

<b>Title</b>	2007 Child Support Convention and Maintenance Protocol: Report on the Experts' Group meeting of 13 to 15 February 2023 on international transfer of maintenance funds
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<b>Author</b>	PB
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<b>Mandate(s)</b>	C&D No 27 of CGAP 2022, C&D No 32 of CGAP 2021 and C&R No 30 of CGAP 2019
<b>Objective</b>	To report on the 13-15 February 2023 meeting of the International Transfer of Maintenance Funds Experts' Group (ITMFEG) and share the <i>aide-mémoire</i> summarising the discussions
<b>Action to be Taken</b>	For Decision <input type="checkbox"/> For Approval <input type="checkbox"/> For Discussion <input type="checkbox"/> For Action / Completion <input type="checkbox"/> For Information <input checked="" type="checkbox"/>
<b>Annexes</b>	<b>Annex I:</b> <i>Aide-mémoire</i> adopted by the ITMFEG at its meeting of 13-15 February 2023 <b>Annex II:</b> Conclusions & Recommendations adopted by the ITMFEG at its meeting of 7-9 February 2022 <b>Annex III:</b> Agenda of the February 2023 ITMFEG meeting <b>Annex IV:</b> List of Participants of the February 2023 ITMFEG meeting
<b>Related Documents</b>	<a href="#">Prel. Doc. No 13C of February 2022</a> - Report of the Experts' Group on International Transfer of Maintenance Funds, meeting of 7 to 9 February 2022  <a href="#">Prel. Doc. No 7D of February 2023</a> - Compilation of questionnaire responses in preparation of the Experts' Group meeting of 13 to 15 February 2023 on international transfer of maintenance funds

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# 2007 Child Support Convention and Maintenance Protocol: Report on the Experts' Group meeting of 13 to 15 February 2023 on international transfer of maintenance funds

## I. Introduction

1. From 13 to 15 February 2023, the International Transfer of Maintenance Funds Experts' Group (ITMFEG) met for a fourth time, via videoconference, to discuss good practices regarding the cross-border transfer of maintenance payments. The meeting was attended by 60 participants representing 23 Members, one Member Regional Economic Integration Organisation (REIO), one Observer, and members of the Permanent Bureau (PB).<sup>1</sup>
2. In accordance with the 2019 mandate of the Council on General Affairs and Policy (CGAP),<sup>2</sup> the EG continued its work discussing good practices regarding the cross-border transfer of child support, as well as different ways to facilitate the cross-border transfer of funds with a view to identifying possible solutions that are cost-effective, transparent, prompt, efficient and accessible.<sup>3</sup> The discussion was facilitated by the responses of States to a questionnaire developed and distributed by the PB ahead of the meeting.<sup>4</sup>
3. During the meeting, the EG exchanged on the good practices contained in the 2022 Report adopted at the First Meeting of the Special Commission (SC) on the practical operation of the 2007 Child Support Convention,<sup>5</sup> heard from participants representing Contracting Parties who have recently joined the EG, took stock of the progress achieved regarding iSupport and discussed new developments in the area.
4. An *aide-mémoire* prepared by the co-Chairs of the EG, with the support of the PB, and unanimously endorsed by the EG, provides a short overview of the main points of discussion.<sup>6</sup>

## II. Proposal for CGAP

5. In view of recent developments and initiatives, it is proposed that the EG continue to meet online. The EG's evolving membership also provides the opportunity to learn more from the newest members about their efficient systems and processes. It is proposed that the EG meet before CGAP 2024.

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<sup>1</sup> See Annex IV – List of Participants of the ITMFEG meeting.

<sup>2</sup> CGAP 2019, C&R No 30: "Council approved the establishment of an Experts' Group on international transfer of maintenance funds which will meet in September 2019. The composition of the Experts' Group should include child support experts and experts from the financial sector. The primary task of the Experts' Group will be to produce an inventory of good practices. After a first in-person meeting, the Experts' Group could meet through videoconferencing. The Experts' Group will report to Council at its 2020 meeting.", available on the HCCH website at [www.hcch.net](http://www.hcch.net) under "Governance", then "Council on General Affairs and Policy", then "Archive"

<sup>3</sup> See Annex III – Agenda of the February 2023 ITMFEG meeting.

<sup>4</sup> [Prel. Doc. No 7B of December 2022](#) - Questionnaire in preparation of the Experts' Group meeting of 13 to 15 February 2023 on international transfer of maintenance funds, available on the HCCH website at [www.hcch.net](http://www.hcch.net) under "Governance", then "Council on General Affairs and Policy".

<sup>5</sup> See Annex II – Conclusions and Recommendations adopted by the Experts' Group on International Transfer of Maintenance Funds, meeting of 7 to 9 February 2022.

<sup>6</sup> See Annex I – *Aide-mémoire* of the meeting of the Experts' Group on International Transfer of Maintenance Funds 13-15 February 2023.

## **ANNEXES**

## Annex I

# *Aide-mémoire* of the Meeting of the Experts' Group on International Transfer of Maintenance Funds 13-15 February 2023

The Experts' Group on International Transfer of Maintenance Funds (ITMFEG) met for a fourth time from 13 to 15 February 2023 to discuss good practices regarding the cross-border transfer of child support, as well as different ways to facilitate the cross-border transfer of funds with a view to identifying possible solutions that are cost-effective, transparent, prompt, efficient and accessible. The meeting was held via videoconference and was attended by 60 participants representing 23 Members, one Member Regional Economic Integration Organisation (REIO), one Observer, and members of the Permanent Bureau (PB).

The EG elected Mr Arnaldo José Alves Silveira, General Coordinator for International Legal Cooperation at the Ministry of Justice and Public Security in Brazil, and Dr Sarah Gerling-Stock, Head of Division II 4 (Cross-border Recovery of Maintenance) at the Federal Office of Justice of Germany as co-Chairs of the meeting.

This *aide-mémoire*, prepared by the co-Chairs, with the support of the PB, and unanimously endorsed by the EG, provides a short overview of the main points of discussion.

## Introduction

At its meeting from 5 to 8 March 2019, the Council on General Affairs and Policy (CGAP) of the Hague Conference on Private International Law (HCCH) mandated the establishment of an EG on the international transfer of maintenance funds (see [Conclusion & Recommendation \(C&R\) No 30 of CGAP 2019](#)).

The EG was established in recognition of persisting challenges to the smooth transfer of international maintenance funds, such as high transfer costs and other difficulties of an organisational and logistical nature.

It was noted that Article 35 of the HCCH *Convention of 23 November 2007 on the International Recovery of Child Support and Other Forms of Family Maintenance* ("2007 Child Support Convention" or "2007 Convention") provides the following:

"(1) Contracting States are encouraged to promote, including by means of international agreements, the use of the most cost-effective and efficient methods available to transfer funds payable as maintenance.

(2) A Contracting State, under whose law the transfer of funds is restricted, shall accord the highest priority to the transfer of funds payable under this Convention."

The first meeting of the EG took place in September 2019 at the PB and was attended by experts representing 12 HCCH Members and one Observer. It was followed by an online meeting, held in February 2021, which was attended by experts representing 17 HCCH Members and one Observer. A third meeting of the EG took place from 7 to 9 February 2022 and was attended by experts representing 14 HCCH Members, one Member REIO and one Observer.

The main objectives of the February 2023 meeting of the EG were to provide a forum for States to exchange on the good practices contained in the Report prepared by the EG and adopted at the First Meeting of the Special Commission (SC) on the practical operation of the 2007 Convention ([Prel. Doc. No 20 of April 2022](#)), to hear from Contracting Parties who have recently joined the EG, to take stock of the progress achieved regarding iSupport and to address any new developments in the area of the

international transfer of maintenance funds. The discussion was facilitated by the responses of States to a Questionnaire developed and distributed by the PB ahead of the meeting ([Prel. Doc. No 7B of December 2022](#)). Gratitude was expressed towards Argentina, Austria, Belgium, Brazil, the Czech Republic, Estonia, France, Germany, Latvia, Lithuania, New Zealand, Nicaragua, Norway, the Philippines, Poland, Portugal, Sweden, Switzerland, the United Kingdom (England, Wales & Northern Ireland) and the United States of America for their responses to the Questionnaire ([Prel. Doc. No 7D of February 2023](#)).

The structure of this *aide-mémoire* generally follows that of the agenda and the questions set out in the Questionnaire ([Prel. Doc. No 7B of December 2022](#)) and refers to the C&Rs adopted in February 2022 ([Prel. Doc. No 20 of April 2022](#)).<sup>1</sup> The outcome of the discussions which took place during this meeting will be reported to CGAP 2023.

## I. Developments in general regarding the international transfer of maintenance funds

- 1 The EG noted that excellent progress has been made in the area of electronic payment transmission since its inception. The United States of America (OCSE) and the German Central Authority jointly reported on the successful launch of the Central Authority Payment (CAP) service in January 2023, an update which was warmly welcomed by participants. It was noted that, by 21 March 2023, the use of cheques as between the United States of America and the German Central Authority will be entirely phased out, as the German Central Authority is no longer able to accept cheques. The United States of America (OCSE) will offer the CAP service to other partner States as of mid-2023. The EG thanked the United States of America, Germany and Sweden for piloting the project.
- 2 The EG welcomed the automation and streamlining of the processes of transferring maintenance funds to and from New Zealand. The EG also commended the diversity of solutions provided by New Zealand to meet the needs of their different partners.
- 3 The EG welcomed the capacity of the Czech Republic to make and receive child support payment in a number of currencies.
- 4 The EG welcomed the update from Switzerland regarding its ratification status of the 2007 Convention and its Protocol. The EG looks forward to Switzerland becoming a Contracting Party in the near future.
- 5 It was noted that some Central Authorities are involved in the international transfer of funds and that, in the last year, many of them have made progress in implementing even more efficient systems. While it was noted that some Central Authorities are not involved in the transfer of funds, it is very encouraging to see that some of them are collaborating with other domestic actors (e.g., courts, public bodies, bailiffs or attorneys) in order to monitor payments and share the results of EG meetings.
- 6 With regards to iSupport, it was noted that it will be important that any new developments in the transfer of maintenance funds, in particular those developments pertaining to automation, are compatible with iSupport, to the extent possible. In that respect, the United States of America (OCSE) agreed to provide information on the format and structure of the payment file detailing information pertaining to the maintenance payments. It was also noted that Central Authorities who are not involved in the transfer of funds can further improve their monitoring of payments through iSupport.
- 7 The EG noted that, while significant progress has been made in a number of States regarding the elimination of the use of cheques, a few States continue to use cheques in specific circumstances.

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<sup>1</sup> The C&Rs adopted in February 2022 are attached to this *aide-mémoire*.

Despite the positive developments in various areas and the implementation of many of the good practices developed by the EG, some difficulties persist in some States, namely high and non-transparent bank fees and / or currency conversion costs, loss of payment data between different payment formats, occasional communication problems between Central Authorities and challenges in the monitoring of payments.

## II. Elimination of the use of cheques (see Report and C&R 2022 No 1)

- 8 The EG agreed that the electronic transfer of funds is the ideal way forward and acknowledged that the elimination of the use of cheques is not only a worthwhile goal but a growing reality, as a number of States can no longer receive cheques or are under time constraints to stop using them. Nevertheless, there is still some progress to be made towards the elimination of the use of cheques, particularly as the 2007 Convention becomes even more global.
- 9 The EG encouraged Central Authorities who continue to use cheques to disburse payments to local creditors, for example where they do not have a bank account, to consider accepting electronic payments from foreign authorities and then issue the cheques at the domestic level.

## III. Solutions with regard to increased transparency and cost reduction of transfers and currency conversion (see Report and C&R 2022 Nos 2 and 10)

- 10 The EG agreed that there continues to be a need to find solutions for the international transfer of funds which would result in increased transparency and cost reduction of transfers and currency conversion.
- 11 The EG welcomed the fact that, in a number of States, such solutions have already been implemented or are currently under consideration. For instance, some Central Authorities have set up bank accounts in foreign currencies for the purpose of reducing currency conversion costs. These States are invited to share their good practices in this regard.
- 12 The EG underlined that the debtor is responsible for paying the amount stipulated in the maintenance decision in the specified currency and must, generally, cover possible costs relating to the transfer of maintenance funds. The EG noted that some Central Authorities cover all such costs.
- 13 The EG recalled EU Regulation 924/2009 (revised) which deals with the cross-border transfer of funds. Article 14 of the Regulation allows Member States whose currency is not the euro to extend the application of certain provisions of the Regulation to their currency. Although the Central Authorities of some Contracting Parties are not directly involved in the transfer of maintenance funds, the EG encouraged States who are EU Member States and do not use the euro, to explore the possibility of extending the application of Regulation 924/2009 (revised) to their national currencies, in the spirit of the best interest of the child.

## IV. Solutions where creditors would not bear the costs related to the transfer of funds (see Report and C&R 2022 Nos 2 and 11)

- 14 The EG reiterated that creditors should not bear the costs related to the transfer of funds and should receive the full amount in accordance with the maintenance decision.
- 15 The EG noted that it is encouraging to see that a number of Central Authorities are covering costs for creditors and agreed that the ultimate objective is to eliminate all costs borne by the parties relating to the transfer of maintenance funds.

## V. Requested Central Authority arrangements with their bank to cover transfer fees or other arrangements to that effect (see Report and C&R 2022 No 3)

- 16 Members of the EG recalled C&R 2022 No 3 which refers to Article 35 of the 2007 Child Support Convention and states that “[...] both the Requesting and Requested States should work bilaterally to reduce the transfer costs.” It is understood that Article 35 encourages Contracting Parties “[...] to promote, including by means of international agreements, the use of the most cost-effective and efficient methods available to transfer funds payable as maintenance.” The EG also noted that some States have made arrangements with government financial institutions for the cost-free transfer of funds.
- 17 Based on the responses to the Questionnaire, the EG noted that a number of States have experienced legal and / or practical obstacles in making such arrangements happen. The EG welcomed the fact that some States have been able to make such arrangements, and that some States are in the process of negotiation. In this regard, it was discussed that monitoring payments could contribute to the success of Central Authorities making such arrangements with their banks.

## VI. Requesting Central Authority providing confirmation to the requested Central Authority that the amounts received are the same as the amounts sent and, where applicable, information on the reasons for any difference (see Report and C&R 2022 No 3)

- 18 The EG highlighted that the maintenance obligation is not paid in full until the full amount is paid in the currency set out in the maintenance decision (see C&R 2022 No 9).
- 19 The EG noted that a good practice in this regard would be for the requesting Central Authority responsible for forwarding the maintenance payment to inform the creditor that the first payment has been made and ask the creditor to confirm receipt of the maintenance funds.
- 20 The EG invited Central Authorities to reconcile, on a regular basis, the payments sent and received regarding specific cases, in order to ascertain whether there are any differences and, if there are, to understand the reasons for such differences (e.g., hidden costs, currency conversion costs).
- 21 It was explained that OCSE’s CAP service, which includes a payment transfer file detailing the amount paid in U.S. dollars and the converted amount sent to the requesting State, resolves differences in account balances.

## VII. Establishment of a centralised point (e.g., bank account, central bank) for international transfers dedicated to both incoming and outgoing transfer of funds (see Report and C&R 2022 Nos 4 and 5)

- 22 The EG reaffirmed the advantages of establishing a centralised point for international transfers dedicated to both incoming and outgoing transfers of maintenance funds, either through a government financial institution (e.g., central bank, treasury or State reserve) or a private institution (e.g., commercial bank, national chamber of bailiffs).
- 23 It was recalled that the establishment of such a centralised point would:
- assist with the standardisation of the international transfer of funds;
  - increase transparency with regard to the costs of such transfers;
  - reduce the costs associated with such transfers;
  - assist the Central Authority in the monitoring of payments;

- simplify and accelerate the transfer of funds where payments are limited or need to be screened for regulatory purposes.

24 The EG noted that it is encouraging to see that, in a number of States, the Central Authority acts as a centralised point for both incoming and outgoing transfers of funds, in order to make the transfer of maintenance funds as efficient and cost effective as possible.

### VIII. Use of the possibilities afforded by the *Universal Postal Union Postal Payment Services Agreement of 26 August 2021*<sup>2</sup> (see Report and C&R 2022 No 4)

25 Based on the responses to the Questionnaire, the EG acknowledged that although a number of States are not in a position to use the possibilities afforded by the *Universal Postal Union Postal Payment Services Agreement of 26 August 2021*, as postal banks are no longer available in these States, doing so could become relevant for some States, particularly as the global reach of the 2007 Convention further extends.

### IX. Provision of payment transfer services to any debtors transferring payments within the scope of the HCCH 2007 Child Support Convention (see Report and C&R 2022 No 5)

26 Based on the responses to the Questionnaire, the EG noted that a number of States are not currently prioritising the provision of payment transfer services to any debtors transferring payments within the scope of the 2007 Child Support Convention. A number of Central Authorities expressed that they are not opposed to providing payment transfer services to debtors, as ensuring that creditors receive their child support payments is in the best interest of the child.

27 The EG welcomed the good practice of a few Central Authorities who receive maintenance payments from the debtor in their bank accounts and subsequently transfer the funds directly to the creditor. It was noted that, in any case, centralisation would assist greatly in this regard.

28 It was highlighted that Central Authority services are available to creditors and / or debtors that elect to use these services (Arts 6, 7, 9 and 10 of the 2007 Convention).

### X. Implementation of payment transfer monitoring systems (see Report and C&R 2022 No 6)

29 The EG reiterated that monitoring the transfer of payments could:

- ensure an accurate payment record;
- assist with the enforcement of payments;
- support communication between Central Authorities to reconcile the amounts sent and received;
- help establish statistical reports, e.g., to measure efficiency and increase understanding about money flows.

30 The EG acknowledged that the Central Authorities that are not directly involved with the transfer of maintenance payments may not have systematic monitoring or communication in place. It was noted, however, that another option in this situation would be to adopt a system where the provision of the collection and expeditious transfer of maintenance payments could be delegated to public

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<sup>2</sup> [The Universal Postal Union Payment Services Agreement of 26 August 2021](#), which came into force on 1 July 2022, replaces [the Universal Postal Union Payment Services Agreement of 6 October 2016](#).

bodies, other bodies and / or other actors, in accordance with Article 6(3) of the 2007 Child Support Convention. Experts also noted the possibilities afforded by the iSupport software in terms of monitoring of payments.

- 31 The EG encouraged Central Authorities to regularly monitor payments and reconcile payments on a case-by-case basis. It was highlighted that this should be done as frequently as possible, as appropriate, or as required (e.g., every 3 – 6 months), in order to avoid large discrepancies building up or to ascertain whether enforcement measures need to be initiated.
- 32 It was noted that although OCSE's CAP service does not monitor or maintain account balances, CAP will provide information which will assist U.S. states and partner States to monitor and maintain their account balances.
- 33 The EG also noted that some Central Authorities ensure frequent monitoring by using the same case management system as the domestic courts or bailiffs, allowing for easier tracking of transfers.
- 34 The EG took note of the online portal provided by one State (namely the State's revenue department), whereby creditors and debtors can access breakdowns of arrears and information on amounts owed and amounts paid.

#### XI. Implementation of unique case references, known to both the requesting and requested State, attached to each transfer of funds (see Report and C&R 2022 No 7)

- 35 The EG reiterated that a unique international case reference identifier between requested and requesting States is the best way forward (e.g., the iSupport case number). Such case references should be compatible with banking reference conventions (e.g., no special characters). It was agreed that the format of the iSupport case number should be reviewed accordingly. Some experts suggested the ISO 20022 standard as a possible solution. It was understood that the unique international reference identifier would be in addition to the States' reference numbers.
- 36 The EG noted the issue of data loss in the process of the international transfer of maintenance funds, including due to strict banking regulations at the domestic level. It was agreed that this area is to be carefully monitored.

#### XII. Implementation of currency conversion of payments done by the relevant authority in the requested State at the time of transfer (see Report and C&R 2022 No 8)

- 37 The EG recalled C&R 2022 No 8. It was highlighted that, in many States, relevant authorities are already implementing such currency conversions, utilising the exchange rate of the day of transfer. On the other hand, the EG noted that, although a few States have some difficulty converting currencies at the time of the transfer, this remains the best practice.

#### XIII. Provision of information about international banking to creditors and debtors (see Report and C&R 2022 No 12)

- 38 Based on the responses to the Questionnaire, the EG welcomed the fact that that Central Authorities in a number of States have begun providing information about international banking to creditors and debtors.

XIV. Implementation of a legal framework enabling the Central Authority to handle the transfer of funds – or at least major parts of the process – in as automated a manner as possible (see Report and C&R 2022 No 13)

39 The EG recalled C&R 2022 No 13, namely the interpretation and extent of the obligations of Central Authorities under the 2007 Child Support Convention, as elaborated on in the Explanatory Report.

40 The EG acknowledged that the implementation of legal frameworks enabling Central Authorities to handle the transfer of funds, as well as the establishment of centralised points are long-term goals to be achieved. The EG noted that a good start in this endeavour would be for Central Authorities to begin monitoring payments, if they are not doing so already.

XV. Implementation of an arrangement with banks that are transparent in relation to their fees and / or are part of the SWIFT Global Payment Initiative (GPI) (see Report and C&R 2022 No 14)

41 The EG noted that a number of States already have arrangements with their banks or providers, whether or not those are part of SWIFT GPI (global payment initiative) Tracker. The EG also noted the advances of Central Bank Digital Currencies (CBDC), including the project of the European Central Bank.

XVI. iSupport ITMF

42 The EG welcomed the presentation by the iSupport Coordinator detailing what the transfer of maintenance funds under the iSupport case management system could look like in States using decentralised collection of maintenance funds and in States with centralised points.

43 It was agreed that flexibility should be prioritised in order to ensure a broad application that is compatible with most internal systems. It was noted that iSupport already includes an Application Programme Interface (API) which may be improved upon implementation.

44 Based on the responses to the Questionnaire, the EG noted that a number of States would consider contributing to iSupport ITMF in terms of expertise and experience. In this regard, it was agreed that the PB will proceed with bilateral discussions about the next steps in the iSupport ITMF project, and in particular to discuss lessons learned with regards to digitalisation and automation.

XVII. Any other developments, including bilateral solutions put in place between States and ongoing trials between States

45 The EG noted that several States are willing to share expertise on international payments and welcomed the first results of the OCSE's CAP service electronic transfer solution between the United States of America (OCSE) and the German Central Authority.<sup>3</sup> Several States expressed interest in the solution.

46 Participants expressed their enthusiasm to learn more from the newest members of the EG about their systems and processes. The EG looks forward to continuing the exchange of good practices and solutions to further facilitate the international transfer of maintenance funds.

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<sup>3</sup> Further details on the OCSE's CAP service can be found in the OCSE *Dear Colleague Letter* (DCL) of [22 November 2022](#) and [26 January 2023](#).

## XVIII. Other business: Next meeting

- 47 It is recommended that the EG meet again before CGAP 2024 in order to continue sharing good practices regarding the international transfer of maintenance funds.

## Annex II

### Experts' Group on international transfer of maintenance funds The Hague, 7-9 February 2022

#### Conclusions and Recommendations

##### I. Introduction

At its meeting of March 2019, the Council on General Affairs and Policy (CGAP) of the Hague Conference on Private International Law (HCCH) approved the establishment of an Experts' Group (EG) on international transfer of maintenance funds (see Conclusion & Recommendation No 30 of CGAP 2019).

The EG was established in recognition of persisting challenges to the smooth transfer of international maintenance funds, such as high transfer costs and other difficulties of an organisational nature.

It was noted that the HCCH Convention of 23 November 2007 on the International Recovery of Child Support and Other Forms of Family Maintenance (hereafter the 2007 Child Support Convention) states in its Article 35:

“(1) Contracting States are encouraged to promote, including by means of international agreements, the use of the most cost-effective and efficient methods available to transfer funds payable as maintenance.

(2) A Contracting State, under whose law the transfer of funds is restricted, shall accord the highest priority to the transfer of funds payable under this Convention.”

The first meeting of the EG took place in September 2019 at the Permanent Bureau of the HCCH in The Hague and was attended by experts from 12 Members and one Observer. It was followed in February 2021 by an online meeting, which was attended by experts from 17 Members and one Observer. The third and most recent meeting of the Group took place from 7 to 9 February 2022 and was attended by 33 experts representing 14 Member States, one Member Regional Economic Integration Organisation and one Observer.

The EG elected Mr Arnaldo José Alves Silveira, General Coordinator for International Legal Cooperation at the Ministry of Justice and Public Security in Brazil, as Chairperson. He was joined as Co-chair by Dr Sarah Gerling-Stock, Head of Division II 4 (Cross-border Recovery of Maintenance) at the Federal Office of Justice of Germany, at the February 2022 meeting of the EG.

##### II. Background to the discussions

- A. Members of the EG came together to learn from each other and identify good practices regarding the cross-border transfer of funds. Members of the EG also discussed different ways to facilitate the cross-border transfer of funds with a view to identifying possible solutions that are low cost, cost-effective, transparent, prompt, efficient and accessible. Discussions at the February 2021 and 2022 meetings of the EG were informed by States' responses to [Prel. Doc. No 11 of October 2020](#) and [Prel. Doc. No 17 of November 2021](#), Questionnaires in preparation of the EG meetings of February 2021 and 2022 (see [Prel. Doc. No 12 of February 2021](#) and [Prel. Doc. No 19 of February 2022](#) for compilation of responses to the Questionnaires).

- B. The EG acknowledged the diversity of models for child support recovery such as direct transfers from the debtor to the creditor, transfers through an institution in the requested State (e.g., bailiff and other enforcement authorities, court and / or Central Authorities) and sometimes through an institution in the requesting State (e.g., public body and / or Central Authorities). It was recognised that the involvement of Central Authorities and the degree of centralisation of payments vary according to different legal systems, domestic and regional banking systems and available means.
- C. In that context, the EG discussed the implementation and operation of Articles 6(2)(d)-(f), 8, 35 and 43 of the 2007 Child Support Convention.
- D. It was recognised that large amounts of child support are currently transferred internationally but also that difficulties persist related to high and non-transparent bank fees and / or currency conversion costs, loss of payment data between different payment formats, occasional communication problems between Central Authorities and lack of payments monitoring. In particular, it was underlined that the use of cheques is a major problem. However, good progress towards a gradual elimination of the use of cheques has been made since the inception of the EG.
- E. It was noted that the solutions and good practices discussed in the context of the 2007 Child Support Convention are equally relevant to the *United Nations Convention of 1956 on the Recovery Abroad of Maintenance Obligations*, Council Regulation (EC) No 4/2009 of 18 December 2008 on jurisdiction, applicable law, recognition and enforcement of decisions and cooperation in matters relating to maintenance obligations, other regional or bilateral instruments.
- F. It was underlined that effectively implementing the 2007 Child Support Convention would help States reach the United Nations Sustainable Development Goal No 16.3 (Rule of Law) as it assists parents with meeting their child support obligations in a cross-border context.

### III. Conclusions and Recommendations

The EG agreed by consensus on the following Conclusions and Recommendations<sup>1</sup> for the attention of the 2022 Meeting of the Special Commission:

#### Cheques

1. Experts acknowledged that eliminating the use of cheques was a worthwhile goal, after an appropriate transition period, considering that certain States can no longer receive cheques or are under time constraints to stop using them. The EG agreed that electronic transfer of funds<sup>2</sup> was the way forward. In line with Article 35 of the 2007 Child Support Convention, in addition to multilateral solutions, States are encouraged to discuss bilateral solutions for the elimination of cheques.

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<sup>1</sup> These Conclusions and Recommendations (C&Rs) are based on the [C&Rs](#) adopted by the ITMFEG at its September 2019 Meeting and the [Aide-mémoire](#) adopted at its February 2021 Meeting both available in [Prel. Doc. No 15 of June 2021](#) - 2007 Child Support Convention and Maintenance Protocol: Report of the Experts' Group on International Transfer of Maintenance Funds, meeting of 8 to 11 February 2021.

<sup>2</sup> The expression "electronic transfer of funds" should be understood as broadly as possible.

## Transfer costs

2. All participants agreed that there is a need to find solutions for the international transfer of funds which would result in increased transparency and cost reduction. Creditors should not bear the costs related to the transfer of funds and should receive the full amount in accordance with the maintenance decision. Since the ultimate objective is to eliminate all costs relating to the transfer of maintenance funds, an interim solution could be for courts to stipulate, where possible, in their maintenance decisions, whether the creditor or the debtor is to cover these costs. When these costs are stipulated in the decision, they should be reflected under item 5.1.1. of the Abstract of the Decision.
3. A good practice is for the requested Central Authority to have arrangements with their bank to cover the fees (“details of charges: OUR”) and for the requested Central Authority to obtain confirmation from the requesting Central Authority that the amount received is the same as the amount sent and, where applicable, information on the reasons for any difference. The EG also noted that some States have made arrangements with government financial institutions for the cost-free transfer of funds. Members of the EG recalled Article 35 of the 2007 Child Support Convention and noted that both the Requesting and Requested States should work bilaterally to reduce the transfer costs.

## Centralised point for international transfers

4. Consideration should be given by each Contracting Party to establish a centralised point for international transfers dedicated to both incoming and outgoing transfer of funds. Such centralised point could be as basic as a bank account. When possible, this bank account could be held with a public institution such as a central bank. In this respect, Members of the EG also noted the possibilities afforded by the *Universal Postal Union Postal Payment Services Agreement of 6 October 2016*,<sup>3</sup> in particular in terms of cost of transfer. Members of the EG are encouraged to enquire about the status of implementation of this Agreement in their respective States.
5. The value of such centralised point was underlined as it could:
  - help with the standardisation of the international transfer of funds;
  - increase transparency with regard to the costs of such transfers;
  - reduce the costs associated with such transfers;
  - assist the Central Authority in the monitoring of payments;
  - simplify and accelerate the transfer of funds where payments are limited or need to be screened for regulatory purposes.

Consideration should be given also to providing payment transfer services to any debtors transferring payments within the scope of the 2007 Child Support Convention.

## Monitoring of payments

6. The monitoring of payments could:

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<sup>3</sup> The text of which is available under the UPU website at < <https://www.upu.int> > under “Activities” then “Postal Payment Services” then “Postal Payment Services Agreement (PPSA)” or more specifically at the following address: < <https://www.upu.int/UPU/media/upu/files/UPU/activities/PostalFinancialServices/Key%20documents/ppsAgreementEn.pdf> >.

- ensure an accurate payment record;
- assist with the enforcement of payments;
- support communication between Central Authorities to reconcile the amounts sent and received;
- help establish statistical reports, e.g., to measure efficiency and increase understanding about money flows.

Experts acknowledged that not all Central Authorities are directly involved with the transfer of maintenance payments and, therefore, may not have systematic monitoring or communication in place. They noted, however, that another option in this situation would be to adopt a system where the provision of the collection and expeditious transfer of maintenance payments could be delegated to public bodies and / or other bodies, in accordance with Article 6(3) of the 2007 Child Support Convention. Experts also noted the possibilities afforded by the iSupport software in terms of monitoring of payments.

### Data accompanying the transfer

7. Consideration should be given to using unique case references, known to both the requesting and requested State, attached to each transfer of funds. Such unique case references would link the transfer to an existing case. Consideration should be given, where possible, to use the iSupport case number. This number will be evaluated against banking norms. Experts encouraged the evaluation and adoption of standards which allow for more information to be sent with each payment, such as the ISO-20022 format for electronic data interchange between financial institutions.

### Currency conversion

8. Reference was made to the *Practical Handbook for Caseworkers under the 2007 Child Support Convention*<sup>4</sup> (hereinafter Caseworkers Practical Handbook) which states that a good practice is for the currency conversion of payments to be done by the relevant authority in the requested State at the time of transfer. Members of the EG agreed that over time, due to exchange rate fluctuations, paying the amount stated in a maintenance decision in a different currency may result in under or over payment. To address this, one option could be that the enforcement authority notifies the debtor that the amount to be paid in the debtor's currency will vary from one month to another, based on the exchange rate. Another option could be that, when the maintenance decision is registered for enforcement in another State in that State's currency, the State in question may periodically adjust the amount to be paid by the debtor, in order to avoid the build-up of arrears, which may lead to improper enforcement. The EG also noted that consideration could be given to obtaining the agreement of the debtor (e.g., via a monthly notification) that the amount owed in the foreign currency be directly withdrawn from the debtor's account, with the objective of ensuring the amount paid matches the amount owed. In some cases, this could be the subject of a court decision.

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<sup>4</sup> Permanent Bureau of the Hague Conference on Private International Law, *Practical Handbook for Caseworkers under the 2007 Child Support Convention*, 1st ed., The Hague, 2013, at p. 174. Available at < [www.hcch.net](http://www.hcch.net) > under "Child Support Section", then "HCCH publications".

9. Reference was also made to the Caseworkers Practical Handbook in which it is stated that “[t]he maintenance debt is not paid in full until the full amount owing in the currency set out in the maintenance decision has been paid”.<sup>5</sup>
10. A good practice should be to promote transparency of currency conversion costs.

### **Bundled payments**

11. It was noted that bundled payments do result in savings on transfer costs, but may involve some delay resulting from processing time. It was noted that automation, also in the context of single payments, can alleviate these delays and could require fewer resources.

### **Current and future developments**

12. It was agreed that it is a good practice for Central Authorities to provide information about international banking to creditors and debtors.
13. The merits of having the Central Authorities involved in the handling of the transfer of funds was discussed, as a means to be proactive. It was agreed that a legal framework, with the appropriate safeguards, enabling requested and requesting Central Authorities to handle the transfer of funds in an automated manner, would assist in this area. It was also highlighted that iSupport could be a solution in the future. The interpretation and extent of the obligations under Articles 6(2)(f) and 11 of the 2007 Child Support Convention were mentioned. To that effect, paragraphs 105-108, 116-117, 154 and 160-161 of the [Explanatory Report](#) were recalled.
14. The EG noted that, while there is currently no known commercial solution that would suit the needs of Central Authorities, advantage should be taken of the possibilities offered by centralised points, whether they are accounts held with a Central Bank, a commercial or a postal bank. It was agreed that a good practice would be for States to make arrangements with banks that are transparent in relation to their fees and / or are part of the SWIFT GPI (global payment initiative), which enables the tracking of fees arising along the way. The experts noted the advances of Central Bank Digital Currencies (CBDC).

### **Further steps and follow-up**

15. It was recommended that the EG continue its work and meet on a regular basis through video and / or teleconference to share good practices, experiences implementing the above good practices and solutions and to continue the exploration and implementation of additional solutions.
16. Contracting Parties to the 2007 Child Support Convention should ensure that their Country Profile is up to date in relation to payment information (Part V, 1.) and their implementation of Article 6(2)(d) - (f) (Part I, 6.).
17. The membership of the EG remains open. Any contributions or proposals from States which have not yet participated in the work of the EG are always welcome.
18. The Permanent Bureau will continue to monitor innovations in this area.

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<sup>5</sup> *Ibid.*

## Annex III

### International Transfer of Maintenance Funds Experts' Group (ITMFEG) 13-15 February 2023 online Meeting

#### AGENDA

The agenda will be treated with flexibility and may need to be modified in the light of ongoing discussions.

Monday 13 February 2023	
14:00-14:25	<b>1. Opening of the meeting</b> - Welcome remarks by the Co-chairs - <i>Tour de table</i> – delegations / experts introduce themselves
14:25-14:35	<b>2. Presentation of the agenda and objectives of the meeting and housekeeping matters</b> - First Secretary, HCCH - Senior Administrative Assistant, HCCH
14:35-15:00	<b>3. Developments in the area in general and summary of replies to Prel. Doc. No 7B of December 2022 (see Prel. Doc. No 7D of February 2023 (PD-7D) - Compilation of responses – Q(a))</b> - Joint presentation by the United States of America and Germany - First Secretary, HCCH, and iSupport Coordinator, HCCH
15:00-15:10	<i>Health break</i>
15:10-15:20	<b>4. Elimination of the use of cheques (Report and C&amp;R 2022 No 1; PD-7D-Q(b))</b>
15:20-15:35	<b>5. Solutions with regard to increased transparency and cost reduction of transfers and currency conversion (Report and C&amp;R 2022 Nos 2 and 10; PD-7D-Q(c))</b>
15:35-15:50	<b>6. Solutions where creditors would not bear the costs related to the transfer of funds (Report and C&amp;R 2022 Nos 2 and 11; PD-7D-Q(d))</b>
15:50-16:00	<i>Health break</i>
16:00-16:15	<b>7. Requested Central Authority arrangements with their bank to cover transfer fees or other arrangements to that effect (Report and C&amp;R 2022 No 3; PD-7D-Q(e))</b>
16:15-16:30	<b>8. Requesting Central Authority providing confirmation to the requested Central Authority that the amounts received are the same as the amounts sent and, where applicable, information on the reasons for any difference (Report and C&amp;R 2022 No 3; PD-7D-Q(f))</b>
16:30-16:45	<b>9. Establishment of a centralised point (<i>e.g.</i>, bank account, central bank) for international transfers dedicated to both incoming and outgoing transfer of funds (Report and C&amp;R 2022 Nos 4 and 5; PD-7D-Q(g))</b>
16:45-17:00	<b>10. Use of the possibilities afforded by the <i>Universal Postal Union Payment Services Agreement</i> of 6 October 2016 (Report and C&amp;R 2022 No 4; PD-7D-Q(h))</b>
17:00	End of first day

Tuesday 14 February 2023	
14:00-14:15	11. Provision of payment transfer services to any debtors transferring payments within the scope of the HCCH 2007 Child Support Convention (Report and C&R 2022 No 5; PD-7D-Q(i))
14:15-14:30	12. Implementation of payment transfer monitoring systems (Report and C&R 2022 No 6; PD-7D-Q(j))
14:30-14:45	13. Implementation of unique case references, known to both the requesting and requested State, attached to each transfer of funds (Report and C&R 2022 No 7; PD-7D-Q(k))
14:45-14:55	<i>Health break</i>
14:55-15:10	14. Implementation of currency conversion of payments done by the relevant authority in the requested State at the time of transfer (Report and C&R 2022 No 8; PD-7D-Q9(l))
15:10-15:25	15. Provision of information about international banking to creditors and debtors (Report and C&R 2022 No 12; PD-7D-Q(m))
15:25-15:30	16. Implementation of a legal framework enabling the Central Authority to handle the transfer of funds - or at least major parts of the process - in as automated a manner as possible (Report and C&R 2022 No 13; PD-7D-Q(n))
15:30-15:45	17. Implementation of an arrangement with banks that are transparent in relation to their fees and / or are part of the SWIFT Global Payment Initiative (GPI) (Report and C&R 2022 No 14; PD-7D-Q(o))
15:45-15:55	<i>Health break</i>
15:55-16:40	18. iSupport ITMF – presentation by the PB and discussion (PD-7D-Q(p))
16:40-17:00	19. Any other developments including bilateral solutions put in place between States and ongoing trials between States (PD-7D-Q(q))
17:00	End of second day
Wednesday 15 February 2023	
14:00-14:45	20. Discussion of an <i>aide-mémoire</i> for the Group
14:45-14:55	<i>Health break</i>
14:55-15:45	20. Discussion of an <i>aide-mémoire</i> for the Group (cont)
15:45-15:55	<i>Health break</i>
15:55-16:50	20. Discussion of an <i>aide-mémoire</i> for the Group (cont)
16:50-17:00	21. Next steps
17:00	End of meeting

## Annex IV

## List of Participants of the February 2023 ITMFEG meeting

	Representing	Surname	First name	Job Title	Organisation
MEMBERS	Argentina	Franco	Mariana	National Directorate for International Affairs	Ministry of Justice and Human Rights
		Cerdeira	Juan José	Member of the Advisory Commission on PIL of the Argentine MFA	Ministry of Justice and Human Rights
		Amado	Fatima	Council	Ministry of Justice and Human Rights
	Austria	Fucik	Robert	Head of Department	Federal Ministry of Justice
	Brazil	Alves Silveira	Arnaldo	General Coordinator for International Legal Cooperation in Civil Matters (ITMF EG co-Chair)	Ministry of Justice and Public Security
		Froeder Dittrich	Lalisa	Specialist in Public Policies and Government Management	Ministry of Justice and Public Security
		Vasconcellos	Pedro	Analist	Ministry of Justice and Public Security
		Soares	Particia	Coordinator	Ministry of Justice and Public Security
	Canada	Dostie	Manon	Senior Counsel	Department of Justice Canada
		van Isschot	Andina	Legal Counsel	Department of Justice Canada
Czech Republic	Beneš	Ladislav	Lawyer	Office for International Legal Protection for Children	
Estonia	Pärna	Marii-Elisa	Adviser, International Judicial Cooperation Unit	Ministry of Justice of Estonia	
MEMBERS	European Union	Koit	Haldi	Legislative Officer	European Commission
		Sears-Debono	Angele	Legal and Policy officer	European Commission
		Weitz	Leonhard	Legal Adviser	European Commission
	France	Charon	Isabelle	Chef de bureau	Bureau du recouvrement de créances alimentaires, Ministère de l'Europe et des Affaires étrangères
		Piri	Filiz	Adjointe au chef de bureau	Bureau du recouvrement de créances alimentaires, Ministère de l'Europe et des Affaires étrangères

<b>MEMBERS</b>	<b>Germany</b>	Gerling-Stock	Sarah	Co-Head of Division II 4 (ITMF EG co-Chair)	Cross-border Recovery of Maintenance, Federal Office of Justice
		Langenhorst	Claudia	Program Specialist	Cross-border Recovery of Maintenance, Federal Office of Justice
		Sampels	Ursula	Team Leader (Processing of International Payments)	Cross-border Recovery of Maintenance, Federal Office of Justice
		Hauser	Sandra	Policy Specialist	Cross-border Recovery of Maintenance, Federal Office of Justice
	<b>Italy</b>	Vinciguerra	Guiseppe	Director of the Central Authority	Ministry of Justice of Italy
	<b>Latvia</b>	Lavska	Sintija	Legal Unit Legal adviser	Administration of the Maintenance Guarantee Fund
	<b>Lithuania</b>	Aleksierienė	Olga	Legal Expert	State Social Insurance Fund under the Ministry of Social Security and Labour
		Bakšienė	Jurgita	Counselor of the Legal and Personnel Department	State Social Insurance Fund under the Ministry of Social Security and Labour
		Meiliūnienė	Vaida	Chief Specialist of Legal and Personnel Division	State Social Insurance Fund under the Ministry of Social Security and Labour
		Pačerinskaitė	Jurga	Chief Specialist of Legal and Personnel Division	State Social Insurance Fund under the Ministry of Social Security and Labour
	<b>Mexico</b>	Mejía Cortés	Dulce María	General Director for Legal Representation and Restitution of the Rights of Girls, Boys and Teenagers	National System for the Comprehensive Development of the Family
		Peña Cruz	Luis	Director for Legal Advice and Representation	National System for Comprehensive Development of the Family
		Gutiérrez Rosario	Fanny	General Director for Coordination and Policy	National System for Comprehensive Development of the Family
		Ruíz López	Maribel	Deputy Director of Contracts and Consultation, General Direction for Legal Affairs	National System for Comprehensive Development of the Family
		Corzo Aceves	Victor	Director of International Law II	National System for Comprehensive Development of the Family
		Álvarez Rendón	Martha	Deputy Director of International Law II	National System for Comprehensive Development of the Family
		Solano García	Sergio	Federal Attorney for the Protection of Children and Adolescents	National System for the Comprehensive Development of the Family
	<b>New Zealand</b>	O'Dea	Maria	Technical Specialists Network	Inland Revenue, New Zealand
		Wallace	Brendan	Technology Specialist	Inland Revenue, New Zealand

<b>MEMBERS</b>	<b>Nicaragua</b>	Zeledón Molina	Milton	General Director of the General Directorate of Adoption	Ministerio de la Familia, Adolescencia y Niñez (MIFAN)
		Rivera Amador	Tania María	General Directorate of Adoption	Ministerio de la Familia, Adolescencia y Niñez (MIFAN)
		Blanco Jiménez	Marlon Roberto	Legal Expert	Ministerio de la Familia, Adolescencia y Niñez (MIFAN)
	<b>Norway</b>	Stranger	Maren	Senior Adviser	The Norwegian Tax Administration - The Collection Agency of the Labour and Welfare Administration
		Lovberg	Goril	The Collection Agency of the Labour and Welfare Administration	The Norwegian Tax Administration - The Collection Agency of the Labour and Welfare Administration
	<b>Philippines</b>	Fallarcuna	Elaine	Assistant Secretary for Statutory Programs under Operations Group	Department of Social Welfare and Development
	<b>Poland</b>	Bieniek-Ciarcińska	Monika	Head of the Division of the International Proceedings in Family Matters	Ministry of Justice
		Budek	Katarzyna	Senior Specialist	Ministry of Justice
		Ludwiczak	Aneta	Chief Specialist – Law Clerk	Ministry of Justice
		Nadstazik	Luiza	Senior Specialist	Ministry of Justice
		Obrycka	Marta	Specialist	Ministry of Justice
		Pisarska	Marta	Chief Specialist	Ministry of Justice
	<b>Portugal</b>	Vara	Miguel	Head of Unit - Directorate-General of the Administration of Justice	Ministry of Justice Portugal
	<b>Sweden</b>	Kejonen	Ida-Maria	Legal Expert	Swedish Enforcement Agency
	<b>Switzerland</b>	John	Sandra	Avocate	Office Fédéral de la Justice (OFJ)
<b>MEMBERS</b>	<b>Ukraine</b>	Shevchenko	Kateryna	Deputy Head Directorate for International Law; Head of International Legal Assistance Department	Ministry of Justice, Department of International Law
		Snizhko	Maria	Chief Specialist of Division on International Law Assistance in Civil Cases	Ministry of Justice, Department on International Law
	<b>United Kingdom</b>	Strachan	Denise	Maintenance Payment Business Centre Team Leader	Ministry of Justice

		Utting	Robert	Maintenance Payment Business Centre Administrative Officer	Ministry of Justice
	<b>United States of America</b>	Gray	Tangler	Commissioner	Office of Child Support Enforcement
		Miller	Anne	Senior Policy Specialist	Office of Child Support Enforcement
		Ashmore	Philip	Policy Specialist, International Policy & Public Inquiries, Administration for Children and Families	Office of Child Support Enforcement
		Hale	Scott	Manager, Federal Collection and Enforcement Programs	Office of Child Support Enforcement
<b>OBSERVERS</b> <b>NGO</b>	<b>NCSEA</b>	Roots	Hannah	Legal Counsel	National Child Support Enforcement Association
<b>HCCH</b>	<b>Permanent Bureau</b>	Lortie	Philippe	First Secretary	HCCH
		Pellet	Jean-Marc	i-Support Project Coordinator	HCCH
<b>HCCH</b>	<b>Permanent Bureau</b>	Keane	Nietta	Assistant Legal Officer	HCCH
		Prénas	Mathilde	Senior Administrative Assistant	HCCH