

# Standard Chartered Bank Indonesia



## Deployment aligns SC Indonesia with global TCS BaNCS-powered solution of Standard Chartered

By **Kamal Khurana**, Principal Consultant, TCS Financial Solutions

In 2018, the Indonesian Financial Services Authority ruled that all financial institutions, including custodians and sub-custodians, would be required to host their IT infrastructure within the country.

To comply with the new regulations, Standard Chartered Bank Indonesia (SC Indonesia) not only deployed new IT infrastructure, but also made the strategic decision to switch onto the TCS BaNCS solution used by Standard Chartered globally.

The relationship between TCS and Standard Chartered goes back to 1994 with the deployment of TCS' custody solution for the bank's Singapore business. In 2008, Standard Chartered began to deploy TCS BaNCS for Corporate Actions, and in 2010, the bank upgraded its securities settlement systems to TCS BaNCS for Securities Processing. Since then, the multi-entity TCS BaNCS solution has been rolled out across 37 countries in Asia, Africa and the Middle East. (For more details, see TCS BaNCS Customer Newsletters #16 and #25.)

For SC Indonesia, the Financial Services Authority of Indonesia (Otoritas Jasa Keuangan or OJK) ruling

accelerated the deployment timeline for aligning with Standard Chartered's global TCS BaNCS platform and global operating model. With assistance from onshore and offshore TCS resources collaborating using the Agile methodology, SC Indonesia and TCS completed the deployment, including alignment to local regulations, in just nine months.

The TCS BaNCS solution went live in Q4 2019, making Standard Chartered the first global custodian in Indonesia to be compliant with OJK regulations. The solution also enabled SC Indonesia to automate custody operations, simplify broker business structures and standardize processes, delivering improved customer experiences with faster turnaround times.

Using Standard Chartered's world-class custodial services, clients from Indonesia or from global investment centers can better access the Indonesian capital markets with near-real-time trade status information.

SC Indonesia was also the first custodian bank (and as of April 2020, the only custodian bank) to establish a direct interface to KSEI, Indonesia's central securities depository.

This dedicated link enables the bank to provide straight-through processing with custodian services on the fastest servicing timeline available in the marketplace. SC Indonesia now provides near-real-time trade and settlement updates to clients across multiple channels, including SWIFT, email, online platforms, or via APIs.

These extensive capabilities have significantly improved the ability of domestic and foreign investors to participate in the significant opportunities within the Indonesian capital markets.

“Standard Chartered Bank, being one of the oldest foreign banks in Indonesia, is deeply committed to support the growth of the Indonesian Capital Market and to provide value add services to local and foreign investors alike” said **Andrew Chia, CEO, SC Indonesia.**





# capital markets

“Our investment in a new integrated custody and corporate actions platform shows the commitment that the bank places on its franchise in Indonesia and to the securities services business that the bank runs in Asia, Middle East and Africa.”

With alignment to the global custody platform of Standard Chartered, SC Indonesia will be able to take immediate advantage of future enhancements to TCS BaNCS, including APIs for automation of account management and other business areas, and rapid adaptation to further regulatory changes in the market

“By deploying our standard global TCS BaNCS securities and corporate actions platform into Indonesia, we have rapidly

escalated this key and growing market with greater scalability, security, and agility to keep responding to evolving client and market needs in an efficient manner” says **Derren Selvarajah, Global Head, Securities Services Technology & Innovation, SC.**

“The deployment of TCS BaNCS and its open banking APIs opens up the key market of Indonesia for clients to enjoy greater access to their data and greater flexibility with value-added services.”

The next deployment of TCS BaNCS for Standard Chartered Bank is planned for South Korea. 

## AT A GLANCE

**Company:** Standard Chartered Bank Indonesia

**Headquarters:** Jakarta, Indonesia

**Business Challenge:** Rapid compliance with new domestic regulations

**Solution:** Rapid alignment with Standard Chartered’s global platform and operating model powered by TCS BaNCS





## FAST FACTS

**Standard Chartered Bank Indonesia (SCB Indonesia)** is one of Standard Chartered Bank's branch offices in the Asian region, owned entirely by Standard Chartered Holdings Limited, United Kingdom.

**The Chartered Bank (now Standard Chartered Bank)** entered commercial banking business through Borneo Company in Batavia (now Jakarta) in 1859. In May 1863, The Chartered Bank then ran the business independently. With this, the Chartered Bank became the first British foreign exchange bank to set up business in the West Indies (now Indonesia).

### SC Indonesia is:

- **No.1 in domestic funds business with significant increase in number of discretionary fund clients**
- **No. 1 in insurance segment by AUM**
- **No. 2 in domestic mutual funds by AUM, leapfrogged from No. 4 in 2017**
- **Top 2 custodian banks in Indonesia**

### Standard Chartered Bank Securities Services in Indonesia has won:

- **The Asset (2019)**
  - Best Sub Custodian- Indonesia
  - Best Liquidity and Investment – Indonesia
- **Global Custodian Agent Banks in Emerging Markets Survey (2019) - Category Outperformer Indonesia**
- **Global Finance: The World's Best Sub-Custodian Bank (2019):**
  - Best Sub-custodian Bank - Indonesia