The Riksbank's settlement services

September 2021

Introduction

As part of its task to promote a safe and efficient payment system, the Riksbank provides the RIX payment system. This allows payments between participants to be made in central bank money (Riksbank money) with little credit and liquidity risk.

RIX is a designated settlement system consisting of two different settlement services. The purpose of this document is to outline the content of the services and how the content differs between them.

Detailed information about the various services is published on the Riksbank's website in the documents *RIX-RTGS Instructions* and *RIX-INST Instructions.*

Concepts used in the summary are explained at the end of the document.

Function	RIX-RTGS	RIX-INST
1. Participant	RIX Participant: - Credit institution - Investment firm, under certain conditions - Central Securities Depository (CSD) - Central Counterparty - Clearing Organisation - Swedish National Debt Office On condition they meet the requirements laid down in the Terms and Conditions for RIX and Monetary Policy Instruments.	
2. Settlement asset	Claim on Sveriges Riksbank	
3. Focus	Large and time-critical payments.	Instant payments
4. Opening hours for settlement	07.00-18.00 Monday-Friday.	Always open, however, the system may occasionally need to be closed for a short time for maintenance.
5. Opening hours for Liquidity Transfers between the settlement services	Liquidity Transfer between RIX-RTGS and RIX-INST cannot be made in connection with a value day change in RIX-RTGS (17.58 - 19.00) and if RIX-RTGS needs to be closed for maintenance (which only occurs as a exception and after notification).	
6. Support	Help Desk 06.30-18.10 Monday-Friday.	Help Desk 06.30-18.10 Monday-Friday.
7. Incident management	When the Help Desk is open and up to 15 minutes after closure in case of extended opening hours for RIX-RTGS	24/7
8. Relationship to RIX-RTGS		A RIX-INST Participant does not need to be a RIX-RTGS Participant, but does need a RIX-RTGS Agent who is a RIX-RTGS Participant. RIX-RTGS Agents manage payments of interest and fees made in RIX-RTGS.

Function	RIX-RTGS	RIX-INST
9. Relationship to RIX-INST	A RIX-RTGS Participant does not need to be a RIX-INST Participant. A RIX-RTGS Participant may act as a RIX-RTGS Agent for a RIX-INST Participant who is not a RIX-RTGS Participant.	
10. Monetary Policy Counterparty	A Monetary Policy Counterparty must be a RIX-RTGS Participant.	A Monetary Policy Counterparty does not need to be a RIX-INST Participant.
11. Ability to use agents or equivalent to send payment instructions	Yes, but only RIX-RTGS Participants can act as Agents for other Participants. A RIX-RTGS Participant may send payment instructions that relate to the participant's customers. In relation to the Riksbank, this is not regarded as an agent relationship.	Yes, an Instructing Party. The Participant is fully responsible for the Instructing Party. The use of an Instructing Party does not reduce the requirements imposed on a RIX-INST Participant. The same Instructing Party can be used by multiple Participants. If this Instructing Party has been authorized to manage settlement according to the Single Instructing Party Settlement Model, the Instructing Party is considered to be a Single Instructing Party. A RIX-INST Participant may send payment instructions that relate to the participant's customers. In relation to the Riksbank, this is not regarded as an agent relationship.
12. The ability to use reachable identities in addition to their own	Yes, but only someone who is part of the Participant themselves. No separate accounting is done for these identities.	Yes, a Reachable Party. A customer who is not a part of the Participant themselves is deemed to be an Indirect Participant if they could be a participant themselves, i.e. if they are included in one of the categories in point 1 above. An Indirect Participant is expected to be registered as an Reachable Party.

Function	RIX-RTGS	RIX-INST
13.User interface, except messages	RIX-RTGS Online (a web application).	RIX-INST Online and RIX-INST CRDM (web applications).
14.Communication network	SWIFT FinCopy Internet or VFN (Verizon Financial Network) for RIX-RTGS Online.	Communication via network service provider (NSP) accepted by the Eurosystem for use on the TIPS platform. The RIX-INST Participant, or the party acting for them, enters into an agreement with such a provider themselves.
15.Settlement Procedures	8 possible procedures. The use of the different procedures is controlled by the code specified in the payment instruction. The different procedures use separate accounts (Settlement Account or LOM Account).	2 procedures: Standard Settlement Model and Single Instructing Party Settlement Model Separate Settlement Accounts need not necessarily be used for the different settlement models.
16.Accounts	Settlement Account Loan Account LOM Account, a temporary account during the day of each settlement procedure the Participant takes part in, except for the RTM procedure. It is possible to have an additional identity with the same account set-up, but without a Loan Account and a credit line. The balance on the Settlement Account is transferred at the end of Value Day to the Participant's main identity.	Any number of Settlement Accounts. A Credit Memorandum Balance (CMB) can be linked to a Settlement Account, see also 19 below.
17.Option to block accounts	RIX LOM accounts can be blocked for outgoing payments or receipt of payments or for both. Other accounts can only be blocked by blocking all the participant's accounts and then for both outgoing and receipt of payments.	Yes, for outgoing payments or for receipt of payments or for both. This can be done for a specific Settlement Account or for all a Participant's accounts.

Function	RIX-RTGS	RIX-INST
18. Bilateral settle-ment limit	Yes, a RIX-RTGS Participant may limit the total amount of out-going payments to another spe-cific participant in relation to in-coming payments from the par-ticipant.	No
19. Option to limit headroom	By controlling the balance on a LOM account and in relation to a specific counterparty through a Bilateral Headroom Limit (see paragraph 18 above).	Yes, by creating CMBs linked to a Settlement Account and setting a limit on this CMB.
20. Option to prioritise	Yes, for 7 of the settlement pro-cedures (not for the RTM proce-dure).	No.
21. Queue functional-ity	Yes, for 7 of the settlement pro-cedures (not for the RTM proce-dure).	No.
22. Option to specify the time of settle-ment	Yes.	No.
23. Intraday Credit	Yes, against collateral.	No.
24. Message Format (for payment set-tlement)	MT103, MT202, MT202COV Payments can also be registered in RIX-RTGS Online	pacs.008.001.08 (ISO 20022). The message format is intended to support the payment scheme established by the Nordic Pay-ment Council (NPC) to be effec-tive as of November 2023.
25. Beneficiary's pay-ment message ap-proval is required	No.	Yes, in the Standard Settlement Model, in the form of pacs.002.01.10. No, in the Single Instructing Party Settlement Model.

Function	RIX-RTGS	RIX-INST
26. Cancellation of payment settlement	A queued payment may be cancelled, or aborted. No specific procedure to "correct" a settled transaction. Beneficiary Participant must initiate a payment to the originating Participant.	A payment pending the beneficiary's approval may be cancelled by the originator initiating an investigation procedure. The Originating Participant may initiate a procedure whereby the Beneficiary Participant is debited an amount corresponding to the settled transaction and the same is credited to the originating Participant by sending camt.056.01.08.

Function	RIX-RTGS	RIX-INST
27. Liquidity management	Ad-hoc or standing transfers between the settlement procedures (between Settlement Account and LOM Account or between LOM Accounts). Ad-hoc transfers can be made in RIX-RTGS Online or with MT202.	Ad-hoc, standing or standing conditional (depending on the current level of the balance on account in RIX-INST) transfers between RIX-RTGS and RIX-INST. Ad-hoc Liquidity Transfer from RIX-RTGS to RIX-INST can only be made by RIX-RTGS Participants. This can be done through MT202 or in RIX-RTGS Online. Ad-hoc Liquidity Transfer from RIX-INST to RIX-RTGS may be made byRIX-RTGS Participants through MT202 or registration in RIX-RTGS Online and by RIX-INST Participants through camp.050.001.04 or registration in RIX-INST Online.
	Standing transfers of a certain amount or available amount with or without credit at a certain time are registered in RIX-RTGS Online.	Standing Liquidity Transfer between RIX-RTGS and RIX-INST of a certain amount, available amount with or without credit (from RIX-INST only maximum available amount) at a certain time can only be made by RIX-RTGS Participants (where applicable as RIX-RTGS Agent). A Standing Liquidity Transfer can be conditional on being carried out only if the balance on the Settlement Account in RIX-INST deviates from a target balance. A RIX-RTGS Agent may be notified via MT204 that such a transfer can be made instead of being automatically executed.

Function	RIX-RTGS	RIX-INST
28. Account Statements, etc.	Account Statement at the end of the day as MT950 and available in RIX-RTGS Online. Ad-hoc transaction report/account balance in the form of MT942 or MT941 requested with MT920. Also available in RIX-RTGS Online.	Account Statements at the end of the day or periodically during the day as camt.053.001.06. Ad-hoc account balance in the form of camt.004.001.07 requested with camt.003.001.06. Also available in RIX-RTGS Online. Ad-hoc account balance is available in RIX-RTGS Online after a request for update of RIX-RTGS Participants (if applicable also as RIX-RTGS Agent).
29. Other notifications	A variety of notifications can be received as a message via SWIFT or in RIX-RTGS Online.	If the balance on the Settlement Account or CMB exceeds the Ceiling Amount or falls below Floor Amount of the Settlement Account or CMB in connection with an Instant Payment or Liquidity Transfer to or from the Settlement Account or CMB being settled, in the form of camt.004.001.07. Modification of CMB Limit Blocking of CMB. Settled instant payment, in the form of pacs.002.001.10. Rejected instant payment, in the form of pacs.002.001.10.

Function	RIX-RTGS	RIX-INST
30.Other queries	RIX-RTGS Online contains a variety of queries about transactions, positions, queues, static data, etc.	In RIX-INST Online: • Status of account • Balance and status of CMB • Status of a payment transaction • Status of a Liquidity Transfer transaction. In RIX-RTGS Online: • Information on Liquidity Transfer transaction that concerns the RIX-RTGS Participant. • Information about fees charged to the RIX-RTGS Participant (on own account or as Sponsor for another party) • Information on interest charged to the RIX-RTGS Participant (on own account or as a RIX-RTGS Agent for another party). In RIX-INST CRDM: • A number of different queries, especially about static data in different forms
31.Reports	A number of reports can be ordered in RIX-RTGS Online.	Daily (per Value Day) report on Settlement Account Turnover in the form of camt.052.001.06

List of concepts

Concept	RIX-RTGS	RIX-INST
Ad-hoc liquidity transfer	Liquidity Transfer, which is performed or tested when it is registered.	
Ceiling Amount		An amount that can result in a notification if the balance on a *Settlement Account* in *RIX-INST*, or the *Headroom* for a *CMB* in *RIX-INST* exceeds it.
Credit Memorandum Balance (CMB)		An accounting function for a *Settlement Account* in *RIX-INST* provided by a *RIX-INST Participant*.
Floor Amount		An amount that can result in a notification if the balance on a *Settlement Account* in *RIX-INST*, or the *Headroom* for a *CMB* in *RIX-INST* goes below it.
Headroom		The amount that at a specific time can be used for Payments from a *Credit Memorandum Balance (CMB).*
Instant Payment		A Payment settled instantly normally between two different financial institutions.
Liquidity Transfer	A transfer of liquidity between a *RIX-RTGS Settlement Account* and *a RIX-INST Settlement Account* (may be *Ad-hoc* or *Standing*) Or a transfer of liquidity between two own accounts in RIX-RTGS (i.e. between *the Settlement Account* and *a LOM Account* or between two *LOM Accounts*).	
LOM	Settlement procedure in RIX-RTGS aimed at rationalising liquidity use.	
LOM Account	sub-account of the *Settlement Account* in RIX-RTGS linked to a specific LOM.	
Network Service Provider		A provider of network services used to communicate with RIX-INST
NSP		*Network Service Provider*
Participant	An institution that has conclude an Accession Agreement concerning participation in RIX that has been certified	
	For *the RIX-RTGS Settlement Service*.	for *the RIX-INST Settlement Service*.

Concept	RIX-RTGS	RIX-INST
RIX-RTGS Agent	A *RIX Participant* certified for participation in the RIX-RTGS *Settlement Service*, and who has consented to the *Participant's Main Account* in *RIX-RTGS* being charged for interest or fees that refer to a *RIX Participant* certified for participation in *RIX-INST* but not in *RIX-RTGS*. The latter *Participant* can use RIX-RTGS Agent for liquidity transfers to or from its accounts in *RIX-INST*.	
Settlement Account	The Participant's account that is used for payment settlement. In RIX-RTGS there are also sub -accounts to the Settlement Account in the form of one or more LOM accounts.	
Settlement Service	A service that enables final settlement of *Payments* (transfers) between *Participants* in the *Settlement Service*.	
Standing liquidity transfer	A recurring Liquidity Transfer that takes place at a specific time or event (normally) each day.	