

## What are the benefits to the Nation ?

Any benefit to the customer, bank or the overall financial system, is a benefit to the economy. Reducing risk and improving efficiency would promote economic activity as well as facilitate trade and commerce. A modern payment system would also help financial sector development as it will facilitate new instruments and products. A modern risk free payment system increases investor confidence.

## What will it cost to make a payment using FIJICLEAR?

There are substantial costs involved in the setup of the FIJICLEAR system including the acquisition of hardware, software, maintenance, support and personnel. However, the transaction charges of the banks will be competitive with other similar services. More information on charges can be obtained from your bank.

## Further Information

For more information on FIJICLEAR, please contact your nearest commercial bank or RBF's Financial Markets Group on 322 3359, 3223360 or 322 3323.

*"Use FIJICLEAR for immediate payments"*

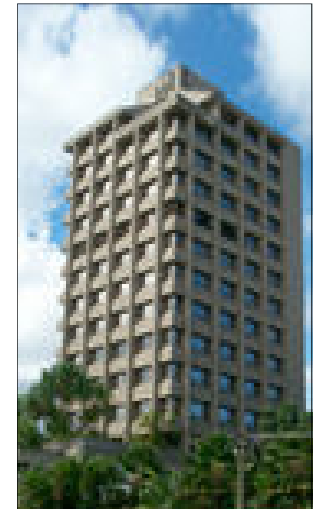


Reserve Bank of Fiji  
Private Mail Bag, Suva, Fiji  
Tel: (679) 331 3611  
Fax: (679) 330 1688  
Email: [info@rbf.gov.fj](mailto:info@rbf.gov.fj)  
Website: [www.reservebank.gov.fj](http://www.reservebank.gov.fj)



Reserve Bank of Fiji

## How to make a FIJICLEAR Payment?



October 2007

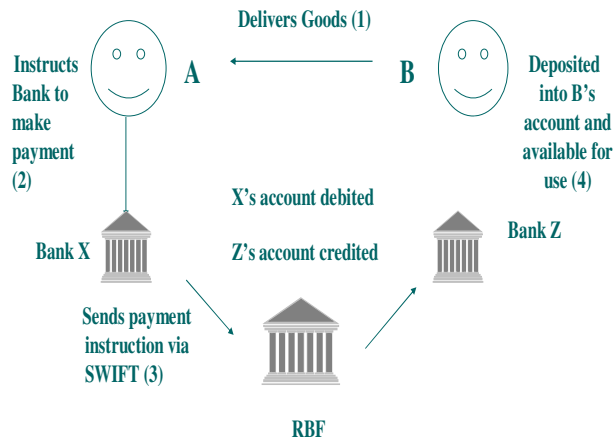
*"Leading Fiji to Economic Success"*

## How does FIJICLEAR Work?

In the **FIJICLEAR** system, the payee (person receiving money) would request the payer (person paying) to be paid electronically i.e. payment is made using the **FIJICLEAR** system. The payee does not have to do anything except give his bank details to the payer. The payer makes all the arrangements to have the funds deposited into the payee's bank account.

## How does FIJICLEAR work?

Assume that Company A banks with Bank X and Company B with Bank Z.



Unlike payments made using cheques, the number of steps is now reduced and payment is made on real time or immediately i.e. the funds are available for use on the same day.

## What does the payee have to do?

Unlike depositing a cheque, the payee does not have to do anything apart from providing his or her bank account details to the payer. The payee just needs to check his or her bank account either personally visiting his or her bank, by telephone or electronically as some banks have internet banking, to confirm actual receipt.

## What does the payer have to do?

Instead of writing a cheque and giving it to the payee, in the **FIJICLEAR** system, the payer would instruct his or her bank to make the payment electronically. The payer will fill in his or her bank details as well as the beneficiary's bank details and the amount in a designated form.

Some banks may also consider accepting such instructions electronically. Once an instruction is provided to the bank, the payment will be sent electronically via the **FIJICLEAR** system on the same day or in some cases instantaneously to the beneficiary's bank. The beneficiary should be able to use the funds on the same day.

## What are the benefits of FIJICLEAR to the payee?

**There are a number of benefits to the payee:-**

- Funds are credited into the account straight away. So there is no waiting for cheque clearance;

- There is cost savings as one does not have to physically visit a bank to deposit cheque;
- There will not be any dishonoured cheques or associated charges;
- Immediate crediting of account means that any overdraft limit is reduced, hence lower interest charges are paid;
- Immediate crediting of funds helps in cash flow; and
- Reduced overhead or staff cost as there is less paper work.

## What are the benefits of FIJICLEAR to the payer?

**Benefits also accrues to the Payer as follows:-**

- Allows payments to be made same day to anyone with a bank account with any bank anywhere in Fiji;
- Significantly reduces transaction costs such as Special Answer and bank cheques; and
- **FIJICLEAR** is more convenient as it eliminates physical transportation/delivery of cheque.

## What are the benefits to the Reserve Bank of Fiji?

One of the key responsibilities of the RBF is to ensure that the financial system is efficient. The **FIJICLEAR** system is a modern and reliable payment system. This will bring in long term savings and improved efficiency, which further assists the RBF's vision of "Leading Fiji to Economic Success."