CALL FOR PROPOSALS

Cross-border Low Value Payments and Regional Integration: Enablers and Disablers

The SWIFT Institute invites research proposals on the developments in cross-border retail payments and regionalization efforts.

Regional initiatives such as ASEAN (Association of Southeast Asian Nations), the Eurozone, COMESA (Common Market for Eastern and Southern Africa) and SADC (South African Development Community) have fundamental objectives such as “to accelerate the economic growth and social progress in the region through joint endeavours in order to strengthen the foundation for a prosperous and peaceful community of its member nations”1.

To fulfil such ambitions, greater financial and capital market integration needs to be fostered by reducing intra-regional transactional barriers to trade and investment by minimizing cross-border transfer fees. Interlinked payment systems (e.g. COMESA’s regional payment system initiative), a single shared clearing and settlement model (e.g. TARGET 2 and the West African Economic and Monetary Union), a standardised framework for cross-border payments (e.g. the International Payments Framework Association) and simple interoperability between domestic retail platforms have been some of the resulting developments.

Much academic and policy research has highlighted the guidelines2 and models which can be followed for successful regional integration of financial payment infrastructures.

However, less has been documented on the quantitative and qualitative evidence of certain models or rules. Research which is able to empirically shed light on the following questions would thus aid regional development organizations and domestic payments systems to make their informed decisions. Using data from existing systems…

- What are the best models for a regionally integrated payments system? What are the enablers and disablers for successful implementation?
- What are the key features of potential schemes to foster cross-border transactions?
- What is the role for central banks of the currencies involved?
- What role do standards have as an enabler for interoperability between domestic and regional non-urgent payment systems and banks?

Grant & Working Paper

A grant of EUR 15,000 will be awarded to the author of the selected proposal. 50% will be paid immediately; the remaining 50% will be paid on acceptance of a working paper.

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1 Stated under the Objectives in the ASEAN Declaration.
2 “Guidelines for the Successful Regional Integration of Financial Infrastructures”, World Bank, September 2013
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Proposal Submission
Please submit your research proposal as follows:

1. CV / bio including education, work history, research experience, publications, etc.
2. Description of your research project (2,500 words maximum) to include the following:
   - Objective of your research
   - Methods by which you intend to undertake your research
   - Timeframe by which you intend to complete your research
3. By email in MS Word / Excel / PowerPoint format and / or pdf.

Deadline: Proposals must be submitted no later than 12 May 2014.
Email: Send submissions to: peter.ware@swift.com