



Câmara
Interbancária
de Pagamentos

Financial Infrastructure Week 2011

Rio de Janeiro, March 15

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ISO/IEC 27001:2005
IS 96934

AGENDA

- CIP
- HIGH VALUE PAYMENT SYSTEM – SITRAF
- EVOLUTION
- SUMMARY



- Created in 2001, in the scope of the Brazilian Payment System Reform
- Non-profit organization
- Shareholders: 42 banks
- Responsible for:
 - HVPS – SITRAF
 - LVPS – SILOC
 - e-Invoice – DDA
 - Other collaborative services.



- 101 participants
- Hybrid System - CIP is not exposed to credit and liquidity risks
- Clears and settles $TED^1 \geq \text{BRL } 3,000.00$ (US\$ 1,805.92) in real time



¹ Transferências Eletrônicas de Disponíveis

² Fx rate US\$ 1.6612 (Feb 28, 2011 Ptax)

6:35am

Prefunding

→ Calculated based upon historical operation of each participant.

7:30 am

Clear and settle
payment
messages

→ Allow additional deposits at any time.

→ Allow withdrawals from 10 a.m. to 4h30 p.m.

5:00 pm

Complementary
cycle

→ Transfer participant balances to their reserve accounts at the Central Bank at 5 pm.

5:25 pm

SITRAF HYBRID SYSTEM



Payer



Beneficiary

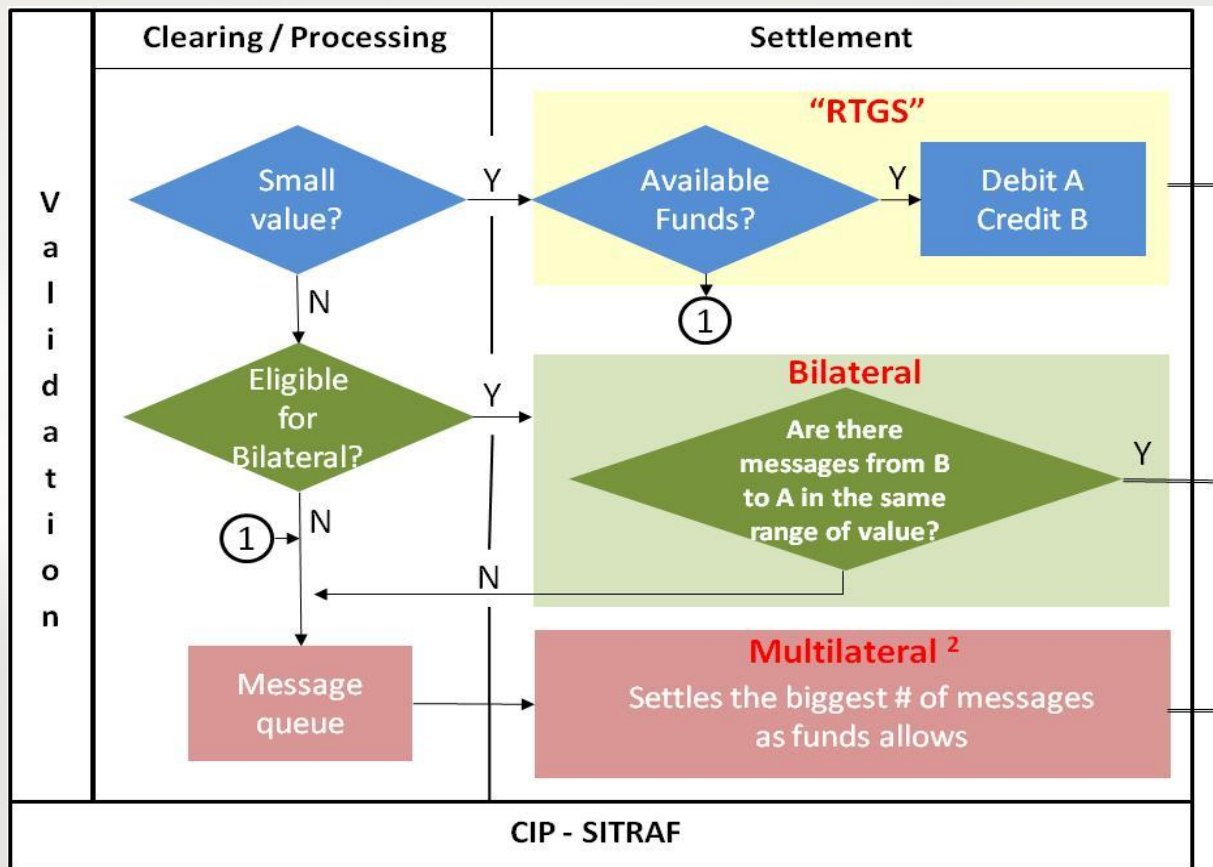
Payment Instruction

Credit advice



Bank A
Debit payer's
account

Payment
Message
(SPB¹ XML)



Bank B
Credit beneficiary's
account

(1) SPB – Brazilian Payment System

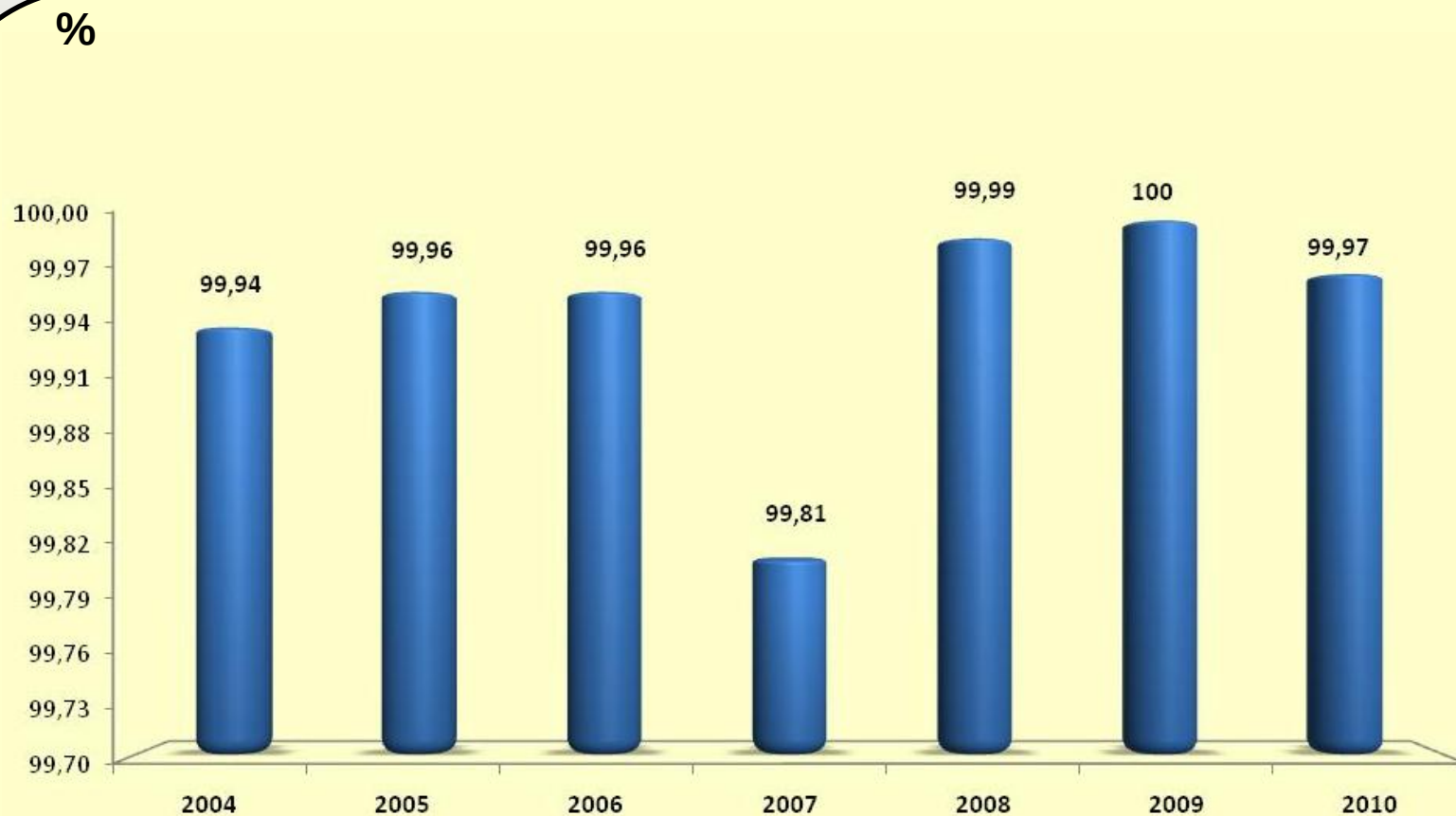
(2) Priority is quantity, not value

OPERATIONAL RISK IS MORE RELEVANT

- Contingency Plan
 - Extensively tested
 - People trained
 - Plan reviewed and updated
- Operational Risk Fund – BRL 8 million
- 5 independent audits conducted per year

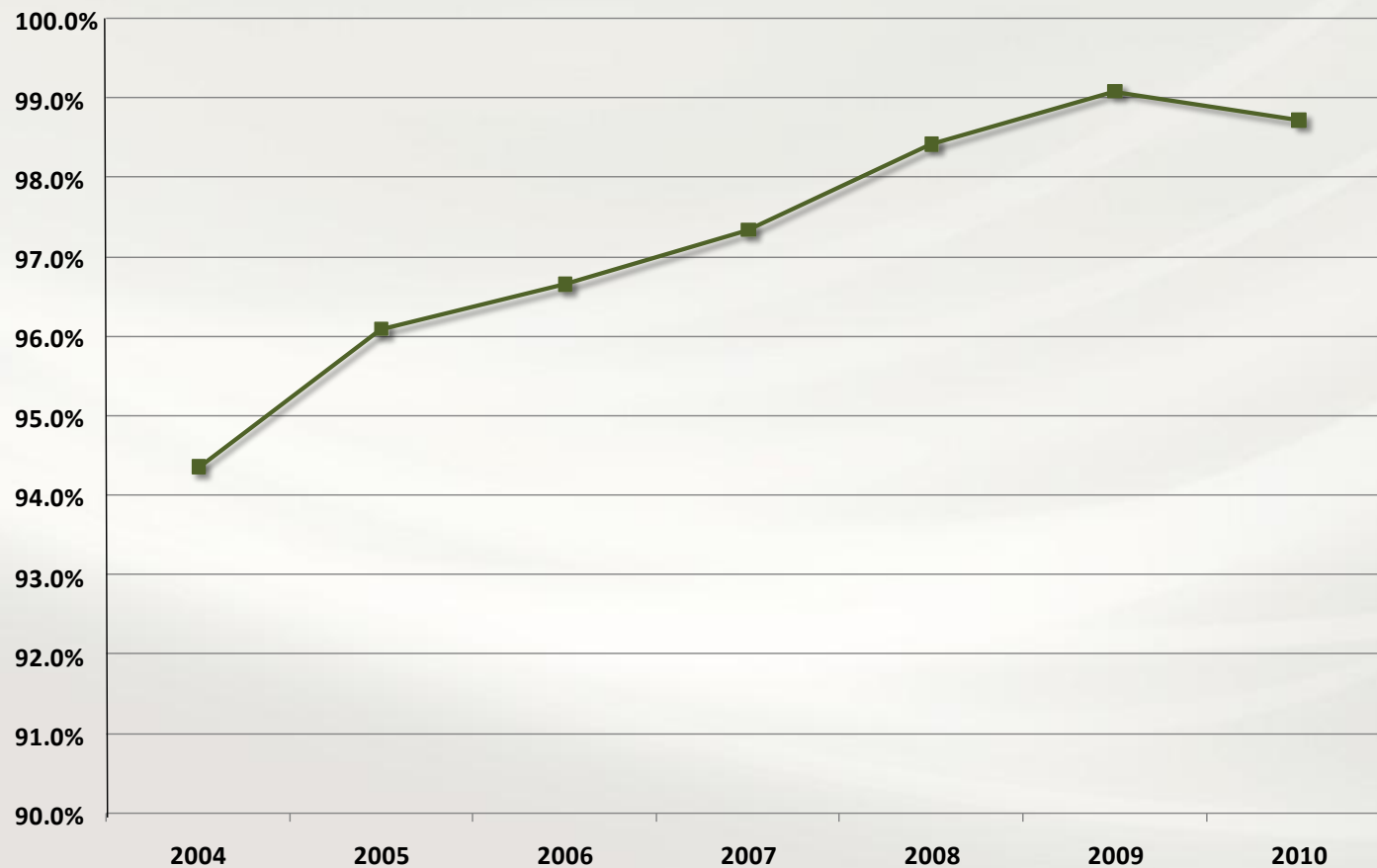


SITRAF AVAILABILITY



SITRAF RESPONSE TIME

Percentage of messages cleared and settled in less than 01 min – after 9h30 a.m.



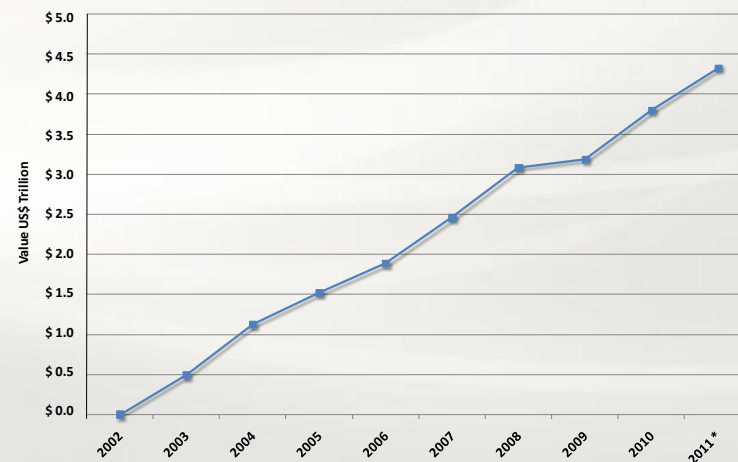
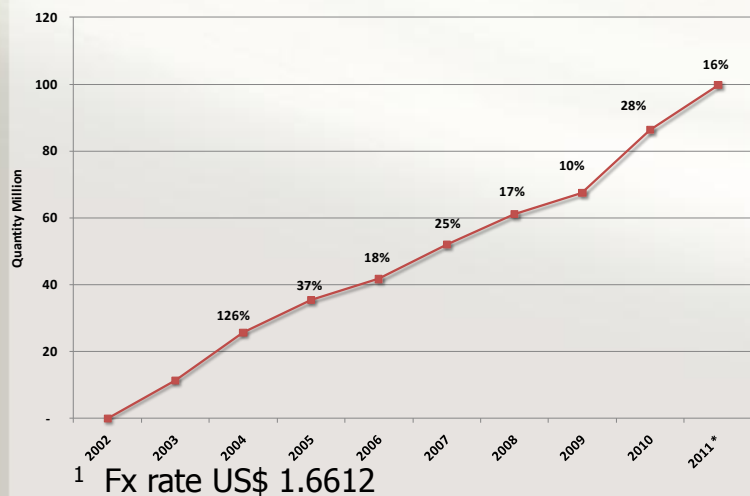
SITRAF

EFFICIENCY AND SAFETY

Março.2011

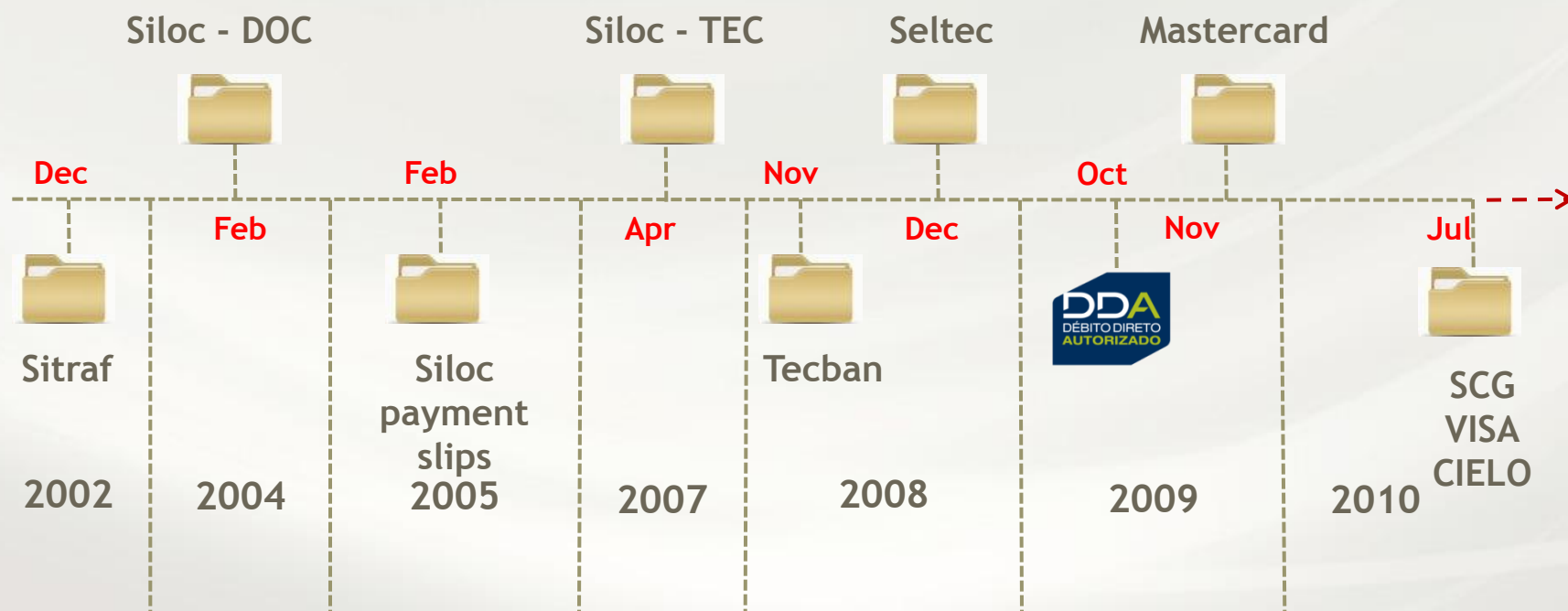
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- 92% CUSTOMER SATISFACTION
- ISO 27.001 CERTIFICATION
- 73% REDUCTION IN FEES, SINCE 2002
- 85 MILLION MESSAGES CLEARED AND SETTLED - US\$ 4.3 TRILLION¹



CIP

COLLABORATIVE INFRASTRUCTURE



SUMMARY

- BIS CORE PRINCIPLES USED AS A GUIDE IN SPB REFORM, IMPLEMENTED IN 2002
- SITRAF DESIGN WAS KEY TO ADRESS AND MITIGATE RISKS
- SITRAF WAS NOT IMPACTED BY THE WW CRISIS
- EFFICIENCY AND SAFETY ARE A PERCEIVED VALUE TO THE PARTICIPANTS, WHO RESPOND WITH INCREMENTAL BUSINESSES AND NEW DEMANDS TO THE MARKET INFRASTRUCTURE





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THANK YOU

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