

CASE STUDY



LexisNexis® Risk Solutions helps Minsheng Bank increase cross-border STP rate and strengthen the market competitiveness of its cross-border remittance products

Industry

Banking

Client

China Minsheng Banking Corporation Limited (China Minsheng Bank)



Solution

LexisNexis® Bankers Almanac®
Global Payments Resource

Key Results

- Strengthen product market competitiveness
- Improved Operational Efficiency
- Mitigated Operational Risk

Overview

China Minsheng Banking Corporation Limited (“China Minsheng Bank”, or “the Bank”) was formally established in Beijing on 12 January 1996. It is China’s first national joint-stock commercial bank initiated and founded mainly by non-state-owned enterprises (“NSOEs”). The Bank was listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange in 2000 and 2009, respectively. It has grown into a bank group providing commercial banking, financial leasing, fund management and global investment banking services. In the Top 1000 World Banks ranking released by The Banker in 2022, China Minsheng Bank was No.22. In the Fortune Global 500 published by Fortune in 2022, it stood at No. 273. In the Top 1000 World Banks ranking released by The Banker in 2022, CMBC was No.22. In the Fortune Global 500 published by Fortune in 2022, it stood at No. 273. Its total assets amounted to RMB 7.6 trillion and net assets exceeded RMB 620 billion at the end of the first quarter of 2023.

Minsheng Bank is deeply engaged in cross-border finance, providing a one-stop solution according to customers’ international business requirements, meeting customers’ financial needs in international settlement, capital appreciation, exchange rate hedging, trade financing, international credit and other aspects, and providing customers with comprehensive and customized cross-border financial services. In recent years, Minsheng Bank has continuously promoted the innovation of payment and settlement products in the field of cross-border remittance. In 2017, the “Minsheng Global Express GPI” cross-border remittance product was officially launched to provide customers with efficient remittance services globally, greatly improving customer remittance experience.

China Minsheng Bank’s challenge

In 2021, Minsheng Bank, in cooperation with SWIFT and USD corresponding banks, launched “Minsheng Global Express GPI - Full Payment Service”, which achieves “end-to-end” full payment, effectively solving the pain points of cross-border remittance in full payment for customers in the past decades, and is the first bank in the Asia Pacific region to launch the full payment function online.

In order to ensure customers’ demand for full payment, Minsheng Bank uses multiple types of clearing systems in the United States to execute payment instructions through cooperative account banks. However, in view of the special requirements of different clearing systems for clearing codes, Minsheng Bank and its customers are often unable to accurately retrieve and supply the clearing codes, which may result in the account bank being unable to accurately secure the remittance path, which poses a great challenge to the customer experience and promotion of Minsheng Bank’s full payment arrival products.



“LexisNexis® Bankers Almanac® Global Payments Resource solution has helped Minsheng Bank greatly improve the customer’s remittance experience and further enhanced the market competitiveness of Minsheng Global Express GPI - Full Payment Service. This year, the Bank will continue to broaden its Full Payment Service in Euro, Hong Kong dollar and British pound, striving to provide customers with better cross-border payment solutions.”

Solution

Minsheng Bank has chosen LexisNexis® Bankers Almanac® Global Payments Resource. The solution provides the latest financial institution data and payment routing information for more than twenty thousand financial institutions around the world, which helps to save the time of manual searching and reduces related costs caused by wrong payment information. LexisNexis® Bankers Almanac® Global Payments Resource online tool solution enables users to verify and supplement payment data to improve the accuracy of payment.

This solution helps Minsheng Bank solve the problem that the full amount remittance product cannot provide accurate clearing codes. Through the information such as the name and address of the receiving bank provided by the customer, Minsheng Bank can accurately find the corresponding clearing codes from various clearing systems through Global Payment Resource database. According to data statistics, from October 2021 to the end of 2021, Minsheng Bank only successfully handled dozens of businesses. Since early 2022, when the Global Payment Resource solution was used, the STP rate has been significantly improved, further strengthening the market competitiveness of the “Full Payment” product of Minsheng Bank. In addition, Minsheng Bank also verified the validity of the IBAN account provided by the remitter through Global Payment Resource database, ensuring better guarantee for the accuracy of cross-border remittance.



Key Results



Strengthen product market competitiveness

Payments are now being processed faster and more efficiently. Since early 2022, when the Global Payment Resource solution was used, the STP rate has been significantly improved, further strengthening the market competitiveness of the “Full Payment” product of Minsheng Bank.



Improved Operational Efficiency

LexisNexis® Bankers Almanac® Global Payments Resource solution provides the latest financial institution data and payment routing information for more than twenty thousand financial institutions around the world, which helps to save the time of manual searching and reduces the related costs caused by wrong payment information.



Mitigated Operational Risk

The implemented solution based on Bankers Almanac Global Payment Resource has significantly reduces the window for human errors when manually searching for information and reduces the related costs caused by wrong payment information.

For more information visit risk.lexisnexis.com/global/en/financial-services/payments-efficiency



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