

***Aide-mémoire* of the Meeting of the Experts' Group on International Transfers of Maintenance Funds**

The Experts' Group on International Transfers of Maintenance Funds (ITMFEG) met for a fifth time from 29 to 31 January 2024 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 54 participants representing 21 HCCH Members, one Member Regional Economic Integration Organisation (REIO), one Observer, and members of the Permanent Bureau (PB).

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 continued in their roles 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. A fourth meeting was held online from 13 to 15 February 2023 was attended by experts representing 23 HCCH Members, one Member REIO and one Observer.

The main objective of the January 2024 meeting of the EG was to hear from various States about all the internal systems and tools available for the safe and efficient electronic transfer of maintenance funds. The meeting also intended to take stock of the progress achieved regarding international solutions for the transfer of maintenance funds, as well as to discuss technical solutions and arrangements with banks and matters pertaining to cooperation between Central Authorities and institutional arrangements. The meeting was also an occasion to take stock of the

recent ground-breaking achievements in relation to the implementation and use of iSupport as well as current developments pertaining to the international transfer of maintenance funds. The discussion was facilitated by the responses of States to a Questionnaire ([Prel. Doc. No 11A of January 2024](#)) developed and distributed by the PB ahead of the meeting, a compilation of which was prepared in advance of the meeting ([Prel. Doc. No 11C of January 2024](#)). Gratitude was expressed towards Argentina, Australia, Brazil, Canada (British Columbia), the Czech Republic, the Dominican Republic, Estonia, Finland, France, Germany, Israel, Lithuania, the Netherlands, New Zealand, Norway, the Philippines, Poland, Portugal, Sweden, Switzerland, the United Kingdom (England & Wales, Northern Ireland and Scotland) and the United States of America for their responses to the Questionnaire.

The structure of this *aide-mémoire* generally follows that of the agenda and the questions set out in the Questionnaire. The outcome of the discussions which took place during this meeting will be reported to CGAP 2024.

I. Developments in the area in general and summary of replies to Prel. Doc. No 7B of December 2022 (see Prel. Doc. No 11C of January 2024 (PD-11C) - Compilation of responses – Q(a))

- 1 The ITMFEG welcomed the States that recently became Contracting Parties to the 2007 Child Support Convention (Azerbaijan, Cabo Verde, Canada (British Columbia, Manitoba, Ontario) and Kyrgyzstan).
- 2 The ITMFEG also welcomed the participation of Chile, the Dominican Republic and Türkiye and noted the increased number of responses received to the Questionnaire compared to the previous year, with 25 responses received. The ITMFEG was grateful to those States that responded to the Questionnaire. The responses to the Questionnaire showed the diversity of practice among States and the different degrees of advancement in the field of transfer of maintenance funds. It was noted that the ITMFEG is a good platform to share experiences and to find common ground.
- 3 One of the most promising recent developments noted among States was the gradual elimination of the use of cheques, due to initiatives including the participation of States in the Central Authority Payment (CAP) service developed by the Office of Child Support Services (OCSS) in the United States of America.
- 4 The ITMFEG also noted the important milestone achieved by iSupport, which began its operations between the Federal Office of Justice of Germany and the Social Insurance Agency of Sweden on 9 January 2024.

II. Presentation by the United States of America

- 5 The ITMFEG welcomed the presentation by OCSS, reporting on the current process for outgoing payments as well as the process currently being designed to facilitate incoming electronic payments and make them more cost effective (*i.e.*, the CAP service). In particular, it was reported that the pilot project with Germany, which began in 2022, was successful, with the first payment being made on 6 January 2023. Despite the fact that the CAP service is an optional service for U.S. states, OCSS reported that 42 U.S. states have now enrolled in the service to send electronic payments to foreign authorities. It was also noted that, some U.S. states opted to keep their existing electronic payment systems.
- 6 The CAP service consolidates payments and creates a single weekly payment for foreign authorities. The Department of the Treasury's International Treasury Services (ITS) converts the maintenance funds into the currency of the receiving State and sends the payment to the bank account of the foreign authority. In addition, the CAP service provides the case and payment details to the authority

of the receiving State for it to send the individual payments to the creditors. It was noted that the maintenance funds can be transferred between States within one business day, which is much faster and cost effective than paper cheques. Since its implementation in January 2023, through to January 2024, the CAP service has sent 2,174,745 USD in child support payments to foreign authorities. It was noted that the United States of America saved 40 USD per transaction, totalling 40,000 USD per month in transaction cost savings in the year 2023.

- 7 In addition to Germany, as of January 2024, the CAP service is now sending payments to four other States (Czech Republic, Portugal, Slovakia, and Sweden). The CAP service is also working with Austria, Hungary, Latvia, and Switzerland to begin sending electronic payments to those States.
- 8 OCSS invited all States interested in receiving electronic payments from the United States of America through the CAP service to engage in further discussions. More information about the CAP service is available on the OCSS dedicated [CAP service web page](#). The contact form for States interested in joining the CAP service can be found [here](#). As of July 2024, interested States can also discuss enrolling in the CAP service to send payments to the United States of America.
- 9 It was also noted that OCSS will be present at the upcoming National Child Support Engagement Association (NCSEA) International Round Table, to be held from 11 - 13 March 2024, and invited States interested in a bilateral meeting to discuss enrolment in the CAP service to contact them.

III. Presentation by Portugal

- 10 The ITMFEG welcomed the presentation by Portugal on their experience with setting up incoming electronic payments from the United States of America.
- 11 It was explained that Article 6(2)(f), “[...] to facilitate the collection and transfer of maintenance payments” provides the necessary legislative basis for the Portuguese Central Authority to handle payments. This allowed the Portuguese Central Authority to open and operate a bank account for the purpose of handling incoming maintenance payments.
- 12 The Portuguese Central Authority began discussions with the United States of America regarding the CAP service in July 2023. It was reported that joining the CAP service happened in two stages, which were managed at the same time. The first stage involved handling the technical details pertaining to the transfer of data (*i.e.*, exchanging IP addresses and generating security keys to access the OCSS server). The second stage involved handling the procedural steps required for the transfer of maintenance funds (*e.g.*, providing OCSS with the information about the Portuguese Central Authority’s bank account to receive the payments and the reconciliation of existing cases before starting the transfers). It was highlighted that, after the piloting period with Germany, the process of enrolling in the CAP service is now straightforward and easy. Since 2 January 2024, Portugal has received 3 bundled payments. After the funds are deposited into the Portuguese Central Authority’s bank account, the funds are then transferred to the creditors within 1 or 2 days, making the process extremely efficient.
- 13 The Portuguese Central Authority highlighted the importance of finding practical solutions to overcome obstacles in order to make the process of cross-border transfers of maintenance funds more efficient and effective.

IV. Presentation by the Czech Republic

- 14 The ITMFEG welcomed the presentation by the Office for International Legal Protection of Children, the Central authority of the Czech Republic, on the different payment solutions in use (incoming and outgoing), and their associated challenges and costs. The Czech Republic reported that, each year, the Office for International Legal Protection of Children receives approximately 380 new cases

and that there are currently 2404 cases pending (65% of cases for creditors within the Czech Republic and 35% of cases for creditors abroad).

- 15 The Czech Republic noted that the Central Authority monitors incoming and outgoing payments as well as direct payments (*i.e.*, payments made directly from the debtor to the creditor, without the involvement of the Central Authority or a third party). In cases of direct payments, the creditor is obliged to inform the Central Authority of the amounts involved in order to facilitate enforcement, where required.
- 16 The Czech Republic reported that the Central Authority uses an internal document (referred to as a payment order document) which reflects the maintenance order, application, calculated debt and the duration of maintenance. Each transaction is given a specific reference number which helps identify the case and the current debt. It was noted that this processing system is partially automated. Although lump sums are available, sending individual payments is most common. The Czech Central Authority guarantees that the incoming payments are without costs to the creditor, often going to the extent of covering the bank fees. For outgoing payments, the Czech Central Authority requires a power of attorney to be able to process payments from the debtor.
- 17 The Central Authority of the Czech Republic began discussions about joining the CAP service of OCSS in June 2023, since cash and cheques are no longer used. As of 2 January 2024, three payments have already been received and payment files have been downloaded without issue. In terms of the practical experience in joining the CAP service, the Czech Republic echoed the experience of Portugal in that it was straightforward and easy.

V. Presentation by Sweden

- 18 The ITMFEG welcomed the presentation by the Swedish Social Insurance Agency, the Central Authority designated under the Child Support Convention, on their system for transferring social security payments abroad and solutions for receiving payments.
- 19 Most domestic payments issued by the Swedish Social Insurance Agency are automated. However, cross-border payments are more human resource intensive, as they require more manual involvement.
- 20 The Swedish Social Insurance Agency reported that, as Sweden does not use the euro, all decisions issued in Sweden appear in Swedish Krona. Payments received from abroad are converted into Swedish Krona. For this purpose, the Swedish Social Insurance Agency holds bank accounts in Finland (for payments in euros) and the United Kingdom (for payments in British Pounds). It was specified that it is also possible for payments to be converted to other currencies. A challenge reported is the persisting use of cheques for those clients who cannot receive or send payments electronically.
- 21 The Swedish Social Insurance Agency offers three options for payments abroad – via the bank account of the Swedish Social Insurance Agency (in Krona or other currencies), via IBAN or, exceptionally, cheques. Since enrolling in the CAP service, Sweden has reported savings of approximately 5000 USD (having received 3 bundled payments from 75 different debtors through CAP in one month), when compared to using cheques, which costs 75 USD per cheque.

VI. Presentation by the Netherlands

- 22 The ITMFEG welcomed the presentation by the Central Authority of the Netherlands on their experience with using bank accounts abroad and the relationship with a local and foreign bank account from a technical point of view.

- 23 It was reported that, for payments to and from the United States of America, payments are processed manually. Payments to and from other States are sent automatically and directly from the Dutch Central Authority's bank account which is linked to the Dutch electronic case management system. All incoming and outgoing payments are automatically registered within that system, with the exception of those payments made to and from the United States of America. Of those cases automatically registered, it was reported that approximately 10% of payments need to be tracked and rectified manually due to errors in referencing.
- 24 The Dutch Central Authority uses the standard accounting software and tools developed by SAP, without many customisations. It was noted that a private company provides IT support for the system of the Dutch Central Authority.
- 25 It was noted that the Dutch Central Authority system is currently working very well and that there are no particular issues or challenges to report.

VII. Presentation by New Zealand

- 26 The ITMFEG welcomed the presentation by Inland Revenue of New Zealand, the Central and competent authority designated under the 2007 Child Support Convention, on their processes for incoming and outgoing transfers of maintenance funds.
- 27 It was noted that New Zealand's Inland Revenue is responsible for managing the establishment and enforcement of child support and the enforcement of spousal support, both for domestic and international cases. New Zealand's Inland Revenue is the central payment point for the collection and disbursement of maintenance obligations in New Zealand. Inland Revenue tracks all information available pertaining to the case in a highly automated case management system, which links both debtor and creditor accounts. Inland Revenue monitors these accounts in order to automatically calculate amounts owed and arrears, regardless of the chosen payment method. The amounts calculated are available in both local and foreign currencies.
- 28 New Zealand's Inland Revenue offers a variety of ways in which debtors can voluntarily make their child support payments. This includes electronic payment (via debit or credit card), payment by phone (via debit or credit card) and payment by cash through a partner bank. Payments are received by Inland Revenue through a centralised bank account and then disbursed to the creditors. It was noted that electronic payment offers several advantages. When paying electronically, debtors have the advantage of receiving confirmation immediately upon payment and creditors are able to receive the funds by the next business day. Debtors also have the option to set up electronic payment plans (for weekly, monthly or fortnightly payments) and pay via automatic direct debit or opt to receive a reminder to manually process their electronic payment. No fees are charged for payments via direct debit, however, the debtor will be charged a 1.42% convenience fee by the bank when using the electronic payment option (via debit or credit card).
- 29 Since New Zealand stopped using and accepting cheques in 2020, it was reported that Inland Revenue began looking into the possible solutions for debtors to make their international maintenance payments quickly, electronically and at a low cost. To achieve this, Inland Revenue created, for bundled payments, a host-to-host setup (for high volume countries) and chose one payment channel per partner State, opting for the fastest vendor for the lowest possible cost, for example IACH, SEPA (for the EU) and Telegraphic Transfer. For low volume countries, Inland Revenue opted for a manual electronic setup: banking portal payments. By moving away from manually processing cheques towards an almost fully electronic system, it was reported that this method resulted in a significant reduction in the resources required to process payments.
- 30 New Zealand's Inland Revenue provides a portal called "myIR" to both debtors and creditors, allowing them to access their case details and keep track of the status of maintenance payments.

- 31 It was reported that one of the challenges faced by Inland Revenue was the fact that the case management system was not designed for child creditors, since New Zealand law does not consider children to be creditors, while this is possible in other States. It was further reported that, while most cases work effectively, a challenge is the inability to send payments to those States for which there are international sanctions on the advice of the New Zealand Ministry of Foreign Affairs and Trade. The only solutions to this challenge are to either issue payments to a New Zealand bank account in that State or wait until sanctions are lifted. Additionally, it was reported that the only part of the case management system that is not automated is the monitoring of manual remittances, since doing this task manually is not resource intensive.
- 32 Inland Revenue's case management system is linked to their different bank accounts, through an external service, thus allowing the system to be updated when incoming payments are received and when outgoing payments are made, thanks to a reference included in the payment linked to the relevant account.

VIII. Update on iSupport and potentialities of iSupport for handling and monitoring payments

- 33 The ITMFEG welcomed the presentation by the iSupport coordinator and commended the important achievement that iSupport is now fully operational between Germany and Sweden, with the first case for establishment being sent on 29 January 2024.
- 34 It was noted that a unique aspect of iSupport is that it can generate the forms under the 2007 Child Support Convention, the 2009 Maintenance Regulation, the 1956 New York Convention and any other Treaties. The data in the forms can be sent to another State electronically, where the data will be automatically integrated into the iSupport database. Once this data is received, the other State will be able to view the form in the language of their choosing.
- 35 The ITMFEG noted that iSupport has been continuously improved over the years, with the database being encrypted since October 2020 and the application being redesigned in 2022. One of the latest improvements to iSupport was made in November 2023 and includes enhanced capabilities for audit logging and technical updates. Additionally, iSupport can generate the statistical reports for both the 2007 Child Support Convention and the 2009 Maintenance Regulation. It was noted that no data is stored centrally, with each participant installing and operating iSupport in their own State.
- 36 The ITMFEG welcomed the recent breakthrough in terms of electronic communication through e-CODEX which was made possible thanks to solutions found in collaboration with iSupport partners. This collaboration has also made it possible to offer specific support for the establishment of electronic communications.
- 37 It was noted that improvements to the e-CODEX architecture will be brought in the beginning of 2024. The ITMFEG further noted that additional EU funding has been allocated to a new project, iSupport R2G (Ready to Go), which will aim at consolidating iSupport and spreading it to other countries by making it as easy as possible to install and operate (including by optimising and modernising the API interface between iSupport and national case management systems).
- 38 The ongoing EU funded project iSupport ITMF is tasked with improving the handling of payments and achieving the highest possible degree of automation to allow, for example, CAP data to be integrated in iSupport in order to maintain its funds monitoring module and facilitate the disbursement of payments.
- 39 The time-consuming hurdles associated with the management of numerous encrypted emails from various States was reported. In this regard, the ITMFEG highlighted the importance and numerous advantages of using one single case management system between Central Authorities. In this

regard, Germany expressed its availability to answer any questions from interested States on their experience with implementing and operating iSupport.

40 The European Commission explained that, under the EU Digitalisation Regulation,¹ EU Member States will be obliged to communicate via a decentralised IT system and the European electronic access point as of 2031, for the 2009 Maintenance Regulation. One of the ways in which Central Authorities could comply with this obligation would be to use iSupport (recital 21 EU Digitalisation Regulation). Another option would be to use an interoperable national solution or a "reference implementation" developed by the European Commission. It was noted that the development of this reference implementation may not be necessary for the 2009 Maintenance Regulation if every EU Member State used iSupport. Indeed, the use of iSupport as a solution to ensure compliance with this obligation would be preferable, considering the investments that have been and continue to be made by the EU in the development and implementation of iSupport.

41 Finally, the ITMFEG thanked Germany and Sweden for piloting e-CODEX combined with iSupport and thanked Germany and the United States of America for initiating and piloting the CAP service, to the benefit of all actors in the transfer of maintenance funds area. Further appreciation was extended to the EU as well as several HCCH Member States and partner organisations who have been financing the development of iSupport and the implementation of iSupport in some States.²

IX. Technical solutions and arrangement with banks (see PD-11C – Qs (b), (c), (d), (e) and (o)) – See C&R 2022³ No 1-3, 10, 11 and 14

42 The ITMFEG recalled Article 6(2)(f) of the 2007 Child Support Convention, which provides:

“Central Authorities shall take all appropriate measures [...] to facilitate the collection and expeditious transfer of maintenance payments.”

43 The ITMFEG further recalled Article 35 of the 2007 Child Support Convention, which provides:

“(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.”

44 The ITMFEG welcomed the considerable progress made since 2019 in relation to the elimination of the use of cheques, thanks to the CAP service as well as the efforts undertaken by States such as the Czech Republic, the Netherlands, New Zealand and Sweden among others.

45 In terms of solutions with regard to increased transparency and cost reduction of transfer and currency conversion, the ITMFEG also noted considerable progress citing the example of Sweden and the Czech Republic who hold bank accounts in different foreign currencies in order to facilitate the transfer of funds and reduce costs.

46 The ITMFEG recalled paragraph 13 of the Aide Memoire of the 2023 ITMFEG meeting, encouraging EU Member States that do not use the euro to explore the possibility of extending the application

¹ Regulation (EU) 2023/2844 of the European Parliament and of the Council of 13 December 2023 on the digitalisation of judicial cooperation and access to justice in cross-border civil, commercial and criminal matters, and amending certain acts in the field of judicial cooperation.

² States and organisations which contributed financially or in kind to iSupport: Austria, Belgium, Brazil, Canada (British Columbia), Czech Republic, Estonia, European Union, Finland, France, Germany, Hungary, Italy, Latvia, Netherlands, Norway, Portugal, Romania, SAR Hong Kong, Slovak Republic, Switzerland, United Kingdom, United States of America, United States of America (California), Aristotle University of Thessaloniki (Greece), Bloomsbury publishing, CCBE, EUBF, ITTIG (Italy), Lipman Karas, UIHJ.

³ See Annex I, Report and Conclusions & Recommendations adopted by the ITMFEG for the attention of the 2022 Meeting of the Special Commission.

of certain provisions of the [EU Regulation 2021/1230](#) (replacing EU Regulation 924/2009) to their currency:

“The EG recalled EU Regulation 924/2009 (revised) [now replaced by EU Regulation 2021/1230] which deals with the cross-border transfer of funds. Article 14 [now Article 13] 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) [now replaced by EU Regulation 2021/1230] to their national currencies, in the spirit of the best interest of the child.”

47 The ITMFEG highlighted the potential solutions offered by iSupport to ensure that the creditor receives the full amount in accordance with the maintenance decision. iSupport would make it easier to monitor payments and to disclose deductions, thanks to its direct communication channels and efficient monitoring.

X. Cooperation between Central Authorities and institutional arrangements (see PD-11C – Qs (f), (g), (h), (i), (j), (k), (l), (m), (n) and (p)) - See C&R 2022⁴ No 3-8 and 12-13.

48 The ITMFEG noted that most States who handle the transfer of maintenance funds also offer a transfer service to debtors. However, the ITMFEG acknowledged that, while it is good practice for States to do so, this is not feasible for all Central Authorities, in light of their other duties and responsibilities.

49 It was further noted that, in the context of a multi-unit State, centralised points for international transfers of maintenance funds could be implemented at the territorial unit level, which have direct contact with other Contracting Parties.

50 The ITMFEG noted that many States use a unique case reference number and recalled that iSupport works on the basis of a unique case reference common to the two States concerned. Reference can always be made, within iSupport, to the relevant national reference numbers.

51 In addition to the CAP service, the ITMFEG discussed other existing bilateral solutions between States and noted that such arrangements are useful, especially for States who share a high volume of cases.

52 The ITMFEG recalled paragraph 37 of the Aide Memoire of the 2023 ITMFEG meeting, which provides:

“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.”

XI. Next steps

53 The ITMFEG expressed a preference for continuing to hold meetings on the transfer of maintenance funds in the month of January by videoconference. The ITMFEG also welcomed the idea to tailor the content and length of the meetings in light of developments in this area during the given year.

54 Subject to a decision by CGAP 2024, the ITMFEG suggests that the PB circulates a questionnaire to HCCH Members in September 2024, inviting Members to identify topics they would like the

⁴ See Annex I (*op. cit* note 3).

upcoming meetings of the ITMFEG to address. The questionnaire would also invite Members who would be interested in making a specific presentation to the ITMFEG to communicate such interest.

- 55 It was noted that, after five successful meetings, the ITMFEG expressed the need, subject to a decision by CGAP 2024, to review and prioritise the issues that require discussions and exchanges of good practices in the area of the international transfer of maintenance funds.

Annex I

Report and Conclusions & Recommendations adopted by the ITMFEG

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

Report and Conclusions & Recommendations
for the attention of the 2022 Meeting of the Special Commission

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 Recommendations⁵ 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 funds⁶ 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.

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.

⁵ 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 Transfers of Maintenance Funds, meeting of 8 to 11 February 2021.

⁶ The expression "electronic transfer of funds" should be understood as broadly as possible.

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*,⁷ 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:
 - 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

⁷ 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> >.

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*⁸ (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.
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".⁹
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

⁸ 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 > under "Child Support Section", then "HCCH publications".

⁹ *Ibid.*

the tracking or 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.