



EUROGIRO

News

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4 / November 2001

ESSP project is live

Postgirot Bank held ESSP seminar in Stockholm, 13th-14th September



Margareta Eidensten (3rd from the right) and the Seminar Management, was pleased with how well the seminar was received.

■ Postgirot Bank's ESSP pilot project, involving six Eurogiro members, is in live production November 2nd. To date, the experience gained from the pilot project has been very valuable. So much so that Postgirot Bank felt it was time to pass on the information to the Eurogiro members in the form of a seminar. This took place on Lidingo, a beautiful island suburb close to Stockholm city centre. 34 delegates from 19 Eurogiro members were able to take part in the seminar which took the form of a presentation on ESSP followed by a series of workshops.

The seminar was opened jointly by Ms Margareta Eidensten, Head of Postgirot Bank International, which is responsible for the links with Eurogiro members, and Ms Pernille Juhl, of Eurogiro Network.

There then followed a series of presentations by Stefan Sjösten, Pilot Project Manager at Postgirot Bank, and Uwe Holmsgaard, Director, IT and Network Services at Eurogiro Network. They were backed up by a number of client executives and IT staff from Postgirot Bank. Included in the presentations was a thorough description of the ESSP service, the systems behind it and the advantages to be gained from its use. These were followed by talks from Roger Hens, Systems Security Manager at Postcheque, Belgium, and Alexandre Ventura Rodrigues, Systems Security Manager at CTT, Portugal, who explained to the audience how the pilot project has affected their respective organisations.

Day two began with an answer session to questions put during day one. After that, there followed an in-depth description of ESSP On-Line – the internet-based facility. The remainder of the second day was spent

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34 delegates representing 19 Eurogiro members discover what ESSP is all about at Postgirot's recent seminar on the subject.

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Eurogiro Network A/S
Carl Gustavs Gade 3,1. tv
DK- 2630 Taastrup
Denmark
tel: + 45 43 71 27 72
fax: + 45 43 71 26 62
e-mail: eurogiro@eurogiro.com

Editor-in-Chief:
Søren Rose

Subscription enquiries:
Filip Jensen
Tel + 45 43 39 49 79
www.eurogiro.com

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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 33 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: Postcheque • Cape Verde: Correios de Cabo Verde • Croatia: Croatia Post • Czech Republic: CSOB a.s. • Denmark: Danske Bank • 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: Deutsche Bank • Yugoslavia: Postal Savings Bank of Yugoslavia.

Full support and high activity

In this, my first edition of Eurogiro News as Managing Editor, may I say that I am sure you will find the articles from the Eurogiro members both interesting and informative.

As you will see, the ESSP Pilot Project and the introduction of the IBAN are the main topics covered in this issue. Whilst on the subject of the ESSP, I must mention that the ESSP Service went live on Friday 2nd November in two pilot countries; CTT Correios in Portugal and Postcheque in Belgium. Congratulations to them both and also to Postgirot Bank, Sweden.

As the new Deputy Managing Director, I am happy to say that I – after having recently attended a Eurogiro Board Meeting – am fully convinced that Eurogiro Network A/S has the full and unqualified support of the Board of Directors and, as a consequence, the shareholders.

This support is, of course, extremely important to Eurogiro and also to our efforts to continue the strategy of concentrating on growth, cost efficiency, new products, and alliances.

The variety of articles in this issue also confirms to me that the Eurogiro members are a group of highly active organisations.

I am sure you will agree and enjoy reading this edition of Eurogiro News.



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

C O M M E N T A R Y

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in a workshop, in which the delegates were set a series of questions as to how they envisaged ESSP would affect their respective organisations and what the possible benefits could be. The workshop sessions proved to be both live and informative. So much so that, come lunchtime, the delegates showed some reluctance to break off the proceedings.

While it was acknowledged that the weather in Stockholm could have been kinder, there was certainly no lack of humour or joie de vivre at the dinner held in the evening of day one. Indeed, at the close of the seminar, both delegates and speakers were unanimous in their approval of both the content and the results.

For those Eurogiro members who were unable to attend the seminar, Postgirot Bank has promised to provide a complete report on the event.

What is the Euro Settlement Service Provider (ESSP)

The aim behind the ESSP concept is to facilitate the payment processing and cash management of the euro for individual Eurogiro members. By providing a single point of entry for euro settlement, Postgirot Bank is able to offer Eurogiro members a variety of efficient and cost effective advantages, which they will be able to pass on to their customers.

Eurogiro Network has chosen Postgirot Bank as the recommended provider of a default euro settlement solution to all its members.

For further information please visit our website:
www.postgirotbank.com
Eurogiro\ESSP

Postgirot Bank introduces IBAN to customer accounts



■ In order to enhance the already high STP rate of the bank, all the accounts of the Swedish Postgirot Bank have now been allocated an International Bank Account Number (IBAN). During the week beginning 22nd October, the bank will introduce the IBAN to its corporate client accounts. All corporate account holders having incoming or outgoing international payments passing through their accounts will be the first to be informed by letter of their IBAN. All the remaining corporate customers will be informed via their first account statements issued on or after 5th November. It should be noted that Postgirot Bank issues an account statement at the end of each day

when a transaction passes through an IBAN account.

Private customers will be informed of their IBAN progressively during the first half of 2002.

Lars Fränberg, Product Manager at Postgirot Bank says, 'The introduction of the IBAN will certainly increase the quality of service and go a long way toward eliminating mistakes. In the long run, it will simplify cross-border payments for both our clients and the bank. However, the full benefit of the IBAN will only be realized as more and more people use it.'

IBAN: Eurogiro may be ready, but is everybody else?

■ A recent EU regulation, although still a proposal and not yet formally adopted, has made it quite clear that the reduction of cross-border payments costs is high on the agenda. The commission is determined that, sooner rather than later, the cost of a cross-border euro payment will be the same as a domestic payment. In fact, as long ago as 1990, the Commission made it clear in a Green Paper that its aim was to make 'cross-border payments as efficient and inexpensive as national payments'. Furthermore, by 1992, it was threatening to resort to binding legislation if the objectives were not met voluntarily. In order to achieve this, banks and postal institutions presently operating in this field have to seek ways to reach the optimum STP rates in order to reduce their costs. It is obvious that one means of achieving a high STP rate and reducing manual intervention in the payment transmission process is to standardise account numbering across the whole of the EU and, indeed, eventually around the world. The International Bank Account Number (IBAN), introduced by the ISO and the European Committee for Banking Standardization (ECBS), will go a long way towards achieving these goals.

While much has been written about IBAN in this and other journals, it is clear that the concept is still not universally recognised throughout the EU. Indeed, a recent telephone call to a major national central bank press office elicited a complete blank as to what IBAN meant. Yet, it is under six months before IBAN is to be implemented Europe-wide. The Eurogiro members embraced the concept with enthusiasm right from the outset and a number, notably Germany, France, Finland and Sweden, have been at the forefront of its implementation. From its inception, the Eurogiro method of cross-border payment was noted for the transparency of its payment schedules and it

is this attribute, among others, that has been one of the driving forces behind the continued success and expansion of the network. Low costs for both the Eurogiro member and the consumer have ensured that the Eurogiro cross-border low value payment network remains a popular method of moving money. The successful introduction of IBAN can only serve to underline the competitiveness of the Eurogiro system. However, there still remains the question: 'Is enough being done to ensure that the end-user is fully aware of the benefits of the IBAN initiative?'

It soon becomes apparent that, despite enthusiasm from different sectors of the banking community, the take-up rate among corporates is markedly slow and among private customers almost non-existent. In Germany, the concept was implemented as early as March 1998 with banks throughout the country reaching an understanding that all customers would receive an IBAN. It was fully explained in detail to all clients that the IBAN defined accounts much better and that it was more secure than previous account

numbering. Mrs Karin Pleyer of Deutsche Bank says: 'It should be made clear that the use of an IBAN is not mandatory at the moment which could suggest why usage is not very high. It is difficult to see what more can be done to increase the use of IBAN short of making its use mandatory for, at least, cross-border payments.'

In Luxembourg, the IBAN has been welcomed by all financial institutions and fully supported by the ABBL (Association of Banks and Bankers in Luxembourg) as, at present, there is no means of identifying national or international accounts. As a priority, all corporates have been kept fully informed through articles in specialised journals. Says Mr Francois Sauber of P & T, Luxembourg's postal organisation: 'In Luxembourg, we are 90 – 95 per cent ready for the introduction of the IBAN. It has been decided that the banks will introduce it first, followed soon after by the post office. This will be done early in 2002 and will coincide with the introduction of the EURO to min-

Continues on next page...

IBAN

- ◆ is an ISO standard for bank account numbers
- ◆ consists of maximum 34 alphanumeric digits
- ◆ consists of country code, check 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 using the standard validation algorithm
- ◆ Correct IBAN + BIC (Bank Identification Code) are needed for STP
- ◆ Mandatory for receipt in all EU banks by 2002
- ◆ Mandatory in EU for banks to supply IBAN to customers and include it on statements
- ◆ Mandatory in EU for suppliers intending to sell goods/services across EU to communicate their IBAN and BIC
- ◆ Eurogiro Board stipulated receipt of IBAN on Eurogiro network by 2002

Example: AT617601300037564181

...continued from previous page

imise disruption to businesses. Full implementation should be complete by late 2002. Meanwhile, a solution must be found as to how best to explain to the private sector the benefits of having an IBAN. Perhaps a leaflet from the ABBL could be the answer.' In Luxembourg, most account numbers are very short, sometimes only four digits, and bank IDs only three digits. With the Luxembourg IBAN being decided at 24 digits, it would seem that there will be an awful lot of zeros to flesh it out. 'Some thought has to go into solving this, as too many zeros is not a good solution,' adds Mr Sauber.

Nancy Beelaert, Customer Relations Manager at Belgium's La Poste, comments: 'Letters were sent to all clients back in July 2000 explaining the IBAN and the fact that they could have one if they wished. There was little feedback and, having spoken to a number of other banks, this seems to have been the reaction across the country. For the end-user, there is little or no incentive to have an IBAN. After all, the banks and postal institutions are not offering any lower cross-border rates for people using an IBAN. While it is not mandatory at the moment to have an IBAN, either an incen-

tive has to be offered or central government must introduce legislation making those trading across borders have an IBAN. At the moment, all the benefits are on the side of the banks, higher STP rates for instance.'

In Spain, IBANs are scheduled to be implemented as soon as possible in 2002. Already, all Spanish banks have the resources to process IBANs but there has been little take-up either by corporates or private customers. While there have been working groups set up in the banks and technical decisions taken, no national campaign has been undertaken informing the end-user about either the introduction, or the benefits of the IBAN. Ignacio Sanchez-Blanco of Banco Bilbao takes the view that the banks 'have not done their homework properly'.

BBVA has provided all its customers who have received transfers from abroad with their IBAN numbers. Through campaign companies corporate customers have been given stickers with their IBANs to be used in their letters/invoices etc.

Margareta Eidenstan of Sweden's Postgirot Bank says that the Swedish Bankers'

Association has provided general information, with individual banks informing customers according to their own time schedules. 'To date, there has been some interest from customers which is expected to increase towards the end of the year. We believe that an appropriate incentive is to fully inform the customers of the value of an IBAN. Other ways might be to offer special prices to customers who decide to use the IBAN within a certain time period.'

To a great extent, whoever one talks to, the comments are the same. The Eurogiro members may very well have enthusiastically taken up the cry and pushed through implementation but they are but a small number compared to the total number of banks and financial institutions Europe-wide. While a high percentage of these have implemented IBAN in-house and are, in most cases, ready to go, the situation as far as the end-user is concerned is a different matter.

As the date of implementation draws ever closer, it will be interesting to watch the developments. Eurogiro members, at least, will be ready.

Security compliance

■ The Eurogiro Audit and Security Group (EASG) continually monitors security across the network. This is achieved in two ways; by requesting a Certificate of Compliance from the members, and by carrying out on-site audits.

One of the responsibilities of the EASG is to report annually to the Eurogiro board on the level of security in the Eurogiro arena. The report is based primarily on the Certificate of Compliance and associated questionnaire, which is completed and submitted to Eurogiro by the internal audit departments of the member organisations. The 2001 questionnaire has just been mailed to all members and the results will be reported at the Spring board meeting.

As a follow-up to the questionnaire, the EASG feels that site audits and member visits make a valuable contribution to the improvement of security awareness within the member organisations. In addition, site audits offer the EASG the opportunity to draw up a clearer and more efficient security policy and also aids the preparation of related questions for the annual Certificate of Compliance. It is the intention of the EASG to audit each participating member organisation over a period of time.

Recently, the EASG carried out site audits in Austria and Italy. The results of these reveal that the overall security level is, in general,

satisfactory and, in some cases, higher than originally indicated in the returned Certificates of Compliance.

The site audits have also revealed that some of the questions in the questionnaire are rather ambiguous and could lead to confusion among the internal auditors. These questions have now been modified in the 2001 questionnaire.

Due to the rapid changes in technological development, the EASG is in the process of preparing a security seminar for security officers and internal auditors in the member organisations. This seminar is scheduled to be held in Copenhagen from 26th - 27th September 2002.



Mr Roja Dwarosh (left) and Mr Vidar Myhre (right) auditing the system in Austria together with the System Manager Mr Gerhard Öhler.

Payment by EC Card to continue at Deutsche Post retail outlets

Eurocheque to be discontinued in 2002

■ The Eurocheque, as a means of non-cash payment for Deutsche Post's retail customers, is to be discontinued. The EC Card, however, will still be able to be used at any Deutsche Post retail outlet for the cashless payment of goods and services. This is a further enhancement of the Deutsche Post retail outlets and a step

closer to a high-quality distribution system for goods and services. In addition to the option of payment with an EC Card and PIN, customers will also have the option, beginning in December this year at the latest, of using the EC Card's "Geldkarte" function which allows payments of up to €200 per transaction.

Eurogiro enriches BancoPosta's pension payment product

■ The pension payments market is showing significant growth. This is the result of a number of factors; more pensioners, more funds, and more people who have worked abroad and subsequently returned to their homeland on retirement. Mr Arrighetti, Director of BancoPosta, comments 'Eurogiro members can offer a very convenient channel for pension payments. It is both a secure and economic system and BancoPosta is experiencing great success especially for inbound payments. BancoPosta is very interested in developing Eurogiro's pension payments solution because we have always remained very close to the needs of pensioners.'

In just 18 months, BancoPosta has become both a success story and a unique case study for the whole of Europe. This is thanks to its innovative offerings and its special regard for those often neglected market segments, pensioners and the young.

The BancoPosta current account, which offers all the benefits of a regular bank account, is also very flexible and any type of transaction can be carried out in any one of the 14,000 outlets. This, it has been dis-



covered, is greatly appreciated by pensioners who are often away from home and are not comfortable with the internet/ATM solutions. The new investment products permit a cautious approach to the stock market, protecting investments and guaranteeing the initial capital. Finally, there is the new life insurance product line which guarantees the initial capital as well as a minimum return. 'All these low risk products are greatly appreciated by the elderly who are our traditional clients for pension payments, saving books, postal bonds, and who now have access to other diversified offerings,' says Arrighetti.

Over 48 per cent of Italian pensions are handled by Poste Italiane which, in agree-

ment with the social security organizations, allows the crediting of pensions to BancoPosta accounts. In the last 18 months, 800,000 pensioners have credited their pensions to postal accounts or saving books. Moreover, on specific afternoons, BancoPosta's outlets are open to 'pensioners only' to enable them to cash their pensions and carry out any other transactions. 'This confirms that we care about pensioners' says Arrighetti. He adds, 'With Eurogiro, we are also striving to assure top quality service for pension payments arriving from abroad. The Eurogiro service is working well in Switzerland, with nearly one million pensions being paid each year. This is currently being extended to France, Germany and Belgium. In order to enrich the pensioner services offering, we are at present working to credit inbound pensions to postal accounts.'

Arrighetti continues, 'Poste Italiane is evaluating, together with foreign social security agencies, the possibility of also using Eurogiro for the pensions of foreigners who have worked in Italy and who are now living abroad. The number of these people is bound to increase in the future when the immigrants, now working in Italy, reach retirement age.'

Eurogiro Board Meeting in Killarney

■ Continued growth of around 30 per cent together with the numerous developments of new services, forcibly underlines the strong position of the Eurogiro payment club. This is especially the case in the European payment market.

Eurogiro continued to consolidate its position as the most cost-efficient network, with reductions in the service charge and transaction fees of 10-15 per cent planned for 2002. At the board meeting in Killarney, it was also revealed that the new Euro settlement solution, undertaken by Sweden's Postgirot AB, is highly competitive when compared to other European settlement solutions.

Among the high number of new initiatives being undertaken or investigated, there is a revised cash product, an Electronic Bill Presentment and Payment (EBPP) solution, an improved verifying tool, a new Euro Cred product, Trace & Track functionality, the implementation of PKI security standards and VPN Network solutions, strategic alliance discussions, as well as a number of other activities designed to further improve the quality and Straight Through Processing (STP) of Eurogiro transactions.

The alliance with Western Union continues to be a major contributor to the Eurogiro

success story. However, that said, the continued growth is broadly based. In 2002, Eurogiro expect total transactions to be around 20 million compared to 15 million in 2001. In addition, one of Eurogiro's primary aims in 2002 will be the further global expansion of the network.

The board meeting in Ireland was hosted by ANPost, who are to be congratulated on an excellent job. Not only did the sessions go as smoothly as planned but the Irish member also arranged a series of memorable events to coincide with the meeting.



Heads of African posts meet in Kenya to discuss strategy

■ The first meeting of the Strategy Board of Chief Executives of the African Postal Administration was held in Mombasa from 11th – 13th September. The conference was chaired by Mr Iba J. Basse, Director General of Senegal Post, and the principal topic of discussion was the quality of the postal services, including postal financial. This topic is of paramount importance as the African postal organizations are today facing the same problems encountered by their European counterparts a decade ago.

Without a common strategy and unable to follow the UPU recommendations concerning quality of service provided, the African postal services are, each year, losing parts of their traditional markets to the private mail and financial operators.

Henrik Parl, Eurogiro's Managing Director, and Jean-luc Demierre, Head of the International Postal Relations of Swiss Post Postfinance were invited and took an active part in this strategy meeting.

The object of their presence in Mombasa was not primarily to "promote" Eurogiro to the African postal services. Rather, it was to share with them the successful experience of the European postal financial services which, thanks to a common strategy at the beginning of the 1990s, were boosted by the creation of the Eurogiro partnership.

To enable the African postal services to enhance customer service, reduce production costs, improve product quality, and increase business, there remains little doubt that the African postal institutions will have to tread the same path.

Mr Basse expressed a great interest in the experiences of the European countries regarding their financial services and he has vouched to maintain a close contact with Eurogiro.

The euro is here

1st January 2002 sees the introduction of the euro as the common currency of 12 countries. How ready are they for it?

■ On the 1st January 2002, 12 European countries will, monetarily, become one as they adopt the common currency...the euro. The logistics of the changeover are enormous and complex. For example, 15 billion notes with a face value of EUR 640 billion, and 50 billion coins valued at EUR 16 billion have to be printed, minted and then distributed not only within the zone but outside as well. On top of the problem of distributing the new currency is the reciprocal problem of storing and exchanging the legacy currencies. In addition, there are around 200,000 ATMs in the euro zone and all have to be converted as it is estimated that between 60-90 per cent of all euro notes will be distributed via this means. It is calculated that just changing the cash storage cassettes in the ATMs will take 100 man years. If one stops to think of the myriad of cash operated devices, from slot machines to parking meters, the magnitude of the task faced by the individual countries soon becomes apparent.

All this activity inevitably costs money. Indeed, one national bank within the zone has already calculated that the conversion will fuel a rise in inflation of 0.7 per cent. Parallel to that, the bank has been reported as saying that the costs of introducing the euro is so high that some will have to be passed on to customers. Of course, much of this is due to retailers 'rounding up' prices to try and recoup the costs of the government controls surrounding the introduction.

There are a few areas which should present little or no problem on the day. The core

back office systems in the financial institutions are, in the main, already multi-currency. To bring these systems into line there is the need to replace all references to the legacy currencies, test network interfaces and messages, and, perhaps, check and adjust the nostro accounts. There could be some problems at the account conversion level as, according to the European Commission's findings, a mere 2.1 per cent of euro zone individual customer accounts were in euros by May 2001. By year end, this should be significantly higher but, that said, there still seems to be a notable lack of urgency to encourage customers towards an early changeover. A last minute rush to convert could produce a fall-off in STP rates as banks are forced into manual intervention with the resultant higher costs, added risk of mistakes, and payment delays. This would not go down well with customers, many of whom already eye the new currency less than favourably.

Amid this somewhat gloomy outlook, the Eurogiro Network can state with some justification that it, at least, has made every effort to ensure a smooth passage for the new currency for cross-border payments. Since 1999 EUR has been available in the network. Further more the appointment earlier this year (see Eurogiro News, May 2001) of Sweden's Postgirot Bank as the single service provider for the clearing of euros across all the network members means Eurogiro has ensured that the efficiency of the network will remain unaffected. Moreover, having just the one account for

euro payments, instead of an account for each of the members, will result in a simple, highly effective, fast, and, above all, inexpensive means of moving money around the euro zone. Although Sweden is not a member of the euro zone, Postgiro has demonstrated that it has both the capacity and the expertise to ensure a 'bug-free' transition.

The euro introduction is the biggest currency upheaval ever undertaken. There are many doubters predicting that it will end in chaos. However, everything is now in place and the transition will take place. As one commentator puts it, 'The exercise will work, but the first two weeks will be pretty interesting.' If, as planned by the European Commission, the ATM and cross-border LVP payment charges level out, the ATMs continue to process cash as usual, cross-border payments can be sent and arrive as efficiently as previously, then the scepticism will dissipate. It is the 'users' of the new currency who will ultimately decide whether it will be accepted or not. Efficient cross-border LVP traffic will go a long way to showing that there are, indeed, many merits to having a common currency. The Eurogiro members are in a unique position of being at the forefront in this new, to some frightening, to others, exciting venture.

Pan-European pension payments poised for significant growth

Eurogiro pension payments meeting in Frankfurt, 20th September

■ The cross-border pension payments market in Europe is poised to grow significantly in the coming years, and a resourceful payment handler should be able to reap a bountiful harvest from this growth. Such was the prevailing attitude held by participants at September's Eurogiro meeting on pension payments held in Frankfurt.

It was felt that Eurogiro was well placed to make substantial gains from the opportunities presented by this expanding market. While most Eurogiro members are dedicated payment handlers, they also often maintain a strong position specifically for the handling of pension payments. Widespread branch networks, high numbers of both private and institutional customer accounts, and a department specifically committed to the offering of in- and out-payment channels, are all crucial in the establishment of an attractive service in the area of pension payments.

While the meeting acknowledged Eurogiro's pre-eminent market position, it was not all a 'back-slapping' exercise. The delegates identified a number of areas where Eurogiro could create an even better base for capturing and retaining this area of busi-

ness. One of the important spheres was the possible setting up of a track-and-trace facility for pensions which has been requested by pension payers. This would enable the Eurogiro partners and also, possibly, customers to make their own enquiries. In addition, a number of direct marketing initiatives were suggested.

At the close of the one-day meeting, the participants recognized the need for regular Eurogiro meetings on the subject of pension payments. It was universally felt that they were useful for building relations, exchanging ideas, and providing feedback which, in turn, would enhance services.



Pension Payments Think Tank Meeting in Frankfurt, 20th September.

Sampo Bank's drive for quality improvement as part of 'Thanks to you' campaign



■ During the summer, Finland's Sampo Bank, together with its Eurogiro partners, began intensive monitoring of the quality of incoming payments. The work, coordinated by Ulla Rautanen and her incoming foreign payments team, has been carried out with assistance from the domestic division, whose systems handle and transfer all euro payments to customers' accounts in Finland. A great deal of the work has already been completed. However, this is an ongoing project with everyone committed to fostering the best possible quality.

Kaarina Merilinna, an established Eurogiro professional, says, 'We were happy to make this project part of the Eurogiro internal 'Thanks to you' campaign. It was also a very good opportunity to expand the campaign theme to encompass our domestic payments division, whose role is vital to our Eurogiro payments'.

In Sampo Bank, euro-denominated Eurogiro payments are transferred through a completely automated domestic system to customer accounts. The repair work now going on will contribute to even higher STP rates while minimising manual intervention. Sampo Bank introduced the IBAN to its customers in October and, as a result, aims to increase its use in line with the present ongoing project.

Participation in the project by Sampo Bank's Eurogiro partners has, understandably, also been of vital importance. All have been very cooperative, resulting in the payments flow quality already showing a great improvement.

As Ms Merilinna points out, 'The sending party may not always be aware of the manual repair work done at the receiving end unless there is feedback. Consequently, greater communication between the partners has again proved to be the key issue.'

We have got a winner!

■ Actually we have 4 winners since 4 teams had all the correct answers to the Eurogiro Quick Quiz. One of the winning teams is from Sampo Bank in Finland and the three other teams are from Postova Banka, Slovakia. Congratulations!!

Many Eurogiro members participated in the Quick Quiz and in most cases there was only one wrong answer per reply. We, at Eurogiro, are proud of the overall result and thank all participants for their efforts and positive spirit.

The correct answers:

- 1 In 2000, the number of Eurogiro transactions increased by **40%**.
- 2 **Yes**, Eurogiro is represented by Japan in Asia.
- 3 Eurogiro has one of the best security packages. PKI stands for **Public Key Infrastructure**.

4 **Sabrina** is the first name of Ms Finegan from AN Post.

5 **Yes**, Yugoslavia is a Eurogiro member.

6 The Eurogiro EUR settlement service provider was chosen this year. All Eurogiro members should have this service implemented by **April 2002**.

7 **Yes**, Eurogiro received a nice campaign photo from Slovakia.

8 Compared to traditional payment transfer systems, Eurogiro offers **both** transparency on prices and a high straight through ratio of 95-98%.

9 Eurogiro's advertising campaign slogan states that we are **Crossing all borders**.

10 **Yes**, Eurogiro has general contact persons in all our member institutions.

Eurogiro Activity Calendar Winter/Spring 2001

28-30 January

EPO – European Postal Organisation
Lisbon

11-13 February

ELS app. Training

Spring 2002

Technical User Group Meeting

28-29 May

NMS – Seminar for new Members

29-31 May

User Group Meeting

THANKS TO YOU · THANKS TO YOU

In our August Newsletter edition we brought some photos from our member institutions in relation to the "Thanks to you" campaign. Since then we received a few more:

Barid al Maghrib, Morocco



From left: Mr Barim, Chef de Service des Comptes de Gestion et Eurogiro, Mr El Boukry, Chef de Centre du Contrôle de Mandats, Ms Ibtissam, Operatrice en formation en Eurogiro, Mr El Mamouni, Responsable CSC et Cadre à la cellule Eurogiro.

Tokyo Postal Savings Center, Japan



From the left to right; Fumishige Takashino, Saeko Makino, Tomoko Hidaka, Yoshiaki Arai.

You wouldn't send a package abroad before you knew how much it cost. Why should you do it with money?



Subjects covered in the next issue:

- ◆ Chinese delegation in Europe
- ◆ EBPP – status
- ◆ Eurozone payments market

Please forward ideas, comments, articles etc. to:

Eurogiro Network A/S
Carl Gustavs Gade 3, 1. tv
DK-2630 Taastrup
Denmark
Att.: Filip Jensen
e-mail: filip@eurogiro.com