

Frequently Asked Questions - International Bank Account Number (IBAN)

Q. What is IBAN?

A. IBAN is the acronym for the International Bank Account Number which is an international standard for identifying bank account across national borders with a minimal risk of propagating transcription errors. The IBAN was developed by ECBS (European Committee for Banking Standards) and International Organization for Standardization (ISO) and is an internationally agreed standard (ISO 13616) for identifying bank accounts.

Q. Can you briefly explain the IBAN in Pakistan?

A. The IBAN in Pakistan is made up of two components. The first component comprises of a country code and check digit, while the second component is called the Basic Bank Account Number (BBAN). An example of an IBAN for a Citi Corporate Customer is given as below:

Country Code	Check Digit	Basic Banking Account Number (BBAN)	
		Bank Identifier	Account Number
PK	36	CITI	100000 1004331059

The numbers highlighted in bold in the account number field would represent the normal account number.

Q. What is the difference between an IBAN and a normal account number?

An IBAN can be distinguished from a normal account number using the following:

- Two letters at the beginning of the IBAN, which refer to the country code where the account resides
- Two numbers (in the third and fourth position of the IBAN), which represent the check digit
- Four characters (after the check digits) to identify the respective bank where the beneficiary maintains his/her account
- The length of the IBAN is 24 characters.

Q. What are the benefits of IBAN versus a normal account number?

A. The main benefit of IBAN versus a normal account number is that it increases the efficiency of electronic funds transfers.

- A bank account standard across Pakistan will bring more efficiency in payment processing by enabling the payments\clearing systems to electronically validate account numbers and to decide the route a payment should take without manual intervention.
- Elimination of delays in credit transfers originating from IBAN compliant countries to Pakistan as same are delayed, sometimes for several days due to manual intervention required for sending credit transfers to non IBAN compliant account numbers.
- IBAN implementation will help in bringing more efficiency in remittance related transactions as a significant percentage of these transactions are rejected due to inaccurate account numbers information. Account validation at remitting institution due to IBAN's check digit mechanism will significantly reduce errors related to account numbers.

Q. Who requires an IBAN?

A. Bank customers, who receive or make electronic payments in Pakistan or abroad, will require IBAN. If you have more than one account at your bank, you will require an IBAN for each of your accounts.

Q. When can customers use IBAN in Pakistan?

A. By 30th June 2013, customers can use IBAN for payments in Pakistan.

Q. How do I get my IBAN?

A. Each of your account numbers will be converted into IBAN format from December 2012 and the details will be informed to you by Citi. In addition, your IBAN will be printed on your account statement below your normal account number from January 2013 onwards.

Q. For which transactions can IBAN be used?

A. IBAN can be used for making domestic PKR fund transfer , cross border funds transfers to Pakistan and to other IBAN compliant countries. It can also be used for book transfers i.e. transfer between two bank accounts of the same bank in Pakistan.

Q. Does the existing account number become invalid with the introduction of IBAN?

A. No. Your existing account number will continue to be valid. IBAN is not a new account number. It simply represents the existing account number in an electronically recognizable ISO standard format. The adoption of IBAN in Pakistan does not require changing or replacing the existing account numbers. However post phase 2 and under the regulation of the State Bank of Pakistan banks and therefore Citi would be rejecting any payment made that does not contain beneficiary account in the IBAN format.

Q. Who can create and issue IBAN?

A. Banks in Pakistan having accounts used for electronic payments are authorized to generate IBAN. No other party is allowed to generate IBAN.

Q. Is there a standard way to write IBAN?

A. When you write or print an IBAN on a document, it has to be split into groups of four characters, e.g.: PK36 CITI 1000 0010 0433 1059 to support easy recognition. There should not be any spaces when entering the IBAN in an electronic payment message. The IBAN should be presented in an electronic payment message as a continuous string of characters i.e. PK36CITI1000001004331059.

Q. What happens if we do not mention the beneficiary account as IBAN after 30th June 2013?

A. Citi may reject such transactions or put the transaction on hold until a valid IBAN is provided. It is likely that your transfer may get processed with delays. Citi therefore encourages you to use proper valid IBAN when you intend to make payment transactions.

Q. What will be the impact on CitiDirect & file upload channels such as Citi File Xchange (CFX) and Citi Swift Exchange (CSX) for Citi Corporate Clients?

A. All Citibank channels including CitiDirect, Citi File Xchange (CFX) and Citi Swift Exchange (CSX) will be upgraded to accept the IBAN for Pakistan. Payments initiated from Citidirect user interface, CFX, CSX, and CitiDirect file upload interface on or after 30th June 2013 will have to be initiated from your Citi IBAN account. The beneficiary account will also have to be specified in IBAN compliant format.

Q. Will Citi have the ability to send IBAN or normal account numbers in swift statements such as MT940/MT950 for Citi Corporate Clients?

A. Yes, Citi will be able to provide 24 digits IBAN as well as conventional 10 digit accounts in MT940 and 950. We request you to please contact your relationship manager or designated Citi contact person for your specific requirements on this front.