



EDBO/E1/2021  
04<sup>th</sup> January 2021

**Chief Executive Officer**  
All Banks  
All Money Changers  
Manama  
Kingdom of Bahrain

Dear Sir/Madam,

**Mandating the Use of Purpose Codes for SWIFT Cross-Border Payments**

As part of CBB's objective to enhance its oversight of cross-border payments, CBB is introducing a mandatory "purpose code" field for all cross-border SWIFT transfers. The purpose codes to be used are attached to this circular, including their descriptions, explanations and examples for each code. The purpose code logic for system configuration is also attached.

For this purpose and as a first step, all licensees are required to register for the SWIFT FINInform Service. SWIFT FINInform is a value-added feature of FIN that automatically duplicates a predefined set of message types and forwards it to one or more selected destinations. This service will enable SWIFT messages for cross-border payments to be duplicated and forwarded to the CBB database.

In this respect, CBB requires all licensees to whom this circular is addressed, who are part of the SWIFT network and who have a BIC code, to:

1. Register for the SWIFT FINInform Service by 31<sup>st</sup> January 2021 (registration instructions provided by SWIFT are attached);
2. Implement the additional purpose code field for all SWIFT cross-border transactions by 31<sup>st</sup> March 2021; and
3. Publish the purpose codes on their websites for use by their customers upon implementation of the purpose code field (please see Purpose Codes – Disclosure Document attached).

In addition, a workshop will be conducted by SWIFT on 14<sup>th</sup> January 2021 at 11:00 am to explain the requirements and scope of the project. Details of the registration process will be provided to the licensees in due course by email.



Should you have any further queries on this matter, please contact Ms. Dana Hamzah, Head of Economic Research Division in the Financial Stability Directorate, at [dana.h@cbb.gov.bh](mailto:dana.h@cbb.gov.bh).

Yours faithfully,

**Salman Bin Isa Al-Khalifa**  
Executive Director – Banking Operations