



DBS, J.P. Morgan and Temasek to establish platform to transform interbank value movements in a new digital era

Designed as an open platform to encourage broad participation by banks globally

Platform will leverage blockchain technology and digitise M1¹ commercial bank money to reduce current frictions and latency for cross-border payments, trade transactions and foreign exchange settlements

Singapore, 28 April, 2021 – Acknowledging that the future of global payments is on the cusp of a fundamental shift, DBS, J.P. Morgan (NYSE: JPM) and Temasek today announced plans to develop an open industry platform to reimagine and accelerate value movements for payments, trade and foreign exchange settlement in a new digital era, through a newly-established technology company.

The company, Partior², aims to disrupt the traditional cross-border payments 'hub and spoke' model, that has resulted in common pain points, including multiple validations on payment details by banks, which translate to costly and onerous post transaction exception handling and reconciliation activities. Partior recognises the need for more efficient digital clearing and settlement solutions across the banking industry, and targets to address these challenges through the use of blockchain solutions to enable next generation, programmable value transfer for participating banks and their clients in real-time across a common and open platform.

The Partior platform has also set its sights on developing wholesale payments rails based on digitised commercial bank money to enable "atomic" or instantaneous settlement of payments for various types of financial transactions. Such functionality would help banks overcome challenges presented by the current standard sequential method of processing global payments.

Piyush Gupta, Chief Executive Officer, DBS Bank, said: "The current hub and spoke arrangement in global payments often results in delays as confirmations from various intermediaries are needed before a settlement is treated as final. This in turn has a knock-on effect and creates inefficiencies in the final settlement of other assets. By harnessing the benefits of blockchain and smart contracts technology, the Partior platform will address current points of friction. The open platform will enable banks around the world to provide real-time cross-border multi-currency payments, trade finance, foreign exchange and DVP securities settlements on a world-class platform, with programmability, immutability, traceability built into its suite of services."

Takis Georgakopoulos, Global Head of Wholesale Payments, J.P. Morgan, said: "Our newly formed business unit, Onyx by J.P. Morgan, is focused on providing clients with the best-in-class platforms as their business models and banking needs evolve over time. We believe a shared ledger infrastructure such as the Partior platform will change the way payments are cleared and settled, through this first-of-its-kind, wholesale payments rail based on digitised commercial bank money. After five years of being a partner in Project Ubin, we are thrilled by the launch of Partior as it marks yet another milestone for J.P. Morgan and the industry – blockchain-based wholesale payments infrastructure where information and value can change hands around the world in a 24/7, frictionless way. J.P. Morgan is committed to being a leader in this space as our clients transition towards multiple bank platforms, de-centralised networks and programmable money."

¹ M1 refers to the most liquid portions of the money supply comprising currency and assets that are either in the form of cash or can be easily converted into cash.

² Means 'to distribute and share' in Latin.



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Chia Song Hwee, Deputy CEO, Temasek, said: “We are pleased to work alongside DBS and J.P. Morgan to create a global platform that will have tangible impact on global payments. Partnerships such as this are important in galvanising fundamental changes. Finding the right approach to payments transformation using new technologies should be a priority as we take our existing infrastructure into the next stage of digitalisation and connectivity.

“We’re also heartened by the interest from other banks and partners, and look forward to welcoming them on board as this new platform builds out,” Mr Chia added.

Sopnendu Mohanty, Chief FinTech Officer, Monetary Authority of Singapore, said: “The launch of Partior is a global watershed moment for digital currencies, marking a move from pilots and experimentations towards commercialisation and live adoption. With its genesis from Project Ubin, a public-private partnership on blockchain and CBDC experimentation, Partior is a pioneering step towards providing foundational global infrastructure for transacting with digital currencies in a trusted environment, spurring a wide range of use-cases in the blockchain ecosystem.”

The operation of Partior by DBS, J.P. Morgan and Temasek and the completion of development, launch and availability of services on the proposed platform are subject to obtaining any required regulatory consents and approvals.

When complete, the platform aims to provide 24/7 infrastructure that will enable financial institutions and developers to co-create applications that support use cases such as FX Payment Versus Payment (PVP), Delivery Versus Payment (DVP) and Peer-to-Peer escrows to complement and value-add to global financial ecosystems.

To encourage broad participation across the banking industry, Partior will be actively engaging leading banks to join the platform to establish the scale required to benefit the industry.

The platform will start with a focus on facilitating flows primarily between Singapore-based banks in both USD and SGD, with the intent to expand service offerings to other markets and in various currencies. Partior’s platform will also be designed to complement ongoing Central Bank Digital Currencies (CBDCs) initiatives and use cases.

These efforts by DBS, J.P. Morgan and Temasek build on their past work as part of Project Ubin³, an industry initiative by the Monetary Authority of Singapore to explore the application of blockchain technology involving multi-currency payments and settlements.

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³ To find out more about Project Ubin, please refer to: <https://www.mas.gov.sg/schemes-and-initiatives/project-ubin>



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About DBS

DBS is a leading financial services group in Asia with a presence in 18 markets. Headquartered and listed in Singapore, DBS is in the three key Asian axes of growth: Greater China, Southeast Asia and South Asia. The bank's "AA-" and "Aa1" credit ratings are among the highest in the world.

Recognised for its global leadership, DBS has been named "[World's Best Bank](#)" by Euromoney, "[Global Bank of the Year](#)" by The Banker and "[Best Bank in the World](#)" by Global Finance. The bank is at the forefront of leveraging digital technology to shape the future of banking, having been named "[World's Best Digital Bank](#)" by Euromoney. In addition, DBS has been accorded the "[Safest Bank in Asia](#)" award by Global Finance for 12 consecutive years from 2009 to 2020.

DBS provides a full range of services in consumer, SME and corporate banking. As a bank born and bred in Asia, DBS understands the intricacies of doing business in the region's most dynamic markets. DBS is committed to building lasting relationships with customers, and positively impacting communities through supporting social enterprises, as it banks the Asian way. It has also established a SGD 50 million foundation to strengthen its corporate social responsibility efforts in Singapore and across Asia.

With its extensive network of operations in Asia and emphasis on engaging and empowering its staff, DBS presents exciting career opportunities. For more information, please visit www.dbs.com.

About JPMorgan Chase & Co

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$3.7 trillion and operations worldwide. The Firm is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing, and asset management. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of customers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands. Information about JPMorgan Chase & Co. is available at www.jpmorganchase.com.

About Temasek

Temasek is an investment company with a net portfolio value of S\$306 billion (US\$214b) as at 31 March 2020. Temasek's investment philosophy is anchored around six investment trends, the first three of which mark societal progress (Longer Lifespans, Sustainable Living, Rising Affluence) and the second three are the enablers (Smarter Systems, the Sharing Economy and A More Connected World).

Temasek actively seeks sustainable solutions to address present and future challenges, in order to capture investment and other opportunities that help to bring about a better, more sustainable world.

Headquartered in Singapore, Temasek has 11 offices around the world.

For more information on Temasek, please visit www.temasek.com.sg. For the latest Temasek Review 2020, please visit www.temasekreview.com.sg.