

## **FSB Correspondent Banking Data Report**

**4 July 2017**

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## **Table of abbreviations**

AML/CFT: anti-money laundering/countering the financing of terrorism

CBR: Correspondent banking relationships

CDD: Customer Due Diligence

CPMI: Committee on Payments and Market Infrastructures

ECB: European Central Bank

EDD: Enhanced Due Diligence

FATF: Financial Action Task Force

FSB: Financial Stability Board

GBP: British pound

G-SIBs: Global Systemically Important Banks

IMF: International Monetary Fund

CBCG: Correspondent Banking Coordination Group (of the FSB)

EU: European Union

EUR: euro

FI: Financial Institution

FX: Foreign Exchange

GDP: Gross Domestic Product

KYC: Know Your Customer

ML/TF: money laundering/terrorist financing

MSB: Money Service Businesses

MT: Message Type

MTO: Money Transfer Operators

MVTS: Money or value transfer services

NGO: Non-Governmental Organisation

PEP: Politically Exposed Person

PSP: Payment Service Provider

RMA: Relationship Management Application

SAR: Special Administrative Region

SEPA: Single European Payment Area

SWIFT: Society for Worldwide Interbank Financial Telecommunication

TARGET: Trans-European Automated Real-time Gross Settlement Express Transfer System

UK: United Kingdom

US: United States

USD: United States dollar

# FSB Correspondent Banking Data Report

## Executive summary

While several definitions exist<sup>1</sup>, correspondent banking, as defined by the Committee on Payments and Market Infrastructures (CPMI), is “an arrangement under which one bank (correspondent) holds deposits owned by other banks (respondents) and provides payment and other services to those respondent banks”.

Correspondent banking relationships (CBRs) are essential to the proper functioning of the global economy. As part of its mandate of filling gaps in remaining knowledge on the decline in CBRs, its causes and effects, the Financial Stability Board’s Correspondent Banking Coordination Group (FSB-CBCG) conducted, through national authorities, a survey of 345 banks in 48 jurisdictions, including large correspondent banks processing the a substantial part of international customer payments and a sample of smaller banks, especially from jurisdictions that were affected by the decline.

In addition to the FSB-CBCG survey, the Society for Worldwide Interbank Financial Telecommunication (SWIFT) has also provided to the FSB, through the intermediation of the National Bank of Belgium (as overseer of SWIFT) and Deutsche Bundesbank (as Chair of the CPMI Working Group on Correspondent Banking), an update, as of end-2016, of the aggregated and anonymised dataset on correspondent banking activity that was provided to CPMI for its report on correspondent banking of July 2016. The data, which cover 6 years (2011–2016), contain sent and received volumes (which means the number of messages) and nominal values of payments and number of active correspondents<sup>2</sup> for each corridor (unidirectional country pair<sup>3</sup>).

## Decrease in correspondent banking relationships continues

According to SWIFT data, between beginning-2011 and end-2016, the number of active corridors<sup>4</sup> decreased by 6.3% and the number of active correspondents by 6% across all currencies. For both the US dollar (USD) and euro (EUR), the number of active correspondents decreased over that same period by around -15%. While these two currencies make up about a third of the number correspondent accounts, they represent the vast majority of the value of payments made through SWIFT messages (82% in December 2016), against 5% for the next

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<sup>1</sup> The definition from the CPMI quoted here is from CPMI glossary of terms used in payments and settlement systems. The definition from the ECB survey on correspondent banking is restricted to “payment services”, while the definition by the Wolfsberg Group, an industry body, involves a “current or other liability account, and related services”. The FATF defines correspondent banking broadly as the provision of banking services by one bank (the correspondent) to another bank (the respondent).

<sup>2</sup> The count of active correspondents measures, corridor by corridor, the number of banks that have sent or received messages through SWIFT. A bank active in several corridors is counted several times, therefore, a reduction in the number of active correspondent may be the result of the same number of banks being active in a smaller number of corridors. See sections 1.2 and 2.1 for further details, especially on the fact that correspondents active across several corridors banks may exchange messages without having an account relationships.

<sup>3</sup> Unidirectional means that country pair A to B, and country pair B to A are differentiated.

<sup>4</sup> An active corridor is a corridor with at least one transaction through SWIFT in either direction. See section 1.2 for further details.

most used currency, the British pound (GBP). The decline in the number of active correspondents for GBP is in line with the overall trend of -6%.

Over the 6-year period between 2011 and 2016, the number of active correspondents, as measured by SWIFT message traffic, follows a downward trend for most regions; whereas Africa experienced a slight increase between 2011 and 2014, after 2013–2014, all regions experienced a continuous decline. The most affected regions, in terms of the percentage change in the number of active correspondents are Eastern Europe (-16%), followed by Europe excluding Eastern Europe (-15%), Oceania (-12%), and the Americas excluding North America (-8%).

Both the FSB-CBCG survey and SWIFT data show that the decline in the number of CBRs continued in 2016. In 2016, all regions except Southern Asia<sup>5</sup> have seen a reduction in the average number of active correspondents across all currencies. The Caribbean and the small states of the Pacific (Melanesia, Micronesia and Polynesia) are the four sub-regions with the highest rates of declines, close or above 10% in 2016. The Pacific regions are already the ones with the smallest number of active correspondents and the decline in the number of relationships has therefore a greater impact, compared to Europe which experienced a high rate of decline, but remains the region with the highest number of CBRs. In addition, the lower number of CBRs in Europe reflects for a large part a lower number of banks as a result of the consolidation of the banking sector following the global financial crisis (for instance a reduction by 9.2% of the number of banks in the European Union (EU) between 2012 and 2015, according to the ECB), and the use of European-wide payment systems.

Providers of correspondent banking services are concentrated in North America, Europe and East Asia & Pacific. Other regions appear to be only marginal providers. Based on the CBCG survey, the provision of CBR by banks in East Asia & Pacific is continuing to grow at a modest pace, but correspondent banking services in this region are mostly in the domestic currency of the provider and these providers did not replace in any significant number the reduction in accounts in USD and EUR from North America and Europe.

### **Effects of the withdrawal: Lengthening of payment chains and increasing reliance on fewer correspondent banks**

An important objective of the FSB-CBCG survey was to identify potential vulnerabilities, notably where, as a result of the decline, countries or banks depend on a small number of correspondent banks for their access to the international financial system.

- At the country level, the average number of surveyed banks serving a country has declined by 9.6% to 16 banks from January 2011 to June 2016. 180 jurisdictions are served by at least 4 foreign correspondent banks that responded to the FSB-CBCG survey. For the 48 other jurisdictions, which have CBRs with 3 surveyed banks or fewer, additional research would be necessary to determine the extent to which these jurisdictions may be served by correspondent banks not covered by the FSB-CBCG survey, or may have access to domestic or regional payment systems.

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<sup>5</sup> Southern Asia according to the United Nations Statistics Division includes Afghanistan, Bangladesh, Bhutan, India, Iran, Maldives, Nepal, Pakistan and Sri Lanka.

- At the bank level, the FSB-CBCG survey shows that 45% of surveyed banks reported relying on two or fewer correspondents for more than 75% of the value of wire transfers sent or received as of June 2016; these were mostly small and medium banks in terms of their assets, and were more vulnerable to restrictions of CBRs. The proportion of surveyed banks that reported the same degree of reliance on two or fewer correspondent banks exceeds 50% in Latin America and the Caribbean. This dependence appears to be at least in part the result of more severe restrictions of CBRs experienced by those banks.

The reduction in the number of CBRs results in banks and countries relying on fewer service providers, generally Global Systemically Important Banks (G-SIBs). The survey shows as well that the number of terminated CBRs is higher than the net reduction of the number of CBRs, which might be because banks manage to replace parts of the relationships they lose. A high gross termination rate illustrates, however, the potential risks of relying on too few CBRs, when those are critical to the operations of a bank.

As previously noted by CPMI in their July 2016 report, at the global level, the decline in the number of active correspondents has not resulted in a lower number of payment messages (volume) or a lower underlying value of the messages processed through SWIFT. On the contrary, the number of payments has increased between 2011 and 2016 by 36%. This is not always true at the country level: between 2015 and 2016, 42 jurisdictions experienced both a reduction in the number of active correspondents and a reduction in the volume of both sent and received messages; 30 of them also saw a reduction in the average value sent and received.

In addition, the increase in the number of messages may not reflect an increase in the number of actual wire transfers between customers, but a lengthening of payment chains. As large clearing banks have reduced their correspondent banking network, the number of intermediaries needed to connect two banks may have increased, which would require a larger number of messages.

Available statistics do not allow for the identification of the messages that are part of the same chain of payments, and therefore the lengthening of payment chains cannot be measured accurately. However, several indicators support this hypothesis: the FSB-CBCG survey found that 25% of banks have reported changing their correspondent banking arrangements so that payments flow through different countries since 2011, which implies a lengthening of payments chain to reach the destination country. In addition, the lengthening of payment chains is consistent with the absence of a major increase in the value of payments at the global level, despite the significant increase in the number of payment messages (volume), because the FSB-CBCG survey shows that small and medium size banks are more affected by the loss of CBRs, and that these banks typically process individual payments of a smaller value. For instance, the average value of an individual transfer by a median small bank in the survey sample is 60 times less than for a median large bank (USD 42,400 against USD 2.4 million). Therefore, the rerouting of payments of smaller banks through longer chains of intermediaries will increase the global volume more than the global value of payments.

The FSB-CBCG survey did not examine in detail other consequences such as on trade finance or on end-customers, which are described by other surveys. Nevertheless, as regards customers that use higher risk products, or customers who themselves are considered higher risk, the FSB-CBCG survey shows that respondent banks reported terminating services to “most” Money

Transfer Operators (MTOs)<sup>6</sup> at least 70% more often than other types of higher risk clients, in line with other findings presented in the World Bank 2015 report on de-risking in the remittance market.

### **Drivers of withdrawal are intertwined and vary depending on size of economy**

The FSB-CBCG survey also examined the drivers of the reduction in the number of CBRs. On average small economies are the most affected by the reduction in the number of foreign correspondent banks serving banks in these countries. The 15 largest economies only saw a minor reduction of 3% in the number of surveyed banks that offer correspondent banking services to banks in those jurisdictions, against a decline of 29% for the 55 economies with a GDP of less than USD 10 billion. As a result, these 55 small economies were on average served by only 4 banks in the FSB-CBCG survey sample. This may suggest that the absence of a sufficient volume of business may deter correspondent banks, given the fixed costs associated with opening and maintaining a relationship.

The level of compliance with FATF standards in a given jurisdiction, or the absence of information on such compliance, appears to also have an impact on the average proportion of correspondent banks that exited that jurisdiction between January 2011 and June 2016 (hereafter “exit rate”). The two jurisdictions (Afghanistan and Cambodia) that were publicly identified by the FATF as of February 2014 as having made insufficient progress in addressing deficiencies in their anti-money laundering/countering the financing of terrorism (AML/CFT) framework experienced on average, according to the FSB-CBCG survey, an exit rate of 40%<sup>7</sup>, similar to the average exit rate of the 20 jurisdictions that had never been assessed by FATF for compliance with FATF standards as of February 2017 (43%). The banks in the two jurisdictions (North Korea and Iran) facing a call for action lost 79% of their correspondent banks from the survey sample, again over the same time period between January 2011 and June 2016.

The 20 jurisdictions that were simply under monitoring by FATF in 2011 were less affected than the world’s average (-12% against -18%), and those under monitoring in 2014 have the same exit rate as the world’s average: this could suggest that when deficiencies are addressed in a timely manner<sup>8</sup>, they do not have a lasting impact on the jurisdiction’s banks access to the international financial system.

The FSB-CBCG survey also asked banks to quantify the number of exits that could be attributed to different drivers. The different drivers are generally intertwined, and a combination of causes may explain the termination of the same CBR. This being said, business reasons not directly related to the costs of the terminated CBR (such as changes to the business model or business strategy, the termination of dormant relationships or industry consolidation) are the primary drivers cited by both correspondent and respondent banks. The lack of profitability, the overall risk appetite, and various drivers related to AML/CFT or sanctions compliance are mentioned

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<sup>6</sup> While the CBCG survey uses the term *MTOs* in the questions, the FATF uses a different term to qualify the services offered by such providers and defines *Money or value transfer services* (or *MVTS*) as “financial services that involve the acceptance of cash, cheques, other monetary instruments or other stores of value and the payment of a corresponding sum in cash or other form to a beneficiary by means of a communication, message, transfer, or through a clearing network to which the MVTS provider belongs” (Glossary of the FATF Recommendations). These include the services of MTOs and Money Service Businesses (MSBs).

<sup>7</sup> -57% for Afghanistan and -23% for Cambodia,

<sup>8</sup> This is assumed for countries that exited monitoring without entering the categories described in the preceding paragraph.

equally frequently by correspondent banks. Respondents cite AML/CFT related drivers less frequently than correspondents. Small respondents tend to be more affected by terminations of CBRs due to profitability reasons, and in their case dormant CBRs are less frequently cited.

### **Responses to the withdrawal predominantly oriented to address AML/CFT concerns**

Regarding how authorities have addressed the decline in correspondent banking, the FSB-CBCG survey shows that measures taken are predominantly oriented to address AML/CFT concerns, mainly by implementing or enhancing their AML/CFT legal framework, harmonizing the domestic regulation with international standards and recommendations, as well as making information requirements more stringent.

This report shows that the decline of CBRs is a global phenomenon, even though it affects regions with varying intensity. This general trend increases concentration in the correspondent banking market, which may be a natural response to the profitability issue and may also facilitate the monitoring of CBRs. However, this concentration could lead to structural instabilities in the payment traffic of affected jurisdictions, which is why the FSB-CBCG is further addressing the issue.

Alongside this data report, the FSB is also publishing the progress report of the CBCG<sup>9</sup>. The implementation of the FSB action plan to assess and address the decline in correspondent banking is making good progress, in particular in supporting clarifying regulatory expectations, improving domestic capacity building in jurisdictions affected by restrictions to CBRs and terminations, as well as strengthening the tools for due diligence. While it is too early to assess the effects of these measures, it is crucial to continue to monitor the trends of the correspondent banking sector. To this effect the FSB will publish in late 2017 a complement to this report, to deepen the analysis of the responses provided to the CBCG survey presented in this report, especially from the perspective of respondent banks, and to update the analysis of the SWIFT data set (data as per end of June 2017). The FSB-CBCG will continue to explore ways to provide to policy makers, and if possible the general public, relevant information from the SWIFT and FSB-CBCG survey data sets, to better understand how the decline in CBRs affects individual countries, subject to confidentiality constraints.

## **1. Introduction**

A decline in the number of CBRs is a source of concern for the international community because, in affected jurisdictions, it may affect a jurisdiction's ability to send and receive international payments, or drive some payment flows into the unregulated sector, with potential consequences on international trade, growth, financial inclusion, as well as the stability and integrity of the financial system. Data is essential to shape and target policy responses effectively and adequately prioritise technical assistance; to that end, the Financial Stability Board's Correspondent Banking Coordination Group (FSB-CBCG) received a mandate to identify and address the remaining knowledge gaps about the decline in correspondent banking, its causes and its effects as well as to update the available data and analysis on the topic.<sup>10</sup>

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<sup>9</sup> [LINK]

<sup>10</sup> The FSB action plan to assess and address the decline in correspondent banking was published in November 2015 (<http://www.fsb.org/wp-content/uploads/Correspondent-banking-report-to-G20-Summit.pdf>).

In response to this mandate, the FSB-CBCG reviewed existing analyses, surveys, and data, and identified empirical questions to serve as an organizing principle, particularly with respect to filling knowledge gaps. To shed light on some of the questions that could not be answered with available information, the FSB-CBCG designed a survey template that was implemented by domestic authorities and banks in their jurisdictions on a voluntary basis.

In addition to the FSB-CBCG survey, SWIFT has also provided to the FSB, through the intermediation of the National Bank of Belgium and Deutsche Bundesbank, an update, as of end-2016, of the aggregated and anonymised dataset on correspondent banking activity that was provided to CPMI for its report of July 2016.

These two sources of data are described in more detail below and complemented as necessary by other available data to generate an overview of evolutions affecting correspondent banking, including remaining limitations in knowledge and possible ways to address them.

### 1.1 FSB-CBCG survey methodology

The FSB-CBCG survey consisted of three parts: 1) a brief section for authorities regarding the size of their banking sector and regulatory environment, 2) questions for banks on their arrangements as clients and providers of correspondent banking services, including restrictions or terminations, and 3) a quantitative section for banks to provide monthly values and volumes of cross-border payments sent and received.

The survey conducted by the FSB-CBCG involved in total 50 jurisdictions. Two jurisdictions provided only general information or responses to the first part of the survey concerning authorities and are not covered here.<sup>11</sup> Forty-eight jurisdictions provided responses also to the other parts of the survey, two of these jurisdictions provided aggregate responses, which were considered in those sections where the characteristics of the data allowed for it.

The country sample sought to achieve the following objectives:

- Include countries with large providers of correspondent banking services, as well as jurisdictions that reported or were likely to experience a decline in correspondent banking, based on the World Bank 2015 survey *Withdrawal from Correspondent Banking: Where, Why, and What to Do About it*, on IMF surveillance and on Table 1 of the CPMI report on Correspondent banking of July 2016. As a result banks in the sample cover a large part of the correspondent banking market: to give an order of magnitude, 57 banks in the sample taken together sent over 17 million of MT 103 messages in June 2016, which means 40% of the SWIFT messages of that category in that month.
- Geographic diversity, Europe tends to be overrepresented in the sample as shown in **Table 1** but this is consistent with the large correspondent banking activity in Europe as shown by SWIFT data.
- The sample includes 13 large economies (>USD 1,000 billion, current 2015 Gross Domestic Product - GDP), 19 medium ones, and 16 small economies (<USD 100 billion, current 2015 GDP).

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<sup>11</sup> Guatemala and Poland.

**Table 1 - Countries of banks participating in the FSB-CBCG survey, classified by region<sup>12</sup>**

<b>East Asia and Pacific (7 out of 38 countries in the region):</b> Australia, Hong Kong SAR, Indonesia, Japan, Philippines, Samoa, Singapore
<b>Europe and Central Asia (19 out of 58):</b> Albania, Bosnia and Herzegovina (both BiH Federation and Republica Srpska) <sup>13</sup> , Finland, France, Germany, Iceland, Ireland, Italy, Latvia, Lithuania, Netherlands, Portugal, Russian Federation, Spain, Sweden, Switzerland, Turkey, United Kingdom, Uzbekistan
<b>Latin America and the Caribbean (8 out of 42):</b> Argentina, the Bahamas, Barbados, Brazil, British Virgin Islands, Colombia, Mexico, Peru
<b>Middle East and North Africa (5 out of 21):</b> Jordan, Kuwait, Morocco, Qatar, West Bank & Gaza
<b>North America (3 out of 3):</b> Bermuda, Canada, United States (US)
<b>South Asia (2 out of 8):</b> India, Pakistan
<b>Sub-Saharan Africa (3 out of 48):</b> Ghana, Mauritius, South Africa

Concerning the bank sample within each country, authorities were invited to include all G-SIBs that are headquartered in their jurisdictions, as well as other major providers of correspondent banking services, as well as, for emerging markets and developing economies, include a representative sample of banks in their jurisdictions (where possible at least six banks).

In at least 30 out of the 48 jurisdictions that provided bank level responses, reporting banks represent more than 50% of the assets of their domestic banking system, as shown in **Graph 1**. Note that, in general, market share as measured by assets may not correspond to market share by correspondent banking activity. For instance, only 33 of Mexico's 53 banks have correspondent banking activity, and in Italy or the UK, the surveyed banks cover a larger part of the correspondent banking market than what the proportion of their assets in the banking sector would suggest. However, the analysis may be less representative for countries with a lesser coverage of their banking sector.

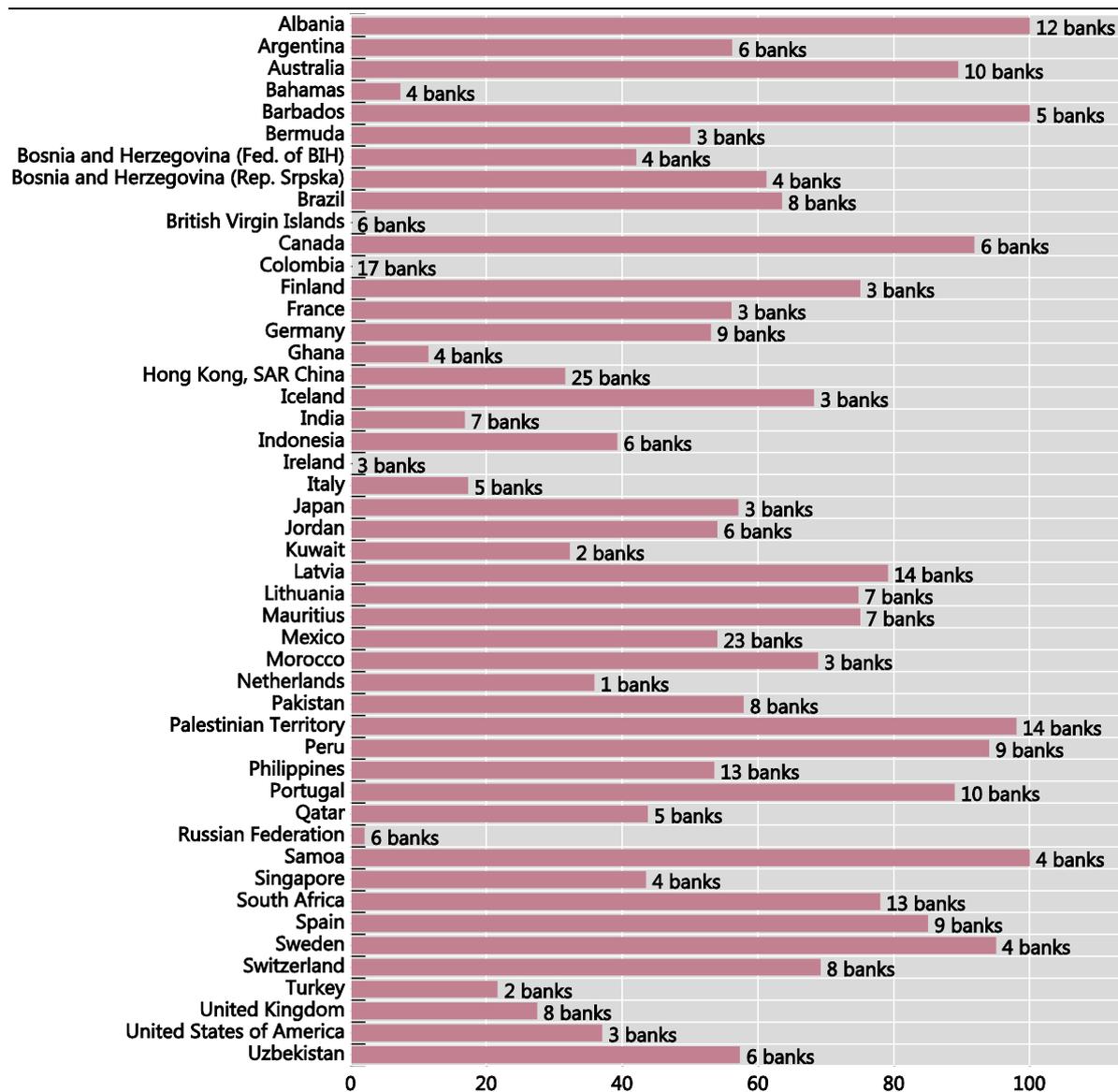
<sup>12</sup> Countries have been divided into regions according to the World Bank analytical grouping classification, which can be found at: <http://data.worldbank.org/products/wdi-maps>. Countries from which responses were received are listed; note that some banks' responses may include information regarding branches and subsidiaries of foreign banks.

<sup>13</sup> BiH Federation and Republica Srpska reported separately and are both included in the count of 48 jurisdictions.

## Banking sector coverage<sup>1</sup>

In per cent

Graph 1



<sup>1</sup> Participation as percentage of banking sector assets and number of reported banks. Percentage of banking sector assets was not provided for Ireland and British Virgin Islands. **Reading:** in Albania, twelve banks participated in the survey and their assets cover 100% of the Albanian banking sector. Source: FSB-CBCG Survey.

For 46 of the 48 surveyed jurisdictions, the FSB-CBCG collected, through local competent authorities, anonymised individual responses from 334 banks:<sup>14</sup> 139 reported only as respondent banks, 22 reported only as correspondent banks, 129 banks reported as both a respondent and correspondent, and 44 banks could not be identified as either since the reported information was not sufficient to determine their role.<sup>15</sup>

<sup>14</sup> Only responses received before May 3rd, 2016 were taken into account for the present analysis. This number excludes Swiss and US banks.

<sup>15</sup> Based on the response to the question on the overview of accounts. Some of the banks that did not respond to this question may still have responded to other questions as respondents, correspondents or both.

Two other jurisdictions, the US and Switzerland, provided aggregated bank level data. First, the US, a highly significant jurisdiction on the correspondent side, has provided aggregate and limited responses rather than individual anonymised responses, due to legal impediments. These responses lack the granularity necessary for comparing them to responses from other countries, and could not be included in much of the analysis for these reasons, which affected the sample's representativeness.

Secondly, Switzerland, another significant jurisdiction on the correspondent side of the market, provided aggregate responses along with distributional information regarding eight surveyed banks. Though the responses were complete, aggregation prevented individual bank characteristics to be associated with the reported information; for this reason responses could only be incorporated in those results where the characteristics of the data allowed for it.

More generally concerning the entire sample, the number of bank responses varied depending on the question. Therefore, the number of responses that could be used is noted throughout the report. In particular, in part III of the survey, the FSB-CBCG sought to collect monthly transaction data by corridor and currency, which represented a significant effort for surveyed banks: only 138 banks were able to provide data covering at least 5 years with the requested granularity. 82 banks provided responses with the requested granularity, but for a shorter time span. Finally, 69 banks provided data in a more aggregated manner, which reduced the scope of the analysis, and 44 banks did not respond to that part of the survey. For these reasons, transactions data is not analysed in detail in this report, but the FSB-CBCG will continue to work on this data, particularly for those jurisdictions that reported high-quality information with good coverage, for instance to inform the development of ongoing monitoring mechanisms of correspondent banking.

Furthermore, surveyed banks in the FSB-CBCG survey were classified into three groups based on their reported asset size, described in **Table 2**. Banks were classified by asset size using a statistical algorithm which defined groups of similar banks.<sup>16</sup> As a result of this procedure, 96 banks were classified as small, 153 as medium, and 71 as large (the remaining banks were not classified since they did not report their assets). The reason behind classifying banks on a global level as opposed to a jurisdictional level is that it is possible that banks which are large at a global level are less likely to be affected by relationship terminations even if they are relatively small in a given jurisdiction because of fixed costs and absolute levels of profit. This definition of size is used throughout the report.

**Table 2** below describes distributional information regarding the number of currencies, number of corridors, volume and value operated by the surveyed banks, sorted by their asset size classification. The table should be read as follows: one quarter of the 35 small banks that participated in the survey<sup>17</sup> (defined as those with an asset size of less than 1.7 billion) process wire transfers in only 3 currencies or less, in 3 corridors or less, with a yearly average of less than 1,800 transfers received, for a total value of less than USD 280 million.

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<sup>16</sup> The algorithm optimizes the boundaries of each group such that the banks in each group are statistically nearest each other in terms of their asset size. Specifically, the procedure follows a k-means clustering algorithm over the natural logarithm of the reported financial assets of banks, and minimizes its within-group sum of squares.

<sup>17</sup> This subset of banks only includes those which provided sufficient information.

**Table 2. Descriptive statistics of surveyed banks by their reported asset size<sup>a</sup>**

		<b>Small</b>	<b>Medium</b>	<b>Large</b>
Asset size (USD billions)		a.s. < 1.7	1.7 < a.s. < 50.8	a.s > 50.8
Aggregate number of currencies	25th percentile	3	6	18
	50th percentile	7	13	32
	75th percentile	17	18	38
Number of currencies sent	25th percentile	3	6	18
	50th percentile	7	12	28
	75th percentile	14	17	38
Number of currencies received	25th percentile	3	5	16
	50th percentile	6	11	28
	75th percentile	14	16	34
Aggregate number of corridors	25th percentile	3	6	71
	50th percentile	21	32	135
	75th percentile	106	67	170
Number of corridors sent	25th percentile	3	6	49
	50th percentile	20	20	133
	75th percentile	77	54	168
Number of corridors received	25th percentile	3	6	63
	50th percentile	11	27	87
	75th percentile	62	48	141
Volume sent (thousand transfers)	25th percentile	1.97	15.53	281.35
	50th percentile	28.06	63.13	743.85
	75th percentile	74.73	245.76	2,377.47
Volume received (thousand transfers)	25th percentile	1.80	10.35	325.55
	50th percentile	23.49	61.10	945.01
	75th percentile	89.37	270.62	4,017.12
Value sent (USD billions)	25th percentile	0.32	3.28	135.00
	50th percentile	1.19	25.90	1,890.00
	75th percentile	9.16	153.00	5,600.00
Value received (USD billions)	25th percentile	0.28	3.24	68.50
	50th percentile	1.50	15.80	1,130.00
	75th percentile	13.20	129.00	7,470.00

<sup>a</sup> Figures reported regarding number of corridors and currencies are based on transactional data from 2016. Value and volume figures are totals from June 2015 to June 2016. Information assessed from 123 banks that provided the necessary information: 35 small banks, 72 medium banks and 16 large banks.

Source: FSB-CBCG Survey (2017)

The median number of currencies transferred, either sent or received, has a positive correlation with bank size, i.e. large banks transferred funds in more currencies than small and medium banks. This behaviour also holds for the median number of corridors, for transactions sent and received. In terms of median volume operated, sent and received, small banks represent approximately 40% of the medium banks' volume, whereas compared to large banks, small banks barely represent 3 to 4% of large banks' operation. Regarding volume sent or received, small and medium banks are closer to each other than to large banks, which significantly

process more volume. On the other hand, in terms of value transferred, the difference between groups is wider. Small banks represent 5% of the value sent and one percent of the value received by medium banks. These figures significantly decrease when compared to large banks, to 0.06% for value sent, and 0.13% for value received.

## 1.2 SWIFT Data<sup>18</sup>

As noted in the introduction, SWIFT provided for the purposes of this report an anonymised and aggregated data set similar to the one analysed by CPMI in its July 2016 report, covering an additional year of data (i.e. now covering 2011 to 2016):

- The data set includes message types MT 103 (single customer credit transfers, by which a financial institution instructs another financial institution to transfer fund for the benefit of a single customer) and MT 202 (general financial institution transfers, used to request the movement of funds between financial institutions not related to an underlying customer credit transfer<sup>19</sup>), as well as subtypes.
- The data contain sent and received volumes (referring to the number of messages) and nominal values for corridors (unidirectional country pair<sup>20</sup>), as well as data on the number of active correspondents in each corridor.
- The data also contain the currencies, volumes and nominal values per message type for each corridor.

This data complements with a worldwide view the FSB-CBCG survey findings, which are more detailed, but on a more limited country sample. Indeed, the SWIFT data set comprises more than 200 countries and territories. As SWIFT is the most commonly used messaging standard for cross-border payments, SWIFT captures a meaningful amount of correspondent banking activity and the data deliver an accurate picture of the actual payment traffic between jurisdictions.

However, the following factors should be underlined:

- Financial institutions have multiple means to exchange information about their financial transactions. For instance, transfers between the offices of the same bank or banking group in different countries may use other messaging systems specific to the bank or banking group. Therefore, SWIFT statistics on financial flows do not represent complete market or industry statistics.

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<sup>18</sup> Data relating to SWIFT messaging flows is published with permission of S.W.I.F.T. SCRL. SWIFT © 2017. All rights reserved. Because financial institutions have multiple means to exchange information about their financial transactions, SWIFT message flows do not represent complete market or industry statistics. SWIFT disclaims all liability for any decisions based, in full or in part, on SWIFT statistics, and for their consequences. Analysis of SWIFT statistics were prepared by staff of the National Bank of Belgium. The findings, interpretations, and conclusions expressed in this work do not necessarily reflect the views of the National Bank of Belgium. The National Bank of Belgium does not guarantee the accuracy of the data included in this work. Significant input has been provided by Deutsche Bundesbank (which led the CPMI analysis of SWIFT data and chairs the CPMI Working Group on Correspondent Banking) and the Bank of Mexico (which chairs the CBCG Workstream on Data Collection and Analysis).

<sup>19</sup> Transfers related to an underlying customer credit transfer using the cover method should use the MT 202 COV message type, which were not included in the data set to avoid double counting with MT 103, given that an MT 103 is sent directly to the financial institution of the final recipient of funds when the cover method is used.

<sup>20</sup> Unidirectional means that country pair A to B, and country pair B to A are differentiated.

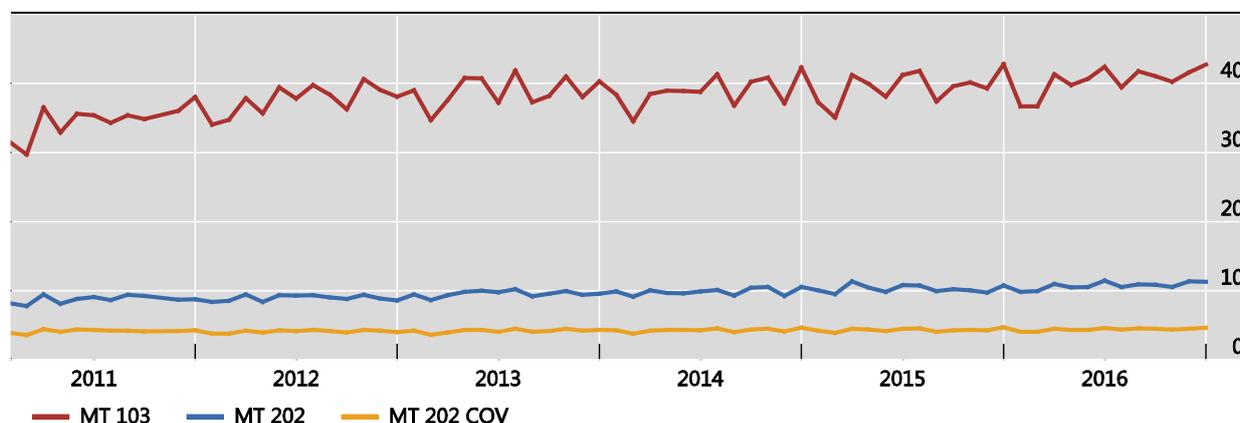
- For confidentiality reasons, underlying data for corridors with fewer than four transactions or four correspondents were not included in the data set provided by SWIFT. However, this restriction, which only applies at corridor level for the data of that corridor, mainly impacts the availability of the cumulative value of transactions (when there are fewer than four transactions), not the information whether a corridor is active or not. Therefore, an active corridor is a corridor with at least one transaction in either direction (for the relevant month, currency or message type).
- The nominal values of the transfers have been converted to US dollars using daily exchange rates. This means that changes in the value may partially reflect changes in the exchange rate.
- The data do not differentiate payments cleared via correspondent banking arrangements from those sent via transnational financial market infrastructures, such as TARGET2 in Europe.
- While a payment message generally reflects the existence of an account relationship between the banks sending and receiving the message for correspondent banking transactions using the serial method<sup>21</sup>, this is not the case when the cover method is used. In the cover method, a bank exchanges MT 103 with banks with which it has no account relationships, and therefore a count of “correspondents” based on the analysis of messages may be higher than when measured by the number of accounts. However, the use of the cover method, evidenced by the number of MT 202 COV messages (**Graph 2**), appears stable over the period, at least at the global level.

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### Monthly transaction volume by message type

In millions

Graph 2



Sources: SWIFT Watch; National Bank of Belgium.

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<sup>21</sup> As explained in the CPMI report on Correspondent Banking of July 2016, in the serial method, “the payment information and the settlement instruction travel together in the MT 103 message and there exists a direct account relationship between each connected pair of banks in the payment chain” (when not considering the use of payment systems), whereas “the cover method decouples the settlement from the payment information. The MT 103 with the payment information is sent directly through the SWIFT network from the originating bank to the receiving bank, whereas the settlement instruction (the cover payment) is sent via intermediary banks through the path of direct correspondent banking relationships.” (p. 34).

## 2. Scale of the withdrawal from correspondent banking

This section assesses evolutions in correspondent banking at the global and regional levels, based on SWIFT data and data from the FSB-CBCG survey. In line with previous surveys, a significant reduction in the number of CBRs can be observed for certain regions, although the extent of the reduction varies significantly within regions.

### 2.1 SWIFT data

SWIFT data (**Graph 3**) shows that the decline in the number of active corridors and active correspondents continued in 2016, based on monthly data. As noted above, an active corridor is defined as a country pair that processed at least one transaction.

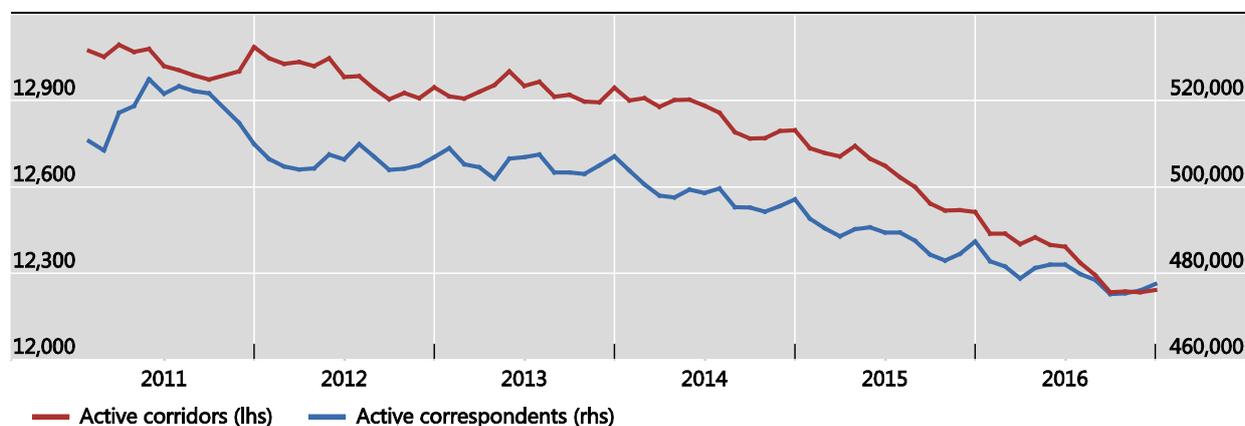
The count of active correspondents measures, corridor by corridor, the number of banks that have sent or received messages. As a result, correspondents active in more than one corridor are counted several times. This explains the count of 470,000 active correspondents at end-2016 in **Graph 3**, whereas there are approximately 11,000 banks connected to SWIFT.<sup>22</sup>

There is a clear downward trend in both the number of active corridors and the number of active correspondents per month from 2011 to 2016, though more acute from 2014 onwards, representing over the period a reduction of 6.3% of active corridors (from 13,072 to 12,242) and 6% of active correspondents (from 510,619 to 479,947). The slight upward movement or stabilisation at the end of 2016 may not be significant as the month of December usually sees an increase in activity, as can be seen on the graph for previous years.

Number of active corridors per month and number of active correspondents

Three month moving averages

Graph 3



Sources: SWIFT Watch; National Bank of Belgium.

The number of active correspondents has declined over the period for the 3 currencies most frequently used for international payments, USD, EUR and GBP (**Graph 4**).<sup>23</sup> While the pace

<sup>22</sup> The data set is at BIC8 level (branch/subsidiary level depending on the legal set-up). In addition, in this graph, there is a multiplication effect as activity was counted separately by currencies and message types.

<sup>23</sup> These results were produced with an additional high-level dataset, which avoids the double accounting problems for correspondents.

of the decline of the number of correspondents active in GBP is similar to the overall trend of -6% across all currencies over 2011–2016, the decline is more acute for USD and EUR, both around -15%. The decline for USD and EUR does not further affect the evolution measured across all currencies because these two currencies only represent about a third of the number of correspondent accounts. Nevertheless, as the two currencies represent the vast majority of the value of international wire transfers (82% as of December 2016, see **Table 3**), a reduction of these relationships may be more acutely felt.

**Table 3 Share of the three main currencies in the value of transfers in SWIFT messages (MT 103 and MT 202 excluding MT 202COV, December 2016) and in the number of accounts reported by correspondents in the FSB-CBCG survey (June 2016).**

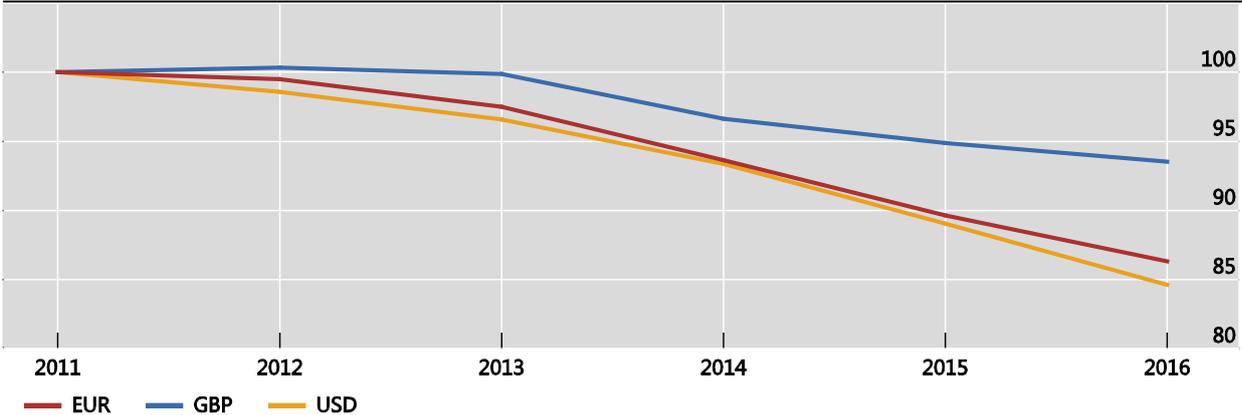
Currency	Proportion of each currency in the total value of transfers operated through SWIFT)	Number of Vostro accounts by currency reported by correspondent banks in the FSB-CBCG survey	Proportion of Vostro accounts by currency reported by correspondent banks in the FSB-CBCG survey
USD	53.49%	7059	14%
EUR	28.67%	8702	17%
GBP	4.52%	2421	5%
All	100%	51553	100%

Source: SWIFT Watch, National Bank of Belgium, CBCG survey.

Evolution of the number of active correspondents by currency of the transaction<sup>1</sup>

Jan 2011 = 100

Graph 4



<sup>1</sup> Correspondents are counted multiple times across corridors, but not across message types and months.

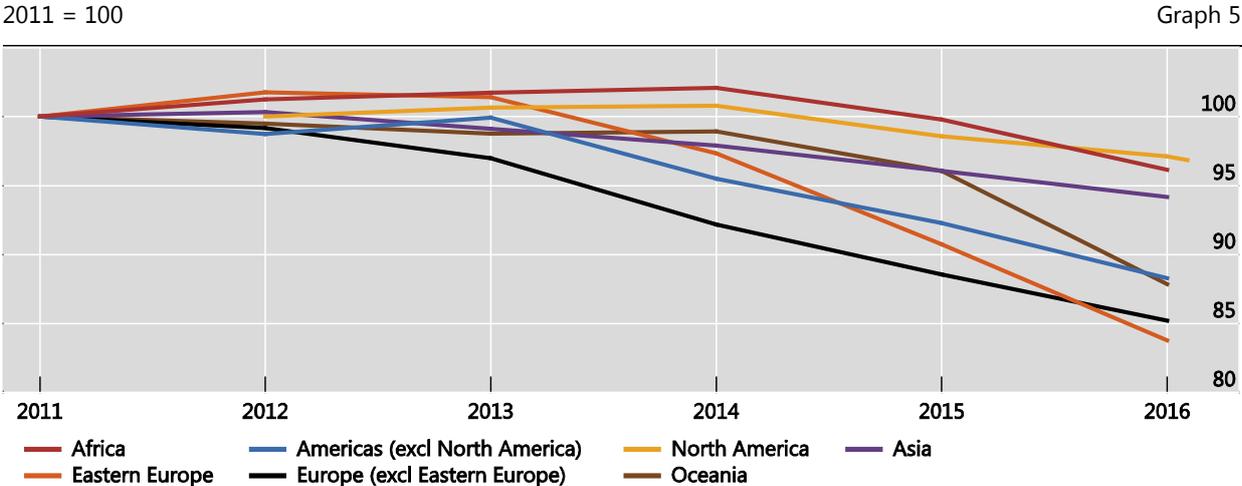
Sources: SWIFT Watch; National Bank of Belgium; Bank of Mexico.

As shown in **Graph 5**, over the 6 year period, the number of active correspondents by region follows a downward trend for all regions when considering the entire 2011-2016 period. Some regions experienced a slight increase at the beginning of the period, especially Africa between 2011 and 2014. After 2013–2014, all regions experienced a continuous decline. Over the entire

period, the most affected regions, in terms of the percentage change in the number of active correspondents were Eastern Europe (-16%), followed by Europe excluding Eastern Europe (-15%), Oceania (-12%), and the Americas excluding North America (-8%).

Over the 6-year period, the decline in the number of active corridors is clear for all regions (**Graph 6**), although the rates of decline vary. The graph shows the change in the average number of counterparty countries by region, that is, the average number of corridors for each jurisdiction within a region. In this sense, Oceania was the region that experienced the greatest decline in the number of corridors per jurisdiction during this period (15%), followed by Africa (9%) and the Americas excluding North America (7%). This decline in the number of average counterparty countries is broadly consistent with the FSB-CBCG survey’s results on the number of correspondent banks that completely exited whole jurisdictions.

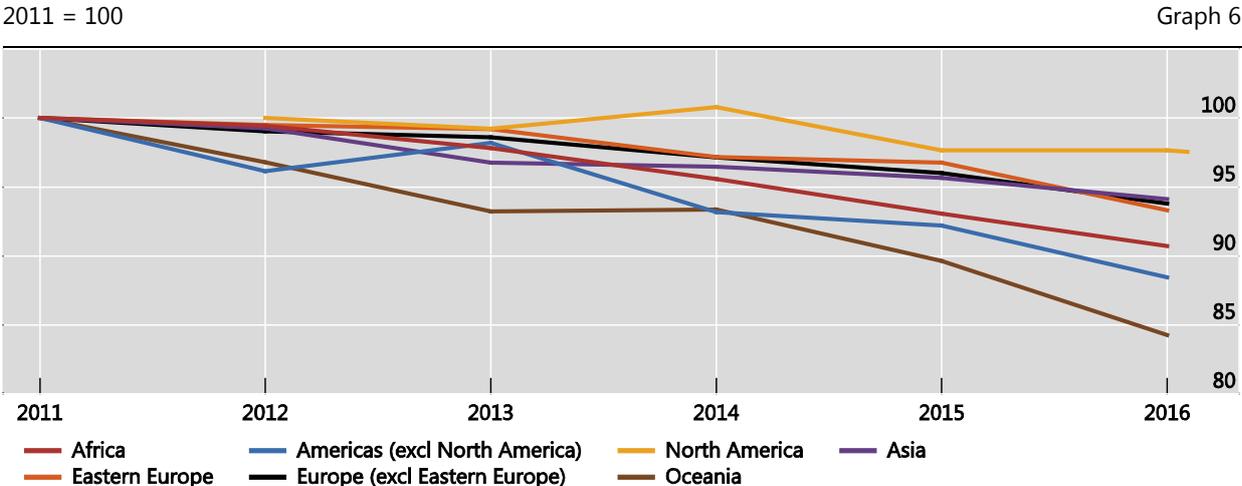
Number of active correspondents in each region



<sup>1</sup> Correspondents are counted multiple times across corridors, but not across message types and months.

Sources: SWIFT Watch; National Bank of Belgium; Bank of Mexico.

Average number of counterparty countries by region



Sources: SWIFT Watch; National Bank of Belgium; Bank of Mexico.

**Graph 7** and **Graph 8** show changes for 5 continents and 22 regions defined according to the United Nations Statistics Division, for all currencies. Similar graphs for USD, EUR and GBP can be found in annex 1. Unlike Graph 3a of the CPMI report of July 2016 (“Active correspondents across all corridors per region”), the graphs are based on yearly, and not monthly data. The data set used removes double counting of correspondents over months, message types and currencies and therefore provides a more accurate picture of evolutions over the last 6 years.

The data on active correspondents based on sent messages (**Graph 7**) count the number of banks located in the stated region that send messages abroad (including to countries in their region) totalled across all corridors (which means for instance that a bank active in two corridors is counted twice). This is the perspective of the respondent banks that send payment instructions to the banks with which they have correspondent banking accounts, but also of correspondent banks sending messages to their respondents (forwarding payment instructions) or, in the cover method, the originating bank informing the receiving bank that the originating bank is sending a transfer to a customer of the receiving bank

The data on active correspondents based on received messages (**Graph 8**) count the number of banks located in the stated region that receive messages from abroad (including from countries in their region) totalled across all corridors (where again a bank active in two corridors is counted twice). This is the perspective of the correspondent banks that receive payment instructions from their respondents, but also of respondent banks being forwarded payment instructions by their correspondents or, in the cover method, the receiving bank being informed that one of its customers is receiving a payment.

In both cases, the reduction of the count of active correspondents can mean that:

- there are fewer banks in that region that send or receive messages, for instance as a result of:
  - A reduction in the number of banks in the region (mergers between banks, loss of banking licence, ...)
  - A bank using a messaging system other than SWIFT (for instance an intragroup messaging system)
- banks in that region send messages to, or receive messages from, fewer countries (i.e., they are active in fewer corridors). This happens for instance:
  - if a bank that had a correspondent bank X in country A and two correspondent banks Y and Z in country B loses the relationship with bank X;
  - If a bank that was using the cover payment method moves to the serial payment method: instead of sending MT 103 messages directly to the banks of the final recipients of wire transfers (presumably in multiple countries), it only sends them to the banks with which it has an account (likely in a lesser number of countries).

When looking at all currencies (**Graph 7**), all 22 regions except Southern Asia<sup>24</sup> have seen a reduction in the average number of active correspondents in 2016, that is the number of banks

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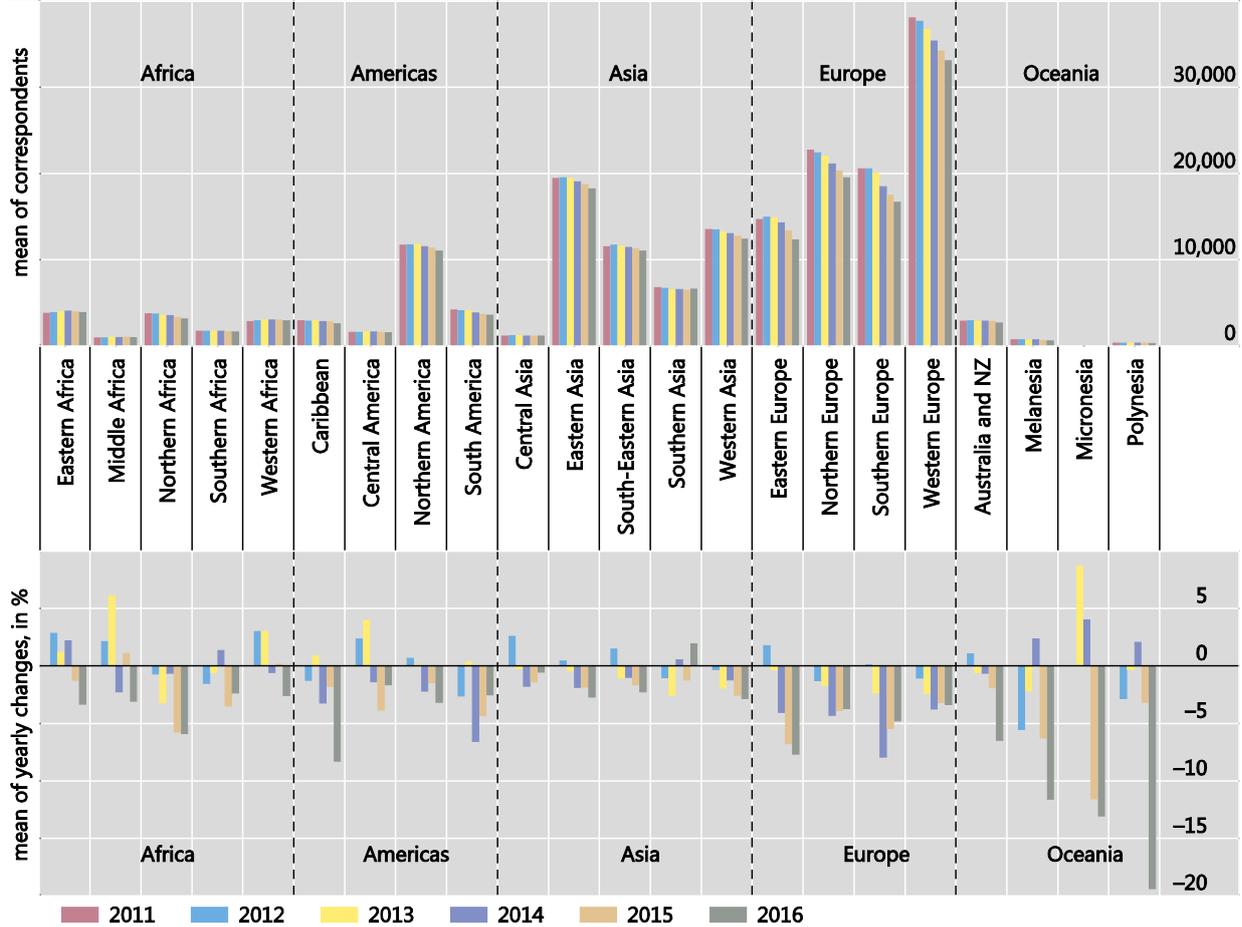
<sup>24</sup> Southern Asia according to the United Nations Statistics Division includes Afghanistan, Bangladesh, Bhutan, India, Iran, Maldives, Nepal, Pakistan and Sri Lanka.

established in the region that send messages abroad (including to countries in their regions), totalled across all corridors. A majority (15) have seen an acceleration of the decline in 2016. The decline for USD local respondents affects all regions in 2016 without an exception. The number of active correspondents also decreases in a large majority of regions for EUR and GBP, with the exception, for EUR, of Central America, Southern Asia and Micronesia, and, for GBP, of very modest increases in Southern Africa, Northern America, Central Asia, Eastern Asia and Western Asia.

The 6 regions that have seen a slower pace of decline across all currencies are primarily Southern Africa, Central and South America and Central Asia, and to a lesser extent Northern and Southern Europe.

Active correspondents by region (sent messages), all currencies, 2011-2016

Yearly average number and average of yearly change Graph 7

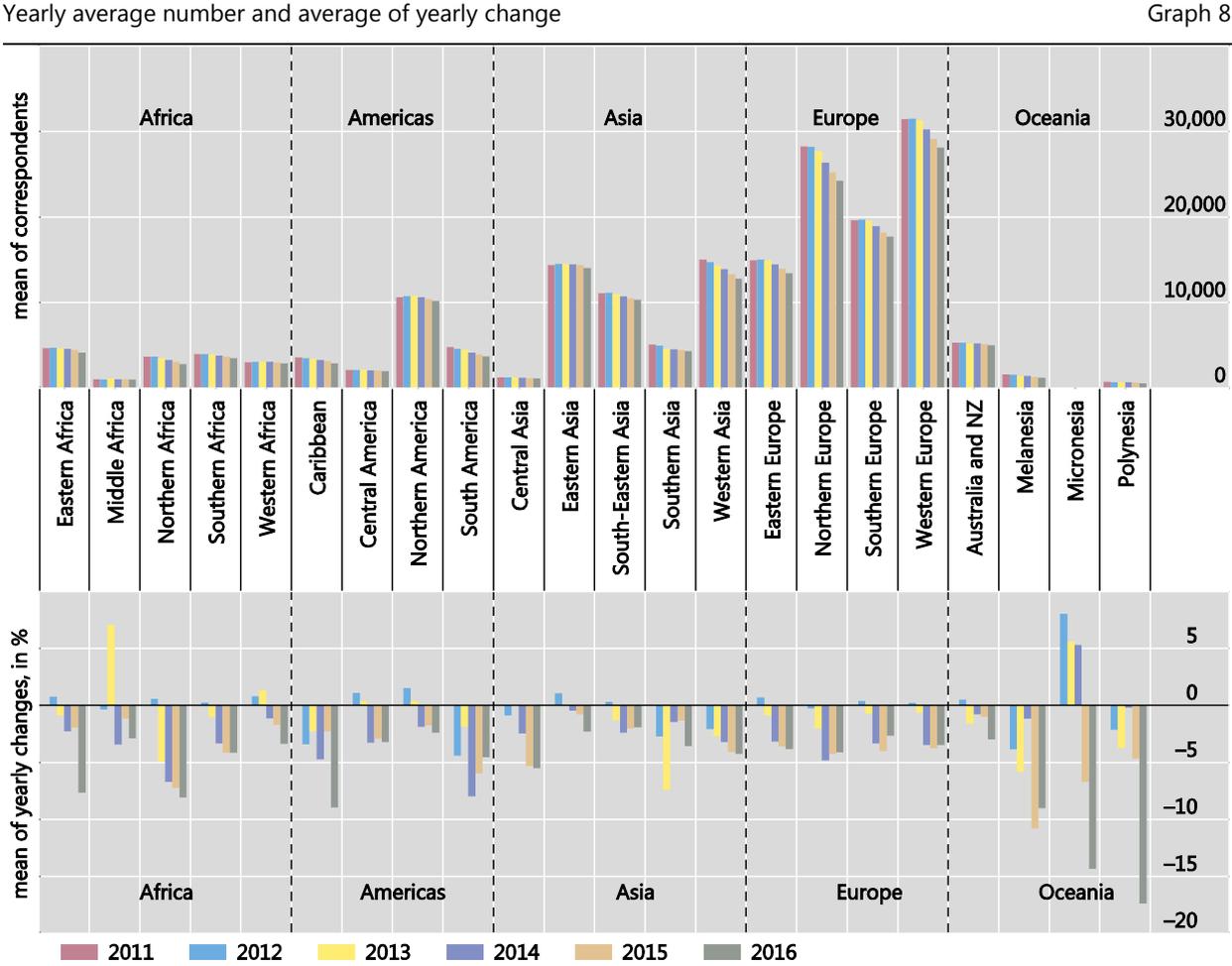


Sources: SWIFT Watch, National Bank of Belgium.

**Graph 8** shows the evolution of the number of correspondent banks that send messages to the different countries in the regions listed. From that perspective, all regions have seen a decline in 2016, generally at a similar or faster pace compared to 2015, except in South America, South-Eastern Asia, Southern Europe and Melanesia where the decline has slowed down (although it remains high in the latter region). For all regions, there are also fewer foreign correspondents

active in USD in 2016 than in 2015, although the decline is decelerating in Northern and Southern Africa, South America, Central and Western Asia or at a similar pace for most European regions, South Eastern Asia and Australia and New Zealand. For EUR, the number of foreign correspondents decreased for all regions in 2016, except Micronesia. In the latter region, the small number of active correspondents serving the region may explain that any change in their number results in large variations. For GBP, approximately half the regions see a small increase or a stable situation.

Active correspondents by region (received messages), all currencies, 2011-2016

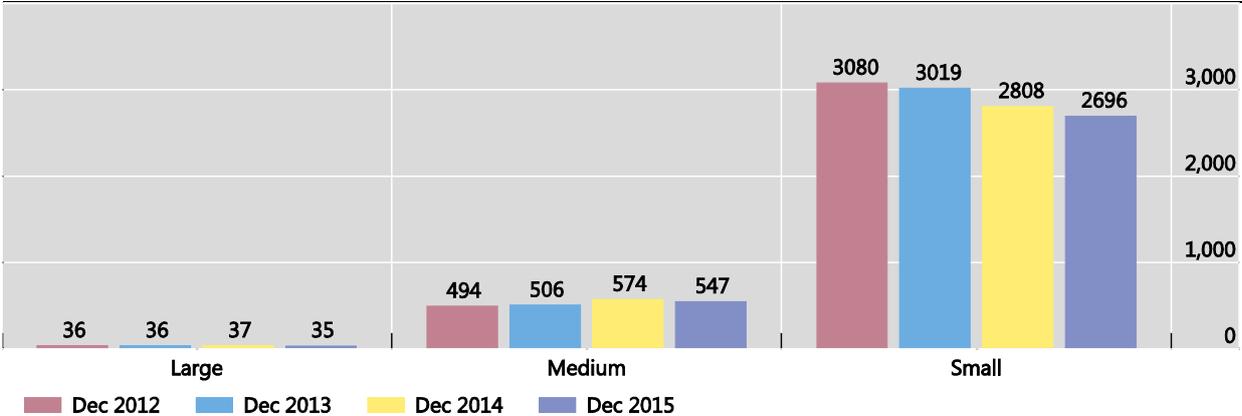


Sources: SWIFT Watch, National Bank of Belgium.

The overall pattern of year-on-year changes across regions is largely similar from the respondent and correspondent perspectives: the Caribbean and the small states of the Pacific (Melanesia, Micronesia and Polynesia) are the four regions with the highest rates of declines, close or above 10% in 2016. The situation is all the more concerning that Melanesia, Micronesia and Polynesia are already the regions with the smallest number of active correspondents, as noted as well by the IMF working paper “Challenges in Correspondent Banking in the Small States of the Pacific”, which highlights that many countries in these regions have only few commercial banks present. This is also confirmed by the FSB-CBCG survey. As explained in the next section, some technical factors, such as banking consolidation or a move to payment systems, may however have impacted SWIFT statistics.

Besides the Caribbean and the small states of the Pacific, the regions with the highest rates of decline from the perspective of sent messages (**Graph 7**) are Northern Africa and European regions. However, Europe is the region with the highest average number of correspondents. In addition, the reduction in the number of active correspondent banks largely reflects the consolidation of the banking sector in the region following the global financial crisis. For instance, **Graph 9** shows that between 2012 and 2015, the number of credit institutions in the EU went down from 3610 to 3278, i.e. a reduction of 9.2%. The CPMI had noted in their July 2016 report that the decline in Europe could also be explained by some large banks starting to move away from correspondent banking to payment systems for low-volume/high-value payments following the introduction of the Single European Payment Area (SEPA).<sup>25</sup>

Evolution of the number of banks (credit institutions) in the European Union Graph 9



Source: ECB.

The decline in the number of USD active correspondents since 2011 has been greater in Eastern Europe (-22%) and the rest of Europe (-20%) than in other regions, as presented in **Graph 10**. That is, the number of active respondents located in these regions has decreased, particularly for US dollar payments.

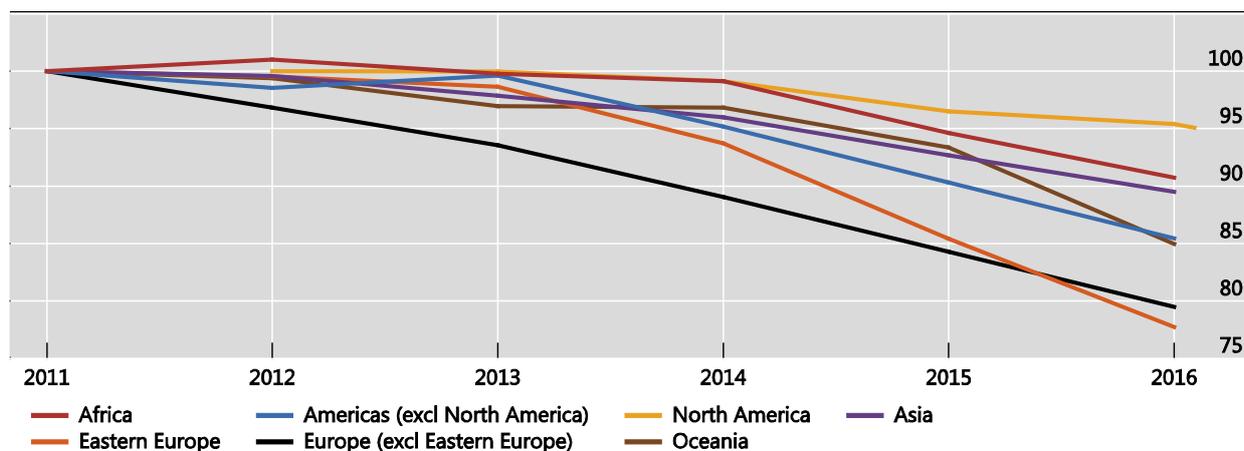
<sup>25</sup> Accuity, notes that the EU saw a significant drop in correspondent banking relationships between 2011 (126,502) and 2012 (91,262) due primarily to the completion of SEPA where payments between EU countries were no longer considered cross border, but that the decline continued thereafter to 70292 in 2016 (<https://accuity.com/press-room/accuity-research-shows-25-drop-global-correspondent-banking-relationships-linked-de-risking/>).

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## Evolution of the number of active USD correspondents by region<sup>1</sup>

Jan 2011 = 100

Graph 10



<sup>1</sup> Correspondents are counted multiple times across corridors, but not across message types and months.

Sources: SWIFT Watch; National Bank of Belgium; Bank of Mexico.

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## 2.2 Data on individual CBRs from the FSB-CBCG survey

The granularity of the FSB-CBCG survey allows us to delve into different aspects of the correspondent banking market. Whereas the analysis of SWIFT data focuses on the number of active correspondents across all corridors (that is, correspondents that deal with at least one respondent bank in a corridor), and provides a view of how many banks in a country send or receive messages to banks in another country, the FSB-CBCG survey allows us to examine relationships at the bank level, including terminations, openings, and the remaining number of relationships for a given bank.

Annex 2 gives, for each country, the number of correspondents in the sample of the FSB-CBCG survey that stated having exited the country since 2011, the number of banks that apply other restrictions (such as dealing only with the central banks, with major local banks, or with subsidiaries of foreign banks) as well as the number of correspondent banks in the sample that still serve that country. In addition, the proportion of exits (“% exit”) is the number of exits divided by the estimated number of correspondents that served that country in 2011 (approximated by the sum of the number of CBRs as of June 2016 and number of full exits between January 2011 and June 2016). Annex 2 also provides the total number of accounts that correspondent banks have with banks in that country, and the details for the three main international currencies.

The data by some 150 banks providing over 50,000 correspondent accounts was used to compute the number of remaining relationships. Although these cover a significant proportion of the market, the number should be taken with caution: other banks outside the sample may still serve that country. In addition, the data provided by the US and Switzerland were provided in aggregated form and therefore it was not possible to quantify how many banks from these two countries were present in a given jurisdiction: a presence by Swiss or US banks was only

counted as one, when actually there could be several.<sup>26</sup> Another caveat is that the respondent banks present in some territories, especially those that are not independent states, may not be headquartered in that territory, hence underestimating the number of relationships with that territory.

On average, the 228 countries and territories that appear in SWIFT data are served by 16 surveyed banks, a decline by 9.6% compared to 2011. The number of surveyed banks has even declined by 18% to 14 banks when taking into account a broader universe of 252 countries and non-independent territories. Half the jurisdictions have an account relationship with at least 10 banks. 180 jurisdictions are served by at least 4 banks. The 48 jurisdictions served by 3 surveyed banks or less are listed in **Table 4**. A higher number of accounts reflects that the correspondent has several respondents in the country, or provides accounts in several currencies, or both. Annex 2 gives the number of accounts for the 3 main currencies (USD, EUR, GBP). The FSB-CBCG will conduct additional research to determine the extent to which these jurisdictions may be served by correspondent banks not covered by the FSB-CBCG survey, or may have access to domestic or regional payment systems.

**Table 4: Jurisdictions that were served in June 2016 by less than 4 banks from the FSB-CBCG survey sample, ranked by increasing number of relationships and increasing number of accounts.**

Jurisdiction	Change in volume (SWIFT data, 2016)	Change in value (SWIFT data, 2016)	Change in active CBRs (SWIFT data, 2016)	Number of banks in FSB-CBCG sample serving that jurisdiction <sup>27</sup>	Number of accounts in that country (FSB-CBCG survey)
Cook Islands	-2.9%	-22.6%	-37.2%	0	0
Falkland Islands	-22.7%	-61.5%	4.8%	0	0
Guam	39.3%	59.8%	-15.5%	0	0
Kiribati	6.8%	62.9%	-8.6%	0	0
Mayotte	-13.9%	-11.1%	-35.4%	0	0
Marshall Islands	38.1%	155.2%	-50.0%	0	0
Samoa	4.5%	168.1%	-9.7%	0	0
Solomon Islands	5.1%	7.9%	-33.3%	0	0
South Sudan	20.7%	-30.5%	-14.4%	0	0
Tonga	8.2%	4.0%	-23.0%	0	0
Tuvalu	11.9%	21.8%	-38.9%	0	0
Virgin Islands, U.S.	-2.6%	-18.5%	-20.9%	0	0
Republic of Kosovo	6.3%	18.6%	-5.6%	1	2
Bonaire, Saint Eustatius and Saba	10.8%	17.4%	-17.5%	1	1
Montserrat	8.2%	49.2%	-3.8%	1	1
Comoros	-2.7%	-1.8%	-13.6%	1	2
French Guiana	-15.6%	-8.6%	-7.2%	1	2

<sup>26</sup> In addition, the data provided by the US focused on exits and restrictions, and did not necessarily include all countries where US banks are present.

<sup>27</sup> Other banks, not included in the survey sample, may serve the jurisdiction and other caveats apply (see introduction to Annex 2): this number is a mere indicator that these jurisdictions are likely served by less correspondent banks than the other jurisdictions presented in Annex 2. The scope is different from SWIFT data presented in the previous columns.

Jurisdiction	Change in volume (SWIFT data, 2016)	Change in value (SWIFT data, 2016)	Change in active CBRs (SWIFT data, 2016)	Number of banks in FSB-CBCG sample serving that jurisdiction <sup>27</sup>	Number of accounts in that country (FSB-CBCG survey)
Somalia	123.8%	94.0%	16.6%	1	2
Timor-Leste	5.7%	52.1%	-9.3%	1	3
Martinique	7.7%	13.9%	-9.9%	1	4
Eritrea	2.8%	3.6%	14.5%	1	8
Sint Maarten	8.6%	-3.1%	-15.1%	1	8
Belize	-47.1%	-43.9%	-4.7%	1	12
Dominica	3.1%	84.4%	-8.6%	1	14
Korea, Democratic People's Rep. Of	-66.1%	-90.1%	-44.4%	1	16
Greenland	14.3%	15.3%	1.5%	2	3
Guinea Bissau	7.2%	58.5%	-4.2%	2	3
St Pierre and Miquelon	-16.8%	-23.3%	0.0%	2	3
Isle of Man	3.7%	-6.2%	-7.7%	2	5
Reunion	-3.2%	1.2%	-12.2%	2	8
Surinam	-6.4%	0.5%	-11.6%	2	11
Tajikistan	-11.8%	-81.4%	1.2%	2	17
San Marino	-8.2%	-6.1%	-0.7%	2	26
Anguilla	14.6%	11.8%	1.9%	2	30
Central African Republic	37.3%	23.6%	-0.1%	3	4
Chad	-1.6%	-12.7%	0.6%	3	4
Antigua and Barbuda	-2.3%	11.8%	-9.3%	3	7
Nicaragua	6.6%	13.9%	-8.3%	3	8
Burundi	-2.9%	-11.9%	-3.9%	3	10
Haiti	4.3%	6.5%	-6.4%	3	10
Djibouti	4.3%	9.0%	-2.3%	3	12
Faeroe Islands	-7.8%	1.7%	-15.1%	3	12
Turkmenistan	29.3%	-28.3%	2.4%	3	12
Sierra Leone	-7.5%	-16.6%	7.7%	3	15
Bhutan	9.3%	33.8%	-13.1%	3	24
Honduras	6.7%	9.7%	1.6%	3	24
El Salvador	-12.0%	15.6%	-8.9%	3	25

The 3 first columns show the evolution of the number of transactions, value and number of active correspondents between 2015 and 2016 (average of the value for sent and received messages)

Colour scale:

Less than -5%	Between -5% and 0%	Between 0% and +5%	More than +5%
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Sources: FSB-CBCG Survey, SWIFT Watch

According to the FSB-CBCG survey results presented in annex 2, the ten most affected jurisdictions, in terms of the absolute number of complete exits and the number of restrictions, are Syria, Iran, Libya, Sudan, Korea D.P.R., Cuba, Venezuela, Iraq, Yemen, and Afghanistan,

several of which are conflict zones or subject to national or international sanctions. These generally also rank among the jurisdiction with the highest exit rate.

**Table 5 – Estimated percentage of complete country exits by the 150 correspondent banks in the FSB-CBCG survey sample between January 2011 and June 2016, ranked by decreasing percentage of complete exits**

Cook Islands	-100%	Tajikistan	-33%	Serbia	-15%
Guam	-100%	Vanuatu	-33%	Fiji	-14%
Kosovo	-100%	Zimbabwe	-33%	Latvia	-14%
South Sudan	-100%	Cote d'Ivoire	-32%	Liechtenstein	-14%
Tonga	-100%	Mauritania	-30%	Botswana	-13%
Korea, Democratic People's Rep. Of	-94%	Albania	-29%	Lithuania	-13%
Eritrea	-83%	Congo	-29%	Tunisia	-13%
Central African Rep.	-73%	Equatorial Guinea	-29%	Algeria	-13%
Belize	-67%	Madagascar	-27%	French Polynesia	-13%
Comoros	-67%	Armenia	-25%	Gibraltar	-13%
Liberia	-67%	Bosnia and Herzegovina	-25%	Panama	-13%
Timor-Leste	-67%	Burkina Faso	-25%	Russia	-13%
Syria	-66%	Chad	-25%	Kenya	-12%
Iran	-64%	Paraguay	-25%	Benin	-11%
Libya	-63%	St Vincent	-25%	Cameroon	-11%
Guinea Bissau	-60%	Turkmenistan	-25%	Curaçao	-11%
Afghanistan	-57%	Cambodia	-23%	Gabon	-11%
Burundi	-57%	Lebanon	-23%	Papua New Guinea	-11%
Cuba	-57%	Bolivia	-22%	Iceland	-11%
Moldova	-56%	Gambia	-22%	Ethiopia	-10%
Congo, Democratic Rep.	-54%	Malawi	-22%	Slovenia	-10%
Myanmar	-54%	Macedonia	-21%	Malta	-10%
Iraq	-53%	Ukraine	-21%	Georgia	-9%
Martinique	-50%	Bermuda	-20%	Jersey, C.I.	-9%
Surinam	-50%	Guatemala	-20%	Tanzania	-9%
Yemen	-50%	Lesotho	-20%	Uzbekistan	-9%
Seychelles	-44%	Maldives	-20%	Cyprus	-9%
Niger	-43%	New Caledonia	-20%	Cabo Verde	-8%
Venezuela	-41%	Puerto Rico	-20%	Ecuador	-8%
Djibouti	-40%	Sao Tomé & Príncipe	-20%	Mongolia	-8%
Haiti	-40%	St Kitts and Nevis	-20%	Croatia	-8%
Laos	-40%	Palestine	-18%	Bahamas	-8%
Montenegro	-36%	Azerbaijan	-18%	Egypt	-8%
Belarus	-35%	Jamaica	-17%	Mali	-8%
Anguilla	-33%	Swaziland	-17%	Uganda	-8%
Grenada	-33%	Estonia	-16%	Zambia	-8%
Guadeloupe	-33%	Kazakhstan	-16%	Greece	-7%
Réunion	-33%	Namibia	-15%	Turkey	-7%
San Marino	-33%	Angola	-15%	Ghana	-7%
				Andorra	-6%

Monaco	-6%	Belgium	0%	Montserrat	0%
Bangladesh	-6%	Bhutan	0%	Morocco	0%
Macao	-5%	Bonaire, Saint Eustatius and Saba	0%	Mozambique	0%
Pakistan	-5%	Brunei Darussalam	0%	Nepal	0%
Germany	-5%	Bulgaria	0%	Netherlands	0%
Argentina	-5%	Canada	0%	Nicaragua	0%
Sri Lanka	-4%	Cayman Islands	0%	Nigeria	0%
Vietnam	-4%	Chile	0%	Oman	0%
Jordan	-4%	Colombia	0%	Peru	0%
Romania	-4%	Costa Rica	0%	Philippines	0%
China	-4%	Czech Republic	0%	Portugal	0%
Italy	-4%	Dominica	0%	Qatar	0%
Kuwait	-4%	Dominican Rep.	0%	Rwanda	0%
United Kingdom	-3%	El Salvador	0%	Samoa	0%
Bahrain	-3%	Faeroe Islands	0%	Senegal	0%
Indonesia	-3%	Falkland Islands	0%	Sierra Leone	0%
Israel	-3%	Finland	0%	Singapore	0%
Australia	-3%	France	0%	Sint Marteen	0%
Brazil	-3%	French Guiana	0%	Slovakia	0%
Korea, Republic of	-3%	Greenland	0%	Solomon Islands	0%
New Zealand	-3%	Guernsey, C.I.	0%	Somalia	0%
Chinese Taipei	-3%	Guinea	0%	South Africa	0%
Saudi Arabia	-3%	Guyana	0%	St Lucia	0%
Poland	-3%	Honduras	0%	St Pierre and Miquelon	0%
United Arab Emirates	-3%	Hungary	0%	Sudan	0%
Norway	-2%	India	0%	Switzerland	0%
United States	-2%	Ireland	0%	Thailand	0%
Sweden	-2%	Isle of Man	0%	Togo	0%
Spain	-2%	Kiribati	0%	Trinidad and Tobago	0%
Austria	-2%	Kyrgyz Republic	0%	Turks & Caicos	0%
Denmark	-2%	Luxembourg	0%	Tuvalu	0%
Hong Kong	-2%	Malaysia	0%	Uruguay	0%
Japan	-2%	Marshall Islands	0%	Vatican City State	0%
American Samoa	0%	Mauritius	0%	Virgin Islands, British	0%
Antigua and Barbuda	0%	Mayotte	0%	Virgin Islands, U.S.	0%
Aruba	0%	Mexico	0%		
Barbados	0%				

Reading: Correspondent banks in the CBCG survey sample exited the Cook Islands and did not report having remaining correspondent banking relationships with the Cook Islands as of 30 June 2016, hence an exit rate of 100%. Note that other banks, not included in the survey sample, may serve the jurisdiction and other caveats apply (see introduction to Annex 2): this number is a mere indicator of the intensity of complete exits. Source: FSB-CBCG Survey

**Table 6** presents the evolution of CBRs over five years (June 2011 to June 2016) from the perspective of the 92 correspondent banks that responded to the FSB-CBCG survey and

provided data for the entirety of the time period. While this covers almost half the survey sample in terms of the number of accounts, this excludes some of the largest correspondent banks in France, Germany, Switzerland and the United Kingdom, which only provided data for some years. In addition, the US did not provide a response to that part of the survey.

The evolution on this limited sample suggests that, at the global level (last column) the decline started in 2014 when looking across all currencies, and affected the USD more than other currencies in that year. However, the pace of the decline increased regularly for correspondent accounts in EUR, which reached -21.4% in 2016, overtaken that year by GBP (-23.4%), whereas the decline in the number of accounts in USD in 2016 was -12.3%.

Based again on the limited sample of 92 banks in **Table 6**, over the 2011-2016 period, the decline in the number of accounts is of -7.5% across all currencies and -6.1% for the number of relationships. During this same period, the number of accounts decreased by 19.6% for USD, 28.3% for EUR and increased by 7.6% for GBP.

At the regional level (taking into account the location of correspondent banks), and similarly to what is shown by SWIFT data, CBRs are concentrated in North America, Europe and East Asia & Pacific. Other regions are only marginal providers of correspondent banking services. Based again on the limited sample described in **Table 6**, the decline in the number of account relationships appears to be continuous over the period for the Americas and started later for Europe, where it accelerated markedly between June 2015 and June 2016. The provision of CBRs in East Asia & Pacific is continuing to grow at a modest pace, but correspondent banking services are mostly in the domestic currency of the provider (“own”) and these providers did not replace in any significant number the reduction in accounts in USD and EUR from other regions.

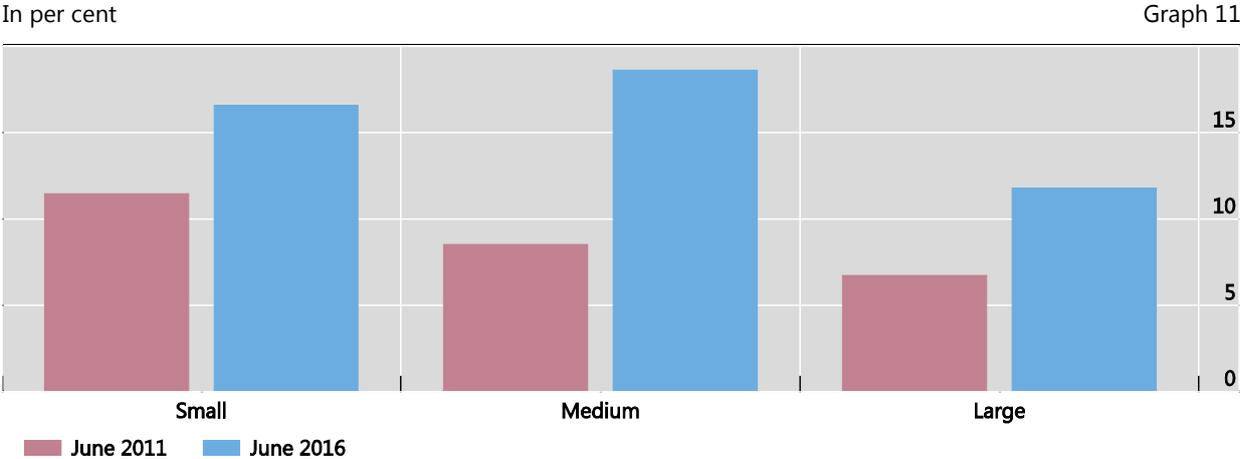
**Table 6 – Evolution of the number of accounts by the location of the provider: in all currencies (sumALL currencies), in USD, EUR, GBP and the currency of the provider (“own”) as well as total number of banks reported to the FSB-CBCG survey by correspondents established in 6 regions, from 2011 to 2016.**

Year	Currency	Middle East & North Africa		Sub-Saharan Africa		Americas		Europe & Central Asia		East Asia & Pacific		South Asia		Worldwide	
		Number	Change	Number	Change	Number	Change	Number	Change	Number	Change	Number	Change	Number	Change
2011	USD	105		20		561		3639		343		35		4703	
2011	EUR	46		1		66		4618		42		4		4777	
2011	GBP	8		6		23		437		24		5		503	
2011	own	225		97		2840		6325		4878		263		14628	
2011	sumALL currencies	610		150		3736		14175		6002		407		25080	
2011	total	137		99		3336		11773		5692		190		21227	
2012	USD	107	1.9%	29	45.0%	526	-6.2%	3353	-7.9%	646	88.3%	39	11.4%	4700	-0.1%
2012	EUR	46	0.0%	4	300.0%	73	10.6%	4572	-1.0%	45	7.1%	2	-50.0%	4742	-0.7%
2012	GBP	8	0.0%	6	0.0%	23	0.0%	508	16.2%	26	8.3%	3	-40.0%	574	14.1%
2012	own	227	0.9%	102	5.2%	2766	-2.6%	6202	-1.9%	4629	-5.1%	288	9.5%	14214	-2.8%
2012	sumALL currencies	646	5.9%	169	12.7%	3718	-0.5%	14636	3.3%	6166	2.7%	427	4.9%	25762	2.7%
2012	total	139	1.5%	107	8.1%	3210	-3.8%	12659	7.5%	5804	2.0%	213	12.1%	22132	4.3%
2013	USD	103	-3.7%	34	17.2%	508	-3.4%	3390	1.1%	702	8.7%	40	2.6%	4777	1.6%
2013	EUR	37	-19.6%	9	125.0%	73	0.0%	4498	-1.6%	51	13.3%	2	0.0%	4670	-1.5%
2013	GBP	9	12.5%	6	0.0%	24	4.3%	536	5.5%	25	-3.8%	3	0.0%	603	5.1%
2013	own	231	1.8%	103	1.0%	2663	-3.7%	6127	-1.2%	4651	0.5%	290	0.7%	14065	-1.0%
2013	sumALL currencies	644	-0.3%	180	6.5%	3606	-3.0%	14763	0.9%	6369	3.3%	436	2.1%	25998	0.9%
2013	total	140	0.7%	108	0.9%	3094	-3.6%	12927	2.1%	5997	3.3%	226	6.1%	22492	1.6%
2014	USD	100	-2.9%	41	20.6%	494	-2.8%	3268	-3.6%	431	-38.6%	43	7.5%	4377	-8.4%
2014	EUR	42	13.5%	11	22.2%	74	1.4%	4340	-3.5%	55	7.8%	2	0.0%	4524	-3.1%
2014	GBP	9	0.0%	6	0.0%	25	4.2%	568	6.0%	27	8.0%	3	0.0%	638	5.8%
2014	own	226	-2.2%	101	-1.9%	2515	-5.6%	5891	-3.9%	4920	5.8%	293	1.0%	13946	-0.8%
2014	sumALL currencies	637	-1.1%	186	3.3%	3457	-4.1%	14599	-1.1%	6417	0.8%	443	1.6%	25739	-1.0%
2014	total	135	-3.6%	110	1.9%	2937	-5.1%	12913	-0.1%	6043	0.8%	237	4.9%	22375	-0.5%
2015	USD	98	-2.0%	43	4.9%	488	-1.2%	3179	-2.7%	457	6.0%	46	7.0%	4311	-1.5%
2015	EUR	41	-2.4%	11	0.0%	68	-8.1%	4178	-3.7%	60	9.1%	3	50.0%	4361	-3.6%
2015	GBP	9	0.0%	7	16.7%	37	48.0%	621	9.3%	29	7.4%	3	0.0%	706	10.7%
2015	own	222	-1.8%	104	3.0%	2448	-2.7%	5473	-7.1%	4903	-0.3%	299	2.0%	13449	-3.6%
2015	sumALL currencies	633	-0.6%	193	3.8%	3390	-1.9%	14218	-2.6%	6467	0.8%	457	3.2%	25358	-1.5%
2015	total	127	-5.9%	114	3.6%	2836	-3.4%	12539	-2.9%	6092	0.8%	249	5.1%	21957	-1.9%
2016	USD	78	-20.4%	37	-14.0%	478	-2.0%	2675	-15.9%	467	2.2%	47	2.2%	3782	-12.3%
2016	EUR	31	-24.4%	15	36.4%	68	0.0%	3250	-22.2%	59	-1.7%	4	33.3%	3427	-21.4%
2016	GBP	10	11.1%	8	14.3%	39	5.4%	450	-27.5%	31	6.9%	3	0.0%	541	-23.4%
2016	own	208	-6.3%	101	-2.9%	2407	-1.7%	4502	-17.7%	4841	-1.3%	292	-2.3%	12351	-8.2%
2016	sumALL currencies	595	-6.0%	188	-2.6%	3361	-0.9%	11963	-15.9%	6653	2.9%	451	-1.3%	23211	-8.5%
2016	total	238	87.4%	108	-5.3%	2786	-1.8%	10288	-18.0%	6266	2.9%	252	1.2%	19938	-9.2%

The second column for each region shows the change compared to the previous year. Only banks that had reported at least one account in each of the 6 years were taken into account (92 banks). Reading: surveyed banks based in the Middle East and North Africa reported providing 105 correspondent accounts to respondents in USD in 2011 and this number increased by 1.9% to 107 in 2012, whereas surveyed banks based in Europe and Central Asia reported providing 3639 correspondent accounts to respondents in the same currency in 2011, with a decrease by 7.9% to 3353 in 2012. Source: FSB-CBCG Survey

**Graph 11** shows the share of respondents’ correspondent banking arrangements terminated, by respondent banks’ asset size, in 2011 and for the first 6 months of 2016, as reported in the FSB-CBCG survey. Out of the 230 banks that participated in the survey as respondent banks, the 118 banks that answered this question saw on average, regardless of their asset size, an increase in the proportion of their CBRs that were terminated by their service provider. This is particularly significant for medium sized banks, where the termination rate more than doubles from below 10% in 2011 to more than 18% in 2016, exceeding the termination rate of small banks (16% in 2016) and large banks (12%). This could mean that small-size banks have been affected earlier than medium size banks by the decline of correspondent banking relationships.

Share of respondents’ correspondent banking arrangements terminated, by respondents’ asset size



Answers provided by 118 banks.

Source: FSB-CBCG Survey

### 3. Effects of the withdrawal from correspondent banking

This section examines the effects of the decline of correspondent banking on various variables, including the existence of any impact on the volume and value of payments, length of the chains of payments, concentration on the correspondent and respondent side, use of currencies, as well as the potential consequences on banks’ end-customers through prices or difficulties in accessing services.

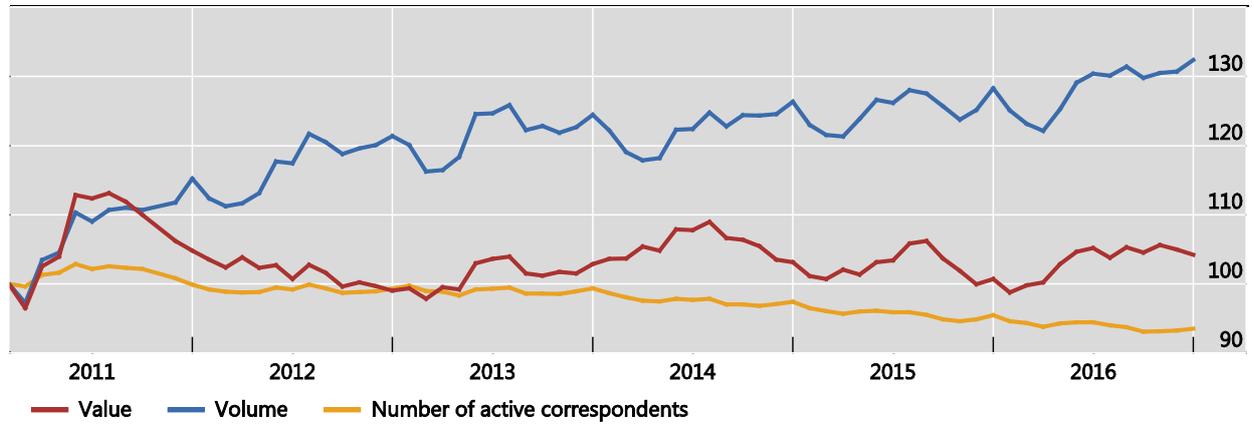
#### 3.1 Impact on the volume and value of payments

As previously noted by CPMI in their July 2016 report, at the global level, the decline in the number of active correspondents (as defined in section 2A) has not resulted in a lower number of payment messages (volume) or a lower underlying value of the messages processed through SWIFT. On the contrary, the number of payments has increased between 2011 and 2016 by 36% (**Graph 13**). The next sections discuss whether this could, at least in part, be a sign of longer chains of payment and concentration of the market.

Evolution of the number of messages (volume), their total value in USD, and the number of active correspondents<sup>1</sup>

Monthly data, 3-month moving averages, Jan 2011 = 100

Graph 13



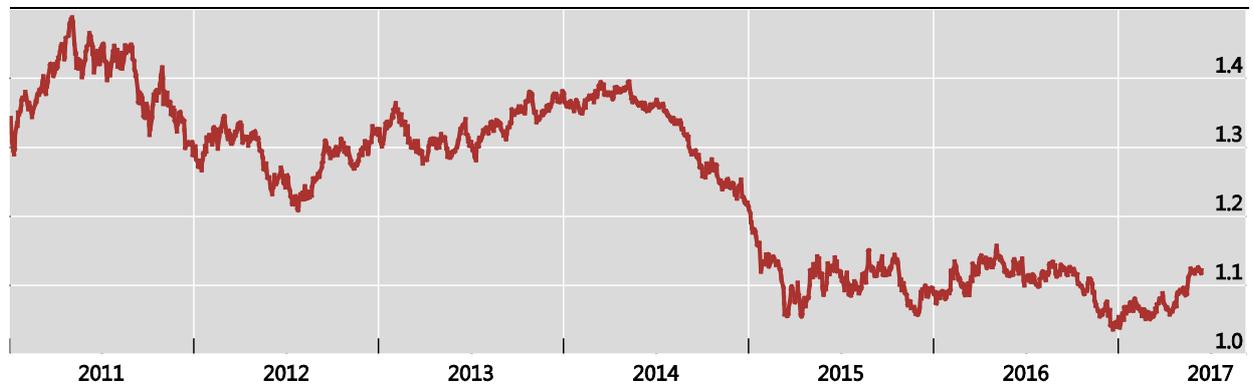
<sup>1</sup> MT 103 and MT 202 excluding MT 202 cov.

Sources: SWIFT Watch; National Bank of Belgium.

The changes to the value appear to reflect in a large part changes in the EUR/USD exchange rate, given that EUR represent 30 to 40% of the value of transfers over the period, against 40% to 50% for USD

EUR-USD exchange rate

Graph 13 A

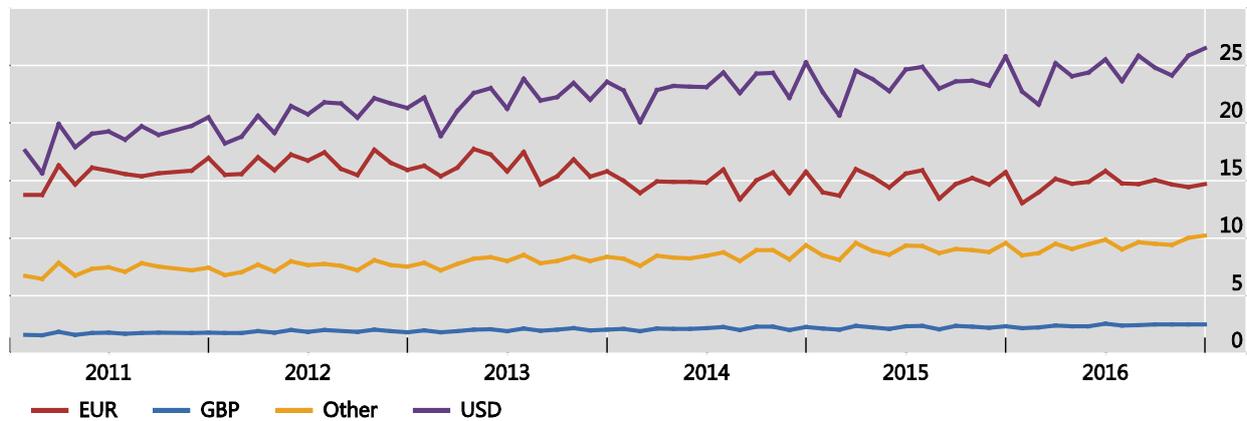


Source: National data.

## Evolution of the number of messages by currency<sup>1</sup>

In millions

Graph 14



<sup>1</sup> Monthly data, MT 103 and MT 202 excluding MT 202 cov.

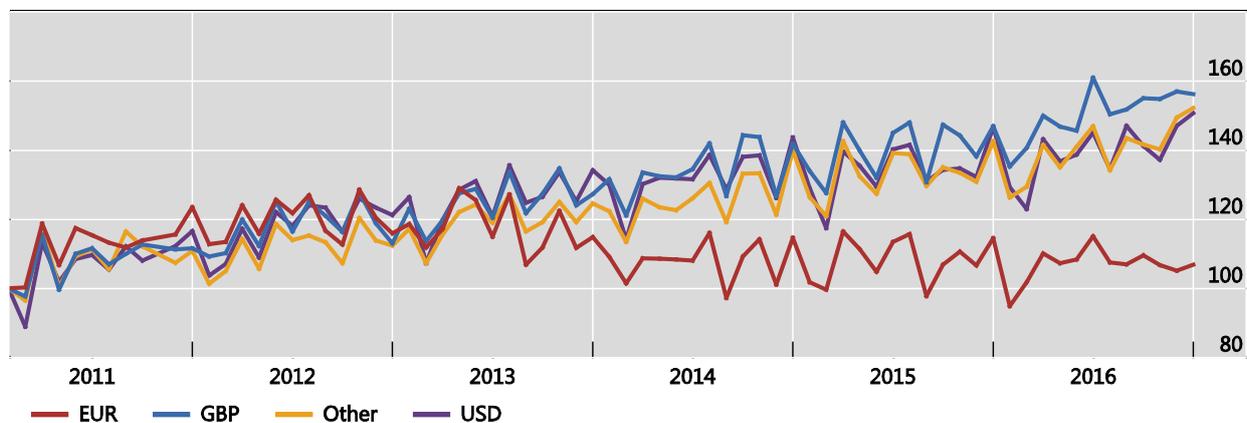
Sources: SWIFT Watch; National Bank of Belgium.

It is noteworthy that the increase in the number of payment messages (volume) can mainly be attributed to payments in USD and other currencies, while the volume remains overall stable over the period for payments in EUR (**Graph 14** shows absolute values, and **Graph 15** shows the same in index form).

## Evolution of the number of messages by currency<sup>1</sup>

Monthly data, Jan 2011 = 100

Graph 15



<sup>1</sup> MT 103 and MT 202 excluding MT 202 cov.

Sources: SWIFT Watch; National Bank of Belgium.

At the country level, between 2015 and 2016, a reduction in the number of active correspondents was associated with a reduction in the volume of both sent and received messages for 42 jurisdictions (listed in **Table 7** below), 30 of which also saw a reduction in the average value sent and received. However, this reduction in the volume affects only a minority of the 192 jurisdictions that experienced a decline in the number of relationships between 2015 and 2016.

**Table 7 – Change in the average volume received and sent, in the average value received and sent and in the number of active CBRs from 2015 to 2016 for jurisdictions where both the volume of transfers and the number of CBRs is decreasing, sorted by volume**

jurisdictions	volume	value	CBRs	jurisdictions	volume	value	CBRs	jurisdictions	volume	value	CBRs
Korea, Democratic People's Rep. Of	-66.1	-90.1	-44.4	Gabon	-13.7	-12.2	-1.7	Jersey, C.I.	-3.4	-24.5	-3.4
Yemen	-52.0	-65.6	-15.9	Greece	-13.0	-46.3	-13.4	Hungary	-3.3	-4.5	-2.5
Syria	-50.7	-44.5	-9.3	Guernsey, C.I.	-10.0	-15.3	-5.4	Reunion	-3.2	1.2	-12.2
Lithuania	-36.1	-25.9	-4.9	St Lucia	-10.0	3.9	-12.4	Burundi	-2.9	-11.9	-3.9
Venezuela	-35.1	-18.8	-3.8	Italy	-9.6	-6.4	-5.9	Czech Republic	-2.7	6.4	-2.4
Libya	-29.5	-29.2	-13.3	Mozambique	-9.1	-23.8	-10.3	Bermuda	-2.6	-4.2	-12.2
Uganda	-27.7	-38.1	-3.0	Slovakia	-8.5	-17.8	-5.5	Barbados	-2.4	5.9	-8.6
Guadeloupe	-26.8	-22.3	-15.1	Swaziland	-6.9	1.8	-7.8	New Caledonia	-2.3	-12.2	-9.5
Zimbabwe	-24.9	-10.7	-2.9	Slovenia	-6.0	-55.0	-5.0	Antigua and Barbuda	-2.3	11.8	-9.3
French Guiana	-15.6	-8.6	-7.2	Norway	-4.7	-21.2	-2.6	Bolivia	-1.8	17.0	-4.3
Mayotte	-13.9	-11.1	-35.4	Iraq	-4.7	-30.9	-6.7	Mali	-1.8	45.9	-6.2
Sudan	-13.8	6.6	-15.5	Monaco	-4.5	-0.1	-19.6	Liechtenstein	-1.5	-7.9	-7.7
Angola	-13.7	-28.8	-5.6	Egypt	-4.4	4.5	-6.1	Netherlands	-1.2	6.0	-6.0
Indonesia	-13.7	6.3	-4.1	Bulgaria	-4.0	-11.3	-4.1	Lebanon	-1.2	-1.2	-4.3

Sources: SWIFT Watch, National Bank of Belgium

In addition, in some territories, the decline in the number of CBRs and the volume and value of transfers may simply reflect technical factors: for instance, the absorption in 2016 of several subsidiaries of BPCE located in French overseas territories by another group entity located in Southern France, and the subsequent integration of their back office systems likely explains the declines in Guadeloupe, Reunion and French Guiana.<sup>28</sup> Similarly, several subsidiaries of BNP Paribas in the French Antilles merged that year.<sup>29</sup> As a result of these internal group reorganisations, the number of active correspondent banks, as measured in SWIFT statistics, has diminished, and in some cases the messages are presumably not recorded anymore in SWIFT statistics as part of the traffic of these territories. In 2014, the transfer to French payment

<sup>28</sup> <http://www.groupebpce.fr/en/Investors/Results/Registration-documents>, “Groupe BPCE 2016 Registration document and full-year financial report”: in May 2016 Caisse d’Epargne Provence-Alpes-Corse merged with its subsidiaries Banque de la Réunion, Banque des Antilles Françaises and Banque de Saint-Pierre-et-Miquelon (which were 100% controlled following their acquisition from BPCE International).

<sup>29</sup> Institut d’Emission d’Outre Mer, December 2016, overview of banking activity in French overseas territories [http://www.iedom.fr/IMG/pdf/note\\_ie\\_panorama-activite-bancaire-dcom\\_2015\\_complet.pdf](http://www.iedom.fr/IMG/pdf/note_ie_panorama-activite-bancaire-dcom_2015_complet.pdf) absorption of BNP Paribas Guadeloupe and BNP Paribas Guyane by BNP Paribas Martinique on 1 October 2016, to form a new entity BNP Paribas Antilles-Guyane. In addition, in 2015, a subsidiary of Groupe Crédit Agricole, Banque Française Commerciale des Antilles Guyane, based in Guiana, was absorbed by another group entity headquartered in Paris, LCL, which has probably impacted SWIFT statistics that year. For both groups back office activities have, in whole or in part, been relocated to mainland France.

systems of payments in EUR between French territories in the Pacific, and between these territories and mainland France may also have impacted statistics for these territories.<sup>30</sup>

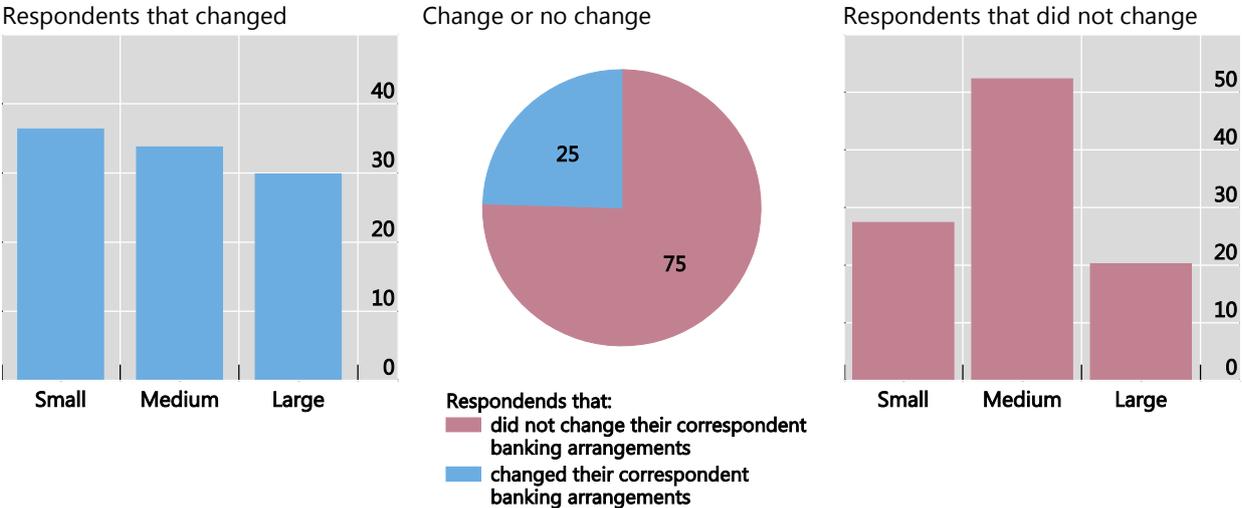
### 3.2 Impact on the length of payment chains

As can be seen in the previous section, the reduction in the number of correspondent relationships does not necessarily lead to a reduction in payments sent and received. In many instances, payments will continue to flow through the remaining relationships. Similarly, where the corridor between A and B becomes inactive, it is likely that payments will flow through another country C that still has active corridors with A and B.

In addition to findings from other sources such as the World Bank’s report on the withdrawal from correspondent banking, the FSB-CBCG survey found that 25% of banks have reported changing their correspondent banking arrangements so that payments flow through different countries since 2011 (**Graph 16**). This could imply that banks in regions where the share of direct cross-border payments decreased resorted to new relationships not only in different banks but in different countries, at least for parts of their correspondent banking arrangements, and suggests a lengthening of the chain of payment messages required to complete a wire transfer. It is worth noting that banks’ asset size is not a determinant characteristic to change correspondent banking arrangements. The increase in restrictions to CBRs was higher for respondent banks that responded that they changed their arrangements.<sup>31</sup>

Change in correspondent banking arrangements

In per cent Graph 16



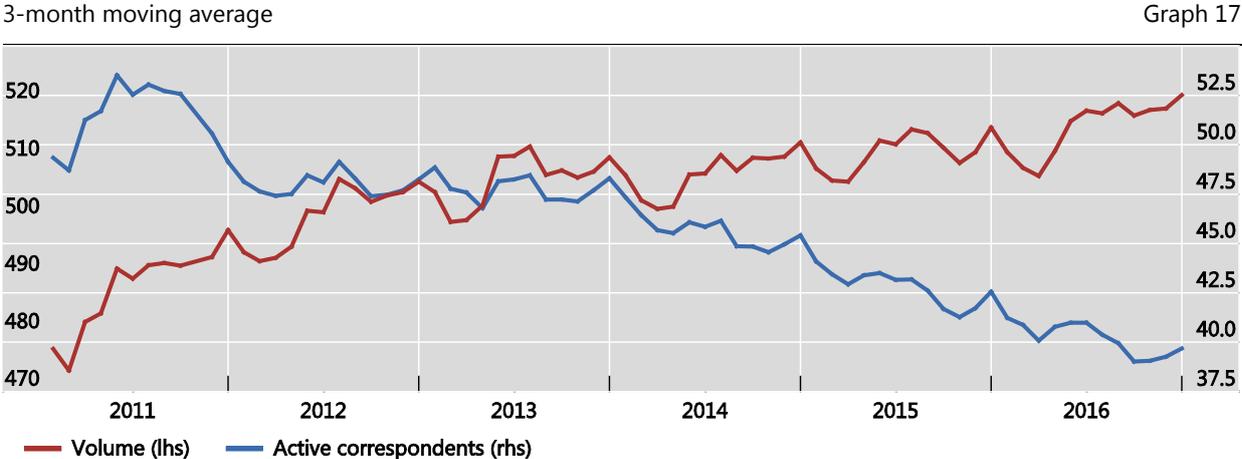
Answers provided by 314 banks. Banks that did not provide a measure for their bank size were not included  
 Source: FSB-CBCG Survey.

<sup>30</sup> SEPA COM Pacifique is a French framework implementing the SEPA schemes ; payments are routed through CORE(FR) and STEP2-T and may not use classical correspondent banking schemes anymore <http://www.ieom.fr/ieom/moyens-de-paiement/moyens-de-paiement-scripturaux/sepa-com-pacifique/>.

<sup>31</sup> This could be ascertained from the 44 banks that answered both relevant questions.

The lengthening of payment chains is consistent with the fact that the volume of payments increases while the number of relationships decreases, as shown in **Graph 17**, although the increase in the volume of messages with limited increase in value may also reflect a greater use of correspondent banking for smaller transactions. The CPMI report of July 2016 had noted that the rerouting of payments through third countries could lead to an increase in correspondent banking activity. Indeed, in the serial method described in section 1.B., when a bank X wants to send a payment to bank Z through bank Y, X sends an MT 103 to Y, which then sends an MT 103 to Z. Therefore, two messages are sent instead of one if banks do not have accounts with each other and use instead a third bank as an intermediary. Available statistics do not allow identification of the messages that are part of the same chain of payments, and therefore the lengthening of payment chains cannot be measured accurately.

Number of active correspondents over all corridors and volume of messages<sup>1</sup>



<sup>1</sup> MT 103 and MT 202 excluding MT 202 cov.

Sources: SWIFT Watch; National Bank of Belgium.

The absence of a major increase in the value of payments at the global level is not inconsistent with this phenomenon, because the FSB-CBCG survey shows that small and medium size banks are more affected by the loss of CBRs, and that these banks process individual payments of a smaller value: for instance, the average value of an individual transfer by the median small bank is 60 times less than for the median large bank (USD 42,400 against 2.4 million). Therefore, the rerouting of payments of smaller banks through longer chains of intermediaries will increase the global volume more than the global value of payments.

These longer chains of payments may result in a reduction in the efficiency of payment services, with additional delays and cost for sending funds. The FSB-CBCG survey did not examine this aspect.

At the same time, long chains of payments reflect the existence of “downstream clearing” (sometimes called “nesting”), which is an essential feature of correspondent banking: as banks cannot have accounts with all other banks, the settling of a transaction may involve several intermediary banks, as illustrated by CPMI in their 2016 report. In their revised guidance on

correspondent banking published on 7 June 2017<sup>32</sup>, BCBS noted that “*downstream CBRs are an integral and generally legitimate part of correspondent banking. Nesting may be a way for regional banks to help small local banks within the respondent’s region obtain access to the international financial system or to facilitate transactions where no direct relationship exists between banks. Providing access to third-party foreign financial institutions that are not the customer of the correspondent bank, and so not necessarily known, can obscure financial transparency and increase ML/TF risks.*” BCBS recommends practices to adequately assess and manage these risks.

The FSB-CBCG survey asked correspondent banks to give the “total number of banks that are provided with correspondent accounts by the respondent of the surveyed bank and indirectly use the services of the surveyed bank (to the extent this is known by the surveyed bank).” As noted by BCBS in their revised guidance, respondent banks are expected to disclose whether accounts include nested relationships, but this does not entail that a list of the nested relationships should be produced. Therefore, only a small number of surveyed banks were able to provide exact numbers. For the 26 banks that provided a figure for 2016, the number of downstream relationships or accounts represented 72% of the number of the direct correspondents reported by these same banks, which shows that downstream clearing is common (last line of **Table 8**). When looking only at the 18 banks that provided data for the five years between 2012 and 2016, there is a slight increase in the proportion of known downstream relationships.

**Table 8 – Evolution of the number of indirect relationships (downstream or nested relationships) compared to the number of direct relationships reported by 18 banks from 2012 to 2016 (and 26 banks for the last row).**

Year	Indirect relationships		Direct relationships		Indirect/ Direct	number of reporting banks
	number	% change	number	% change		
2012	278		375		74%	18
2013	307	10%	377	1%	81%	18
2014	298	-3%	380	1%	78%	18
2015	292	-2%	376	-1%	78%	18
2016	284	-3%	357	-5%	80%	18
2016	4453		6181		72%	26

Source FSB-CBCG Survey

### 3.3 Concentration in correspondent banking

An increase in the concentration of the correspondent banking market increases the market share of remaining participants, and hence could affect competition, raise costs, and especially lead to more fragile networks since failure of a participant could have larger effects on the market and the economy. Another possibility is that consolidation could strengthen CBRs over

<sup>32</sup> <http://www.bis.org/bcbs/publ/d405.htm>.

the medium term as larger volumes address some of the business-related drivers of termination cited in the survey.

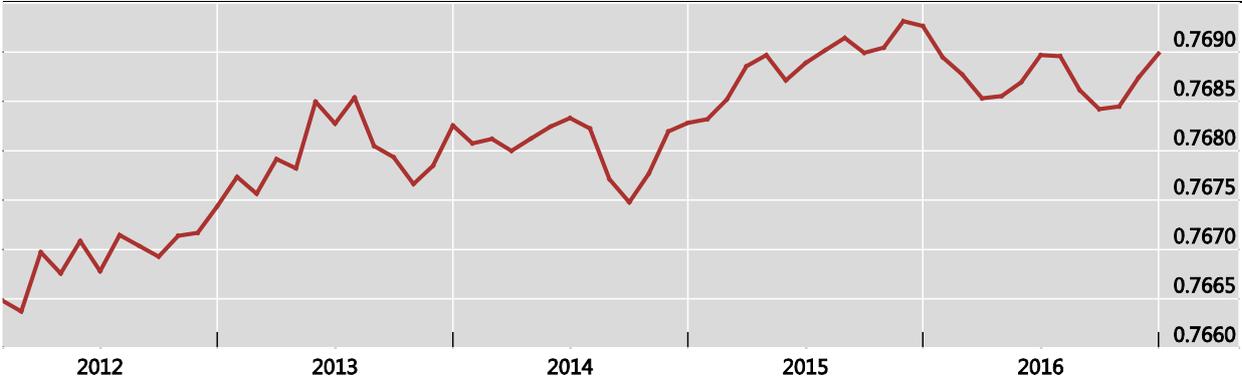
The fact that aggregated volume of payments has risen steadily between 2011 and 2016, whereas the number of active correspondent fell continuously during the same period, suggests that in the last six years concentration in the correspondent banking market has increased (as shown in **Graph 18**).

Additionally, the Gini coefficient on the number of active correspondents per corridor flows at high levels, between 0.766 and 0.769<sup>33</sup>. This measure increased over the 2012–2015 period and followed a more stable path for the period between 2015 and 2016.

Gini coefficient on the number of active correspondents per corridor

3-month moving average

Graph 18



Sources: SWIFT Watch; National Bank of Belgium.

However, the average value of transactions processed by correspondents in USD has probably increased from 2011 to 2016, given that the reduction in the number of correspondents in USD (as shown in **Graph 4**) was accompanied by an increase in value of payments in USD, as shown by the two graphs below.

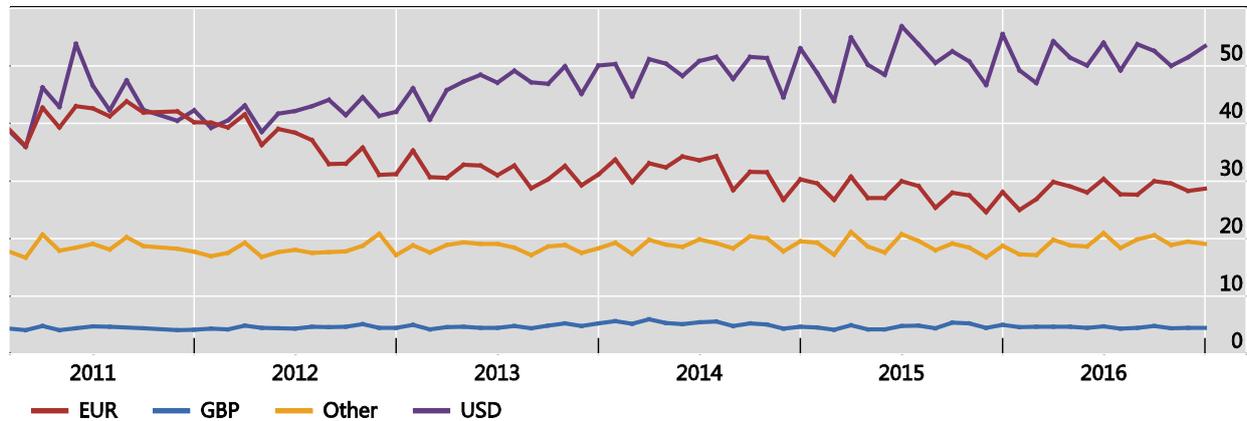
**Graph 19** shows the share of transaction value by currency. Notably, USD and EUR transactions account for approximately 80% of the total value of MT 103 and MT 202 payment messages in the network (excluding MT 202 COV to avoid double accounting with MT 103 messages). However, EUR payments follow a continuous downward trend, whereas USD payments have significantly increased their share over the period. Moreover, GBP payments hold a stable share over the period.

<sup>33</sup> A Gini coefficient of 1 would mean that there is only one active bank per corridor f.

Share of transaction value of MT 103 and MT 202 messages by currency

Jan 2011 = 100 in sum

Graph 19



Sources: SWIFT Watch; National Bank of Belgium.

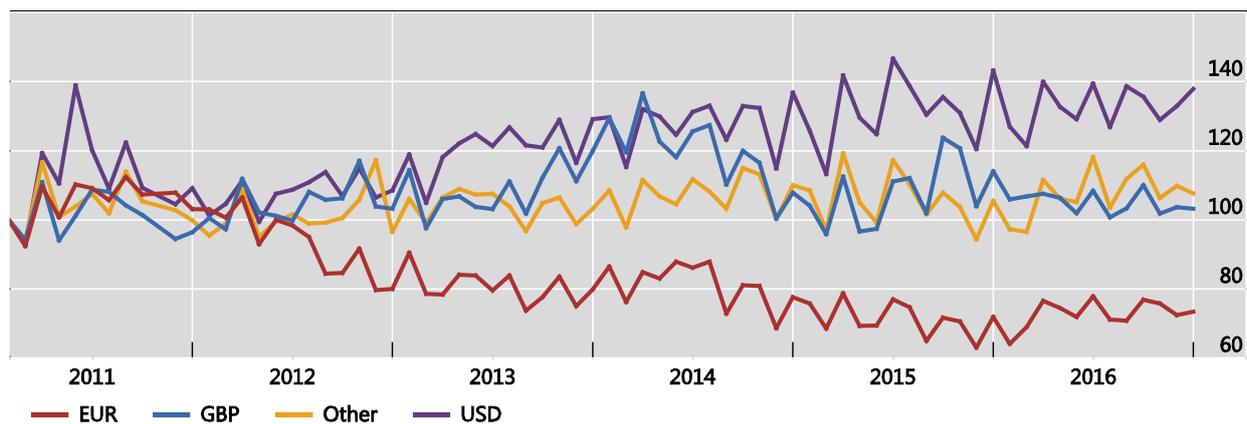
These trends are presented more explicitly in **Graph 20**, which shows that USD payments follow a clear upward trend, increasing 38% from 2011 to 2016; whereas EUR payments follow a downward trend, with a decline of 30% for the same period. GBP payments and all other currencies' payments do not follow a discernible trend; by the end of the period they experienced a slight increase of 3% and 8% respectively.

The increase in the average value of transfers processed by correspondent in USD is not itself sufficient to establish a change in concentration, given that market concentration depends on how the value is spread among the thousands of banks that are active in correspondent banking in USD.

Share of transaction value of MT 103 and MT 202 messages by currency

Jan 2011 = 100 for each currency independently

Graph 20

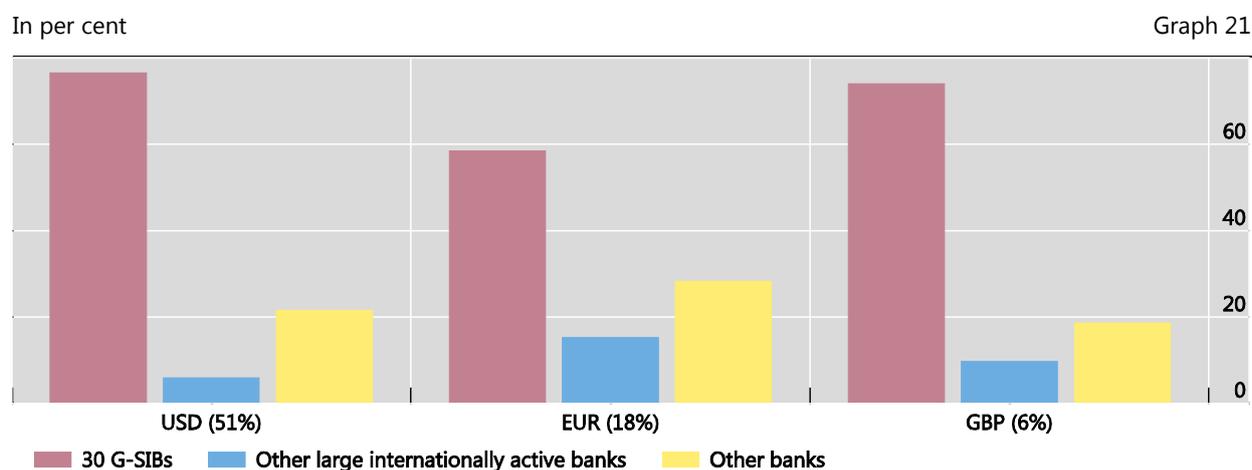


Sources: SWIFT Watch, National Bank of Belgium, Bank of Mexico

### *Concentration on the correspondent side*

**Graph 21** below shows the percentage of value sent and received through correspondent banks that are listed as the 30 G-SIBs, the remaining 45 large internationally active banks,<sup>34</sup> or any other banks, in each of the three main currencies reported. The share of reported value traded in each currency is shown in the currency label in each graph below, respectively. Clearly, the majority of value in each of the three main currencies is sent or received through one of the 30 G-SIBs, but it remains to be checked whether the share of G-SIB is lower for the survey sample than the global average, which would be a sign that banks affected by the decline in correspondent banking may more frequently use smaller correspondents. Payments in EUR stand out for being sent or received through the remaining 45 large internationally active banks or other banks in a greater proportion than USD or GBP, which may reflect the fact that SWIFT message data frequently used by banks to compute these statistics also includes in Europe messages related to payment systems and not just correspondent banking.<sup>35</sup>

Share of value sent or received through a correspondent bank of each category, by currency in 2016



For USD, 217 banks provided answers; for EUR, 175; for GBP, 105

Source: FSB-CBCG Survey

### *Concentration on the respondent side*

The FSB-CBCG survey also sheds light on whether the reduction in the number of correspondent relationships results in banks depending on only few correspondents for their access to the international financial system. In particular, the survey provides information on the proportion of respondent banks that depend on two or fewer correspondent banks for more than 75% of the value of cross-border payments (across all currencies). It is worth mentioning

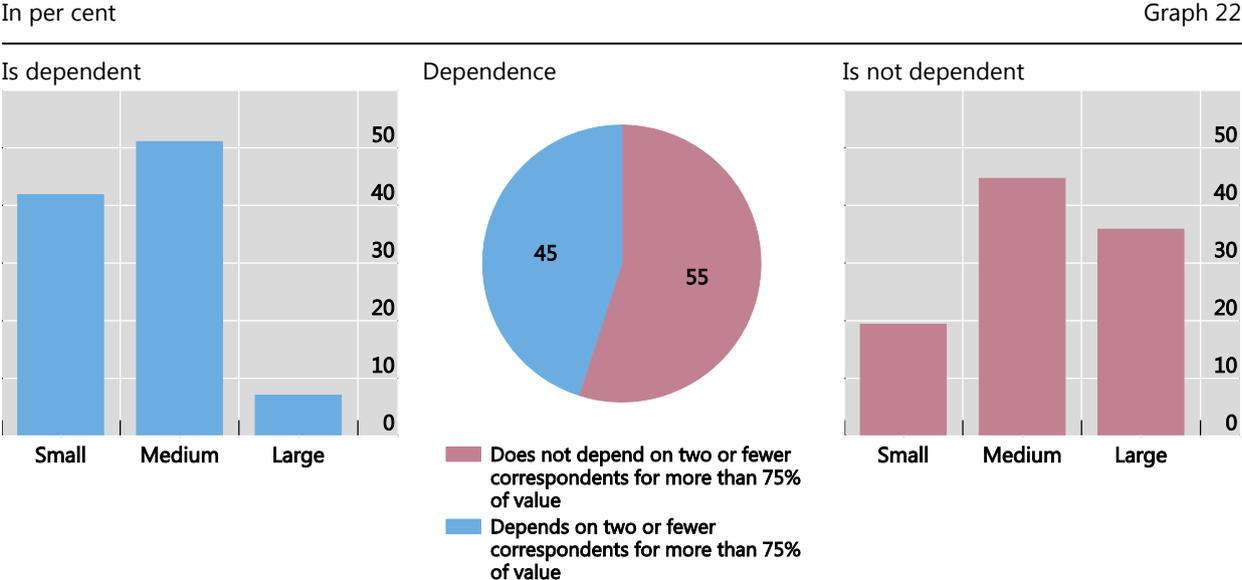
<sup>34</sup> Other large internationally active banks are defined as banks other than G-SIBs that are in the sample of 75 large global banking groups used in G-SIB assessment methodology calculations – end 2014 exercise (main sample), listed in [http://www.bis.org/bcbs/gsib/gsibs\\_dislosures\\_end2014.htm](http://www.bis.org/bcbs/gsib/gsibs_dislosures_end2014.htm).

<sup>35</sup> It is important to note that for this question banks were asked to consider direct relationships only, meaning those in which the respondent has an account with the correspondent in the category listed.

that with this information it is not possible to identify changes in dependence over time since this part of the survey only covered June 2016.

Nonetheless, information from the survey could be used not only to measure the dependence of banks on few correspondent banking service providers but to assess the dependence of banks by asset size. According to **Graph 22**, 45% of surveyed banks reported depending on two or fewer correspondent banks for more than 75% of the value of payments. Of these banks, 93% were small and medium banks and just 7% were large banks.<sup>36</sup> On the other hand, out of the banks that reported not depending on two or fewer correspondent banks, 64% were small and medium banks and 36% large banks. There is evidence that large banks are less dependent on few correspondent banks than medium and small banks. Additionally, surveyed jurisdictions from Latin America and the Caribbean reported that 56% of their respondent banks depend on two or fewer correspondent banks.

Dependence on less than 2 correspondent banks for more than 75% of the value of cross-border payments



Answers provided by 311 banks. Banks that did not provided a measure for their bank size were not included  
 Source: FSB-CBCG Survey.

The FSB-CBCG survey found that respondent banks that depended on fewer correspondents in 2016 were those that experienced an increase in the number of restrictions between 2011 and 2016. In 2011, respondent banks surveyed by the FSB-CBCG<sup>37</sup> that did not depend on two or fewer correspondent banks experienced some kind of restriction on 11% of their CBRs, rising marginally to 15% of relationships in 2016. However, in 2011, respondent banks that did depend on two or fewer correspondent banks experienced a greater increase in restrictions, from 5% of their relationships in 2011 to 29% in 2016.

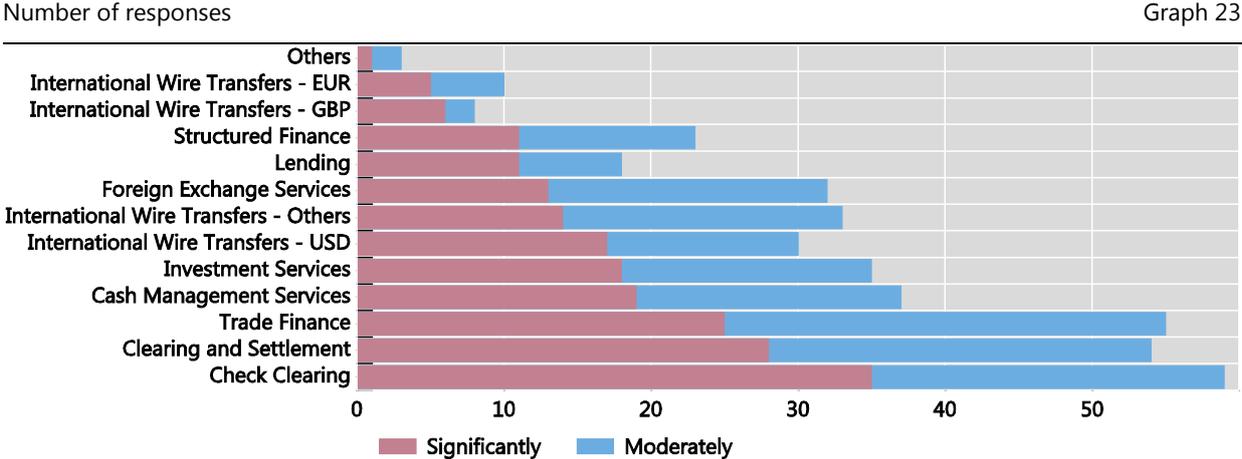
<sup>36</sup> Refer to the discussion in section 2 on how banks were classified as small, medium, and large based on asset size.  
<sup>37</sup> 44 respondents answered both of the questions necessary to calculate these figures.

**3.4 Disruption of payments services**

*Information from other sources* .....

The World Bank 2015 survey on the withdrawal from correspondent banking provides some information on the types of products and services that have been affected as a result of de-risking. Banking authorities, large international banks, and local/regional banks that reported a decline in their correspondent banking products and services, were asked to indicate the specific products or services affected and the extent to which this was the case. Independent of the size/type of the banks, among the top six affected services are check clearing, clearing and settlement services, trade finance, cash management services, investment services international wire transfers. However, there is a discrepancy in the assessment of trade finance and international wire transfers among local/regional and large international banks, since local/regional banks consider trade finance as the third most affected service while large international banks assessed international wire transfers as the fourth most affected service.

Local/Regional Banks: Products/services significantly (red) to moderately significantly (blue) affected



Source: World Bank survey on the withdrawal from correspondent banking (2015).

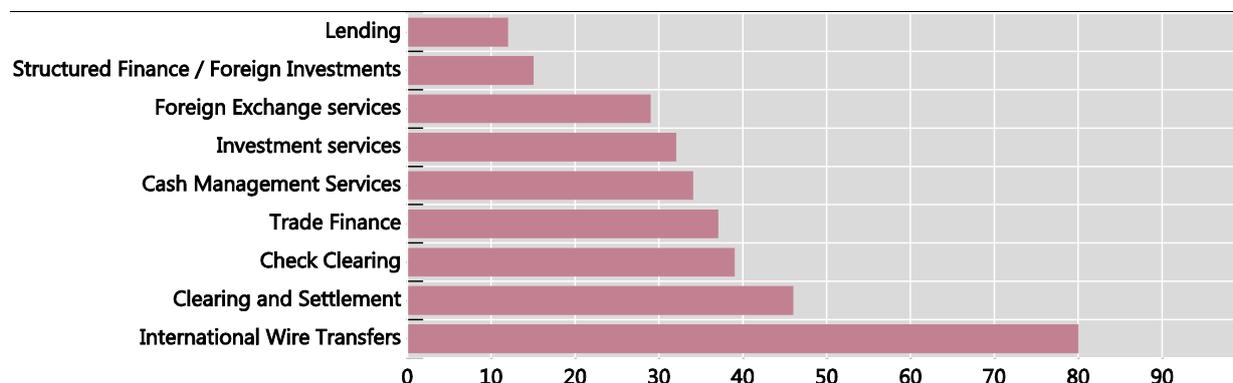
A noteworthy difference in responses from banking authorities and banks is that banking authorities perceive a much larger effect on international wire transfers than do banks (both local/regional and large international banks), which perceive check clearing and clearing and settlement to be the main products or services affected.

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## Banking Authorities: Products/services significantly to moderately significantly affected

In per cent of responses

Graph 24



Source: World Bank, 2015, "Withdraw from correspondent banking : where, why, and what to do about it.", Washington, D.C., World Bank Group.

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### 3.5 Consequences for specific types of banks' end-customers

The withdrawal of CBRs has affected some particular service providers that cater to specific socioeconomic sectors which are more vulnerable, such as Money Transfers Operators (MTOs), Non-Government Organizations (NGOs), among others. The FSB-CBCG survey collected information regarding how respondents have terminated services to some of these end-customers<sup>38</sup>, particularly for NGOs, MTOs, Payment Service Providers (PSP), Politically Exposed Persons (PEPs), and other Financial Institutions (FIs).

**Graph 25** shows a measure of termination intensity of end-customers that was calculated as follows. Respondent banks were asked to indicate whether they terminated relationships with "none", "some" or "most" of each type of end-customers for each reason. The graph below presents the frequency of respondent banks that answered "some" and "most", for each type of end-customers. For instance, 37 banks reported having terminated services with "some" of their clients who are non-governmental or humanitarian organizations (NGOs), whereas, only five banks terminated services with "most" of their NGO clients.

The responses to the FSB-CBCG survey show that banks reported terminating services to "most" MTOs at least 70% more often than other types of clients, in line with other evidence presented in the World Bank 2015 report on de-risking in the remittance market.

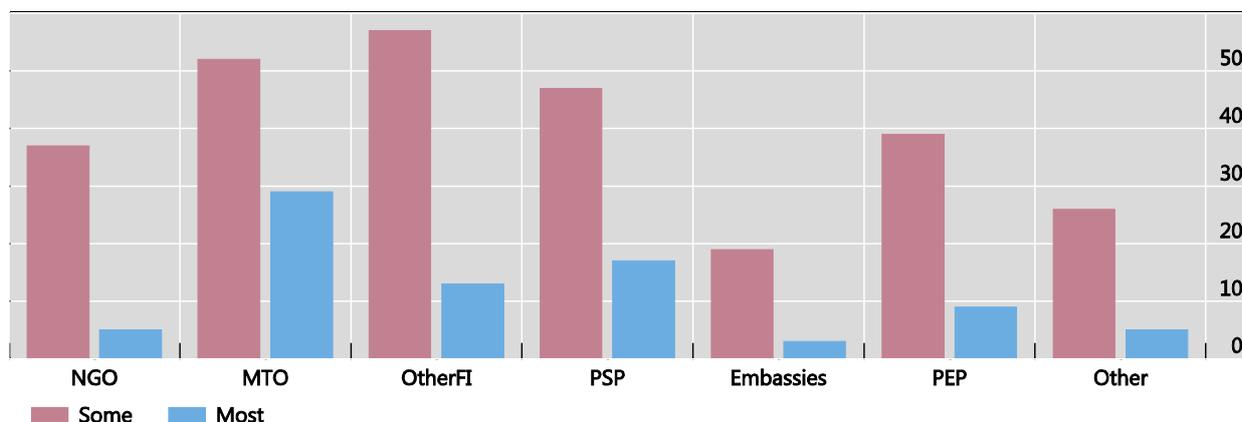
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<sup>38</sup> End-customers refers to customers of financial institutions.

## Termination intensity of correspondent banking services with end-customers

Number of respondent banks

Graph 25



Answers provided by 118 banks

Source: FSB-CBCG Survey

### ***Information from other sources.....***

The withdrawal on correspondent banking has also affected clients in different magnitudes. For instance, in line with the FSB-CBCG's results on termination intensity of end-customers, the World Bank's 2015 survey on de-risking activities in the remittance market highlighted that MTOs have been particularly affected by the decline in correspondent banking services. The World Bank survey on de-risking and remittances highlights that 28% of the total respondent MTOs declared that both the MTO principal and its agents can no longer access banking services. Further, 17% of MTOs noted that while the principal may still maintain access to bank accounts, their agents are not allowed to do so. Among the 28% of respondents who do not have access to banking services, 74% are maintaining their presence in the market by using alternative channels to clear and settle the amounts at the international level. The remaining 26% of MTO principal respondents reported being unable to operate regularly through bank channels.<sup>39</sup>

The World Bank's 2015 survey on the withdrawal from correspondent banking indicates that over 69% of banking authorities report that money transfer operators and other remittance companies are among the most affected by the decline in correspondent banking services, followed by small and medium domestic banks (44%) and small and medium exporters (26%). Some local/regional banks reported that money exchange businesses, tour operators, food and drink industry, exporters, importers, and PEPs were among those significantly affected as well. Moreover, 18% of the banking authorities considered that higher-risk customer base is a cause of decline. Some other client segments considered by them as significantly affected due to the higher-risk were retail customers (students, foreign workers, etc.), international business companies, e-gaming/casino businesses, and foreign exchange (FX) services.

<sup>39</sup> Methods reported are operating: a) through other MTOs, b) via cash management companies and physically transporting cash, and c) using personal bank accounts.

## 4. Drivers of the withdrawal from correspondent banking

As regards the drivers of the phenomenon, authorities and local banks that responded to the World Bank survey of 2015 pointed predominantly to risk appetite/profitability as the main drivers, whereas almost all large global banks surveyed by the World Bank mentioned “concerns about money laundering/terrorism financing risks in jurisdiction(s) of the foreign correspondent banks” (95% of large banks surveyed) and “imposition of international sanctions on the jurisdiction(s) of the foreign correspondent bank(s)” (90%) as the most important drivers.

To look further into the drivers, the FSB-CBCG examined which jurisdictions were most affected by the decline based on different criteria (GDP, AML/CFT framework), and which causes are the main drivers of CBR terminations using the same questions as the World Bank survey, with in addition a request for banks to quantify the number of exits that could be attributed to the different causes.

### 4.1 Analysis of economic and risk factors

As shown in **Table 9** below, on average small economies are the most affected by the withdrawal of correspondent banks from the whole jurisdiction, measured by the FSB-CBCG survey (third column). The 15 largest economies only see a minor reduction of 3% in the number of foreign banks that offer correspondent bank services to them based on the FSB-CBCG survey, against a decline of 29% for the 55 economies with a GDP of less than 10 billion. As a result, these 55 small economies were on average served by only 4 banks in the FSB-CBCG survey sample.

There are no significant differences when measuring the evolution of CBRs based on SWIFT data. This is probably because the count of active relationships provided by SWIFT is based on the number of corridors in which banks are active: the count of active CBRs is measured by the traffic of messages sent and received directly to or from a given country. By terminating correspondent banking services to some countries, the correspondent banks of large economies also reduce the number of corridors in which large countries are active.

**Table 9 – Average evolution of the number of correspondents (SWIFT and FSB-CBCG survey) and remaining number of correspondents (FSB-CBCG survey), depending on the Gross Domestic Product of the jurisdiction.**

Jurisdiction's current GDP 2015, billion USD	Average evolution of active CBRs measured by SWIFT message traffic 2012–2016	Average evolution in the number of correspondents serving the jurisdiction, 2011–2016 (FSB-CBCG survey)	Average number of correspondents serving the jurisdiction, June 2016 (FSB-CBCG survey)	Number of jurisdictions
GDP>1000	-7.7%	-3.1%	53.9	15
100<GDP<1000	-10.2%	-5.8%	30.4	45
10<GDP<100	-6.1%	-14.9%	13.1	70
GDP<10	-6.9%	-29.0%	4.3	55
All countries with available GDP data	-7.4%	-15.4%	14.3	185

Source: SWIFT Watch, FSB-CBCG Survey and for GDP Data United Nations and World Bank.

The level of compliance with FATF standards in a given jurisdiction, or the absence of information on such compliance, appears to have an impact on the evolution in the number of correspondent banks serving that jurisdiction between 2011 and June 2016, based on the FSB-CBCG survey (“exit rate”). The two jurisdictions (Afghanistan and Cambodia) that were publicly identified by the FATF as of February 2014 as having made insufficient progress in addressing deficiencies in their AML/CFT framework experienced an exit rate of 40%, similar to the average exit rate of the 20 jurisdictions that had never been assessed as of February 2017 (43%). The two jurisdictions facing a call for action lost 79% of their correspondent banks.

The 20 jurisdictions that were simply under monitoring in 2011 were less affected than the world’s average (-12% against -18%), and those under monitoring in 2014 have the same exit rate as the world’s average: this may be a sign that when deficiencies are addressed in a timely manner, they do not have a lasting impact on the jurisdiction’s access to the international financial system through correspondent banking.

**Table 10 – Average evolution of the number of correspondents (SWIFT and FSB-CBCG survey) and remaining number of correspondents (FSB-CBCG survey), depending on the status of compliance with FATF standards at selected dates.**

FATF Monitoring category as of February of the relevant year	Average evolution of active CBRs measured by SWIFT message traffic 2012–2016	Average evolution in number of correspondents serving the jurisdiction, 2011–2016 (FSB-CBCG Survey)	Average number of correspondents serving the jurisdiction, June 2016 (FSB-CBCG survey)	number of jurisdictions
Monitoring 2011	-15%	-12%	15.70	20
Monitoring 2014	-8%	-18%	10.79	19
Insufficient progress 2011	27%	-23%	12.40	5
Insufficient progress 2014	-14%	-40%	8.00	2
Never assessed 2017	-2%	-43%	4.05	20
Call for action 2017	-27%	-79%	5.50	2
All territories in FSB-CBCG survey sample	-10%	-18%	14.28	252

Source: FATF, SWIFT Watch, FSB-CBCG survey

## 4.2 Drivers of termination reported by banks in the FSB-CBCG survey

The FSB-CBCG survey asked respondent banks and correspondent banks alike to report on the potential drivers for terminating CBRs.

For comparability, the reasons used for the FSB-CBCG survey closely aligned to the drivers used by the World Bank in their 2015 survey on the withdrawal from correspondent banking. However, some categories were added, especially “dormant relationships”, which proved to be a relevant driver, involved in 17% of terminations according to correspondent banks. In addition, whereas the World Bank survey had asked banks to list the main drivers for all

terminations, the FSB-CBCG survey asked banks to specify the number of terminations of correspondent banking services for which each driver played a significant role.

**Table 11** below includes the reasons provided by 43 correspondent banks that provided a count of terminated relationships related to specific reasons, the total number of terminated relationships, and the total number of relationships they had.<sup>40</sup> These 43 banks together had some 17687 CBRs<sup>41</sup> in June 2015 with 1220 net terminations<sup>42</sup> between June 2015 and June 2016 (net termination rate of 6.9%). These banks include major correspondent banks in Canada, France, Germany, the United Kingdom and in other countries. Table 11 does not cover US and Swiss banks.

To calculate the percentage given in the right column, the number of terminations associated with each driver by a given bank was first divided by the total number of terminations of that bank, and then weighted by the number of CBRs that this bank had in June 2015 compared to the total of the 43 banks in this sample. The score for each driver is the sum for the 43 banks of the weighted scores of that driver.

The classification of drivers is a difficult exercise, as there may be several reasons behind a termination. Banks could give several reasons for the same termination, hence the total exceeds 100%.

Four main types of drivers can be broadly identified. Business strategy reasons (excluding profitability, AML/CFT-related reasons or costs) are the most frequently cited driver, as they are involved in over 40% of terminations reported. Business strategy reasons includes changes to the business model, the termination of dormant relationships or industry consolidation. Two banks explained a large number of terminations as being “simplification exits”, without further details.

The three other types are each mentioned in a fifth of terminations:

- The lack of profitability (which itself may be considered a business-related driver);
- The overall risk appetite;
- Various drivers related to AML/CFT or sanctions regime. Within that category, the termination reasons most frequently mentioned are the cost of due diligence, and the respondent’s lack of compliance with AML/CFT or sanctions regulations (or concerns, or insufficient information, on such compliance).

There could be overlap and interrelatedness among reasons; for example, a change in the business model may be due to a change in risk appetite, and likewise, concerns about money laundering/terrorist financing (ML/TF) risks could potentially lead to costly preventive processes and controls, which may reduce profitability.

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<sup>40</sup> Drivers marked by an asterisk (\*) were provided by survey participants as part of the “other drivers” but were not in the menu of drivers presented in the questionnaire

<sup>41</sup> The figure taken into account is the number of customer banks, not the number of accounts. When the surveyed bank did not provide the number of customer banks, this was approximated by the number of Vostro accounts provided in the currency of the surveyed bank (or in USD, EUR or GBP, if higher). The reason for weighing by the number of relationships, and not the number of terminations, is that some banks included in the terminations the SWIFT RMA (which is a communication capability, not necessarily an account relationship).

<sup>42</sup> Net terminations are the number of terminated relationships minus the number of opened relationships.

*Information from other sources*.....

A study conducted in February 2016 for the UK Financial Conduct Authority<sup>43</sup> gave some examples of the costs of due diligence for a correspondent bank: total on-boarding costs of a respondent by dedicated teams sums to around GBP 2,300 for lower risk to 3,300 for higher risk, with annual maintenance costs (monitoring and non-monitoring) of GBP 1,400 to 2,000 depending on risk levels. The FSB-CBCG did not survey this aspect and did not assess assertions from other sources that these costs may have increased in recent years, perhaps in part to address insufficient investments. The 2014 KPMG global AML survey<sup>44</sup> notes that 78% of survey respondents reported increases in their total investment in AML activity during the three year period from 2011 to 2014, and that these increases exceeded 50% for 22% of survey respondents, mainly in the following areas: (i) transaction monitoring systems ii) Know Your Customer updates and maintenance, and iii) recruitment. However, the KPMG survey is not specifically focused on correspondent banking. As fees tend to be charged based on volume, it may be that some relationships bring insufficient volume to meet the fixed costs of maintaining the relationships, combined with other costs (such as cost of capital, liquidity, etc.). The FSB-CBCG did not assess the methodology or findings of the KPMG AML survey.

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However, some reasons such as “concerns about money laundering and terrorism” focus specifically on the fear of criminals misusing financial institutions’ systems, rather than the actual cost of compliance with AML/CFT policies.

**Table 11** also shows the responses provided by respondent banks to the same question (second data column). As there are generally fewer differences in the number of terminations between respondents, responses were not weighted for respondents. Consequently, responses were counted as the number of respondent banks that reported having experienced a termination of any number of relationships for the listed reason; that is, the *frequency of banks* reporting each reason for termination and not the *frequency of terminations* for each reason. Therefore, the numbers are not directly comparable. However, business strategy reasons are also the most frequently mentioned (36.4% for the total of changes to business model, industry consolidation and dormant relationships). The lack of profitability of certain services or products was cited by 17.6% of respondents and the overall risk appetite by 12.6%. Reasons related to AML/CFT tend to be less frequently mentioned by the surveyed respondents, which are not necessarily those with whom the surveyed correspondents terminated relationships.

This difference may also in part represent the inherent asymmetry of information present in the relationship: correspondent banks know their reasons for terminating a relationships whereas respondents only report the driver given to them by a correspondent. In addition, correspondent banks may be prevented by law or regulation to divulge suspicions that were reported to authorities (prohibition of “tipping off”). This being said, improving the communication and dialogue between correspondent and respondent banks, as recommended by FATF, can help respondents understand expectations and resolve incidents, avoiding terminations<sup>45</sup>.

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<sup>43</sup> Drivers and impacts of derisking, a study of representative views and data in the UK, by John Howell and Co. Ltd. For the Financial Conduct Authority, February 2016.

<sup>44</sup> In the survey 317 respondents participated representing the financial sector in 48 countries.

<sup>45</sup> FATF Guidance, correspondent banking services, October 2016, paragraph 37.

Table 11 - Drivers of termination	All sample		Respondents by regions						Respondent's Country Income			Respondent's Bank Size		
	Correspondent	Respondent	East Asia and Pacific	Europe and Central Asia	Latin America and the Caribbean	Middle East and North Africa	South Asia	Sub-Saharan Africa	Lower-Middle Income	Upper-Middle Income	High Income	Small	Medium	Large
Changes to overall business model or business strategy	9.9%	19.2%	22.5%	21.0%	16.2%	13.9%	16.7%	7.1%	18.2%	20.0%	16.3%	23.1%	19.2%	19.8%
Dormant relationship (i.e. absence of transaction for a significant period of time, e.g. 6 months or more)	17.0%	13.8%	17.5%	15.3%	10.8%	11.1%	16.7%	7.1%	5.5%	12.9%	15.0%	6.2%	15.2%	17.3%
Industry consolidation (e.g.: merger of two correspondent banks having relationships with the same respondent, or merger between respondents)	1.0%	3.4%	5.0%	4.0%	2.7%	0.0%	16.7%	0.0%	1.8%	1.4%	4.4%	0.0%	3.0%	6.2%
Simplification exits*	8.9%													
Economic exits*	3.9%													
<b>Total business strategy reasons beyond profitability, AML/CFT or costs</b>	<b>40.7%</b>	<b>36.4%</b>	<b>45.0%</b>	<b>40.3%</b>	<b>29.7%</b>	<b>25.0%</b>	<b>50.1%</b>	<b>14.2%</b>	<b>25.5%</b>	<b>34.3%</b>	<b>35.7%</b>	<b>29.3%</b>	<b>37.4%</b>	<b>43.3%</b>
Lack of profitability of certain foreign CBR services/products	21.5%	17.6%	15.0%	17.7%	10.8%	22.2%	33.3%	14.3%	14.5%	14.3%	17.5%	20.0%	17.2%	13.6%
<b>Total profitability factor:</b>	<b>21.5%</b>	<b>17.6%</b>	<b>15.0%</b>	<b>17.7%</b>	<b>10.8%</b>	<b>22.2%</b>	<b>33.3%</b>	<b>14.3%</b>	<b>14.5%</b>	<b>14.3%</b>	<b>17.5%</b>	<b>20.0%</b>	<b>17.2%</b>	<b>13.6%</b>
Overall risk appetite	19.5%	12.6%	17.5%	8.9%	16.2%	16.7%	16.7%	14.3%	16.4%	8.6%	11.3%	12.3%	14.1%	13.6%
Risk related exits*	3.1%			1.6%										
Sovereign credit risk rating	0.1%	3.1%	2.5%	2.2%	2.7%	11.1%	0.0%	0.0%	9.1%	1.4%	1.3%	4.6%	3.0%	2.5%
<b>Total overall risk appetite and sovereign credit risk</b>	<b>22.6%</b>	<b>15.7%</b>	<b>20.0%</b>	<b>12.7%</b>	<b>18.9%</b>	<b>27.8%</b>	<b>16.7%</b>	<b>14.3%</b>	<b>25.5%</b>	<b>10.0%</b>	<b>12.6%</b>	<b>16.9%</b>	<b>17.1%</b>	<b>16.1%</b>
Response taken to avoid your own correspondents terminating/restricting your relationships	0.1%	1.1%	0.0%	0.8%	0.0%	5.6%	0.0%	0.0%	3.6%	0.0%	0.6%	4.6%	0.0%	0.0%
Respondent's lack of compliance with AML/CFT or sanctions regulations	4.2%	0.8%	0.0%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	0.0%	0.0%	1.2%
Concerns about money laundering/terrorism financing risks	2.7%	5.4%	5.0%	4.8%	10.8%	2.8%	0.0%	7.1%	3.6%	5.7%	5.0%	3.1%	7.1%	3.7%
Inability/cost to undertake customer due diligence (CDD)	0.8%	3.4%	2.5%	4.0%	8.1%	0.0%	0.0%	0.0%	1.8%	7.1%	1.9%	4.6%	5.1%	1.2%
Does not meet minimum commercial hurdle thus not cost effective to undertake the required CDD/EDD*	6.9%													
Imposition of enforcement actions on correspondent	1.1%	3.1%	5.0%	2.4%	8.1%	0.0%	0.0%	0.0%	1.8%	5.7%	1.9%	0.0%	5.1%	3.7%
High-risk customer base of the respondent	2.3%	3.1%	0.0%	4.0%	2.7%	2.8%	0.0%	7.1%	1.8%	2.9%	3.1%	6.2%	1.0%	2.5%
Imposition of international sanctions on jurisdiction or respondent	1.1%	0.4%	0.0%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%	0.0%	0.0%	1.2%
Concern about, or insufficient information about respondent's internal controls for AML/CFT and sanctions, including CDD procedures (for AML/CFT or sanction purposes)	2.2%	1.9%	0.0%	2.4%	0.0%	0.0%	0.0%	14.3%	0.0%	2.9%	1.9%	1.5%	1.0%	2.5%
Respondent's jurisdiction subject to countermeasures or identified having strategic AML/CFT deficiencies by FATF (or another international body)	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Respondent lets correspondent accounts be used by its foreign branches or subsidiaries, or third party banks, without appropriate disclosure to correspondent, or control matching risk level.	0.0%	0.8%	0.0%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	0.0%	0.0%	1.2%
Concerns about negative effects on correspondent's reputation	0.4%	2.7%	2.5%	3.2%	2.7%	0.0%	0.0%	7.1%	0.0%	2.9%	3.1%	1.5%	3.0%	3.7%
<b>Total AML/CFT, sanction, compliance and reputation related drivers</b>	<b>21.8%</b>	<b>22.7%</b>	<b>15.0%</b>	<b>25.6%</b>	<b>32.4%</b>	<b>11.2%</b>	<b>0.0%</b>	<b>35.6%</b>	<b>12.6%</b>	<b>27.2%</b>	<b>20.7%</b>	<b>21.5%</b>	<b>22.3%</b>	<b>20.9%</b>
Changes to legal, regulatory or supervisory requirements in correspondent's jurisdiction that have implications for maintaining CBRs (other than implementation of internationally agreed financial regulatory reforms mentioned below)	0.6%	6.9%	5.0%	4.0%	8.1%	13.9%	0.0%	21.4%	10.9%	8.6%	3.8%	10.8%	6.0%	4.9%
Impact of internationally agreed financial regulatory reforms (e.g., liquidity, capital)	0.0%	0.8%	0.0%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	1.5%	0.0%	1.2%
<b>Total regulatory factors</b>	<b>0.6%</b>	<b>7.7%</b>	<b>5.0%</b>	<b>5.6%</b>	<b>8.1%</b>	<b>13.9%</b>	<b>0.0%</b>	<b>21.4%</b>	<b>10.9%</b>	<b>8.6%</b>	<b>5.1%</b>	<b>12.3%</b>	<b>6.0%</b>	<b>6.1%</b>

The column "Correspondents" gives drivers provided by 43 correspondent banks, weighted by the number of terminations associated with each driver for a given bank, and then by the number of CBRs that this bank had in June 2015 compared to the total of the 43 banks in this sample (see text for more details). The other columns provide responses by 128 respondents and are not weighted (number of respondent banks having experienced a termination of any number of relationships for that reason). Source: CCG Survey

The next columns of **Table 11** delves into the reasons that respondent banks were given by their correspondents as the driver of termination, classified by region. The table should be read as follows: “changes to overall business model or business strategy” accounted for 22.50% of reasons mentioned by respondent banks in surveyed jurisdictions from East Asia and Pacific.

The most cited reason for surveyed jurisdictions in Sub-Saharan Africa was “overall risk appetite” (with AML/CFT reasons also more frequently cited than other regions), whereas for surveyed jurisdictions in Latin America and the Caribbean it was “changes to overall business model or business strategy”.

Furthermore, **Table 11** presents the respondents’ responses sorted by the jurisdictions’ income groups.<sup>46</sup> The drivers present a similar distribution to that found in the previous columns. Notably, the main reasons given to respondent banks for relationship termination were similar across regions and by income classification, concentrating on business strategy reasons. However, dormant relationships were less frequently a reason for termination for banks in lower middle income countries (5%) than for the upper middle (13%) and high income countries (15%). Due diligence costs were cited as a more prominent reason for upper-middle income jurisdictions (7%) when compared with lower-middle (2%) and high-income jurisdictions (2%), although still only the fifth most-cited reason within middle-income countries. Additionally, there is evidence of an inverse relationship between “sovereign credit risk rating” and the income classification of the respondent bank’s jurisdiction.

**Table 11** finally sorts the reasons reported by respondents for relationship termination by the asset size of the surveyed respondent bank. The table can be read as follows: “changes to overall business model or business strategy” accounted for 23.1% of all reasons mentioned by small respondents, 19.2% of all reasons mentioned by medium sized respondents, and 19.8% of reasons mentioned by large respondents.

The main reasons reported by respondents for relationship termination are business strategy drivers (on average, 40%) and “lack of profitability of services/products”, a result that reflects the findings in the preceding tables and holds regardless of bank size. Profitability was cited as a reason for termination more often by small (20%) and medium (17%) sized respondents than by large banks (14%), despite being in the top 25% of reasons for all three sizes of banks. This may be due to the economies of scale where it costs more for smaller banks to maintain these relationships.

The FSB-CBCG survey results show that business reasons such as those related to profitability, costs, and changes in business strategy are the most relevant for terminating a relationship, for both respondents and correspondent banks. Moreover, reasons directly related to AML/CFT, although less important, remain significant. Therefore, it would be advisable for respondent banks to proactively seek to improve their compliance with requirements, including AML/CFT, and address any shortcomings, and consequently improve their likelihood of maintaining their correspondent banking arrangements. Communication by correspondents of expected best practices can also assist respondents.

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<sup>46</sup> World Bank Income classification, which can be found at: <http://data.worldbank.org/products/wdi-maps>.

### ***Drivers of termination of correspondent banking services for end-customers***

The FSB-CBCG survey collected information regarding the reasons why respondents decide to terminate services to some of their own customers (“end-customers”), particularly for Non-Governmental Organisations (NGOs), MTOs, Payment Service Providers (PSP), Politically Exposed Persons (PEPs), and other Financial Institutions (FIs). Respondent banks were asked whether they had terminated correspondent banking services with these types of final clients due to specific reasons, and were asked to rate the intensity of termination (as “none”, “some”, “most” of their clients in each category).

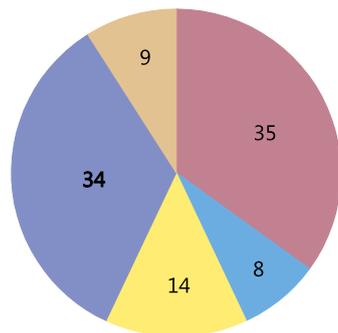
**Graph 26** shows the relative weight of each driver for termination of a relationship with a final client. The main drivers reported by respondents for terminating relationships with final clients are the perceived risk (35%) or the “additional KYC or CDD measures” associated with these customers (34%) and therefore presumably related to AML/CFT deficiencies, whether detected or apparent. Respondents attribute only in 22% of cases the reason for the termination of the relationship to an explicit<sup>47</sup> or implicit<sup>48</sup> request by the correspondent bank to modify the customer base of the respondent”.

#### Drivers of termination of end-customers by respondents

In per cent

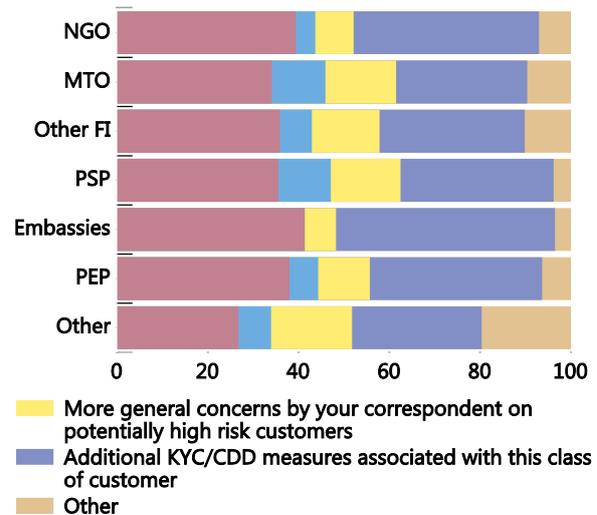
Graph 26

Drivers for terminations – All categories



■ Perceived risk  
■ An explicit requirement from one of your correspondent banks, as a condition for the continuation of the correspondent banking relationship

Drivers by category of end-customers



■ More general concerns by your correspondent on potentially high risk customers  
■ Additional KYC/CDD measures associated with this class of customer  
■ Other

Answers provided by 118 banks; Other drivers mentioned are business strategy, suspected involvement in money laundering activities, lack of profitability, high risk jurisdiction, fraud and failure to comply. Other institutions reported are FX companies, brokerage firms, casinos, gambling related businesses, virtual currency-related entities.

Source: FSB-CBCG Survey

More detail can be inferred from the FSB-CBCG survey, in which respondent banks were also asked to cite these drivers for termination for particular types of end-customers. The previous

<sup>47</sup> The proposed response chosen in 8 percent of cases was « An explicit requirement from one of your correspondent banks as a condition for the continuation of the correspondent banking relationship ».

<sup>48</sup> The proposed response chosen in 14 percent of cases was « More general concerns by your correspondent on potentially high risk customers ».

results hold for all types of end-customers in **Graph 26**: the main reasons for relationship termination remained “perceived risk” and “additional KYC/CDD measures”.

### **4.3 Survey of authorities: regulatory changes as a driver of termination of correspondent banking services**

The information available is insufficient to fully assess the extent to which regulatory changes or changes in the implementation of existing regulation might have affected the network structure of correspondent banking.

In response to the FSB-CBCG survey questions for authorities, 12 countries cited 20 measures they considered meaningfully negatively impacted correspondent banking services, 10 of which took place in 2014 and 2015. Of these, only one measure reported was domestic. Moreover, there is no significant difference in the number of measures that affected services provided (11) and those that affected services received (9). Ten of these measures were related to AML/CFT or sanctions: 4 were about new AML/CFT legislation or standards (including 2 about EU directive on customer due diligence), 2 related to stricter AML/CFT and sanctions regime enforcement in a foreign jurisdiction, 2 about specific sanctions regimes (relating to Iran and Russia) and 2 were the fact that the jurisdictions that provided the response had been listed at some point by the FATF. Authorities also cited 5 measures related to financial reforms, with two of them specifically citing the liquidity coverage ratio and one exposures limits, the other two being more general. Other measures included new regulations on MTOs and the Single European Payments Area (SEPA), which was seen as reducing the need for correspondent banking services. It is worth noting that, when surveyed respondents and correspondents were asked for the reasons for relationship termination, “impact of internationally agreed financial regulatory reforms” was not among the main reasons mentioned by banks in either role.

## **5. Measures taken by authorities as a response to the decline in CBRs**

The FSB-CBCG survey asked authorities whether they took measures to address the decline in correspondent banking in their respective jurisdictions, and if so describe the response taken. In this sense, 22 jurisdictions cited 74 measures implemented<sup>49</sup>. 38 of these pertained to correspondent banking services received, 32 to services provided (some were left unspecified, others pertained to both), 48 measures took place in the period 2013–2016, 15 were legal amendments, 18 were regulations, and seven were guidance documents.

Forty-six of 72 measures were AML/CFT oriented. Eleven of these measures were aimed to strengthen and improve the jurisdiction’s AML/CFT legal framework, e.g. improving definitions of correspondent banking services. Moreover, seven measures designated supervisory authorities, defining or extending their powers regarding AML/CFT compliance. Particularly, one jurisdiction implemented a *National Risk Mitigation Plan* focused on strengthening law enforcement, supervision, and regulation of financial and non-financial institutions; a different jurisdiction established a *Special Financial Intelligence Agency* to

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<sup>49</sup> 17 were reported by one country. Regional distribution: East Asia and Pacific (15), Europe and Central Asia (21), Latin America and the Caribbean (9), Middle East and North Africa (2), North America (14) and South Asia (1).

improve detection of suspicious activity related to ML/TF. Additionally, three measures defined the framework or set expectations regarding account and transaction risk classification of both respondents (particularly, given their business activity) and final clients. Six measures related to adoption of FATF recommendations, particularly prohibiting engagement with shell banks. Two measures set requirements for PEPs. Regarding payable-through accounts, one measure required correspondents to recognize that the involved respondent has conducted CDD on the customers having direct access to the accounts to their satisfaction.

Regarding information requirements, most reported measures focus on improving information regarding the respondent's business activity and their AML/CFT controls, as well as standardizing enhanced due diligence on respondents in high risk or ML/TF sanctioned jurisdictions. Two measures set information requirements based on threshold of transaction's amount. Two measures established AML/CFT requirements for financial market participants such as institutions involved in capital markets, electronic money, currency exchange operators, and investment companies, among others. Lastly, five measures were aimed at tightening actual penalties and sanctions regarding involvement in activities related to ML/TF, as well as providing guidance on identification and reporting of suspicious transactions.

Other cited measures, not related to AML/CFT focused on technological and infrastructure requirements for correspondent banks, regular meetings between central banks and respondent banks, adoption of the Legal Entity Identifier, exclusion of correspondent banking cash deposited in central banks from capital requirements, implementation of a system-wide transaction registry, and an information sharing initiative.

As a potential area for further analysis, these measures, and the dates of implementation, may help explain significant changes in the transactional flows in particular corridors. For example, if there are significant changes detected in the trend of payments value or volume in one corridor it may be possible to test whether these occurred close to the dates mentioned by the respective countries' authorities as far as regulatory measures. It is important to note that although the responses to this question were limited, they are potentially valuable for future case studies on jurisdictions whose transactional data is consistent and coverage is sufficient, since one relevant date of implementation may be enough to explain a detected structural break.

## **6. Alternatives to correspondent banking**

The previous sections highlighted the implications that the withdrawal of correspondent banking services could represent for higher concentration and the increase in the length of payment chains. The effects of the withdrawal, along with the materialization of outcomes related to the potential fragilities and risks could encourage cross-border payment participants to use alternative methods more—or to use them more intensively—to complete their operations.

The FSB-CBCG survey asked banks to list alternatives to traditional correspondent banking channels that they are considering or currently using.<sup>50</sup> Among 73 alternatives listed, nine responses cited European cross-border systems or networks such as EBA Clearing's EURO 1 and STEP2-T systems, and TARGET 2. These three Euro payment systems ensure pan-

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<sup>50</sup> There were few responses to this section, only 73 alternatives provided by all 312 surveyed banks.

European reachability and reduce the need for banks in other countries to have multiple correspondents in Euro area countries, but are not substitutes for worldwide correspondent banking. Moreover, there were eleven mentions of using third party banks as indirect correspondents, and six mentions of remittance providers, while other banks reported settling only net amounts with correspondent banks (four), or opening accounts with smaller banks (three).

***Information from other sources.....***

Additionally, with respect to the use of virtual currencies as alternative methods, according to the 2016 IMF discussion note on virtual currencies, in the Philippines and Kenya, blockchain-based intermediaries offer money transfer services via Bitcoin and subsequent conversion of Bitcoins back into fiat currency for withdrawal by recipients through either their mobile phones or a bank account. In the FSB-CBCG survey, three banks reported the use of Ripple, seven banks reported the use of blockchain technology and six reported the use of mobile wallets. Overall there is little evidence of the use of virtual currencies as an alternative to traditional channels, but there is evidence that remittance providers seek alternatives in order to continue serving recipient countries.

The World Bank’s 2015 survey on de-risking in the remittance market lists the following alternative channels used by MTOs to clear and settle international transactions, none of which is related to virtual currencies: a) using other MTOs, b) operating via cash management companies and physically transporting cash, and c) using personal bank accounts.

However, some of these channels are not perfect substitutes for international transfers. In the World Bank’s 2015 report on de-risking in the remittance market, evidence suggests that operations via cash management companies are geographically limited and the high operative costs may lead to the shutdown of MTOs services because it might no longer be profitable to continue business activity. The use of personal accounts is not a definitive solution because regulatory authorities, mainly those of developed countries, have increased preventive measures against nested account activity. Additionally, operating through other MTOs may not be an effective alternative since 23 of 82 banks surveyed by the World Bank reported that enforcement examiners required them to stop banking all MTOs even when MTOs were possibly in compliance with all requirements; hence, even operations processed through other MTOs that are in compliance with all requirements, including AML/CFT standards, could be terminated.

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**7. Final considerations**

This report has sought to provide a comprehensive overview of the scale, effects and drivers, of the decline in correspondent banking, as well as some of the potential implications that the decline may have in terms of structural risks or potential fragilities of specific markets, with a focus on how the new evidence from the FSB-CBCG survey complements existing evidence from other sources.

The FSB-CBCG will continue monitoring evolutions in correspondent banking and has identified avenues that merit further consideration. In particular, there is an opportunity to gain

more perspective on the coverage and representativeness of the survey results through comparisons with corridor-level data on SWIFT payment messages. Information from SWIFT on the value and volume of correspondent banking payment messages, as well as data on the number of active correspondents in each corridor have the potential to complement the detailed but partial survey data with complete, more aggregate information, and can help monitor trends.

This report covers the contribution of the survey conducted by the FSB-CBCG to help address the gaps in knowledge of the decline of correspondent banking, its causes, and effects. Progress on other aspects of the FSB's four point action plan to assess and address the decline in correspondent banking through a comprehensive framework of clarifying regulatory expectations, strengthening tools for due diligence and capacity building in jurisdictions that are home to affected banks is described in a separate progress report to the G20 Leaders Summit of July 2017.

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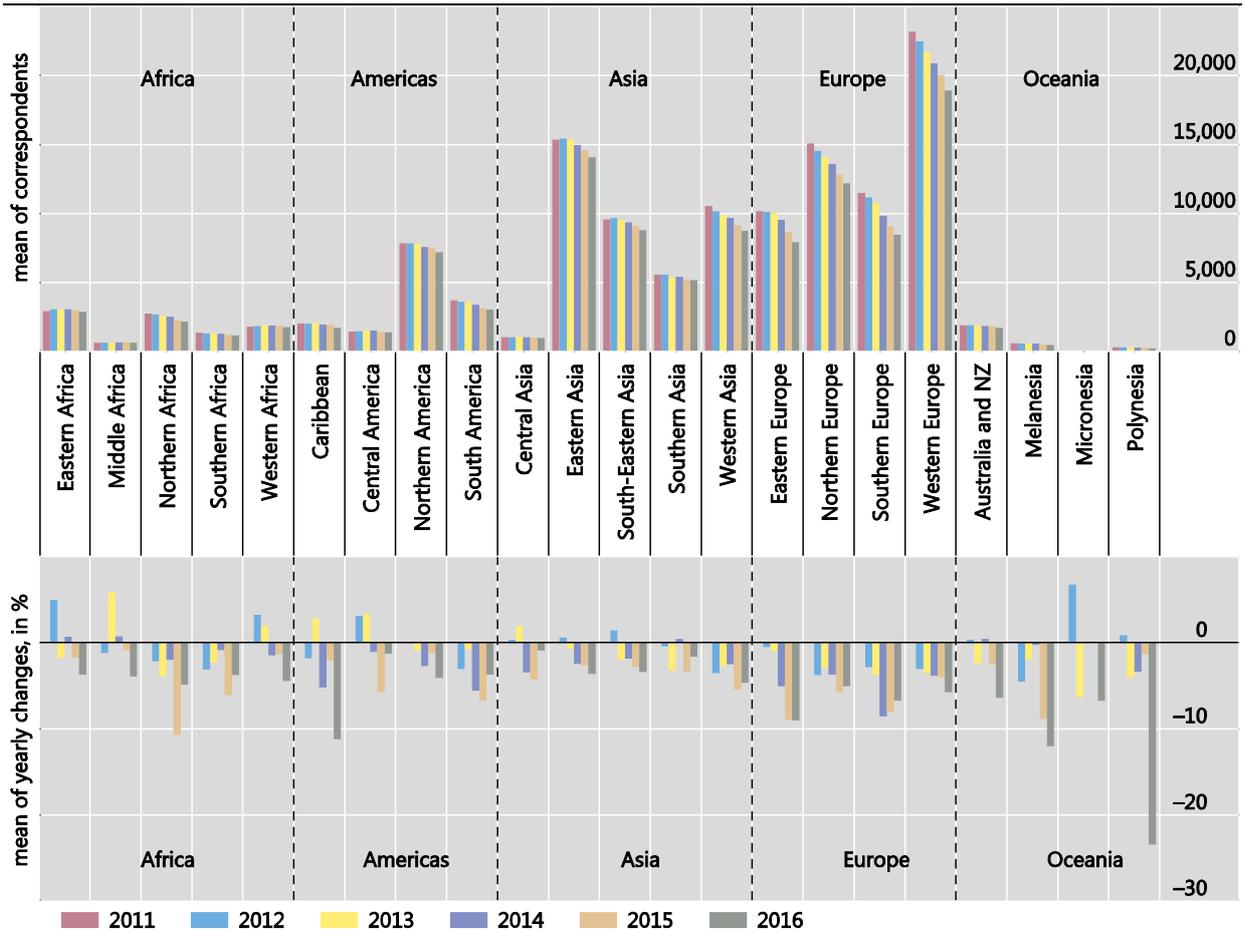
## Annex 1: Number of active correspondents by region for USD, EUR and GBP

2011–2016, yearly average number and average of yearly change

Active correspondents by region (messages sent), USD, 2011-2016

Yearly average number and average of yearly change

Graph A1

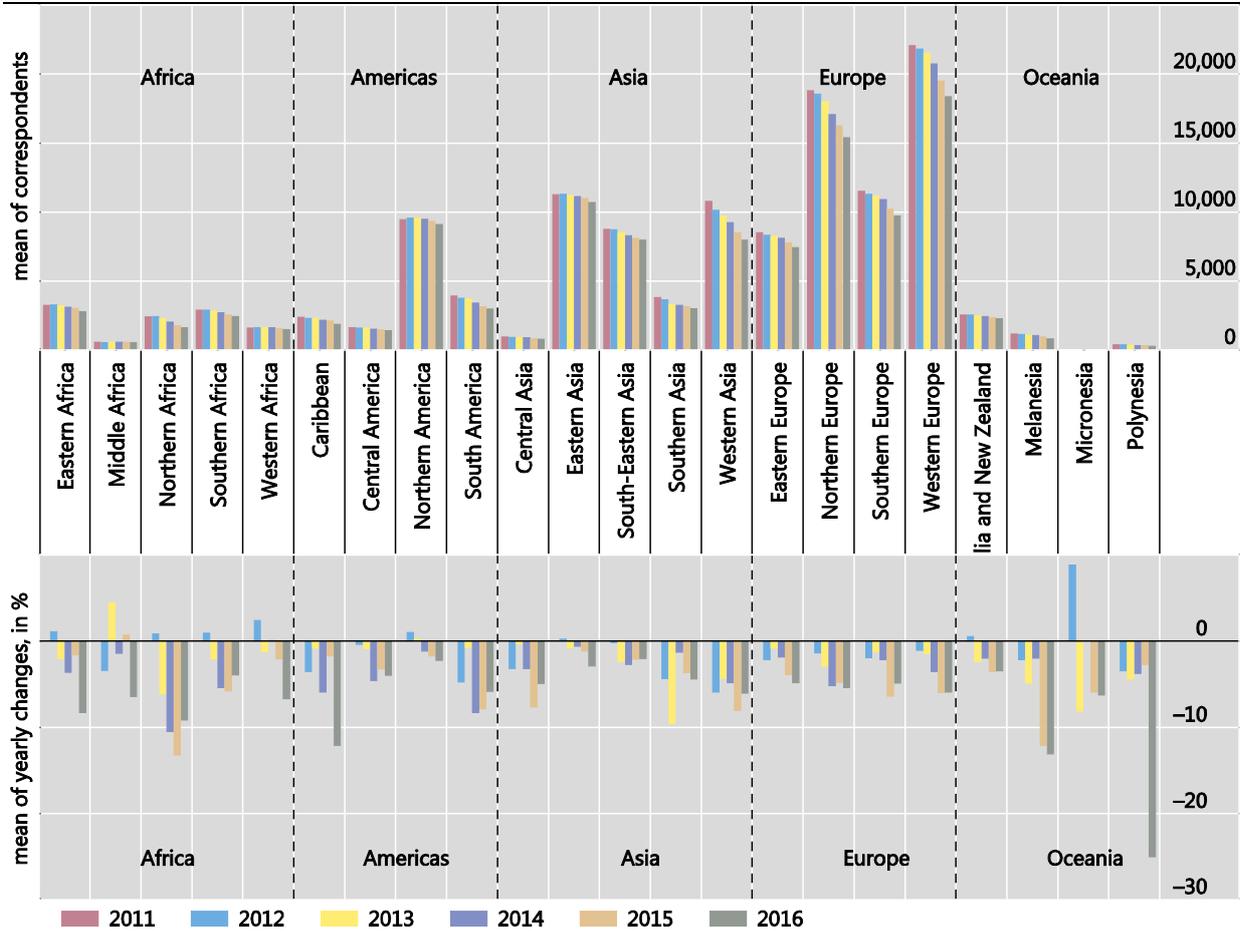


Sources: SWIFT Watch, National Bank of Belgium.

Active correspondents by region (messages received), USD, 2011-2016

Yearly average number and average of yearly change

Graph A2

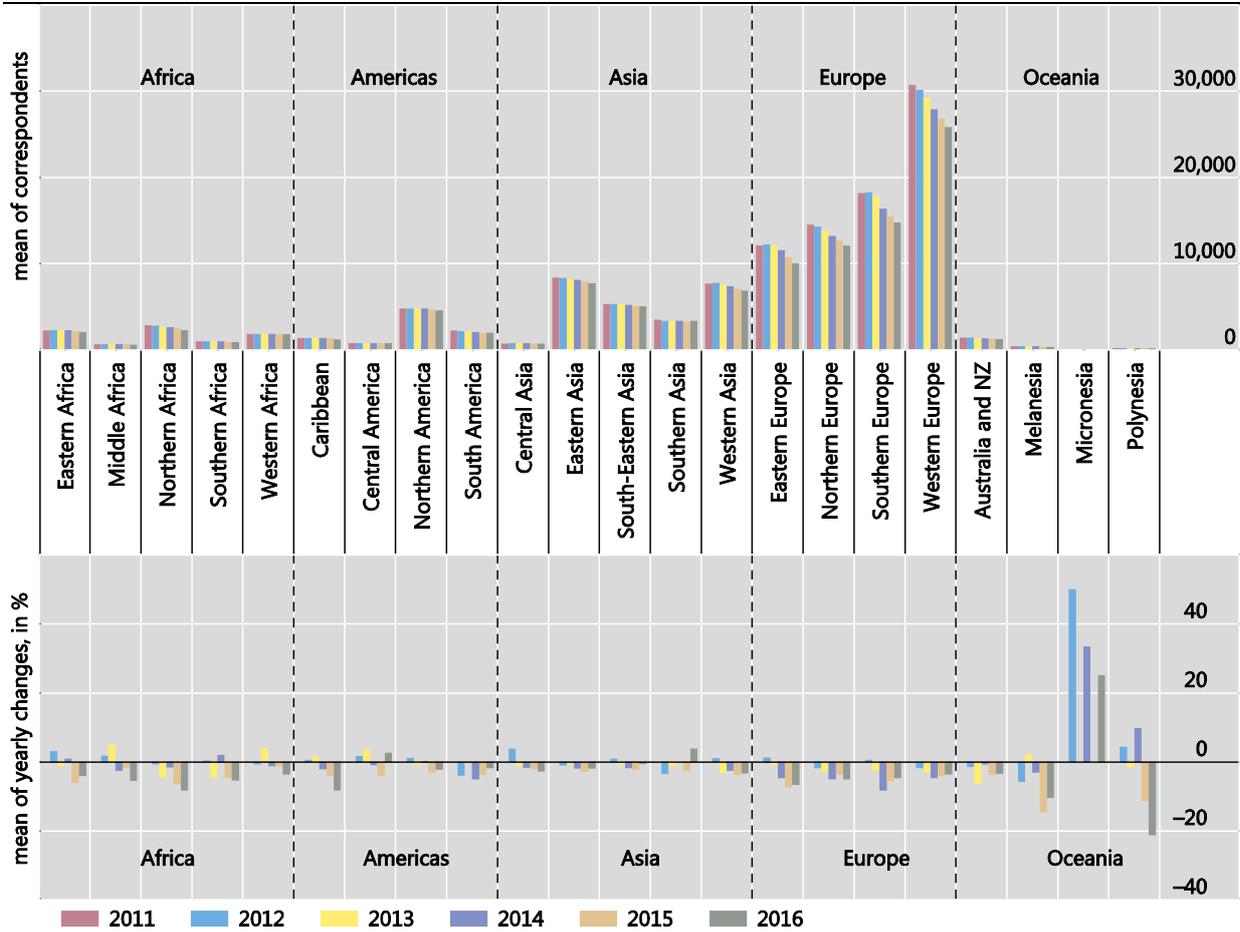


Sources: SWIFT Watch, National Bank of Belgium.

Active correspondents by region (messages sent), EUR, 2011-2016

Yearly average number and average of yearly change

Graph A3

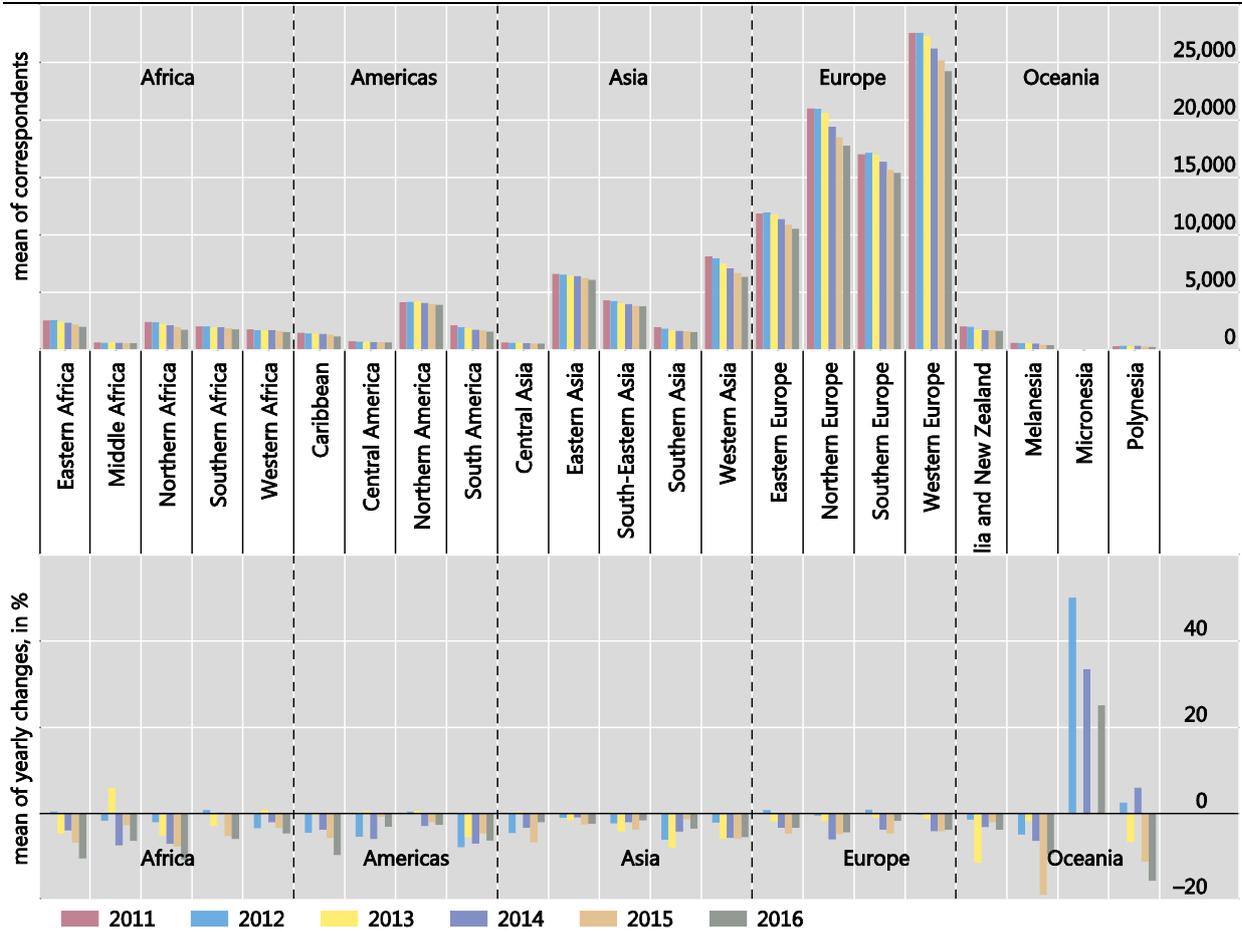


Sources: SWIFT Watch, National Bank of Belgium.

Active correspondents by region (messages received), EUR, 2011-2016

Yearly average number and average of yearly change

Graph A4

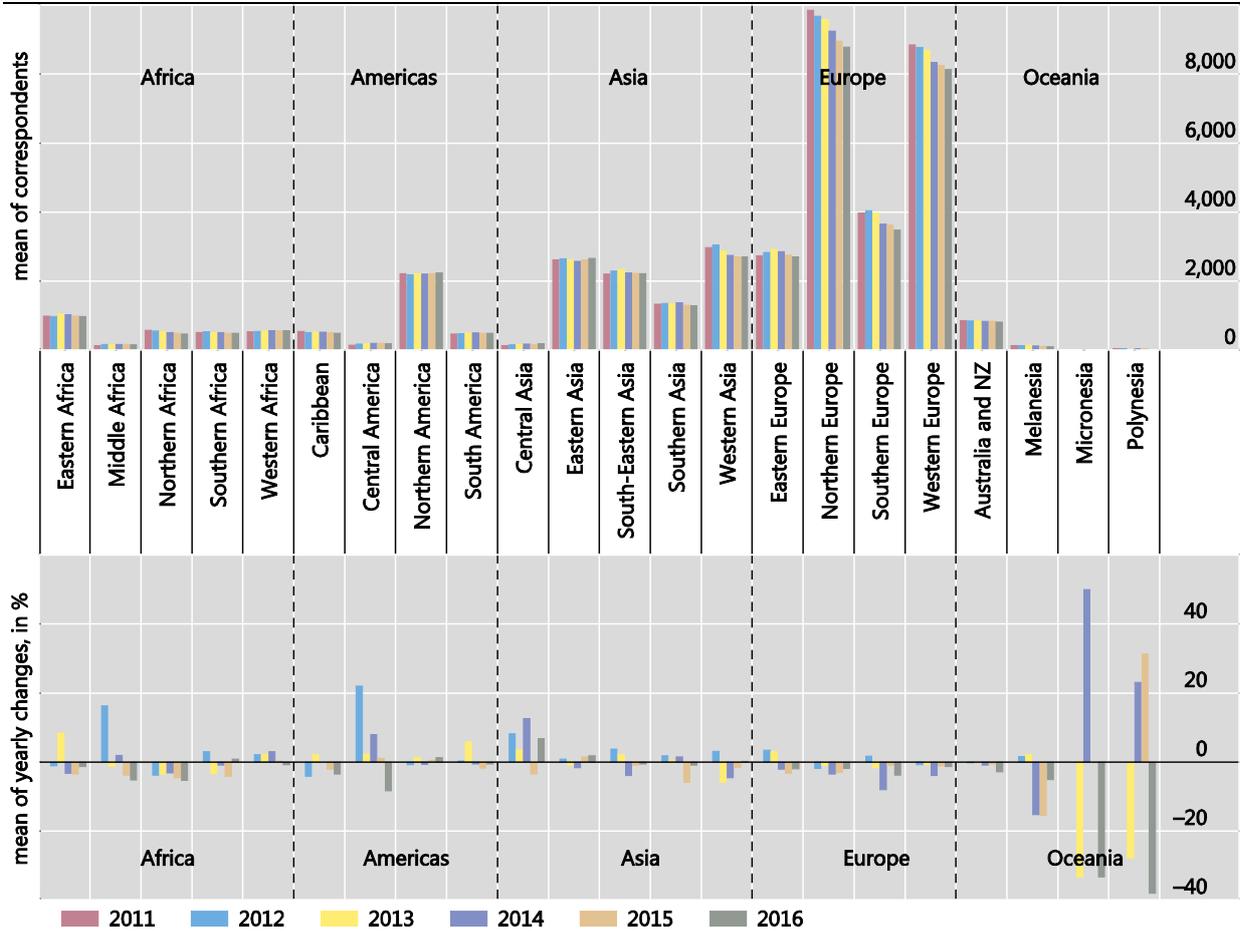


Sources: SWIFT Watch, National Bank of Belgium.

Active correspondents by region (messages sent), GBP, 2011-2016

Yearly average number and average of yearly change

Graph A5

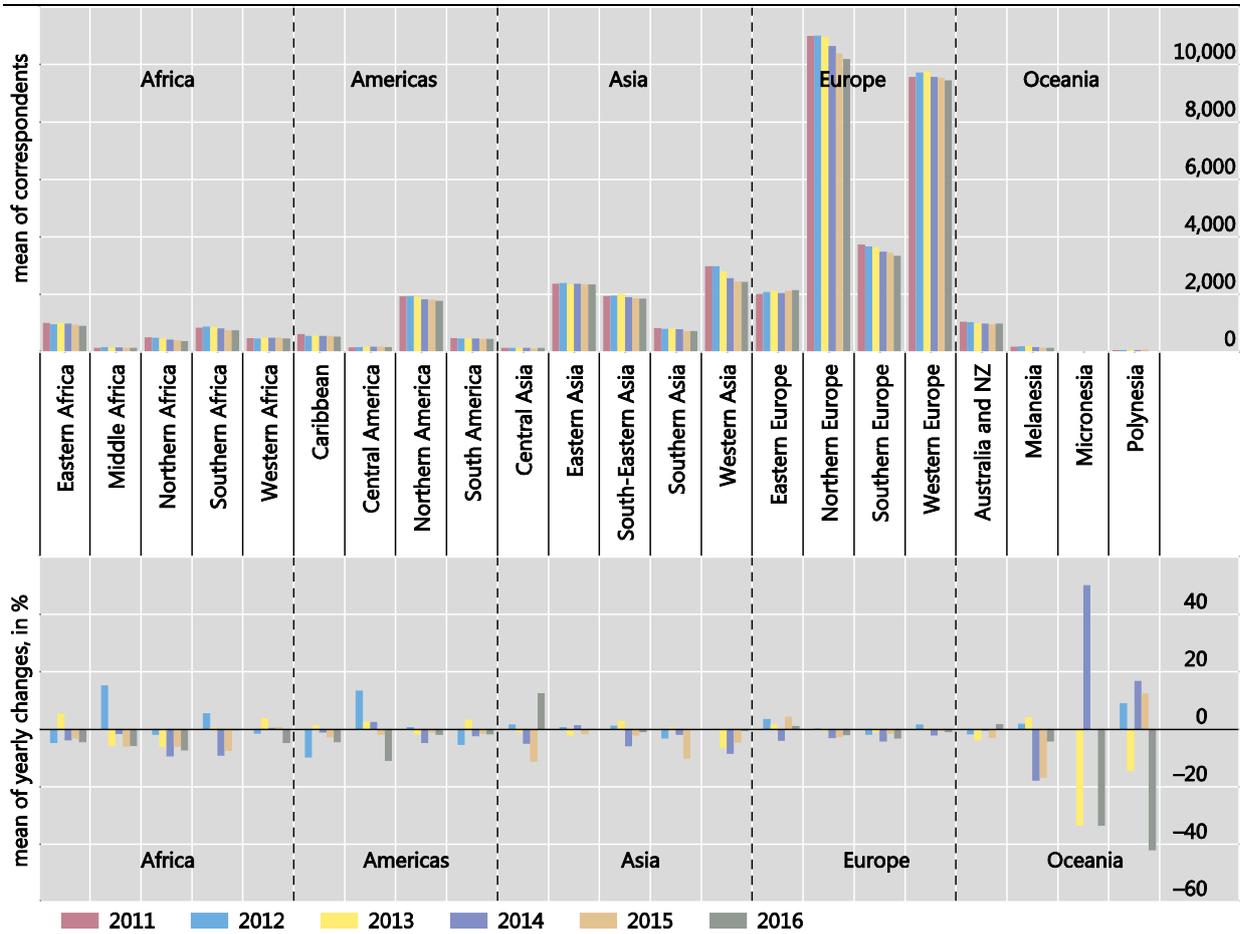


Sources: SWIFT Watch, National Bank of Belgium.

Active correspondents by region (messages received), GBP, 2011-2016

Yearly average number and average of yearly change

Graph A6



Sources: SWIFT Watch, National Bank of Belgium.

## **Annex 2: Jurisdiction by jurisdiction information**

Annex 2 gives, for each country<sup>51</sup> the following information:

1) The columns “change 2012-2016” show the evolution for the entirety of the 2012-2016 period, of the volume of messages sent and received through SWIFT, their value, and the number of active CBRs. For instance, the evolution of the volume shows the evolution over 2012-2016 of the average, calculated each year, of the change in the volume sent and in the volume received.<sup>52</sup>

2) The columns “FSB-CBCG survey” provide the number of correspondents in the sample of the FSB-CBCG survey that stated having exited the jurisdiction between January 2011 and June 2016, the number of banks that applied other restrictions during that period (such as dealing only with the central banks, with major local banks, or with subsidiaries of foreign banks) as well as the number of correspondent banks in the sample that still serve that jurisdiction as of June 2016 (or the latest date provided in 2016, which was in a few cases later than June). In addition, the proportion of exits (“% exit”) is in the number of exits divided by the estimated number of correspondents that served that country in 2011 (approximated by the sum of the number of CBRs left as of June 2016 and number of full exits between January 2011 and June 2016). The last columns provide the total number of correspondent banking accounts that correspondent banks have with banks in that country, and the details for the three main international currencies.

The data by some 150 banks providing over 50,000 correspondent accounts was used to compute the number of remaining relationships. Although these cover a significant proportion of the market, the number should be taken with caution: other banks outside the sample may still serve that country. In addition, the data provided by the US and Switzerland did not allow to know how many banks from their sample were present in a given jurisdiction: a presence by Swiss of US banks was only counted as one, when actually there could be several (i.e. potentially understating the number of remaining relationships).<sup>53</sup> Another caveat is that the respondent banks present in some territories, especially those that are not independent states, may not be headquartered in that territory, hence underestimating the number of relationships with that territory.

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<sup>51</sup> The “jurisdictions” listed include countries and territories, some of which are not independent states. Some countries or territories were not included in this annex when SWIFT data was not available for some or all of the period (although they may appear in table 4 in the main body of the report, when data for 2016 was available).

<sup>52</sup> For instance, if the volume sent increased by 2% from 2012 to 2013, and by 3%, 4% and 5% each of the 3 following years and if the volume received increased by 4% from 2012 to 2013, and by 4%, 5% and 5% each of the following years, we calculated the average for 2013 (average between sent and received, ie 3%), 2014 (3.5%), 2015 (4.5%) and 2016 (5%) and then the cumulated change for 2012 to 2016 (1.03x1.035x1.045x1.05).

<sup>53</sup> In addition, the data provided by the US focused on exits and restrictions, and did not necessarily include all countries where US banks are present.

Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Afghanistan	AF	volume	-33.9%	exits between Jan.11 and Jun. 16	8	USD	7
	AF	value	-36.3%	restrictions in same period	3	EUR	4
	AF	CBR	-27.8%	% exits	-57%	GBP	4
	AF			CBR in sample as of June 2016*	6	All	20
Albania	AL	volume	46.4%	exits between Jan.11 and Jun. 16	2	USD	2
	AL	value	2.1%	restrictions in same period	3	EUR	11
	AL	CBR	-12.7%	% exits	-29%	GBP	3
	AL			CBR in sample as of June 2016*	5	All	25
Algeria	DZ	volume	8.5%	exits between Jan.11 and Jun. 16	3	USD	5
	DZ	value	-18.5%	restrictions in same period	5	EUR	44
	DZ	CBR	-11.9%	% exits	-13%	GBP	2
	DZ			CBR in sample as of June 2016*	21	All	93
American Samoa	AS	volume	37.7%	exits between Jan.11 and Jun. 16	0	USD	0
	AS	value	647.9%	restrictions in same period	0	EUR	0
	AS	CBR	-14.1%	% exits	0%	GBP	0
	AS			CBR in sample as of June 2016*	0	All	0
Andorra	AD	volume	24.5%	exits between Jan.11 and Jun. 16	1	USD	4
	AD	value	71.0%	restrictions in same period	7	EUR	23
	AD	CBR	-25.4%	% exits	-6%	GBP	2
	AD			CBR in sample as of June 2016*	15	All	67
Angola	AO	volume	-45.1%	exits between Jan.11 and Jun. 16	3	USD	44
	AO	value	-15.1%	restrictions in same period	9	EUR	45
	AO	CBR	-6.1%	% exits	-15%	GBP	19
	AO			CBR in sample as of June 2016*	17	All	157
Anguilla	AI	volume	30.7%	exits between Jan.11 and Jun. 16	1	USD	2
	AI	value	27.1%	restrictions in same period	1	EUR	2
	AI	CBR	-8.3%	% exits	-33%	GBP	1
	AI			CBR in sample as of June 2016*	2	All	30
Antigua and Barbuda	AG	volume	4.0%	exits between Jan.11 and Jun. 16	0	USD	3
	AG	value	1.9%	restrictions in same period	2	EUR	2
	AG	CBR	-12.6%	% exits	0%	GBP	0
	AG			CBR in sample as of June 2016*	3	All	7
Argentina	AR	volume	17.1%	exits between Jan.11 and Jun. 16	1	USD	42
	AR	value	18.4%	restrictions in same period	4	EUR	67
	AR	CBR	-18.5%	% exits	-5%	GBP	12
	AR			CBR in sample as of June 2016*	19	All	183
Armenia	AM	volume	24.8%	exits between Jan.11 and Jun. 16	2	USD	16
	AM	value	19.7%	restrictions in same period	3	EUR	17
	AM	CBR	-8.3%	% exits	-25%	GBP	5
	AM			CBR in sample as of June 2016*	6	All	53

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Aruba	AW	volume	27.3%	exits between Jan.11 and Jun. 16	0	USD	2
	AW	value	68.1%	restrictions in same period	2	EUR	1
	AW	CBR	-15.6%	% exits	0%	GBP	1
	AW			CBR in sample as of June 2016*	4	All	18
Australia	AU	volume	12.2%	exits between Jan.11 and Jun. 16	2	USD	22
	AU	value	0.6%	restrictions in same period	7	EUR	57
	AU	CBR	-7.5%	% exits	-3%	GBP	21
	AU			CBR in sample as of June 2016*	62	All	2205
Austria	AT	volume	-2.5%	exits between Jan.11 and Jun. 16	1	USD	31
	AT	value	-30.7%	restrictions in same period	8	EUR	144
	AT	CBR	-14.4%	% exits	-2%	GBP	24
	AT			CBR in sample as of June 2016*	48	All	503
Azerbaijan	AZ	volume	24.8%	exits between Jan.11 and Jun. 16	3	USD	15
	AZ	value	-38.9%	restrictions in same period	2	EUR	20
	AZ	CBR	-13.3%	% exits	-18%	GBP	8
	AZ			CBR in sample as of June 2016*	14	All	64
Bahamas	BS	volume	23.8%	exits between Jan.11 and Jun. 16	1	USD	18
	BS	value	-38.5%	restrictions in same period	4	EUR	10
	BS	CBR	-15.1%	% exits	-8%	GBP	4
	BS			CBR in sample as of June 2016*	12	All	93
Bahrain	BH	volume	14.6%	exits between Jan.11 and Jun. 16	1	USD	31
	BH	value	23.5%	restrictions in same period	7	EUR	33
	BH	CBR	-15.7%	% exits	-3%	GBP	17
	BH			CBR in sample as of June 2016*	30	All	226
Bangladesh	BD	volume	4.1%	exits between Jan.11 and Jun. 16	1	USD	116
	BD	value	67.0%	restrictions in same period	3	EUR	66
	BD	CBR	-6.1%	% exits	-6%	GBP	25
	BD			CBR in sample as of June 2016*	16	All	313
Barbados	BB	volume	13.4%	exits between Jan.11 and Jun. 16	0	USD	14
	BB	value	-50.8%	restrictions in same period	6	EUR	3
	BB	CBR	-13.6%	% exits	0%	GBP	2
	BB			CBR in sample as of June 2016*	7	All	70
Belarus	BY	volume	25.5%	exits between Jan.11 and Jun. 16	7	USD	33
	BY	value	-21.8%	restrictions in same period	7	EUR	43
	BY	CBR	-18.1%	% exits	-35%	GBP	5
	BY			CBR in sample as of June 2016*	13	All	167
Belgium	BE	volume	-18.4%	exits between Jan.11 and Jun. 16	0	USD	35
	BE	value	-18.6%	restrictions in same period	4	EUR	130
	BE	CBR	-7.7%	% exits	0%	GBP	32
	BE			CBR in sample as of June 2016*	53	All	626

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Belize	BZ	volume	-44.6%	exits between Jan.11 and Jun. 16	2	USD	1
	BZ	value	-44.2%	restrictions in same period	1	EUR	1
	BZ	CBR	-16.0%	% exits	-67%	GBP	1
	BZ			CBR in sample as of June 2016*	1	All	12
Benin	BJ	volume	46.0%	exits between Jan.11 and Jun. 16	1	USD	2
	BJ	value	73.7%	restrictions in same period	3	EUR	12
	BJ	CBR	-2.6%	% exits	-11%	GBP	2
	BJ			CBR in sample as of June 2016*	8	All	22
Bermuda	BM	volume	-4.9%	exits between Jan.11 and Jun. 16	2	USD	7
	BM	value	-11.7%	restrictions in same period	3	EUR	2
	BM	CBR	-28.9%	% exits	-20%	GBP	1
	BM			CBR in sample as of June 2016*	8	All	24
Bhutan	BT	volume	44.0%	exits between Jan.11 and Jun. 16	0	USD	8
	BT	value	106.2%	restrictions in same period	1	EUR	4
	BT	CBR	-1.2%	% exits	0%	GBP	2
	BT			CBR in sample as of June 2016*	3	All	24
Bolivia	BO	volume	1.2%	exits between Jan.11 and Jun. 16	2	USD	15
	BO	value	2.1%	restrictions in same period	2	EUR	12
	BO	CBR	-10.0%	% exits	-22%	GBP	2
	BO			CBR in sample as of June 2016*	7	All	42
Bonaire, Saint Eustatius and Saba	BQ	volume	32.1%	exits between Jan.11 and Jun. 16	0	USD	1
	BQ	value	-40.4%	restrictions in same period	1	EUR	0
	BQ	CBR	-19.6%	% exits	0%	GBP	0
	BQ			CBR in sample as of June 2016*	1	All	1
Bosnia and Herzegovina	BA	volume	22.9%	exits between Jan.11 and Jun. 16	4	USD	3
	BA	value	-17.8%	restrictions in same period	3	EUR	16
	BA	CBR	-15.6%	% exits	-25%	GBP	2
	BA			CBR in sample as of June 2016*	12	All	41
Botswana	BW	volume	17.3%	exits between Jan.11 and Jun. 16	2	USD	4
	BW	value	1.0%	restrictions in same period	1	EUR	1
	BW	CBR	-9.2%	% exits	-13%	GBP	5
	BW			CBR in sample as of June 2016*	13	All	38
Brazil	BR	volume	6.5%	exits between Jan.11 and Jun. 16	1	USD	45
	BR	value	49.3%	restrictions in same period	3	EUR	75
	BR	CBR	-9.5%	% exits	-3%	GBP	26
	BR			CBR in sample as of June 2016*	34	All	351
Brunei Darussalam	BN	volume	18.3%	exits between Jan.11 and Jun. 16	0	USD	4
	BN	value	-57.6%	restrictions in same period	1	EUR	5
	BN	CBR	-6.8%	% exits	0%	GBP	2
	BN			CBR in sample as of June 2016*	17	All	29

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Bulgaria	BG	volume	22.5%	exits between Jan.11 and Jun. 16	0	USD	4
	BG	value	-22.0%	restrictions in same period	8	EUR	15
	BG	CBR	-11.8%	% exits	0%	GBP	4
	BG			CBR in sample as of June 2016*	19	All	68
Burkina Faso	BF	volume	-1.3%	exits between Jan.11 and Jun. 16	3	USD	1
	BF	value	91.8%	restrictions in same period	2	EUR	8
	BF	CBR	-6.6%	% exits	-25%	GBP	2
	BF			CBR in sample as of June 2016*	9	All	17
Burundi	BI	volume	18.4%	exits between Jan.11 and Jun. 16	4	USD	4
	BI	value	-27.5%	restrictions in same period	1	EUR	5
	BI	CBR	-10.8%	% exits	-57%	GBP	1
	BI			CBR in sample as of June 2016*	3	All	10
Cambodia	KH	volume	56.2%	exits between Jan.11 and Jun. 16	3	USD	26
	KH	value	89.4%	restrictions in same period	1	EUR	9
	KH	CBR	-0.9%	% exits	-23%	GBP	4
	KH			CBR in sample as of June 2016*	10	All	57
Cameroon	CM	volume	8.1%	exits between Jan.11 and Jun. 16	1	USD	4
	CM	value	-35.4%	restrictions in same period	1	EUR	10
	CM	CBR	-8.7%	% exits	-11%	GBP	3
	CM			CBR in sample as of June 2016*	8	All	34
Cabo Verde	CV	volume	16.9%	exits between Jan.11 and Jun. 16	1	USD	12
	CV	value	18.0%	restrictions in same period	2	EUR	21
	CV	CBR	-4.0%	% exits	-8%	GBP	7
	CV			CBR in sample as of June 2016*	11	All	72
Canada	CA	volume	26.2%	exits between Jan.11 and Jun. 16	0	USD	82
	CA	value	4.3%	restrictions in same period	6	EUR	66
	CA	CBR	-7.5%	% exits	0%	GBP	20
	CA			CBR in sample as of June 2016*	61	All	585
Cayman Islands	KY	volume	20.1%	exits between Jan.11 and Jun. 16	0	USD	46
	KY	value	-31.0%	restrictions in same period	6	EUR	23
	KY	CBR	-9.9%	% exits	0%	GBP	11
	KY			CBR in sample as of June 2016*	22	All	191
Central African Republic	CF	volume	155.7%	exits between Jan.11 and Jun. 16	8	USD	0
	CF	value	-8.4%	restrictions in same period	1	EUR	2
	CF	CBR	-3.3%	% exits	-73%	GBP	0
	CF			CBR in sample as of June 2016*	3	All	4
Chad	TD	volume	-1.0%	exits between Jan.11 and Jun. 16	1	USD	1
	TD	value	-60.6%	restrictions in same period	2	EUR	2
	TD	CBR	-3.4%	% exits	-25%	GBP	0
	TD			CBR in sample as of June 2016*	3	All	4

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Chile	CL	volume	16.5%	exits between Jan.11 and Jun. 16	0	USD	34
	CL	value	2.3%	restrictions in same period	2	EUR	35
	CL	CBR	-19.1%	% exits	0%	GBP	6
	CL			CBR in sample as of June 2016*	24	All	154
China	CN	volume	22.7%	exits between Jan.11 and Jun. 16	2	USD	221
	CN	value	90.1%	restrictions in same period	8	EUR	137
	CN	CBR	-0.6%	% exits	-4%	GBP	54
	CN			CBR in sample as of June 2016*	52	All	1374
Chinese Taipei	TW	volume	11.9%	exits between Jan.11 and Jun. 16	1	USD	62
	TW	value	68.7%	restrictions in same period	7	EUR	72
	TW	CBR	-4.7%	% exits	-3%	GBP	22
	TW			CBR in sample as of June 2016*	35	All	513
Colombia	CO	volume	14.1%	exits between Jan.11 and Jun. 16	0	USD	17
	CO	value	-1.5%	restrictions in same period	4	EUR	19
	CO	CBR	-6.6%	% exits	0%	GBP	3
	CO			CBR in sample as of June 2016*	17	All	77
Comoros	KM	volume	16.9%	exits between Jan.11 and Jun. 16	2	USD	0
	KM	value	13.1%	restrictions in same period	0	EUR	1
	KM	CBR	-6.3%	% exits	-67%	GBP	1
	KM			CBR in sample as of June 2016*	1	All	2
Congo	CG	volume	23.7%	exits between Jan.11 and Jun. 16	2	USD	3
	CG	value	-35.3%	restrictions in same period	3	EUR	6
	CG	CBR	5.9%	% exits	-29%	GBP	1
	CG			CBR in sample as of June 2016*	5	All	11
Congo, Democratic Rep.	CD	volume	31.6%	exits between Jan.11 and Jun. 16	7	USD	6
	CD	value	2.7%	restrictions in same period	2	EUR	8
	CD	CBR	14.4%	% exits	-54%	GBP	3
	CD			CBR in sample as of June 2016*	6	All	27
Cook Islands	CK	volume	9.8%	exits between Jan.11 and Jun. 16	1	USD	0
	CK	value	-82.1%	restrictions in same period	1	EUR	0
	CK	CBR	-29.6%	% exits	-100%	GBP	0
	CK			CBR in sample as of June 2016*	0	All	0
Costa Rica	CR	volume	16.7%	exits between Jan.11 and Jun. 16	0	USD	16
	CR	value	23.6%	restrictions in same period	2	EUR	11
	CR	CBR	-11.6%	% exits	0%	GBP	3
	CR			CBR in sample as of June 2016*	7	All	39
Cote d'Ivoire	CI	volume	65.0%	exits between Jan.11 and Jun. 16	7	USD	9
	CI	value	58.3%	restrictions in same period	4	EUR	24
	CI	CBR	0.6%	% exits	-32%	GBP	4
	CI			CBR in sample as of June 2016*	15	All	61

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Croatia	HR	volume	-9.0%	exits between Jan.11 and Jun. 16	2	USD	10
	HR	value	2.4%	restrictions in same period	5	EUR	45
	HR	CBR	4.1%	% exits	-8%	GBP	7
	HR			CBR in sample as of June 2016*	23	All	125
Cuba	CU	volume	-5.4%	exits between Jan.11 and Jun. 16	13	USD	5
	CU	value	-39.2%	restrictions in same period	2	EUR	41
	CU	CBR	-26.3%	% exits	-57%	GBP	3
	CU			CBR in sample as of June 2016*	10	All	64
Curaçao	CW	volume	2.7%	exits between Jan.11 and Jun. 16	1	USD	10
	CW	value	-12.0%	restrictions in same period	4	EUR	7
	CW	CBR	-15.6%	% exits	-11%	GBP	3
	CW			CBR in sample as of June 2016*	8	All	47
Cyprus	CY	volume	-38.8%	exits between Jan.11 and Jun. 16	2	USD	9
	CY	value	-69.4%	restrictions in same period	11	EUR	26
	CY	CBR	-22.0%	% exits	-9%	GBP	5
	CY			CBR in sample as of June 2016*	21	All	74
Czech Republic	CZ	volume	-30.7%	exits between Jan.11 and Jun. 16	0	USD	3
	CZ	value	-8.9%	restrictions in same period	2	EUR	12
	CZ	CBR	-3.1%	% exits	0%	GBP	4
	CZ			CBR in sample as of June 2016*	24	All	108
Denmark	DK	volume	13.2%	exits between Jan.11 and Jun. 16	1	USD	22
	DK	value	-10.5%	restrictions in same period	4	EUR	75
	DK	CBR	-18.0%	% exits	-2%	GBP	14
	DK			CBR in sample as of June 2016*	49	All	472
Djibouti	DJ	volume	47.2%	exits between Jan.11 and Jun. 16	2	USD	1
	DJ	value	73.3%	restrictions in same period	1	EUR	2
	DJ	CBR	-5.8%	% exits	-40%	GBP	2
	DJ			CBR in sample as of June 2016*	3	All	12
Dominica	DM	volume	3.4%	exits between Jan.11 and Jun. 16	0	USD	1
	DM	value	-14.3%	restrictions in same period	1	EUR	1
	DM	CBR	-9.7%	% exits	0%	GBP	0
	DM			CBR in sample as of June 2016*	1	All	14
Dominican Rep.	DO	volume	41.6%	exits between Jan.11 and Jun. 16	0	USD	13
	DO	value	22.1%	restrictions in same period	2	EUR	18
	DO	CBR	-2.4%	% exits	0%	GBP	0
	DO			CBR in sample as of June 2016*	10	All	32
Ecuador	EC	volume	-2.1%	exits between Jan.11 and Jun. 16	1	USD	23
	EC	value	18.8%	restrictions in same period	4	EUR	15
	EC	CBR	-15.6%	% exits	-8%	GBP	4
	EC			CBR in sample as of June 2016*	11	All	68

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Egypt	EG	volume	-4.0%	exits between Jan.11 and Jun. 16	2	USD	48
	EG	value	-6.9%	restrictions in same period	10	EUR	50
	EG	CBR	-19.0%	% exits	-8%	GBP	15
	EG			CBR in sample as of June 2016*	24	All	219
El Salvador	SV	volume	-20.0%	exits between Jan.11 and Jun. 16	0	USD	12
	SV	value	20.1%	restrictions in same period	0	EUR	9
	SV	CBR	-9.0%	% exits	0%	GBP	1
	SV			CBR in sample as of June 2016*	3	All	25
Equatorial Guinea	GQ	volume	-24.5%	exits between Jan.11 and Jun. 16	2	USD	5
	GQ	value	-81.1%	restrictions in same period	1	EUR	8
	GQ	CBR	51.0%	% exits	-29%	GBP	2
	GQ			CBR in sample as of June 2016*	5	All	16
Eritrea	ER	volume	-29.6%	exits between Jan.11 and Jun. 16	5	USD	2
	ER	value	-8.4%	restrictions in same period	0	EUR	2
	ER	CBR	-25.0%	% exits	-83%	GBP	1
	ER			CBR in sample as of June 2016*	1	All	8
Estonia	EE	volume	13.9%	exits between Jan.11 and Jun. 16	3	USD	3
	EE	value	-60.3%	restrictions in same period	3	EUR	13
	EE	CBR	-2.8%	% exits	-16%	GBP	0
	EE			CBR in sample as of June 2016*	16	All	26
Ethiopia	ET	volume	35.5%	exits between Jan.11 and Jun. 16	1	USD	30
	ET	value	-10.5%	restrictions in same period	4	EUR	28
	ET	CBR	-3.6%	% exits	-10%	GBP	9
	ET			CBR in sample as of June 2016*	9	All	99
Faeroe Islands	FO	volume	-30.9%	exits between Jan.11 and Jun. 16	0	USD	2
	FO	value	2.4%	restrictions in same period	1	EUR	2
	FO	CBR	-34.7%	% exits	0%	GBP	1
	FO			CBR in sample as of June 2016*	3	All	12
Falkland Islands	FK	volume	6.3%	exits between Jan.11 and Jun. 16	0	USD	0
	FK	value	-60.6%	restrictions in same period	0	EUR	0
	FK	CBR	4.9%	% exits	0%	GBP	0
	FK			CBR in sample as of June 2016*	0	All	0
Fiji	FJ	volume	23.9%	exits between Jan.11 and Jun. 16	1	USD	0
	FJ	value	271.6%	restrictions in same period	1	EUR	0
	FJ	CBR	-10.9%	% exits	-14%	GBP	0
	FJ			CBR in sample as of June 2016*	6	All	8
Finland	FI	volume	-9.6%	exits between Jan.11 and Jun. 16	0	USD	3
	FI	value	3.2%	restrictions in same period	3	EUR	33
	FI	CBR	-13.0%	% exits	0%	GBP	5
	FI			CBR in sample as of June 2016*	21	All	123

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
France	FR	volume	-4.7%	exits between Jan.11 and Jun. 16	0	USD	127
	FR	value	-12.7%	restrictions in same period	6	EUR	998
	FR	CBR	-8.2%	% exits	0%	GBP	78
	FR			CBR in sample as of June 2016*	54	All	2537
French Guiana	GF	volume	-37.8%	exits between Jan.11 and Jun. 16	0	USD	0
	GF	value	-67.0%	restrictions in same period	1	EUR	1
	GF	CBR	-18.2%	% exits	0%	GBP	0
	GF			CBR in sample as of June 2016*	1	All	2
French Polynesia	PF	volume	16.7%	exits between Jan.11 and Jun. 16	1	USD	0
	PF	value	-17.0%	restrictions in same period	0	EUR	3
	PF	CBR	-16.6%	% exits	-13%	GBP	0
	PF			CBR in sample as of June 2016*	7	All	9
Gabon	GA	volume	-8.0%	exits between Jan.11 and Jun. 16	1	USD	5
	GA	value	-23.5%	restrictions in same period	3	EUR	13
	GA	CBR	-1.4%	% exits	-11%	GBP	5
	GA			CBR in sample as of June 2016*	8	All	35
Gambia	GM	volume	14.1%	exits between Jan.11 and Jun. 16	2	USD	6
	GM	value	5.0%	restrictions in same period	0	EUR	4
	GM	CBR	-9.2%	% exits	-22%	GBP	4
	GM			CBR in sample as of June 2016*	7	All	22
Georgia	GE	volume	60.7%	exits between Jan.11 and Jun. 16	1	USD	9
	GE	value	73.6%	restrictions in same period	4	EUR	9
	GE	CBR	32.0%	% exits	-9%	GBP	3
	GE			CBR in sample as of June 2016*	10	All	45
Germany	DE	volume	-5.7%	exits between Jan.11 and Jun. 16	4	USD	202
	DE	value	-13.6%	restrictions in same period	8	EUR	816
	DE	CBR	-8.0%	% exits	-5%	GBP	149
	DE			CBR in sample as of June 2016*	73	All	4887
Ghana	GH	volume	8.0%	exits between Jan.11 and Jun. 16	1	USD	29
	GH	value	32.1%	restrictions in same period	3	EUR	29
	GH	CBR	-9.5%	% exits	-7%	GBP	13
	GH			CBR in sample as of June 2016*	14	All	113
Gibraltar	GI	volume	55.9%	exits between Jan.11 and Jun. 16	1	USD	2
	GI	value	26.4%	restrictions in same period	2	EUR	3
	GI	CBR	-17.2%	% exits	-13%	GBP	2
	GI			CBR in sample as of June 2016*	7	All	35
Greece	GR	volume	-42.7%	exits between Jan.11 and Jun. 16	2	USD	7
	GR	value	-81.0%	restrictions in same period	6	EUR	46
	GR	CBR	-40.4%	% exits	-7%	GBP	6
	GR			CBR in sample as of June 2016*	26	All	112

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Greenland	GL	volume	124.5%	exits between Jan.11 and Jun. 16	0	USD	0
	GL	value	133.1%	restrictions in same period	1	EUR	0
	GL	CBR	-21.5%	% exits	0%	GBP	0
	GL			CBR in sample as of June 2016*	2	All	3
Grenada	GD	volume	19.1%	exits between Jan.11 and Jun. 16	2	USD	2
	GD	value	13.0%	restrictions in same period	1	EUR	1
	GD	CBR	-13.5%	% exits	-33%	GBP	0
	GD			CBR in sample as of June 2016*	4	All	20
Guadeloupe	GP	volume	-39.2%	exits between Jan.11 and Jun. 16	2	USD	0
	GP	value	-61.4%	restrictions in same period	0	EUR	1
	GP	CBR	-27.3%	% exits	-33%	GBP	1
	GP			CBR in sample as of June 2016*	4	All	8
Guam	GU	volume	66.6%	exits between Jan.11 and Jun. 16	2	USD	0
	GU	value	-1.5%	restrictions in same period	0	EUR	0
	GU	CBR	-29.0%	% exits	-100%	GBP	0
	GU			CBR in sample as of June 2016*	0	All	0
Guatemala	GT	volume	12.7%	exits between Jan.11 and Jun. 16	1	USD	12
	GT	value	12.7%	restrictions in same period	3	EUR	11
	GT	CBR	0.4%	% exits	-20%	GBP	1
	GT			CBR in sample as of June 2016*	4	All	30
Guernsey, C.I.	GG	volume	5.8%	exits between Jan.11 and Jun. 16	0	USD	12
	GG	value	-31.2%	restrictions in same period	3	EUR	8
	GG	CBR	-17.8%	% exits	0%	GBP	4
	GG			CBR in sample as of June 2016*	5	All	51
Guinea	GN	volume	27.5%	exits between Jan.11 and Jun. 16	0	USD	2
	GN	value	-18.4%	restrictions in same period	0	EUR	5
	GN	CBR	9.6%	% exits	0%	GBP	0
	GN			CBR in sample as of June 2016*	7	All	9
Guinea Bissau	GW	volume	89.1%	exits between Jan.11 and Jun. 16	3	USD	2
	GW	value	128.4%	restrictions in same period	0	EUR	1
	GW	CBR	-3.1%	% exits	-60%	GBP	0
	GW			CBR in sample as of June 2016*	2	All	3
Guyana	GY	volume	15.2%	exits between Jan.11 and Jun. 16	0	USD	4
	GY	value	-21.2%	restrictions in same period	1	EUR	1
	GY	CBR	-0.2%	% exits	0%	GBP	2
	GY			CBR in sample as of June 2016*	5	All	11
Haiti	HT	volume	26.2%	exits between Jan.11 and Jun. 16	2	USD	6
	HT	value	10.9%	restrictions in same period	2	EUR	1
	HT	CBR	-11.8%	% exits	-40%	GBP	0
	HT			CBR in sample as of June 2016*	3	All	10

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Honduras	HN	volume	32.3%	exits between Jan.11 and Jun. 16	0	USD	11
	HN	value	28.7%	restrictions in same period	3	EUR	10
	HN	CBR	-9.0%	% exits	0%	GBP	0
	HN			CBR in sample as of June 2016*	3	All	24
Hong Kong	HK	volume	33.8%	exits between Jan.11 and Jun. 16	1	USD	90
	HK	value	77.5%	restrictions in same period	9	EUR	94
	HK	CBR	-8.9%	% exits	-2%	GBP	22
	HK			CBR in sample as of June 2016*	52	All	1107
Hungary	HU	volume	-10.8%	exits between Jan.11 and Jun. 16	0	USD	6
	HU	value	-20.3%	restrictions in same period	5	EUR	18
	HU	CBR	-10.2%	% exits	0%	GBP	2
	HU			CBR in sample as of June 2016*	21	All	102
Iceland	IS	volume	38.1%	exits between Jan.11 and Jun. 16	2	USD	2
	IS	value	18.8%	restrictions in same period	3	EUR	13
	IS	CBR	-11.4%	% exits	-11%	GBP	3
	IS			CBR in sample as of June 2016*	17	All	60
India	IN	volume	35.3%	exits between Jan.11 and Jun. 16	0	USD	61
	IN	value	23.6%	restrictions in same period	7	EUR	118
	IN	CBR	-2.7%	% exits	0%	GBP	56
	IN			CBR in sample as of June 2016*	35	All	541
Indonesia	ID	volume	-15.4%	exits between Jan.11 and Jun. 16	1	USD	127
	ID	value	90.9%	restrictions in same period	3	EUR	31
	ID	CBR	-12.4%	% exits	-3%	GBP	20
	ID			CBR in sample as of June 2016*	30	All	417
Iran	IR	volume	361.6%	exits between Jan.11 and Jun. 16	18	USD	10
	IR	value	475.7%	restrictions in same period	4	EUR	22
	IR	CBR	26.1%	% exits	-64%	GBP	0
	IR			CBR in sample as of June 2016*	10	All	59
Iraq	IQ	volume	21.6%	exits between Jan.11 and Jun. 16	9	USD	22
	IQ	value	-50.4%	restrictions in same period	5	EUR	14
	IQ	CBR	-13.6%	% exits	-53%	GBP	6
	IQ			CBR in sample as of June 2016*	8	All	63
Ireland	IE	volume	-36.8%	exits between Jan.11 and Jun. 16	0	USD	14
	IE	value	-44.8%	restrictions in same period	4	EUR	149
	IE	CBR	-9.3%	% exits	0%	GBP	13
	IE			CBR in sample as of June 2016*	41	All	316
Isle of Man	IM	volume	67.7%	exits between Jan.11 and Jun. 16	0	USD	2
	IM	value	-32.0%	restrictions in same period	2	EUR	1
	IM	CBR	-31.0%	% exits	0%	GBP	1
	IM			CBR in sample as of June 2016*	2	All	5

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Israel	IL	volume	14.0%	exits between Jan.11 and Jun. 16	1	USD	7
	IL	value	-13.7%	restrictions in same period	5	EUR	23
	IL	CBR	-14.1%	% exits	-3%	GBP	6
	IL			CBR in sample as of June 2016*	30	All	123
Italy	IT	volume	-18.7%	exits between Jan.11 and Jun. 16	2	USD	119
	IT	value	-6.1%	restrictions in same period	12	EUR	474
	IT	CBR	-17.8%	% exits	-4%	GBP	111
	IT			CBR in sample as of June 2016*	52	All	1466
Jamaica	JM	volume	38.5%	exits between Jan.11 and Jun. 16	1	USD	4
	JM	value	35.4%	restrictions in same period	3	EUR	4
	JM	CBR	-13.7%	% exits	-17%	GBP	6
	JM			CBR in sample as of June 2016*	5	All	31
Japan	JP	volume	12.2%	exits between Jan.11 and Jun. 16	1	USD	116
	JP	value	27.4%	restrictions in same period	8	EUR	172
	JP	CBR	-7.4%	% exits	-2%	GBP	59
	JP			CBR in sample as of June 2016*	65	All	1123
Jersey, C.I.	JE	volume	-12.0%	exits between Jan.11 and Jun. 16	1	USD	2
	JE	value	-45.4%	restrictions in same period	1	EUR	8
	JE	CBR	-19.4%	% exits	-9%	GBP	3
	JE			CBR in sample as of June 2016*	10	All	48
Jordan	JO	volume	0.6%	exits between Jan.11 and Jun. 16	1	USD	31
	JO	value	-44.8%	restrictions in same period	3	EUR	38
	JO	CBR	-16.3%	% exits	-4%	GBP	14
	JO			CBR in sample as of June 2016*	23	All	189
Kazakhstan	KZ	volume	23.7%	exits between Jan.11 and Jun. 16	3	USD	24
	KZ	value	-20.4%	restrictions in same period	5	EUR	21
	KZ	CBR	-11.8%	% exits	-16%	GBP	5
	KZ			CBR in sample as of June 2016*	16	All	111
Kenya	KE	volume	22.6%	exits between Jan.11 and Jun. 16	3	USD	31
	KE	value	-13.5%	restrictions in same period	5	EUR	38
	KE	CBR	4.2%	% exits	-12%	GBP	21
	KE			CBR in sample as of June 2016*	23	All	193
Kiribati	KI	volume	28.1%	exits between Jan.11 and Jun. 16	0	USD	0
	KI	value	162.6%	restrictions in same period	0	EUR	0
	KI	CBR	-10.2%	% exits	0%	GBP	0
	KI			CBR in sample as of June 2016*	0	All	0
Korea, Democratic People's Rep. Of	KP	volume	-94.7%	exits between Jan.11 and Jun. 16	16	USD	1
	KP	value	-98.4%	restrictions in same period	1	EUR	0
	KP	CBR	-80.3%	% exits	-94%	GBP	0
	KP			CBR in sample as of June 2016*	1	All	16

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Korea, Republic of	KR	volume	21.3%	exits between Jan.11 and Jun. 16	1	USD	114
	KR	value	31.1%	restrictions in same period	2	EUR	40
	KR	CBR	-1.3%	% exits	-3%	GBP	12
	KR			CBR in sample as of June 2016*	34	All	480
Kosovo	XK	volume	NA	exits between Jan.11 and Jun. 16	3	USD	0
	XK	value	NA	restrictions in same period	2	EUR	0
	XK	CBR	NA	% exits	-100%	GBP	0
	XK			CBR in sample as of June 2016*	0	All	2
Kuwait	KW	volume	32.6%	exits between Jan.11 and Jun. 16	1	USD	13
	KW	value	25.6%	restrictions in same period	5	EUR	26
	KW	CBR	-12.1%	% exits	-4%	GBP	11
	KW			CBR in sample as of June 2016*	26	All	164
Kyrgyz Rep.	KG	volume	31.6%	exits between Jan.11 and Jun. 16	0	USD	2
	KG	value	26.3%	restrictions in same period	3	EUR	4
	KG	CBR	4.8%	% exits	0%	GBP	1
	KG			CBR in sample as of June 2016*	4	All	10
Laos	LA	volume	43.1%	exits between Jan.11 and Jun. 16	4	USD	8
	LA	value	4.4%	restrictions in same period	1	EUR	5
	LA	CBR	9.3%	% exits	-40%	GBP	1
	LA			CBR in sample as of June 2016*	6	All	20
Latvia	LV	volume	-26.2%	exits between Jan.11 and Jun. 16	4	USD	43
	LV	value	-48.5%	restrictions in same period	10	EUR	42
	LV	CBR	-13.1%	% exits	-14%	GBP	8
	LV			CBR in sample as of June 2016*	24	All	164
Lebanon	LB	volume	5.6%	exits between Jan.11 and Jun. 16	7	USD	83
	LB	value	-7.3%	restrictions in same period	8	EUR	94
	LB	CBR	-12.5%	% exits	-23%	GBP	36
	LB			CBR in sample as of June 2016*	24	All	386
Lesotho	LS	volume	60.3%	exits between Jan.11 and Jun. 16	1	USD	1
	LS	value	120.1%	restrictions in same period	1	EUR	2
	LS	CBR	-1.5%	% exits	-20%	GBP	1
	LS			CBR in sample as of June 2016*	4	All	7
Liberia	LR	volume	46.5%	exits between Jan.11 and Jun. 16	8	USD	4
	LR	value	-7.7%	restrictions in same period	1	EUR	1
	LR	CBR	7.1%	% exits	-67%	GBP	1
	LR			CBR in sample as of June 2016*	4	All	6
Libya	LY	volume	-46.2%	exits between Jan.11 and Jun. 16	17	USD	16
	LY	value	-54.3%	restrictions in same period	4	EUR	20
	LY	CBR	-27.1%	% exits	-63%	GBP	2
	LY			CBR in sample as of June 2016*	10	All	50

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Liechtenstein	LI	volume	-3.2%	exits between Jan.11 and Jun. 16	2	USD	25
	LI	value	-7.2%	restrictions in same period	4	EUR	21
	LI	CBR	-11.0%	% exits	-14%	GBP	14
	LI			CBR in sample as of June 2016*	12	All	214
Lithuania	LT	volume	-35.3%	exits between Jan.11 and Jun. 16	2	USD	13
	LT	value	-40.4%	restrictions in same period	5	EUR	21
	LT	CBR	-20.8%	% exits	-13%	GBP	8
	LT			CBR in sample as of June 2016*	13	All	142
Luxembourg	LU	volume	24.1%	exits between Jan.11 and Jun. 16	0	USD	80
	LU	value	-15.0%	restrictions in same period	7	EUR	171
	LU	CBR	-8.0%	% exits	0%	GBP	40
	LU			CBR in sample as of June 2016*	43	All	943
Macao	MO	volume	21.7%	exits between Jan.11 and Jun. 16	1	USD	7
	MO	value	47.1%	restrictions in same period	1	EUR	10
	MO	CBR	-2.3%	% exits	-5%	GBP	5
	MO			CBR in sample as of June 2016*	18	All	104
Macedonia	MK	volume	20.3%	exits between Jan.11 and Jun. 16	3	USD	3
	MK	value	-46.8%	restrictions in same period	1	EUR	16
	MK	CBR	-15.6%	% exits	-21%	GBP	3
	MK			CBR in sample as of June 2016*	11	All	40
Madagascar	MG	volume	22.5%	exits between Jan.11 and Jun. 16	3	USD	1
	MG	value	41.4%	restrictions in same period	1	EUR	7
	MG	CBR	-30.1%	% exits	-27%	GBP	1
	MG			CBR in sample as of June 2016*	8	All	25
Malawi	MW	volume	42.5%	exits between Jan.11 and Jun. 16	2	USD	2
	MW	value	69.0%	restrictions in same period	2	EUR	3
	MW	CBR	4.0%	% exits	-22%	GBP	2
	MW			CBR in sample as of June 2016*	7	All	29
Malaysia	MY	volume	17.4%	exits between Jan.11 and Jun. 16	0	USD	20
	MY	value	-21.6%	restrictions in same period	6	EUR	31
	MY	CBR	-8.7%	% exits	0%	GBP	17
	MY			CBR in sample as of June 2016*	35	All	276
Maldives	MV	volume	20.6%	exits between Jan.11 and Jun. 16	1	USD	1
	MV	value	129.4%	restrictions in same period	2	EUR	3
	MV	CBR	-10.7%	% exits	-20%	GBP	0
	MV			CBR in sample as of June 2016*	4	All	6
Mali	ML	volume	26.0%	exits between Jan.11 and Jun. 16	1	USD	0
	ML	value	122.5%	restrictions in same period	2	EUR	20
	ML	CBR	-5.9%	% exits	-8%	GBP	2
	ML			CBR in sample as of June 2016*	12	All	29

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Malta	MT	volume	-7.4%	exits between Jan.11 and Jun. 16	2	USD	9
	MT	value	-26.7%	restrictions in same period	3	EUR	16
	MT	CBR	0.0%	% exits	-10%	GBP	5
	MT			CBR in sample as of June 2016*	19	All	61
Martinique	MQ	volume	-3.5%	exits between Jan.11 and Jun. 16	1	USD	0
	MQ	value	-20.5%	restrictions in same period	0	EUR	1
	MQ	CBR	-13.9%	% exits	-50%	GBP	1
	MQ			CBR in sample as of June 2016*	1	All	4
Mauritania	MR	volume	11.9%	exits between Jan.11 and Jun. 16	3	USD	3
	MR	value	-19.4%	restrictions in same period	3	EUR	7
	MR	CBR	2.6%	% exits	-30%	GBP	0
	MR			CBR in sample as of June 2016*	7	All	13
Mauritius	MU	volume	31.4%	exits between Jan.11 and Jun. 16	0	USD	8
	MU	value	6.9%	restrictions in same period	3	EUR	16
	MU	CBR	-14.1%	% exits	0%	GBP	5
	MU			CBR in sample as of June 2016*	25	All	202
Mayotte	YT	volume	39.3%	exits between Jan.11 and Jun. 16	0	USD	0
	YT	value	-57.3%	restrictions in same period	0	EUR	0
	YT	CBR	-60.0%	% exits	0%	GBP	0
	YT			CBR in sample as of June 2016*	0	All	0
Mexico	MX	volume	29.4%	exits between Jan.11 and Jun. 16	0	USD	34
	MX	value	-15.1%	restrictions in same period	5	EUR	28
	MX	CBR	-4.3%	% exits	0%	GBP	10
	MX			CBR in sample as of June 2016*	29	All	161
Moldova	MD	volume	9.7%	exits between Jan.11 and Jun. 16	5	USD	5
	MD	value	-46.1%	restrictions in same period	2	EUR	9
	MD	CBR	-21.3%	% exits	-56%	GBP	3
	MD			CBR in sample as of June 2016*	4	All	24
Monaco	MC	volume	-9.5%	exits between Jan.11 and Jun. 16	1	USD	1
	MC	value	-24.2%	restrictions in same period	4	EUR	11
	MC	CBR	-39.3%	% exits	-6%	GBP	1
	MC			CBR in sample as of June 2016*	15	All	35
Mongolia	MN	volume	17.0%	exits between Jan.11 and Jun. 16	1	USD	19
	MN	value	-22.2%	restrictions in same period	1	EUR	4
	MN	CBR	2.8%	% exits	-8%	GBP	5
	MN			CBR in sample as of June 2016*	11	All	58
Montenegro	ME	volume	30.2%	exits between Jan.11 and Jun. 16	4	USD	0
	ME	value	20.9%	restrictions in same period	1	EUR	8
	ME	CBR	2.7%	% exits	-36%	GBP	1
	ME			CBR in sample as of June 2016*	7	All	10

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Montserrat	MS	volume	60.1%	exits between Jan.11 and Jun. 16	0	USD	0
	MS	value	150.3%	restrictions in same period	0	EUR	0
	MS	CBR	44.2%	% exits	0%	GBP	0
	MS			CBR in sample as of June 2016*	1	All	1
Morocco	MA	volume	17.9%	exits between Jan.11 and Jun. 16	0	USD	17
	MA	value	-13.0%	restrictions in same period	4	EUR	67
	MA	CBR	-18.7%	% exits	0%	GBP	9
	MA			CBR in sample as of June 2016*	32	All	189
Mozambique	MZ	volume	6.6%	exits between Jan.11 and Jun. 16	0	USD	22
	MZ	value	-6.8%	restrictions in same period	4	EUR	20
	MZ	CBR	-5.7%	% exits	0%	GBP	5
	MZ			CBR in sample as of June 2016*	17	All	82
Myanmar	MM	volume	218.2%	exits between Jan.11 and Jun. 16	7	USD	31
	MM	value	168.1%	restrictions in same period	3	EUR	18
	MM	CBR	150.9%	% exits	-54%	GBP	1
	MM			CBR in sample as of June 2016*	6	All	94
Namibia	NA	volume	18.8%	exits between Jan.11 and Jun. 16	2	USD	5
	NA	value	154.7%	restrictions in same period	3	EUR	7
	NA	CBR	-2.4%	% exits	-15%	GBP	1
	NA			CBR in sample as of June 2016*	11	All	30
Nepal	NP	volume	61.3%	exits between Jan.11 and Jun. 16	0	USD	50
	NP	value	76.6%	restrictions in same period	5	EUR	36
	NP	CBR	-10.3%	% exits	0%	GBP	32
	NP			CBR in sample as of June 2016*	14	All	251
Netherlands	NL	volume	-33.2%	exits between Jan.11 and Jun. 16	0	USD	35
	NL	value	-23.2%	restrictions in same period	6	EUR	80
	NL	CBR	-15.4%	% exits	0%	GBP	23
	NL			CBR in sample as of June 2016*	41	All	411
New Caledonia	NC	volume	5.4%	exits between Jan.11 and Jun. 16	2	USD	0
	NC	value	-34.2%	restrictions in same period	1	EUR	3
	NC	CBR	-36.9%	% exits	-20%	GBP	1
	NC			CBR in sample as of June 2016*	8	All	12
New Zealand	NZ	volume	25.1%	exits between Jan.11 and Jun. 16	1	USD	3
	NZ	value	1.6%	restrictions in same period	3	EUR	14
	NZ	CBR	-6.2%	% exits	-3%	GBP	0
	NZ			CBR in sample as of June 2016*	34	All	116
Nicaragua	NI	volume	32.7%	exits between Jan.11 and Jun. 16	0	USD	4
	NI	value	27.6%	restrictions in same period	2	EUR	3
	NI	CBR	-6.3%	% exits	0%	GBP	0
	NI			CBR in sample as of June 2016*	3	All	8

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Niger	NE	volume	64.2%	exits between Jan.11 and Jun. 16	3	USD	0
	NE	value	72.8%	restrictions in same period	2	EUR	3
	NE	CBR	-5.9%	% exits	-43%	GBP	0
	NE			CBR in sample as of June 2016*	4	All	5
Nigeria	NG	volume	12.4%	exits between Jan.11 and Jun. 16	0	USD	76
	NG	value	-27.2%	restrictions in same period	4	EUR	74
	NG	CBR	3.8%	% exits	0%	GBP	46
	NG			CBR in sample as of June 2016*	13	All	265
Norway	NO	volume	8.6%	exits between Jan.11 and Jun. 16	1	USD	5
	NO	value	-41.5%	restrictions in same period	2	EUR	19
	NO	CBR	-12.5%	% exits	-2%	GBP	4
	NO			CBR in sample as of June 2016*	40	All	171
Oman	OM	volume	20.7%	exits between Jan.11 and Jun. 16	0	USD	10
	OM	value	77.9%	restrictions in same period	2	EUR	12
	OM	CBR	-8.8%	% exits	0%	GBP	3
	OM			CBR in sample as of June 2016*	21	All	92
Pakistan	PK	volume	27.3%	exits between Jan.11 and Jun. 16	1	USD	47
	PK	value	23.7%	restrictions in same period	6	EUR	42
	PK	CBR	-10.9%	% exits	-5%	GBP	15
	PK			CBR in sample as of June 2016*	18	All	181
Palestine	PS	volume	17.9%	exits between Jan.11 and Jun. 16	2	USD	8
	PS	value	-7.2%	restrictions in same period	2	EUR	9
	PS	CBR	0.9%	% exits	-18%	GBP	5
	PS			CBR in sample as of June 2016*	9	All	60
Panama	PA	volume	7.9%	exits between Jan.11 and Jun. 16	2	USD	35
	PA	value	-9.2%	restrictions in same period	4	EUR	26
	PA	CBR	-4.7%	% exits	-13%	GBP	1
	PA			CBR in sample as of June 2016*	14	All	81
Papua New Guinea	PG	volume	31.5%	exits between Jan.11 and Jun. 16	1	USD	1
	PG	value	18.7%	restrictions in same period	2	EUR	0
	PG	CBR	-16.5%	% exits	-11%	GBP	0
	PG			CBR in sample as of June 2016*	8	All	12
Paraguay	PY	volume	5.4%	exits between Jan.11 and Jun. 16	2	USD	10
	PY	value	15.8%	restrictions in same period	2	EUR	14
	PY	CBR	-7.6%	% exits	-25%	GBP	1
	PY			CBR in sample as of June 2016*	6	All	37
Peru	PE	volume	3.6%	exits between Jan.11 and Jun. 16	0	USD	19
	PE	value	21.7%	restrictions in same period	3	EUR	19
	PE	CBR	-14.1%	% exits	0%	GBP	3
	PE			CBR in sample as of June 2016*	18	All	62

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Philippines	PH	volume	10.5%	exits between Jan.11 and Jun. 16	0	USD	40
	PH	value	9.2%	restrictions in same period	4	EUR	39
	PH	CBR	-11.5%	% exits	0%	GBP	11
	PH			CBR in sample as of June 2016*	30	All	209
Poland	PL	volume	13.6%	exits between Jan.11 and Jun. 16	1	USD	4
	PL	value	5.7%	restrictions in same period	6	EUR	47
	PL	CBR	-11.2%	% exits	-3%	GBP	8
	PL			CBR in sample as of June 2016*	38	All	173
Portugal	PT	volume	-11.8%	exits between Jan.11 and Jun. 16	0	USD	22
	PT	value	-49.9%	restrictions in same period	6	EUR	187
	PT	CBR	-6.3%	% exits	0%	GBP	15
	PT			CBR in sample as of June 2016*	45	All	325
Puerto Rico	PR	volume	-8.9%	exits between Jan.11 and Jun. 16	2	USD	4
	PR	value	-73.0%	restrictions in same period	0	EUR	4
	PR	CBR	-1.0%	% exits	-20%	GBP	2
	PR			CBR in sample as of June 2016*	8	All	19
Qatar	QA	volume	46.8%	exits between Jan.11 and Jun. 16	0	USD	16
	QA	value	15.2%	restrictions in same period	5	EUR	20
	QA	CBR	0.2%	% exits	0%	GBP	5
	QA			CBR in sample as of June 2016*	37	All	239
Reunion	RE	volume	-1.8%	exits between Jan.11 and Jun. 16	1	USD	0
	RE	value	-23.6%	restrictions in same period	1	EUR	1
	RE	CBR	-26.8%	% exits	-33%	GBP	1
	RE			CBR in sample as of June 2016*	2	All	8
Romania	RO	volume	16.2%	exits between Jan.11 and Jun. 16	1	USD	8
	RO	value	-22.9%	restrictions in same period	7	EUR	29
	RO	CBR	-9.5%	% exits	-4%	GBP	5
	RO			CBR in sample as of June 2016*	25	All	118
Russia	RU	volume	10.7%	exits between Jan.11 and Jun. 16	6	USD	111
	RU	value	-23.9%	restrictions in same period	23	EUR	160
	RU	CBR	-17.8%	% exits	-13%	GBP	26
	RU			CBR in sample as of June 2016*	42	All	548
Rwanda	RW	volume	42.3%	exits between Jan.11 and Jun. 16	0	USD	6
	RW	value	72.1%	restrictions in same period	2	EUR	9
	RW	CBR	17.7%	% exits	0%	GBP	2
	RW			CBR in sample as of June 2016*	5	All	21
Samoa	WS	volume	34.7%	exits between Jan.11 and Jun. 16	0	USD	0
	WS	value	311.7%	restrictions in same period	0	EUR	0
	WS	CBR	-18.8%	% exits	0%	GBP	0
	WS			CBR in sample as of June 2016*	0	All	0

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
San Marino	SM	volume	1.1%	exits between Jan.11 and Jun. 16	1	USD	3
	SM	value	-50.4%	restrictions in same period	3	EUR	7
	SM	CBR	-31.4%	% exits	-33%	GBP	2
	SM			CBR in sample as of June 2016*	2	All	26
Sao Tomé & Príncipe	ST	volume	23.0%	exits between Jan.11 and Jun. 16	1	USD	9
	ST	value	-37.3%	restrictions in same period	0	EUR	9
	ST	CBR	-2.5%	% exits	-20%	GBP	1
	ST			CBR in sample as of June 2016*	4	All	23
Saudi Arabia	SA	volume	29.2%	exits between Jan.11 and Jun. 16	1	USD	27
	SA	value	32.7%	restrictions in same period	6	EUR	22
	SA	CBR	-7.7%	% exits	-3%	GBP	12
	SA			CBR in sample as of June 2016*	37	All	230
Senegal	SN	volume	35.0%	exits between Jan.11 and Jun. 16	0	USD	5
	SN	value	95.1%	restrictions in same period	4	EUR	25
	SN	CBR	-2.6%	% exits	0%	GBP	3
	SN			CBR in sample as of June 2016*	14	All	47
Serbia	RS	volume	6.7%	exits between Jan.11 and Jun. 16	4	USD	13
	RS	value	-29.5%	restrictions in same period	4	EUR	40
	RS	CBR	-16.5%	% exits	-15%	GBP	8
	RS			CBR in sample as of June 2016*	23	All	125
Seychelles	SC	volume	-7.4%	exits between Jan.11 and Jun. 16	4	USD	3
	SC	value	-14.5%	restrictions in same period	2	EUR	3
	SC	CBR	-33.4%	% exits	-44%	GBP	1
	SC			CBR in sample as of June 2016*	5	All	16
Sierra Leone	SL	volume	10.9%	exits between Jan.11 and Jun. 16	0	USD	7
	SL	value	-3.8%	restrictions in same period	0	EUR	3
	SL	CBR	-5.9%	% exits	0%	GBP	4
	SL			CBR in sample as of June 2016*	3	All	15
Singapore	SG	volume	24.8%	exits between Jan.11 and Jun. 16	0	USD	35
	SG	value	11.4%	restrictions in same period	4	EUR	59
	SG	CBR	-3.0%	% exits	0%	GBP	12
	SG			CBR in sample as of June 2016*	57	All	1223
Sint Maarten	SX	volume	30.6%	exits between Jan.11 and Jun. 16	0	USD	1
	SX	value	-12.7%	restrictions in same period	0	EUR	1
	SX	CBR	-23.3%	% exits	0%	GBP	1
	SX			CBR in sample as of June 2016*	1	All	8
Slovakia	SK	volume	-61.1%	exits between Jan.11 and Jun. 16	0	USD	2
	SK	value	-34.8%	restrictions in same period	4	EUR	14
	SK	CBR	-13.7%	% exits	0%	GBP	0
	SK			CBR in sample as of June 2016*	13	All	40

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Slovenia	SI	volume	12.0%	exits between Jan.11 and Jun. 16	2	USD	5
	SI	value	-32.8%	restrictions in same period	4	EUR	24
	SI	CBR	-8.6%	% exits	-10%	GBP	7
	SI			CBR in sample as of June 2016*	18	All	82
Solomon Islands	SB	volume	5.5%	exits between Jan.11 and Jun. 16	0	USD	0
	SB	value	-9.7%	restrictions in same period	0	EUR	0
	SB	CBR	-39.1%	% exits	0%	GBP	0
	SB			CBR in sample as of June 2016*	0	All	0
Somalia	SO	volume	NA	exits between Jan.11 and Jun. 16	0	USD	1
	SO	value	NA	restrictions in same period	0	EUR	0
	SO	CBR	NA	% exits	0%	GBP	0
	SO			CBR in sample as of June 2016*	1	All	2
South Africa	ZA	volume	17.8%	exits between Jan.11 and Jun. 16	0	USD	21
	ZA	value	10.6%	restrictions in same period	5	EUR	39
	ZA	CBR	-10.0%	% exits	0%	GBP	13
	ZA			CBR in sample as of June 2016*	40	All	1765
South Sudan	SS	volume	54.6%	exits between Jan.11 and Jun. 16	17	USD	0
	SS	value	-47.8%	restrictions in same period	2	EUR	0
	SS	CBR	35.7%	% exits	-100%	GBP	0
	SS			CBR in sample as of June 2016*	0	All	0
Spain	ES	volume	-1.7%	exits between Jan.11 and Jun. 16	1	USD	31
	ES	value	-18.2%	restrictions in same period	6	EUR	198
	ES	CBR	-11.6%	% exits	-2%	GBP	26
	ES			CBR in sample as of June 2016*	46	All	509
Sri Lanka	LK	volume	14.4%	exits between Jan.11 and Jun. 16	1	USD	30
	LK	value	9.4%	restrictions in same period	5	EUR	26
	LK	CBR	-17.3%	% exits	-4%	GBP	9
	LK			CBR in sample as of June 2016*	22	All	168
St Kitts and Nevis	KN	volume	12.0%	exits between Jan.11 and Jun. 16	1	USD	3
	KN	value	4.0%	restrictions in same period	0	EUR	1
	KN	CBR	-18.3%	% exits	-20%	GBP	0
	KN			CBR in sample as of June 2016*	4	All	28
St Lucia	LC	volume	10.9%	exits between Jan.11 and Jun. 16	0	USD	4
	LC	value	6.7%	restrictions in same period	0	EUR	3
	LC	CBR	1.8%	% exits	0%	GBP	1
	LC			CBR in sample as of June 2016*	7	All	34
St Pierre and Miquelon	PM	volume	-16.4%	exits between Jan.11 and Jun. 16	0	USD	1
	PM	value	-47.6%	restrictions in same period	0	EUR	0
	PM	CBR	0.8%	% exits	0%	GBP	1
	PM			CBR in sample as of June 2016*	2	All	3

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
St Vincent	VC	volume	-14.1%	exits between Jan.11 and Jun. 16	2	USD	4
	VC	value	-21.4%	restrictions in same period	1	EUR	2
	VC	CBR	-1.8%	% exits	-25%	GBP	1
	VC			CBR in sample as of June 2016*	6	All	27
Sudan	SD	volume	-26.3%	exits between Jan.11 and Jun. 16	0	USD	1
	SD	value	3.6%	restrictions in same period	0	EUR	4
	SD	CBR	-39.8%	% exits	0%	GBP	0
	SD			CBR in sample as of June 2016*	4	All	8
Surinam	SR	volume	-8.7%	exits between Jan.11 and Jun. 16	2	USD	4
	SR	value	-15.6%	restrictions in same period	0	EUR	3
	SR	CBR	-11.3%	% exits	-50%	GBP	0
	SR			CBR in sample as of June 2016*	2	All	11
Swaziland	SZ	volume	37.8%	exits between Jan.11 and Jun. 16	1	USD	3
	SZ	value	103.5%	restrictions in same period	1	EUR	1
	SZ	CBR	-5.4%	% exits	-17%	GBP	2
	SZ			CBR in sample as of June 2016*	5	All	14
Sweden	SE	volume	12.2%	exits between Jan.11 and Jun. 16	1	USD	11
	SE	value	-20.5%	restrictions in same period	2	EUR	26
	SE	CBR	-15.5%	% exits	-2%	GBP	6
	SE			CBR in sample as of June 2016*	44	All	745
Switzerland	CH	volume	-0.2%	exits between Jan.11 and Jun. 16	0	USD	276
	CH	value	0.6%	restrictions in same period	10	EUR	338
	CH	CBR	-15.3%	% exits	0%	GBP	175
	CH			CBR in sample as of June 2016*	61	All	2528
Syria	SY	volume	-85.3%	exits between Jan.11 and Jun. 16	23	USD	7
	SY	value	-78.1%	restrictions in same period	3	EUR	11
	SY	CBR	-56.6%	% exits	-66%	GBP	1
	SY			CBR in sample as of June 2016*	12	All	32
Tajikistan	TJ	volume	-7.2%	exits between Jan.11 and Jun. 16	1	USD	1
	TJ	value	-61.7%	restrictions in same period	1	EUR	5
	TJ	CBR	-6.8%	% exits	-33%	GBP	1
	TJ			CBR in sample as of June 2016*	2	All	17
Tanzania	TZ	volume	15.3%	exits between Jan.11 and Jun. 16	1	USD	28
	TZ	value	11.8%	restrictions in same period	3	EUR	14
	TZ	CBR	5.0%	% exits	-9%	GBP	11
	TZ			CBR in sample as of June 2016*	10	All	84
Thailand	TH	volume	24.0%	exits between Jan.11 and Jun. 16	0	USD	21
	TH	value	21.6%	restrictions in same period	3	EUR	31
	TH	CBR	-6.6%	% exits	0%	GBP	9
	TH			CBR in sample as of June 2016*	37	All	207

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Timor-Leste	TL	volume	53.6%	exits between Jan.11 and Jun. 16	2	USD	1
	TL	value	-17.8%	restrictions in same period	0	EUR	1
	TL	CBR	-31.9%	% exits	-67%	GBP	0
	TL			CBR in sample as of June 2016*	1	All	3
Togo	TG	volume	64.0%	exits between Jan.11 and Jun. 16	0	USD	2
	TG	value	96.6%	restrictions in same period	3	EUR	7
	TG	CBR	-0.4%	% exits	0%	GBP	1
	TG			CBR in sample as of June 2016*	8	All	14
Tonga	TO	volume	7.8%	exits between Jan.11 and Jun. 16	2	USD	0
	TO	value	-16.1%	restrictions in same period	1	EUR	0
	TO	CBR	-26.2%	% exits	-100%	GBP	0
	TO			CBR in sample as of June 2016*	0	All	0
Trinidad and Tobago	TT	volume	14.9%	exits between Jan.11 and Jun. 16	0	USD	11
	TT	value	-1.4%	restrictions in same period	5	EUR	4
	TT	CBR	-21.8%	% exits	0%	GBP	3
	TT			CBR in sample as of June 2016*	8	All	41
Tunisia	TN	volume	12.2%	exits between Jan.11 and Jun. 16	4	USD	4
	TN	value	-45.9%	restrictions in same period	5	EUR	84
	TN	CBR	-10.7%	% exits	-13%	GBP	7
	TN			CBR in sample as of June 2016*	26	All	157
Turkey	TR	volume	28.1%	exits between Jan.11 and Jun. 16	3	USD	42
	TR	value	-0.3%	restrictions in same period	10	EUR	129
	TR	CBR	-4.2%	% exits	-7%	GBP	22
	TR			CBR in sample as of June 2016*	41	All	355
Turkmenistan	TM	volume	107.3%	exits between Jan.11 and Jun. 16	1	USD	3
	TM	value	-47.5%	restrictions in same period	1	EUR	5
	TM	CBR	6.1%	% exits	-25%	GBP	0
	TM			CBR in sample as of June 2016*	3	All	12
Turks & Caicos	TC	volume	9.7%	exits between Jan.11 and Jun. 16	0	USD	3
	TC	value	8.5%	restrictions in same period	4	EUR	3
	TC	CBR	-8.2%	% exits	0%	GBP	2
	TC			CBR in sample as of June 2016*	4	All	22
Tuvalu	TV	volume	43.4%	exits between Jan.11 and Jun. 16	0	USD	0
	TV	value	36.2%	restrictions in same period	0	EUR	0
	TV	CBR	-38.8%	% exits	0%	GBP	0
	TV			CBR in sample as of June 2016*	0	All	0
Uganda	UG	volume	40.6%	exits between Jan.11 and Jun. 16	1	USD	15
	UG	value	-8.8%	restrictions in same period	3	EUR	10
	UG	CBR	5.2%	% exits	-8%	GBP	9
	UG			CBR in sample as of June 2016*	12	All	55

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Ukraine	UA	volume	-11.8%	exits between Jan.11 and Jun. 16	6	USD	28
	UA	value	-51.3%	restrictions in same period	11	EUR	43
	UA	CBR	-28.6%	% exits	-21%	GBP	11
	UA			CBR in sample as of June 2016*	23	All	145
United Arab Emirates	AE	volume	30.8%	exits between Jan.11 and Jun. 16	1	USD	59
	AE	value	46.9%	restrictions in same period	10	EUR	56
	AE	CBR	-7.2%	% exits	-3%	GBP	23
	AE			CBR in sample as of June 2016*	38	All	571
United Kingdom	GB	volume	24.7%	exits between Jan.11 and Jun. 16	3	USD	201
	GB	value	-1.2%	restrictions in same period	11	EUR	420
	GB	CBR	-7.6%	% exits	-3%	GBP	353
	GB			CBR in sample as of June 2016*	84	All	2487
United States	US	volume	24.0%	exits between Jan.11 and Jun. 16	2	USD	2360
	US	value	26.1%	restrictions in same period	8	EUR	264
	US	CBR	-4.0%	% exits	-2%	GBP	105
	US			CBR in sample as of June 2016*	86	All	4049
Uruguay	UY	volume	9.4%	exits between Jan.11 and Jun. 16	0	USD	15
	UY	value	77.2%	restrictions in same period	4	EUR	16
	UY	CBR	-19.0%	% exits	0%	GBP	3
	UY			CBR in sample as of June 2016*	13	All	48
Uzbekistan	UZ	volume	6.1%	exits between Jan.11 and Jun. 16	1	USD	94
	UZ	value	-16.4%	restrictions in same period	2	EUR	80
	UZ	CBR	-14.9%	% exits	-9%	GBP	39
	UZ			CBR in sample as of June 2016*	10	All	358
Vanuatu	VU	volume	10.8%	exits between Jan.11 and Jun. 16	2	USD	2
	VU	value	-60.4%	restrictions in same period	0	EUR	0
	VU	CBR	-13.4%	% exits	-33%	GBP	0
	VU			CBR in sample as of June 2016*	4	All	7
Vatican City State	VA	volume	-24.6%	exits between Jan.11 and Jun. 16	0	USD	1
	VA	value	-81.7%	restrictions in same period	0	EUR	1
	VA	CBR	-25.5%	% exits	0%	GBP	1
	VA			CBR in sample as of June 2016*	4	All	7
Venezuela	VE	volume	-37.4%	exits between Jan.11 and Jun. 16	9	USD	27
	VE	value	15.5%	restrictions in same period	5	EUR	32
	VE	CBR	-46.1%	% exits	-41%	GBP	3
	VE			CBR in sample as of June 2016*	13	All	75
Vietnam	VN	volume	50.6%	exits between Jan.11 and Jun. 16	1	USD	42
	VN	value	78.9%	restrictions in same period	4	EUR	39
	VN	CBR	-9.6%	% exits	-4%	GBP	18
	VN			CBR in sample as of June 2016*	22	All	213

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Jurisdictions	ISO	SWIFT data		FSB-CBCG Survey (responses by 150 correspondents)			
		change 2012-2016		Evolution in the number of surveyed banks serving the jurisdiction (January 2011-June 2016)		Number of accounts by surveyed banks –June 2016	
Virgin Islands, U.S.	VI	volume	-13.5%	exits between Jan.11 and Jun. 16	0	USD	0
	VI	value	28.0%	restrictions in same period	0	EUR	0
	VI	CBR	-26.6%	% exits	0%	GBP	0
	VI			CBR in sample as of June 2016*	0	All	0
Virgin Islands (British)	VG	volume	0.3%	exits between Jan.11 and Jun. 16	0	USD	4
	VG	value	-22.3%	restrictions in same period	2	EUR	2
	VG	CBR	-42.3%	% exits	0%	GBP	3
	VG			CBR in sample as of June 2016*	4	All	26
Yemen	YE	volume	-74.7%	exits between Jan.11 and Jun. 16	9	USD	10
	YE	value	-76.7%	restrictions in same period	5	EUR	5
	YE	CBR	-27.4%	% exits	-50%	GBP	1
	YE			CBR in sample as of June 2016*	9	All	31
Zambia	ZM	volume	24.3%	exits between Jan.11 and Jun. 16	1	USD	14
	ZM	value	14.5%	restrictions in same period	1	EUR	6
	ZM	CBR	2.3%	% exits	-8%	GBP	4
	ZM			CBR in sample as of June 2016*	12	All	45
Zimbabwe	ZW	volume	-16.8%	exits between Jan.11 and Jun. 16	6	USD	19
	ZW	value	-24.4%	restrictions in same period	8	EUR	12
	ZW	CBR	-18.6%	% exits	-33%	GBP	8
	ZW			CBR in sample as of June 2016*	12	All	58

\* Other banks may serve the jurisdiction (see introduction to Annex 2)