Q2 2023, with the bulk of the other markets in its APAC footprint expected online by the end of 2024. “Once live, this will provide clients with a true end-of-day cross-border physical sweep capability to consolidate funds between their USD accounts across different Bank of America branches,” explains Venkat.

“Our EOD sweep capabilities help clients overcome any time-zone related challenges. But they also ensure maximum consolidation of funds into a centralised location. It means true global zero-balancing sweeps while still meeting in-country operating requirements without incurring end-of-day overdrafts.” As a practical example, Venkat says EOD sweeping of USD from Singapore to UK, or vice-versa, can eliminate operational challenges in keeping sufficient funds to process payments during the day in either location.

Bank of America’s host-to-host liquidity reporting integration programme is also intended to push client usability to the next level, comments Venkat. “While it’s common for banks to integrate the account and transactional reporting through host-to-host XML formats, we have worked with clients to implement host-to-host integration in XML for relevant client liquidity reporting.”

This approach can, for example, include a client’s multi-currency notional pool in Hong Kong, and any related physical intra-day, end-of-day, and multi-bank sweeps. It marks the first host-to-host integration by Bank of America in APAC that fully automates liquidity structure reporting into the client’s TMS. In doing so, it enables full straight-through reconciliation using XML. In fact, host-to-host liquidity reporting in the latest formats, including XML, should help many treasuries further integrate automated TMS and ledger updates, including any inter-company positions and related transfer pricing and tax administration.

### **Usable, scalable, sustainable**

These new capabilities are acting as foundational constructs in establishing an efficient and automated liquidity management process for corporates operating in APAC, comments Khaderia. “By automating management of the regional complexities around legal, tax, accounting and time-zone considerations, solutions of this nature – and the thinking that brings them to market – is helping businesses build longer-term strength in treasury and the wider organisation.”

EOD sweep capabilities and host-to-host liquidity reporting integration in particular is set to enable Bank of America’s corporate clients to access their internal surplus funds in APAC which, as cited above as a potentially material issue, may otherwise be trapped and not available for corporate use. This goes some way to creating a more robust internal liquidity position for companies, and it contributes to long-term sustainable treasury management.

Indeed, the use of technology, especially for process automation, can deliver an efficient, consistent and sustainable administration experience across markets and currencies for liquidity management. Ultimately, it facilitates what Khaderia describes as “a scalable model that is capable of contributing to overall corporate resiliency and strength”.

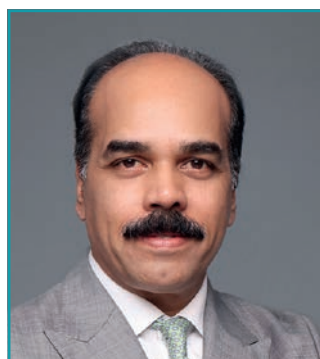
By purposefully incorporating the notion of ‘everyday usability’ into its liquidity product suite, Bank of America is also making a clear statement of intent to its APAC clients. “The basic tenets of our liquidity product suite – simplicity, consistency and scalability – are the same concepts we apply from the simplest to the most complex setups,” declares Albuquerque. “These are delivered in a sequence of logical, repeatable iterations. They are, by definition, intended to be practical, everyday solutions for our clients, providing seamless integration with their payables and receivables processes.”

Of course, Bank of America’s roadmap for the evolution of its liquidity suite is similarly grounded in simplified principles while leveraging the latest technologies as enablers, says Khaderia. “Whether it’s APIs, real-time liquidity or heuristic reconciliation solutions, our approach ensures that we are maintaining the practicality and everyday usability of our offerings.” Indeed, he adds, “treasurers are moving to consolidate, understand and optimise their cash positions in very testing times, with any significant easing of the rate-tightening cycle unlikely to be seen before 2024. It means that partnering with a bank focused on delivering the right technology but in parallel with locally placed and globally astute advisory and consulting teams, is the best way to ensure the everyday is manageable.”

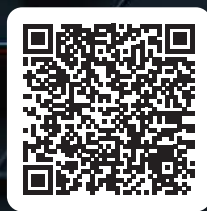
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