



## Swedish Postgirot Bank to become clearing bank for Euro

In competition with a number of other European banks, the Swedish Postgirot Bank has been nominated as the clearing bank for Eurogiro member payments in euros. The contract comes into force from 1 November 2001.

■ Eurogiro, the electronic network for overseas payments between 32 banks and postal organisations in 29 countries is a powerful and competitive payment system characterised by secure, simple, and flexible cross-border payments. The prices are highly competitive and accounted openly with full visibility. It is the only system in the world in which the customers get both a time and a price guarantee on their payments.

The Eurogiro members have now decided to centralise clearing of payments in euros to one bank – Postgirot Bank. This means that member banks only need *one* account for euros instead of having a euro account with each and every one of the others, as they currently do. One account instead of thirty-two means simpler and more cost-effective administration.

“I am very proud that we have been entrusted with being the clearing bank for Eurogiro members’ payments in euros,”



says Per-Eric Skotthag, CEO of Postgirot Bank, “especially considering that we have been involved in a sales process for quite a long time. We were also awarded the assignment in competition with a number of other European banks, which strengthens us internationally as well as on the home field.”

For many years, Postgirot Bank has worked on developing both the technical performance and the quality in terms of international payments. Thus, there is currently an effective infrastructure for international payments with a high degree of automation. There is also capacity for the very high volumes, approx. EUR 520 million per month, which are anticipated to pass through Eurogiro next year. Altogether, this means advantages of scale for the 32 banks and postal institutions using the Eurogiro system.

“Above all, we can attain tangible benefit to the customer as a clearing bank,” continues Skotthag. “Customers of the financial institutions taking part in Eurogiro will receive rapid payments at highly competitive prices.”

Eurogiro originally began as a Nordic and then a European collaboration for international electronic payments between the Nordic countries. Postgirot Bank in Sweden is thus one of the banks that has been involved in this collaboration for the longest time. The members have gradually increased and are now also to be found in Asia, the USA and Africa. Over 40 million postal giro accounts currently have access to Eurogiro. Last year, the number of payments amounted to twelve million, a 40 percent increase on last year. Eurogiro fulfils the EU requirements and recommendations for payments systems. In Sweden, Postgirot Bank is the only one to offer payments via Eurogiro.

At the start of next year, the local currencies of the EMU countries will cease to be valid for electronic payments. For the Swedish companies that have dealings with the EMU countries, it will thus be necessary to be able

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The Eurogiro network is an international electronic payment network for the postal financial institutions.

The Eurogiro network is the only electronic cross-border payment system which covers both postal and bank products.

Eurogiro has 32 member institutions. Although Western Europe is the core area, Eurogiro now spans four continents. The electronic payment system of Eurogiro is administered by Eurogiro Network A/S in Copenhagen, which also provides the organisational framework for the further development of the co-operation. The company is owned by 16 European members.

Eurogiro Member institutions:

Austria: P.S.K. AG • Belgium: POST-CHEQUE • Cape Verde: Correios de Cabo Verde • Croatia: Croatia Post • Denmark: BG Bank A/S • Finland: Sampo Bank Plc • France: La Poste • Germany: Deutsche Postbank AG • Greece: Hellenic Post • Iceland: Iceland Post • Ireland: AN-Post • Israel: Israel Postal Authority • Italy: Poste Italiane • Japan: Postal Savings Bureau • Luxembourg: P & T • Morocco: Barid Al Maghrib • Netherlands: ING Bank N.V. /Postbank N.V. • Norway: Den norske Bank • Portugal: CTT Correios • Romania: Banc Post, Posta Romana • Slovakia: Postova Banka • Slovenia: Postna banka Slovenije d.d. • Spain: BBVA, Correos y Telegrafos • Sweden: Postgirot Bank • Switzerland: Swiss Post Postfinance • Tunisia: Tunisian Post • Turkey: General Directorate of Post • United Kingdom: Girobank PLC • USA: The Chase Manhattan Bank, Deutsche Bank

## Eurogiro step up new development

Among the many new development projects in Eurogiro, one of the most important in 2001 will be the implementation of Postgirot AB as the new Single Service Provider for Euro settlement in Eurogiro

■ Eurogiro has further stepped up the pace of development to secure a better and even more cost efficient Eurogiro. 2001 will see numerous operational changes such as new message types, IBAN and the implementation of the MT 100/MT 103 converter. Also a new security concept based on PKI will be implemented during 2001 opening up for automatic exchanges for keys, new encryption set-up and for the use of internet as network.

One of the most exiting new developments will be the implementation of a single service provider for Euro settlement. After a bidding process, Postgirot Bank AB has been chosen, and expect to launch the service in October 2001.

The new Euro settlement set-up means a much more efficient settlement process giving cost advantages for the Eurogiro members. With the new set-up Eurogiro can provide virtually the same benefits as those provided by the European Banking Association through EBA STEP1.

As an example of long term development in Eurogiro you will find a short article in the newsletter on Electronic Bill Presentment and Payment. This internet based service is likely to be important in not to distant a future and as sketched in the article, Eurogiro will be able to provide a solution when the market needs are there.

In this issue of the newsletter you will also find many articles from our members. Correos in Spain, Swiss PostFinance and Poste Italiane inform about important new developments and activities. Danske Bank in Denmark, BAWAG/PSK in Austria and

Sampo Bank in Finland report recent name changes and mergers.

We hope you will get an impression of a high speed of new developments and that the many initiatives can inspire your organisation. We look with confidence forward to continued high growth in payment exchanges.

Please feel free to contribute to the newsletter with articles and ideas for improvements. Your contributions can help ensure both informative and interesting newsletters which meet the needs of Postal and Banking entities around the world.



*Svend Mygind, Editor in Chief and Deputy Managing Director*

to invoice and pay in euros from next year. So although Sweden has not yet decided to join the monetary union, the flow of payments in euros will increase, and Postgirot Bank is well-prepared. For example, since two years ago all accounts at Postgirot Bank have had a "euro pocket" that is activated with the first payment in euros.

"This is an exciting deal and I am convinced that it is going to yield many advantages, both for Postgirot Bank and for other members," says Margareta Eidensten. "The contract will strengthen the collaboration between the members, which will give a good basis for the work of developing powerful new services for our customers. In addition to purely payment services, there are a number of areas where we can benefit from the collaboration in Eurogiro, such as e-commerce. By developing common services

and at the same time adapting them to the local market, the value of services offered increases for the individual bank. I am highly optimistic about the future possibilities." says Margareta Eidensten, head of International market at Postgirot Bank.

The Eurogiro concept:

- ◆ Standardised payment system with electronic transfers according to a common technology, which makes it possible for transfers to the recipient account to take place within a guaranteed maximum time (Exchange date guarantee)
- ◆ Customers themselves determine when the payment will arrive. The shorter the time, the higher the price
- ◆ Open accounting (transparency) for customers as to which times and costs apply to transfers in Eurogiro
- ◆ Low transfer costs with low prices for the customers.



# IBAN - EU requests Straight Through Processing (STP) tool

Eurogiro partners to benefit from the general implementation of IBAN.

■ All EU-based banks handling cross-border payments are now required to generate, capture, recognize, process, validate and transfer IBAN (International Bank Account Number) by the end of 2001. IBAN is an important part of the project to reduce the prices and handling time of cross-border payments in the EU. Eurogiro members are not exempt from this and have already agreed to receive and pass on payments with IBAN between each other by the end of 2001. However, the take-off has been slow.

“IBAN is very useful for improving STP in cross-border payments,” says the Chairman of the Eurogiro Operational Performance Group, Kaarina Merilinna, Sampo Bank, Finland. “But the banks have to play an extremely active role to achieve general penetration of IBAN with their customers.” She stresses that, to profit fully from the initiative, the majority of customers receiving payments from abroad should quote a full IBAN on all their invoices, and that private persons receiving money from abroad, e.g. pensions, should advise the issuing body of their correct account number. To achieve this, banks must actively promote IBAN to customers. This already occurs in many EU countries, quite often on the initiative of the local banking association. However, the actual number of cross-border payments with IBAN is still very low.

## What will the change to IBAN mean?

The existing account numbers used today, the BBAN (Basic Bank Account Number), will actually be part of the IBAN. IBAN could be viewed as a standardized wrapping of the domestic numbers, ensuring that country, bank and branch information is always available and in an agreed structure. If the banks validate the IBANs on input of payment orders and credit transfers for processing, the potential for raising STP is very high.

For the time being, in order to aid STP, the BIC (Bank Identifier Code) of the beneficiary’s bank will be required alongside the IBAN. It will be needed as a routing tool until there is worldwide adoption of IBANs, until IBANs are validated on input, and until the routing mechanisms are generally able to recognize and interpret IBANs from around the world.

Eurogiro will promote the use of IBAN at the forthcoming User Group Meeting in May for instance. All Eurogiro users who have not yet received a BIC will be assigned one by Eurogiro A/S. The Eurogiro Electronic Verifying Tool, designed to verify transactions before dispatch on the net, will be able to verify IBAN as well. Eurogiro recognises both the opportunity and acknowledges market pressures to reduce costs in cross-border payments.

## IBAN

- ◆ is an ISO standard for bank account numbers
  - ◆ consists of a maximum of 34 alphanumeric digits
  - ◆ consists of country code, cheque number, and domestic account number which, in most cases, consists of the account number, the bank, and the branch
  - ◆ can be verified by banks before sending through the use of the standard validation algorithm
  - ◆ Correct IBAN + BIC (Bank Identification Code) are required for STP
  - ◆ Mandatory for receipt in all EU banks by 2002
  - ◆ Eurogiro Board stipulated the receipt of IBAN on the Eurogiro network by 2002
- Example: AT61190430042301732

# Electronic Bill Presentment and Payment Project

■ Electronic Bill Presentment and Payment (EBPP) is the process of delivery and interaction of personalised documents over the Internet together with the opportunity for the customers to pay the bill electronically. With electronic billing all the information is present to pay the bills electronically.

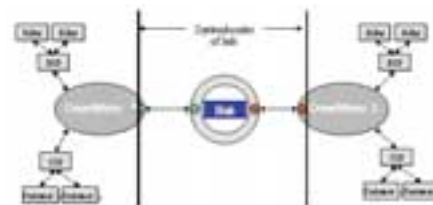
The drive behind a cross-border solution is requirements from companies for a common international solution and the need to add value to payments. A successful cross-border implementation requires a driving organisation in each country. The only way a cross-border solution can be successful is when the domestic solution is a success.

EBPP adds value to everyone involved. Marketing and cross selling opportunities is common added value.

- ◆ Value to consumers: Savings in money and time
- ◆ Value to banks: Develops customer care
- ◆ Value to billers: Handling cost savings

- ◆ Value to portals: Recurring, Sticky application
- ◆ EBPP core: Marketing Ops., cross selling

Example of possible hub solution



During the last couple of months the Eurogiro Internet Working Group (IWG) has been working on a hub solution for Electronic Bill Presentment and Payment (EBPP).

The objective of the group was to develop a feasible solution for integrating domestic EBPP consolidator models creating a viable

network among member organisations of different countries for cross border billing and (optional) payments (money transfers) based on:

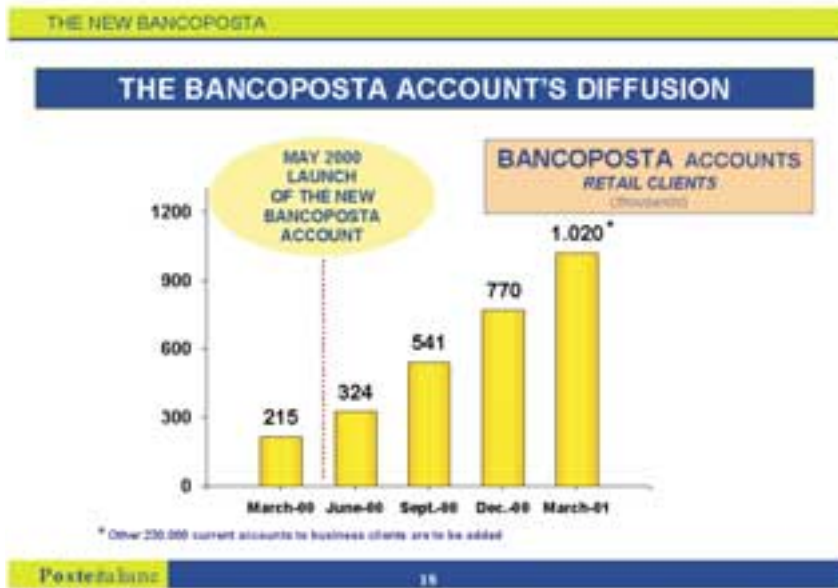
- ◆ Domestic solutions developed already
- ◆ Work results provided by the Internet Working Group

The project group has found it possible from a technical point of view to implement a hub for the international bills. Common minimum requirements of a potential solution have been defined. The group have defined a scenario for the hub and agreed upon the minimum requirements to the consolidators connected to the hub.

In most cases, the domestic solutions in place have not yet reached a volume where the business case is positive. It will probably take another 3 years for the domestic EBPP to settle and get volumes.

## Bancoposta, Italy

A network of 14,000 post offices to deliver comprehensive and up-to-date services



■ Investment of over E2.2 billion of which E1.3 billion was for automation, computerisation and innovation; 1,500,000 training days over four years. These are just some of the figures that reveal Poste Italiane's commitment to reinventing itself and improving efficiency. This commitment is based on the 1998-2002 Business Plan, which has been operational since the beginning of 1999. It includes over 150 projects and covers the development of all business areas. There are two major goals: to improve the quality of service to bring it in line with European standards and to strengthen the company's accounts with the intention of breaking even in 2002. These goals will only be attained through the company's growth in all business areas (mail, express-logistics-parcel and Postbank) and through the improvement of the quality of services, the competitive offering,

technological, commercial and managerial innovation, and the improvement of employee professionalism.

Bancoposta today contributes around 40 per cent of all of Poste Italiane's income. The confidence achieved among Italian savers has resulted in Bancoposta becoming one of the major financial institutions in the country. This success is based on products that are universally accessible and easy to reach. In the last two years, there has been a considerable effort to enrich, complete and innovate the traditional Bancoposta offering. In May 2000, the new Bancoposta account was launched which has attracted around one million subscribers since then. Bancoposta is one of the leading financial institutions in the country in terms of the number of debit cards distributed - over 750,000. In addition, the traditional postal saving products index

bonds have been successfully floated. Since the flotation around a year ago, bonds with a value of over €3.7 billion have been sold. Furthermore, Bancoposta owns Poste Vita, a life insurance company operational since December 1999, which in its first year collected more than €1 billion.

As for cross-border payments, Bancoposta has fully implemented the Eurogiro system. Today Bancoposta is Eurogiro's fifth largest member for outgoing transactions - with over 390,000 in 2000 - and second for incoming payments - with 1,800,000 transactions over the past year. For urgent cash payments abroad, Poste Italiane has reached an agreement with Moneygram that will become operational in the next few months.

In the past few weeks, the Italian Government has approved a new regulation that authorises Bancoposta to operate on the stock market. It will be able to float investment funds and grant loans (after having signed an agreement with another financial institution because Bancoposta is not authorised to lend money directly). With this new regulation, business areas are further enhanced, making Bancoposta a real alternative to the Italian banking system.

A fundamental point of strength for Bancoposta is the 14,000 strong post office network covering the whole country. In the past two years, all branches have been computerised and connected to each other with over 50,000 workstations operative in real-time. Apart from this, the offices are also being restructured and modernised, with security improved, waiting times reduced, the development of areas for personal financial advice, and the installation of ATMs.

## Interview with Mr Massimo Arrighetti General Manager of Bancoposta, Italy

**What has Poste Italiane done to develop the Eurogiro system?**

■ Eurogiro is a key component of Bancoposta's strategy in the international fund transfers market. Until a few months ago, the service was delivered in two steps through the completion of a form at the post office and then through the keying in of data at the regional back office. Since the beginning of 2001, a real-time system has been implemented across all 14,000 post office branches. The data is now inputted directly at the post office and then transferred to the Eurogiro system. The incoming cross-border transfers are

printed into cheques and forwarded to the recipient the day after the value date indicated by the sender country. We have also tailored the Eurogiro service with the intention of allowing the transferred funds to be credited directly to the Bancoposta account. This is an interesting premise considering that more than one million people have opened a Bancoposta account in the past year.

**What if a recipient in Italy of a Eurogiro transaction has a bank account?**

Bancoposta is a member of the Italian Interbank Exchange clearing and settlement system. We have connected the Eurogiro system with the national system. All we require is to receive the correct bank address of the account from the sending institution. The transaction message is then switched to the interbank system and we take care of the daily clearing and settlement.



### What developments can you foresee for the Eurogiro system?

Besides the retail market, I believe that it would be very useful to extend the Eurogiro system to corporate clients. Furthermore, it would be of great strategic value to develop a product for urgent cash payments within Eurogiro. Today, Eurogiro has an agreement with Western Union which makes sense for transfers destined for countries that are not part of the Eurogiro network. For cash transfers within the network, it is time to develop a Eurogiro product to reduce the costs, or to increase the profits, of this service.

### Which are the most important potential clients for Bancoposta?

First of all, the traffic is generated by or is destined for those countries where emigration and immigration have taken place. The former concerns countries such as Argentina, Canada, USA and Australia while the latter

comprises geographic regions such as the Far East, North Africa and South America. These are areas that Bancoposta is extremely keen to incorporate into the Eurogiro network. Another large part of the transactions is taken up by pension payments. Thanks to the new Bancoposta current account, pensioners can have their pensions credited to their own accounts and access them without even having to visit the post office.

*Mr Massimo Arrighetti,  
General Manager of  
Bancoposta, Italy*



## Western Union EPO Team boosted to reflect results

■ Following the success of the partnership with postal organisations around Europe, and the considerable growth of money transfer transactions, Western Union's European Postal Organisation (EPO) unit is currently expanding its team to provide an even more dedicated service for the network. **Kurt Marx**, Western Union EPO Director, is heading up the postal organisations unit within Western Europe. He has already recruited the following key members to the team:

**Gerlinde Niessler**, Western Union EPO Marketing Manager, who was previously within the marketing department of MoneyGram handling European agents and the British Post Office. Now with Western Union, she is responsible for driving the marketing and PR agenda for all Western European postal organisations within the European network.

**Cyril Magnan**, Business Development Director, was previously a senior marketer with La Poste and brings a vast knowledge of the European postal market to his new role. Cyril is now responsible for the postal network development in Belgium, France, Luxembourg, Portugal and Spain.

**Barbara Rölker** has recently joined as the new marketing assistant and provides full support for the Western EPO team.

**Donald Rankin**, Western Union EPO Director for postal organisations within Eastern Europe, is in the process of recruiting a marketing manager and business development manager to complete this team.

**Daniela Klaffenböck** is the newly assigned marketing assistant to the EPO team for Eastern Europe, and will provide strong support in running the intensive day-to-day business.

With the new EPO team in place, Western Union is glad to provide you with a fully dedicated and active team to handle all activities within the European postal network. For further information or any

queries, please feel free to contact Gerlinde Niessler on telephone: 0043-1-50134-623 or email: [gniessler@intl.westernunion.com](mailto:gniessler@intl.westernunion.com)

### A million transfers makes La Poste the most successful Western Union Postal partner in Europe

■ La Poste recently had an excellent cause for celebration when its ONE MILLIONTH Western Union transaction was achieved at the end of 2000 and created a RECORD in the industry.

La Poste is the first Western Union agent to pass this milestone through its own network and the celebration took place last December at the Direction des Centres Financiers Nationaux of La Poste in Limoges to congratulate the teams.

Kurt Marx, Western Union European Postal Organisations Director, commented: "Over the past seven years, La Poste has consistently delivered a high-quality service to its customers. The development of the Western Union network with La Poste in France was taken step by step and the relationship has proven to be a huge success. They are the first postal organisation to pass such a significant milestone and Western Union congratulates the whole network on its outstanding results."

The celebration was attended by around 130 employees from La Poste and Kurt Marx and Cyril Magnan from Western Union to thank the whole team from La Poste for its support.

"This is a great achievement for us here at La Poste. It demonstrates the true commitment to the service that we offer to our customers. Our challenge now is to concentrate on passing the next milestone," commented Monsieur Legros, Directeur des Centres Financiers Nationaux.

La Poste began its relationship with Western Union in 1994 when it introduced the instant money transfer service in five of its locations. By 2000, over 1,700 locations in 1,173 towns and cities across all of France were offering Western Union's instant money transfer service, the fastest and safest means of sending money to their families and friends abroad, to their customers.

**WESTERN UNION | MONEY TRANSFER**  
*The fastest way to send and receive money worldwide.*

## Integration of BAWAG and P.S.K.: new milestones set

■ The integration of BAWAG and P.S.K. is proceeding on schedule. A new structure was recently developed for the organization, and was announced both internally and externally: both brands will remain active and all central functions such as IT, payments and accounting will be transformed into service functions for the entire Group. BAWAG will be responsible for the strategic management and direction of both banks. The personal customer business, which ranks third on the Austrian banking

market, will be managed by P.S.K. in the future. Customers will notice no changes.

P.S.K. will assume responsibility for public financing and payments for the Group. The business customer segment and Treasury function will be managed by BAWAG. The two leasing companies, investment companies, and real estate activities will merge. The 22 P.S.K. branches will become BAWAG branches.

Synergies from the integration of the two banks are expected to total roughly ATS 1.5 billion per year beginning in 2005. No terminations or forced retirements will result from this integration. All reductions in the Group workforce will occur through natural fluctuation.

## Correos manages its future as a Eurogiro member

■ I am grateful to Eurogiro Network for providing Correos y Telégrafos with the opportunity to thank all members for their collaboration in helping us go live on the network, says Mr. Ricardo Calvillo Martín.

June 12, 2000 was an important date for Correos y Telégrafos: Eurogiro production began. Up to this date Correos y Telégrafos had been providing Eurogiro products to its customers through an agreement with the Caja Postal (later Argentaria, later BBVA), which was a Eurogiro member. Both institutions had agreed that money orders (100-60s) would be managed by Correos and money transfers (100-20s) would be the responsibility of the Caja Postal. Envelopes

were to be hosted by the Caja. This arrangement, however, proved confusing to other members when we tried to explain it to them, because Correos and the Caja Postal were thought to be the same entity.

In 1999 Correos took a strategic decision relating to the Eurogiro business: to become a member of Eurogiro Network and start live production. In order to do this, it purchased the ELS System, which enabled us to exchange envelopes directly with other members. Despite this, live production had to be delayed for a year because Correos had certain matters to resolve.

The most important of these was the settlement of envelopes. Since Correos is not a financial institution, it needs bank liaison accounts to exchange envelopes with other members. This problem was solved thanks to the BBVA and all the Eurogiro members, who agreed to maintain the old settlement procedures based on crediting/debiting BBVA's liaison accounts. The next challenges Correos will face are WU transactions through Eurogiro ELS and signing new agreements with as many countries as possible.

## Danish Merger

■ The ordinary general meetings of RealDanmark A/S and Danske Bank A/S, held on 26 and 27 March 2001 respectively, approved the proposed merger of RealDanmark A/S and Danske Bank A/S effective as of 1 January 2001.

As a result, the merger between Danske Bank A/S and RealDanmark A/S has been formally implemented as of 28 March 2001. Consequently BG Bank is now a division of Danske Bank A/S. For further information, please consult Danske Bank's website: [www.danskebank.com](http://www.danskebank.com)

**Danske Bank**

## The reorganisation of former Sampo- Leonia has now been completed

**The holding company structure of Sampo (former Sampo-Leonia) entered into force**

■ Sampo-Leonia transferred to a holding company structure on 31 March 2001, when the necessary amendments to the Articles of Association, subsidiary mergers and insurance portfolio surrenders from the parent company to two new non-life insurance companies entered into force. The Group's parent company is now a holding company with banking and insurance companies as subsidiaries.

portfolio to two new non-life insurance companies. The names of the new companies are Sampo Insurance Company Ltd and Sampo Industrial Insurance Company Ltd. The former was given the retail and corporate customers' portfolio, and the latter the major corporate customers' portfolio.

### Contact Information

Following the structural reorganisation there have been some changes in telephone numbers and postal addresses especially at Sampo Bank. For any inquiries you might have please do not hesitate to contact the Corporate Communications of Sampo or your regional managers at Sampo Bank. You are also welcome to consult our web site [www.sampo.fi](http://www.sampo.fi) comprising all the official information on Sampo in English.

**The Annual General Meeting of Sampo-Leonia approved the renaming of the parent company to Sampo plc. The new name of the parent company came into effect on 9 April 2001.**

In the structural reorganisation Sampo Enterprise Insurance Company Limited and Industrial Insurance Company Ltd first merged into their parent company, whereupon the parent company discontinued its insurance business, renounced the licence required for that purpose and surrendered its insurance



## International Payment Service customer event in Bern on 26 March

“Postfinance – Travel around the World” – was the theme of the customer event organised by the Bern Sales Region for corporate customers.

Introduction of the International Payment Service Team, from Development through Production and up to Treasury”.

Ms Walker was followed by Mr Roja Dwarosh (Correspondent Banking) with information on Markets, Products, Procedures and Networks. Mr Markus Fankhauser (FX-Trading/Treasury) then concluded the proceedings with a look at “Foreign Exchange Business and Treasury Services”.

At the event, all delegates were presented with a B5 size writing pad, which was described by Postfinance as the most efficient way to develop payments. At midday, delegates were served lunch from a variety of menus from around the world. This was served by SV Service, the company restaurant of Postfinance. During lunch, they also

had the opportunity to speak with the specialists and to ask questions.

The short but successful event ended at 1:30 pm. The international products of Postfinance should now be much better understood by its customers. The test will be when the next cross-border payments are made.



■ Participants were greeted by Postfinance consultants at 10:00 am on 26 March. At 10:30 am, Mr. Erich Huber (Head of Sales, Bern Region) officially welcomed all the participants and “Travel around the World” began.

The event was kicked off by Ms Nicole Walker (Head of Financial Institution) with a presentation covering “Strategy and the

## Saarbrücken Seminar

### Query response times still long but improving

■ DPb’s new investigation tool big hit at seminar but more still needs to be done to improve query and investigation times.

“That’s the kind of IT tool I want,” says Mr Mikael Olsson, Manager for Investigations at Sweden’s Postgirot Bank, with regard to Deutsche Postbank’s newly developed investigations tool. “It covers all our basic needs for tracking and archiving payments and investigations, and can also be used to generate related documents. We could speed up our handling time immensely.”

Together with colleagues from eleven other Eurogiro institutions, Mr Olsson attended a one-day seminar in March in Saarbrücken, Germany. The purpose behind the seminar was to look at ways of cutting down the handling time of investigations and reducing the number of issued queries. Like most of his colleagues, Mr Olsson welcomed the opportunity to focus on the investigation work and to work toward bridging the gap between different Eurogiro member organisations.

The background to the seminar was somewhat bleak: new quality measurements had shown that the queries exchanged among Eurogiro members took too long to solicit a response. That said, the number of queries answered after five days has decreased since last year’s test. Clearly, the measurements agreed at the corresponding seminar in 2000 are beginning to work. These include the Service Level Agreements for administrative measures and the exchange of contact names in member organisations, but it is a difficult and time consuming task to change the production set-up. Meanwhile, pressure from the market and the authorities continues to grow.

The Eurogiro Operational Performance Group, which organised the seminar, will continue to focus on the investigations work and related quality issues with the intention of saving costs and improving customer service. The message from the seminar participants this time was very clear: arrange another seminar and make all Eurogiro members participate.



# Eurogiro Technical User Group meeting in Copenhagen

Focusing on the new security concept and the single settlement provider for Euro payments.



The representative from Eurogiro Audit & Security Group, Mr. Vidar Myhre, Den norske Bank, gave a presentation of the role of EA&SG and the results of the annual Compliance questionnaire.

■ Last year it was decided to make the Technical User Group meeting an annual event. 40 Site co-ordinators and System Managers from most of our members were gathered in Copenhagen 23 – 24 April. The meeting was a mixture of presentations and discussions. As the Eurogiro business is growing it is important to have a forum where the technical impact of the decisions can be covered. The main 2 subjects were the new security concepts and the single settlement for the payments in Euro. The security concept has developed from message authentication to include new equipment for encryption and the possible use of Internet for low volume countries. The implementation of the single settlement for the Euro payments request for new procedures and message types to be implemented in the network.

## Fewer message types – simpler set-up

### Eurogiro to simplify message sub codes

■ For efficient automation, the Eurogiro subcodes have been a key factor. The subcodes define characteristics of the MT 100 customer payments. Thus the subcode of the message for each batch defines speed of the payment, means of payment (in cash or into an account) main currency grouping. Eurogiro has had a full 20 different subcodes in the MT 100 group alone in addition comes the codes for inter-bank messages, inter-bank account cover etc.

“Each of the sub-codes were introduced to accommodate specific needs from customers. However, today it seems that the great variety of sub-codes has become more of an annoyance than of guidance.” says Annelie Lysdal, product manager of Eurogiro Network A/S. For this reason it has been decided to merger a number of the codes into fewer codes. The original benefits from the use of message sub codes will remain, but the maintenance of the

## Eurogiro Activity Calendar Summer/Autumn 2001

29-30 May 2001

Eurogiro New Member Seminar, Rome

30 May - 1 June 2001

Eurogiro User Group Meeting, Rome

20 September 2001

Pension Payments Seminar

Autumn 2001

IT Training Seminar

Autumn 2001

Single Service Settlement Seminar

9-11 October 2001

Postexpo - UPU, Geneva

production set-up will be more SWIFT-like and thus easier in most organisations.

The introduction and growing acceptance of the IBAN – the International Bank Account Number – has been one of factors enabling the merger. With all information necessary to route into an account available in the account number, a special envelope for entries into account with other banks has become superfluous.



We are pleased to announce that as per 17 April 2001 Filip Jensen has started working in the Sales & Marketing department as Consultant for Eurogiro Network A/S. Filip Jensen will also be joining the Marketing and PR Ad Hoc Group

Svend Mygind, Deputy Managing Director

Among the subjects covered in the next issue of Eurogiro News appearing in August 2001 are:

- ◆ Report from Eurogiro spring meetings
- ◆ Internal Marketing Campaign
- ◆ Traffic developments

Please forward ideas, comments, articles etc. to:

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