

# Bank of Ceylon Reaffirmed as the Settlement Bank for Sri Lanka's USD Clearing System



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Bank of Ceylon (BOC) has once again been appointed as the settlement bank for Sri Lanka's interbank US Dollar Online Payment System (USD Online) and the US Dollar Draft Online Image Transfer System (UITs) by LankaPay. This renewed role will continue from 2024 for another three-year term, highlighting BOC's significant contributions to the development of the country's financial infrastructure. The decision to renew BOC's position as the settlement bank reflects the bank's reliability and competence in managing these systems, marking a notable milestone in its long-standing commitment to supporting the nation's financial stability and growth. The UITs (USD clearing systems) and USD Online were introduced by Lanka-

Pay in 2002 and 2015, respectively, in accordance with a policy decision made by the Central Bank of Sri Lanka. These two systems have significantly lowered transaction processing fees, benefiting both financial institutions and their customers, while also reducing the time required to clear and settle USD drafts. In addition to serving as the settlement bank for the USD clearing systems, BOC continues to make substantial contributions to the Sri Lankan economy through its specially developed products and platforms. The BOC Smart Remit system enables real-time global inward remittances to flow into Sri Lanka with a turnaround time of just five seconds, revolutionizing the remittance sector. By decreasing the costs and time delays traditionally associated with foreign currency transactions, it has also enhanced the efficiency of Sri Lanka's foreign exchange markets.