

EUR Settlement Services

All EUR payments sent via Eurogiro can be settled via your EUR account with the Eurogiro EUR Settlement Service Provider (ESSP). Gone are the days of mutual accounts between each Eurogiro partner for EUR payments.

Fewer accounts, better liquidity handling, state-of-the-art reporting characterise the EUR settlement and your customer may benefit from your cost savings.

Primary product features

- One single point of entry for settlement of EUR-payments for Eurogiro members - no need to keep a EUR account with every single member
- A variety of secure ways of sending and receiving settlement instructions and accessing account information
- On-line internet access to account information
- Option for overnight loans and deposits
- Straight Through Process is ensured by high capacity systems with very high security
- No 'blind settlement', this requires forwarding copy of underlying transaction
- Having a settlement arrangement with a Eurogiro Settlement Service Provider is an essential part of the MultiLateral Framework

Eurogiro member benefits

- One EUR account means easier nostro reconciliation, less administration and more efficient cash management
- Reliable EUR settlement in high capacity systems with very high security
- Fully compliant with market standards and regulations including sanction screening of underlying payments prior to settlement
- All members gain in safety and speed when using one and the same service
- Day-to-day settlement of accounts improves cash management and limits exposure to foreign exchange risks
- Internet access gives you instant account information
- Access to enhancements and new developments of the service
- The ESSP offers implementation support
- Enhances value of Eurogiro payment transfers
- Umbrella agreement with provider covering all members ensuring optimal pricing and service
- Bilateral standard agreement with the ESSP for easy implementation of the service

Eurogiro has agreed to recommend the settlement via one service provider as the default settlement solution for all EUR transactions.

Erste Group Bank AG, Austria has been approved by the Board of Eurogiro as provider of the EUR settlement service for Eurogiro members.



EUR Settlement via ESSP - Specifications

Service elements for the participating institutions

- Ability to settle all EUR transactions via one account, held with the EUR Settlement Service Provider
- Access to real-time financial information via ESSP On-line (Internet based service)
- Electronic reporting via Eurogiro/SWIFT
- Debit/Credit Advices
- Statement of account
- Queries/Answers

Implementation requirements

- Opening of an ESSP settlement account with Deutsche Postbank
- Implement / Install automatic trigger of outgoing MT202 in EUR
- Implement / install automatic generation of T_copy of underlying transactions
- Implement / Install incoming MT900 (debit advice), MT910 (credit advice) and MT950 (account statement) for automatic reconciliation
- Implement / Install outgoing MT292 (request for cancellation)
- Implement / Install incoming MT299 (rejected settlement due to compliance)
- Implementing routines for issuing / receiving of electronic MT295/MT-296 (queries and answers)
- Implementing routines for handling rejected settlements by removing transactions from Envelope and retransmit.
- Implementing routines for liquidity management and movement of funds between your EUR accounts (using MT200/202)
- Meeting the compliance requirements of the ESSP, including sanctions screening of underlying transactions prior to initiating settlement
- Same day payments: Allow for time for sanctions screening at ESSP

Technical requirements

- Use of one of the following options:

- Installation of Eurogiro Local System (ELS) at an agreed entry level (version 4.2 and onwards)
- Installation of Eurogiro SWIFT Middleware (ESM) or similar own developed software for members connected through the SWIFT Eurogiro Closed User Group (SECUG) on SWIFTNet (version 4.2 and onwards)
- Develop the required functionality (MT202, T_copy, MT29n handling) on your host system

- Standard WEB Browser with Internet Access

Member services

- A single settlement account for all Eurogiro EUR traffic
- State-of-art electronic reporting and real-time information via the Internet
- Intra-day limits and overnight loans and deposits
- Optional use of the ELS features substituting host development: release of MT202 handling of MT 910, 295, 296
- Turn-key installation and introduction seminars
- Regular User Group meetings
- Repositories with updated member information

Other information sources

Erste Group Bank AG's website
www.erstegroup.com

The Eurogiro website
<https://members.eurogiro.com> is primary source of Eurogiro related information.

Consult this for:

- List of Contact Persons
- Eurogiro Information Handbook; all general rules, products & services, statistics on network use plus member processing conditions
- Eurogiro Message Type Specification
- Newsletters, product descriptions etc.