

Introduction of Postal Finance in China

China Post has been developing over a long period of time into a modern postal organisation offering state-of-the-art services to its customers.



Dr. Peng Min'an



Chinese postal remittance services were started in the Qing Dynasty over 100 years ago, and the business has been enjoying a good reputation among the public. Initiation of postal remittance services can be dated back to 1898, which was 104 years ago. At present, there are over 67,000 post offices in China, of which over 40,000 post offices provide postal financial services.

In order to cater to the demands of the public, China Post unveiled the domestic electronic remittance services in July 2001, which have improved service quality and boosted business growth. At the network of China Post Domestic Electronic Remittance System (CPDERS), over 18,000 post offices have been inter-connected, which cover all 2,468 cities and counties in China. Total revenue of domestic remittance business reached 1.77 billion RMB (equivalent to 210 million USD) in 2001.

China Post reopened savings business in 1986, and up to the end of September 2002, the deposit balance of the postal savings fund has reached 679.5 billion RMB (equivalent to 81.9 billion USD), which accounts for 8.08% of the total deposit balance of savings in urban and rural areas, and ranks 5th amongst all financial institutions in China in terms of deposit balance, the four largest state-owned banks – Industrial and Commercial Bank of China, China Construction Bank,

Agricultural Bank of China, and Bank of China – being the top four.

China Post presently provides two types of international money transfer business: UPU money order and Western Union money transfer. Under UPU money order agreement, China Post now exchanges paper-based money orders with 31 countries and regions. In July 2001, China Post launched Western Union Money Transfer business, which has obtained an average monthly growth rate of 20%. In November 2002, the monthly volume of Western Union business totals 13,950 transactions, amounting to 23.5 million USD.

China Post signed the connection agreement with Eurogiro in January 2002. Since then, China Post has focused its efforts on the construction of China Post International Money Transfer System (CPIMTS). CPIMTS is designed to be an open system, which is to be interfaced with systems of various financial institutions and organizations. At present, software development has been completed and China Post is implementing the test work on CPIMTS. The system is expected to be put into production in the first half of 2003. Eurogiro will be the first network to be interfaced with the system.

With the increasingly deepened open-up to countries in the world and the accession to the World Trade Organization, China's market

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potential on international money transfer business is attracting attention from around the world. To seize this once-in-a-blue-moon opportunity and bring the far reaches of the postal service into full play, China Post is looking forward to cooperation with postal organizations and financial institutions all over the world. Our goal is now to provide customers with state-of-the-art services and to cooperatively bring benefit to all our partners.

Eurogiro News is a magazine for the promotion of information, ideas and knowledge within the Eurogiro community.

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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 38 member institutions.

Although Western Europe is the core area, Eurogiro now spans five 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 15 European members.

Eurogiro Member institutions:

Austria: PSK/BAWAG • Belgium: Postcheque
 • Brazil: Empresa Brasileira de Correios e
 Telégrafos • Canada: National Bank of
 Canada • Cape Verde: Correios de Cabo Verde
 • China: China Post • Croatia: Hrvatska Post
 • Czech Republic: CSOB a.s. • Denmark:
 Danske Bank A/S • Estonia: Sampo Pank •
 Finland: Sampo Bank Plc • France: La Poste •
 Germany: Deutsche Postbank AG • Greece:
 Hellenic Post • Hungary: Magyar Posta •
 Iceland: Iceland Post • Ireland: AN-Post •
 Israel: Israel Postal Authority • Italy: Poste
 Italiane • Japan: Postal Savings Bureau •
 Latvia: Latvia Post • Luxembourg: P & T •
 Morocco: Barid Al Maghrib • Netherlands:
 ING Bank N.V./Postbank N.V. • Portugal:
 CTT Correios • Romania: Banc Post and
 Posta Romana • Slovakia: Postova Banka •
 Slovenia: Postna banka Slovenije d.d. • Spain:
 BBVA and Correos y Telégrafos • Sweden:
 Postgirot Bank • Switzerland: Swiss Post
 Postfinance • Tunisia: La Poste • Turkey:
 General Directorate of Post • United
 Kingdom: Girobank PLC • USA: Deutsche
 Bank • Yugoslavia: Postal Savings Bank of
 Yugoslavia.

Focus on growth and quality

I wish our readers a warm welcome to this first issue of the Eurogiro Newsletter in 2003.

■ In this Newsletter you will find a variety of articles confirming the high level of activity among the Eurogiro members. The business keeps on growing and a huge potential for further business is waiting to be exploited when China Post goes into production on the Eurogiro System within the next few months.

In addition to the high level of activity, the Eurogiro co-operation is also focused on constantly improving the quality. The Swiss have carried out a partner satisfaction survey – you will find more details on this inside this Newsletter.

You will also find an interview with the chairman of the Eurogiro Board of Directors, Mr. Hendrik Kruidenier and get his view on the strategy and opportunities of the co-operation.

In parallel to this issue you have also received a special edition of the Newsletter released in celebration of the 10 years' jubilee of Eurogiro Network A/S.

I wish you all an enjoyable read.



*Søren Rose,
 Editor-in-Chief and
 Deputy Managing
 Director*

C O M M E N T A R Y

ESSP, a cost-saving in-house service on the go

Among all the services Eurogiro offers its members there is one designed in particular to rationalise respective members' back-office operations in a cost-saving manner.



■ The ESSP service, Euro Settlement Service Provider, gives each member the advantage of having only one EUR account instead of having several Nostro-accounts in EUR, which means fewer resources are used to keep track of each member's total balance in EUR and also makes it easier for members to steer covers for envelopes in EUR via one account only. Among other advantages are the easy track and trace of transactions and on-line access to account balance and account information via Internet. During the next couple of weeks the select/sort enhancement will be developed which will add extra search and select fields (sending/receiving BIC's plus ref.).

Read more about ESSP in Eurogiro's product sheet, which you will find on www.eurogiro.com. On www.postgirotbank.com you will find additional information on how to use the service.

From January 20, 2003, 16 Eurogiro members are now using this service and further 11 members who already have signed will go into production during 1st quarter 2003. Postgirot, which is the provider of ESSP, keeps a Log of Complaints and from that log one can easily notice that the users of this service are very satisfied.

The complaints are almost non-existent. The full advantage for each member in using this service is of course not possible until all members use this service for clearing their EUR-transactions via ESSP. Additional members with large volumes of EUR transactions are expected to join the service in the near future, which will bring additional benefits to the present users.

Interview with the Chairman of the Board

**Eurogiro held a successful Board Meeting in Stockholm 31 October – 1 November 2002.
Afterwards Eurogiro News spoke with the Chairman of the Board, Mr Hendrik Kruidenier.**



Hendrik Kruidenier

Eurogiro is reviewing its vision. What is the background for this and what are your expectations for the Eurogiro co-operation in the next few years?

■ The last extensive review of Eurogiro's strategy was prepared for the Board Meeting in Berlin 2000. The new strategy-round was deemed necessary for several reasons.

Internally, we can conclude that a considerable number of new members joined the Eurogiro network. This is a very positive fact, of course. The Eurogiro concept has shown its attractiveness to current members and potential members as well! The extension of our user base requires a close look at the product- and services portfolio of Eurogiro. Do all users get what they would like to have or do we need further improvement here? How can we create more volume in the network? Which other potential members do we like to see connected to our community? Finding the right answers to these kind of questions is essential for the vitality and future of Eurogiro. Currently, various analyses are being executed and I expect that we will be able to deliver the right input for fruitful discussions and decisions during the next Board-Meeting in April this year.

There are also important issues concerning the outside world. The introduction of a Single European Payment Architecture (SEPA) and the new EU-regulation on cross border payments may have far reaching consequences for Eurogiro and put pressure on members to reduce the costs of international payments, especially within the EU. It is inevitable for Eurogiro to react strategically and identify an appropriate winning strategy. This strategy has to respond to global trends, European developments, actions of competitors, possible alliances and regulatory changes.

Which challenges do you consider as high priority for the Eurogiro co-operation?

First of all the internal and external issues, which I raised in my reply to your first question.

Providing the right services to our members and users is crucial for the continuity, of course. And we really have to find a formula to position ourselves in the world of SEPA.

Another important issue is standardisation. As far as banking transactions are concerned, I am sure that we have to migrate into the direction of the open standards of SWIFT. This will help current members, who are already SWIFT members. I expect that we will be able to implement this without extra complexity for users who are not connected to this banking network.

The utilisation of our network is also of great importance. Alliances with other entities can improve the utilisation of our capabilities. And it can enforce the commercial position of the company and individual members or users. In my opinion, the alliance with the Federal Reserve is a very good illustration of the value of this strategy.

As we are servicing more and more postal users, I think we have to create a better alignment with the Universal Postal Union. I recently met representatives of this important postal organisation and it seems to me that there is solid ground for intensifying our co-operation.

Looking to the future of Europe, I'm quite convinced that Eurogiro should give special focus to the Eastern European countries. Many of these countries are future member states. With its banking and postal capabilities, Eurogiro is very well equipped to establish close relationships and co-operation with them.

What do you see as the most important strengths of Eurogiro?

I think the most important asset of Eurogiro is its Operational Excellence. The daily operation shows a Straight Through Processing-rate of close to 100%. Our competitors are often still far away from such a quality level. Also in terms of costs – another aspect of Operational Excellence – we see quite a good performance for Eurogiro; the processing costs per item are relatively low.

The good quality and the competitive pricing structure are the cornerstones for the future of Eurogiro and starting points for its expansion.

What is the general state of health of the banking industry?

The economic environment urges all financial institutions to be very careful with their cost levels. As the markets are not growing, and in some cases even shrinking, cost-leadership has become more important in the struggle for survival. At the same time however, the quality of the service is very important in order to remain in business. Low costs and high quality levels seem to be a contra-

diction, but I'm sure that solutions can often be found by new and creative approaches. Standardisation of processes and IT, concentration of operations where possible, and new distribution methods are often key elements in finding the right answers.

As we see more rules and regulations on, for example, transparency and charges, correspondent banking seems less important. Please comment.

The traditional correspondent banking business could mostly be characterised as "relationship management". This has been changed over the last few years already and I think it will evolve more and more into a world where concrete business cases have to be provided, before starting co-operation. So the financials will be leading. For the near future, I also expect that themes like "in-/outsourcing" and "alliances" will have great impact on the correspondent banking arena.

Do you see conflicts in having both postal and banking oriented members or users? Or in having users in all parts of the world?

Eurogiro is one of the few organisations for postal as well as banking business. I think this is a strength, as long as we continue to benefit this in the right way. This means: focusing on financial services, especially in favour of private individuals and SME's, maintaining a low cost profile and offering a transparent product package, which in some cases can be used by the postal users as well as by giro institutions or banks.

The global reach of Eurogiro gives complexity in terms of governance. But – as globalisation is a fact of life nowadays – there is certainly value in it.

Where do you see Eurogiro 10 years from now?

Very difficult to say in these fast changing years. I think a 10-year period is too long for giving a reliable forecast. At ING we do break down our long term view into a three year-planning programme. Eurogiro actually does the same, taking into account that the last strategic review took place three years ago.

As I said before: if we can maintain Operational Excellence and continue to focus on the interest of our members and users, we will provide solid ground for the future of Eurogiro and a good starting point for further growth!

Improving International Remittance Services

A perspective from Postal Savings Department of the Postal Services Agency, Japan.

■ Overview of the JPSD's International Remittance Services

International remittance services by means of postal money orders and postal giros were being provided to 80 countries and 10 regions worldwide by the Postal Savings Department (JPSD), a part of Japan's Postal Services Agency, as of January 2003 in line with the Universal Postal Union (UPU) Postal Payment Services Agreement and bilateral agreements. Approximately 20,000 conveniently located post offices nationwide serve as customer service points for these international remittance services. Transaction numbers and amounts are shown in Table 1.

Although post offices handle an estimated 15% of all international remittances made by individuals in Japan, more needs to be done to expand this figure, considering the fact that postal savings account for around 20% of individual savings.

The JPSD is pursuing two key policies with a view to improving international remittance services. The first is to increase the number of countries with which remittance services are exchanged. As noted earlier, remittances from post offices can at present be sent to less than half of the world's 190 countries. However the JPSD is conducting negotiations with a number of countries in the hope of increasing the number of remittance partners.

The second is to expand the use of Electronic Data Interchange (EDI) in international remittance services. The JPSD's international remittance services are provided mainly based on the card or list money order systems which are not as speedy or reliable as the international remittance services provided by postal financial institutions, which utilize SWIFT. These days customers give high priority to speed and reliability. The JPSD will

endeavor to improve the efficiency of its administrative processing and take the necessary measures to cut costs.

The JPSD is taking specific steps to upgrade its international remittance services by increasing the number of remittance destinations, shortening delivery times, and improving the reliability of remittances to meet post office customers' expectations.

Use of the Eurogiro system by the JPSD

The JPSD is actively encouraging greater utilisation of the Eurogiro system, in order to boost the use of EDI. Introduced in Japan in 1994, the Eurogiro system is used at present for international remittance services to 24 countries and 6 regions, with the number of transactions growing year by year. With a view to promoting EDI further, the JPSD is actively engaged in discussions with several countries to encourage them to utilise the Eurogiro system for international remittances.

Until January 2001, the JPSD had only provided international remittance services via other postal administrations, but as of January 2003 offered remittance services to private bank accounts in 16 countries by means of the Eurogiro system. Transaction volume has steadily increased, with approximately 4,000 remittances amounting to about 1.7 billion handled for the month of September 2002; both the number and

Table 1 International Remittance Services: Transactions Handled (transactions in thousands : amounts in billions)

	FY1999		FY2000		FY2001	
	Number of transactions	Amount	Number of transactions	Amount	Number of transactions	Amount
Postal Money Orders	764	55.2	771	52.7	660	54.1
Postal Giro	54	11.2	35	8.0	42	14.5
Total	818	66.4	806	60.7	702	68.6

Table 2 Number of Remittance Transactions via Eurogiro (transactions in thousands)

	FY1999	FY2000	FY2001
Eurogiro	117	132	157
Total	818	806	702
Eurogiro share	14.3%	16.3%	22.4%



Tokyo Postal Savings Business Center



The International Remittance Division



amount of the transactions doubled on a year to year basis. Remittances to bank accounts made up 9.2% of international remittances in terms of number and 31.7% in terms of amount (both figures are for the month of September 2002). The JPSD hopes to expand this service as it is providing increased convenience for users and leading to greater profits for the JPSD.

Management structure for the Eurogiro system

Japan's Eurogiro system is managed from the Tokyo Postal Savings Business Centre, located in the Saitama New Urban Centre,

approximately 30km north of Tokyo. Completed in 2000, the building housing the Centre has 28 levels above ground and 2 levels below ground. The Centre's International Remittance Section is responsible for Eurogiro processing, including inputting telegraphic instructions given in the remittance application forms received at post offices nationwide for Eurogiros destined for foreign countries, issuing money order instruments in accordance with the telegraphic instructions for Eurogiros arriving from overseas, and recording the amounts of these remittances into accounts.

The International Remittance Division has a total staff of 53, and is divided into five sec-

tions with three sections usually assigned to Eurogiro processing; the Division endeavours to provide high quality service through prompt and accurate administrative processing.



Deutsche Postbank now in banking capital of Frankfurt

Concentration of portfolio and asset management, risk management and trading activities.

■ Since 25 September 2002 Deutsche Postbank has officially had a presence in the international banking capital of Germany, Frankfurt am Main. Banking circles paid close attention to this heavily symbolic step. Deutsche Postbank has naturally improved its profile in image terms with this new location. From the point of view of Prof. Dr Wulf von Schimmelmann, Chairman of the Management Board of Deutsche Postbank, however, the strategic growth of the securities business and risk management activities counts for more.

The new "home game" in Frankfurt is, according to von Schimmelmann, a clear announcement from Deutsche Postbank to the markets. While the sector as a whole reacted to the fairly dramatic consolidation of the German banking landscape and the downward trends in the international financial markets by halting investment, reducing trading activities, putting recruitment on hold or even cutting jobs, Deutsche Postbank is going against the cycle. "We recognised the developments in good time and made the running in the German banking market", is von Schimmelmann's conviction. The Frankfurt location stands on twin foundations:

- With the opening of the new subsidiary, Postbank Financial Services GmbH (PFS), expertise in portfolio and asset management is being further concentrated and built up. Deutsche Postbank intends - with the new departure into the securities business - to strengthen its funds and securities business, to offer the customer better products and of course to increase its profitability through brokerage
- The second strategic foundation is the business department Money, Foreign

Currencies and Capital Markets. "We want Postbank to be confirmed as one of the top names in the money and capital market and to bring the success of our risk management activities further to the forefront", declared von Schimmelmann.

From its history and its status as a classic retail bank, Deutsche Postbank has a strong

deposit side and a comparatively weaker loans business. This situation is known in the business as "cash-rich". For Deutsche Postbank that means that it has, as a matter of priority, to earn from its own investments the interest which it pays its savers. Alongside profitable returns, a high degree of security naturally counts as important.



Opening of the Deutsche Postbank office in Frankfurt a.M./Germany (from left): Group Board Member Deutsche Post World Net Dr Hans-Dieter Petram, Chairman of the Board of Management Deutsche Postbank Prof. Dr Wulf von Schimmelmann and Frankfurt's mayoress Petra Roth.



Chairman of the Board of Management Deutsche Postbank, Prof. Dr Wulf von Schimmelmann, and Ernst Welteke, President of Deutsche Bundesbank (right).

News from the Canadian Eurogiro team

National Bank of Canada (NBC) became a member of Eurogiro in January 2002 and since that date has rapidly achieved full systems implementation and established bilateral agreements with several other members.

■ NBC offers a full range of financial services to retail and commercial customers across Canada and to its extensive network of correspondent banks. Reflecting the open nature of the Canadian economy and the fact that so many customers operate internationally, the bank's Payments Centre plays a vital role in transferring funds directly to other financial institutions across Canada and around the world.

Alistair Sinclair, Head of Correspondent Banking notes:

"NBC is delighted to become the Canadian representative of Eurogiro. We have devoted much time and effort in recent years enhancing our ability to meet customers' requirements for receiving and transferring funds in the most rapid and efficient manner possible."

"The Eurogiro system gives us access to a reliable system for handling ever-growing volumes of low value and mass payments, precisely those areas which correspond to the needs of our Canadian and international customers."

Robert Caviola, Senior Manager of the Payments Centre notes:

"NBC's Payments Centre was put in place in March 2000 and is presently processing over 4,000 payments (interbank, retail, commercial and mass) on a daily basis worth over 10 billion CAD."

"The creation of the Payments Centre enabled us to integrate and centralise all payments within NBC, thus facilitating introduction of



From left to right: Behind: Robert Caviola, Pina Casella, Carmen Cotei, Bruno Godet, Philippe Pomainville, Alistair Sinclair. Front: Josie Parretta, Suzanne Hébert, Céline Rouleau

new technology to a larger scale of payments. In a concrete way, the team is made up of forty employees and supported by an IT group of over 13 dedicated specialists."

Security in mind

Amongst many other technical projects underway, the Payment Centre is also undergoing major changes to adjust itself to the new money laundering and anti-terrorist law in Canada, into which extensive effort is being invested to ensure full compliance

Representation

Mr Caviola represents NBC at the Canadian Payments Association, The North American

Clearing House Association (NACHA) and the SWIFT community.

Suzanne Hébert, Manager of the Mass Payments and Customer Support Group, has in the past few months established contacts with many Eurogiro members and has answered frequently asked questions concerning the required formatting for payments directed to Canada.



ING opens gateway

ING/Postbank in the Netherlands is announcing an offer for credit transfers into Norway.



Ludger Hoekstra

■ ING Amsterdam is pleased to offer a (partial) solution to other Eurogiro members on connectivity to Norway in the Eurogiro Network. The solution concerns credit transfers that are denominated in Euro only. Please note that cheques are not included in this offer.

By making use of ING's 'Eurogate' product Eurogiro members can send payments to Norway to ING/Postbank in Amsterdam. ING will forward the items to Norway without substantial delay and against moderate fees.

Members interested in using this service can obtain a full overview of the conditions that will be applied to Eurogiro delivered credit transfers to Norway by sending a mail to



ING's Eurogiro Contact Person, Ms. Marga Derksen (marga.derksen@mail.ing.nl).

Participation in the service does not require a formal exchange of contracts. By sending a mail to Ms. Derksen any Eurogiro member can apply for the service, which will then be implemented in a matter of days.

"And the latest development is that ING is going to offer a similar service for credit transfers in NOK. Watch for the announcement on the Eurogiro web site."

"We feel that in this way ING could contribute to continuity in the Eurogiro Norway connectivity," says Ludger Hoekstra from Product Management - ING Amsterdam.

PostFinance, Switzerland, enables Western Union services via internet banking

As the first agent ever, PostFinance has developed a fully integrated and secure electronic path for the Western Union Money Transfer services.

■ The new solution includes an interface from the postal counters as well as PostFinance's internet banking system Yellownet (<http://www.yellownet.ch>). This service was launched on the 19 of January 2003, while the counter solution will be ready for roll out in May 2003.

PostFinance implemented the Western Union services in 1999. The initial implementation was based on a call center (back office) solution, to where all the transactions were transmitted by phone from the counter clerks for in-keying on the Western Union interface at the Eurogiro System (ELS). As the volumes were growing, the interface was moved to a number of counters with a high volume of transactions. For reconciliation and settlement with the counters the ELS send summary reports to the Host system every day after closure of the counters. "With the increased volumes the need for a higher degree of automation and integration with our current counter system emerged", says Mr. Andreas Sommer – Project Manager, Cross-border Interbank Services, and he continues "During the design of the counter interface it was natural to expand the service to the Yellownet".

The concept is based on a central system with a dual host interface. The primary connection is the ELS host interface for Western Union transactions, developed in co-operation with Eurogiro, while a direct host to host connection to the Western Union host was also implemented to guarantee the highest possible availability.

As the number one in electronic banking in Switzerland, PostFinance offers with Yellownet a broad range of products and services for more than 2 million account holders.

In order to use the new Western Union Internet Money Transfer service, the customer simply chooses the destination and keys in the amount, currency, and name of the recipient.

The system will validate the request and calculate the cost of the transfer. The customer can then approve or reject the transaction. Upon approval the ordered amount and the charges are debited to the account and the payment details are displayed. This information can then be used by the recipient to claim the money, or by the sender to retrieve a status of the transaction. Due to a very attractive pricing for this internet service, the customer can save up to 60% in charges compared to a normal counter transaction.

Mr. Andreas Sommer says, "With this new system PostFinance has received several

advantages compared to the current solution. Among these are:

- Reduced time for registering each transaction, and thereby improve service to the customer and a massive cost reduction in operations.
- Convenient, efficient and secure handling of the payments for our Yellownet customers.
- Fully automated handling of legal regulations (money laundering)
- All transaction activities are logged in a central activity log-file providing the supervisor with an efficient monitoring tool.
- A flexible platform for future products and services.



Development Team

Partner satisfaction survey 2002

In order to measure how satisfied our partners are with the service provided by PostFinance and further to find out the potential for improvement, Swiss Post, PostFinance carried out a "Partner Satisfaction Survey" in 2002. This survey was conducted in cooperation with an external specialist company.



Method/Process

In August 2002 the selected participants – comprising representatives from the Eurogiro contact persons in Marketing, IT, Inquiry, Production and Nostro service department – received a letter containing a user name and a password, as this survey was an internet based questionnaire. The questionnaire comprised the following topics: General Questions, Contact Persons, Services, Terms, Problem-reaction, Investigation Service and Further Co-operation. The participants could give their opinion from the scale 1 (not satisfied at all) to 10 (very satisfied). With 53% of return quote (and as the total participants number only 87, 46 returns are considered a successful quote), the survey could be closed in October 2002.

Result

The result is more than satisfactory. Here are some important results:
 General satisfaction in cooperation with PostFinance: 8.8 (average calculated result)
 Further recommendation: 9.1
 Co-operate further in the future: 9.6
 The participants could also give comments for each topic. Those will be answered in detail in the next release of the Eurogiro Handbook.

PostFinance would like to take this opportunity to express its thanks once again to all the participating partners for their efforts in contributing to the survey. Thanks to their help, we can now estimate our service quality and identify where we have to realise improvements.

Central and Eastern European Seminar

On the 28th and 29th of November 2002 the BAWAG/P.S.K. Group hosted a Eurogiro seminar. The focus was put on the Central and Eastern European financial services' providers versus the EU.

Besides most of the Eurogiro members in Central and Eastern Europe, some potential members as well as a handful of Western European members also participated. The seminar highlighted some of the challenges that providers of financial services are facing in relation to the European payments area. It was stressed that co-operation, e.g. the forming of clubs and integration of national and cross border activity, will be the key to survival. It was also made clear to everybody that some of the economies of that region will have to fight hard to achieve the goal, but the opportunities are significant. On average 30% of the adult population in Central Europe, and 80% of that in Eastern Europe do not have access to the traditional banking sector – they

keep cash and valuables at home or in the informal financial sector. Also, the direct mail market is booming which will inevitably require efficient payment instruments. Truly an exciting and challenging area.

Presentations were made by e.g. the host – BAWAG/P.S.K. Group, Mr Tom Kokkola – ECB, Mr Lacina a former Finance Minister of Austria and others. All presentations were very informative and interesting and can be found on www.eurogiro.com under "Prospects" and then under the headline "Documents". Members can view more photos from the seminar on the Intranet under Documentation/Photo gallery

ELS System Managers Training, February 2003



Eurogiro Activity Calendar Spring 2003

27 - 28 March

Quality Seminar, Copenhagen

24 - 25 April

Board Meeting, Interlaken

8 - 9 May

Technical User Group Meeting, Copenhagen

20 - 21 May

New Members' Seminar, Munich

21 - 23 May

General User Group Meeting, Munich

Subjects to be covered in the next issue:

- ◆ News on the transatlantic gateway
- ◆ A new money order service
- ◆ Campaign experiences from La Poste, France
- ◆ Helpdesk services
- ◆ Report from Board Meeting

Please forward ideas, comments, articles etc. to:

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