Get ready for SEPA

Launch of the new SENT module based on SEPA standards

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TransFonD

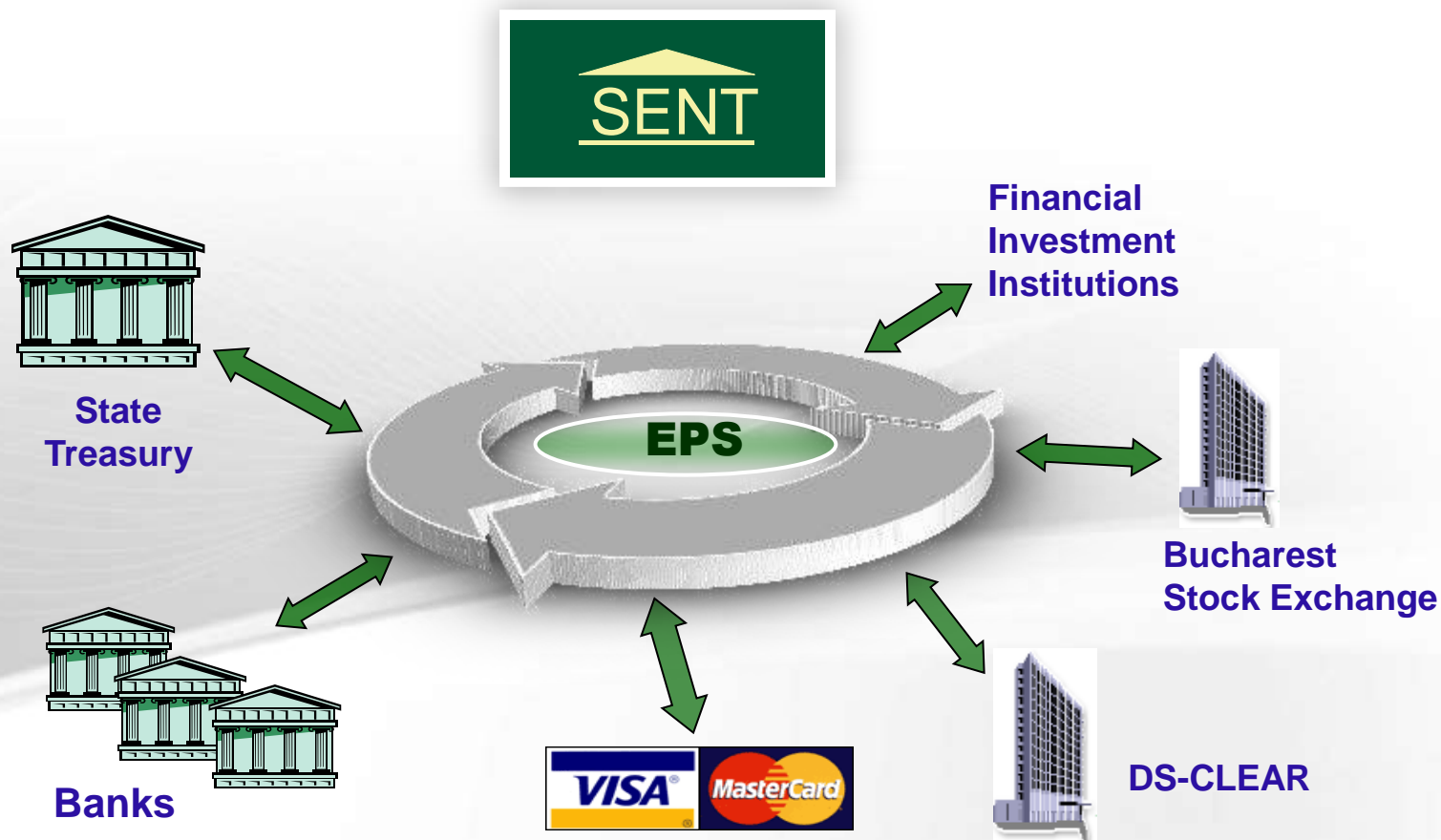**e – Solutions for perform@nce**

SEPA National Program

Agenda

1	**TransFonD – Products and Services**
2	**SEPA RON – Ready to launch**
3	**SEPA EUR – Next step**
4	**Additional Optional Services**
5	**Conclusions**

TransFonD – Products and Services

➢ **2001, May – the company operate the paper-based payment system**

➢ **2005 – the Electronic Payment System (ReGIS, SENT, SaFIR) is implemented**

➢ **2008, October – PAID is operational (Automatic Processing of Debit Instruments)**

➢ **2009, July – e-Archiv@ is launched (Electronic Archiving Services)**

➢ **2009, September – LUC goes live (Emergency Line for Cards)**

➢ **2010, October – first customer for e-Factur@ (Electronic Invoicing Services)**

TransFonD – Products and Services

State Treasury

Banks

Financial Investment Institutions

Bucharest Stock Exchange

DS-CLEAR

SENT

EPS

TransFonD – Awards and recognitions

- **2011** – **e-Provider trophy** – for stimulating the use of Direct Debits in Romania – e-Finance Gala

- **2011 – Best Outsourcing Partnership**, *TransFonD – Mellon – 4th place* – The Global Association for Contact Centers

- **2010** – **e-Impact Award –** for the launch of e-Factur@ – e-Finance Gala

- **2010** – **Special recognition for the first provider of archiving services for electronic documents** – National Council of Private SMEs in Romania

- **2009** – **Partnership of the Year** – for the Emergency Line for Cards – No-Cash Gala

- **2008** – **eProvider trophy** – for electronic processing of debit instruments – e-Finance Gala

- **2008** – **National companies award** – for financial intermediation services

- **2006** – **e-Finance Award** – for the three components of the EPS

- **2005** – **Partner of the Year** – for the ACH implementation – No-Cash Gala

SEPA Project in Romania

SEPA National Committee October 2009

Major step towards European integration

Premises

Banking products & services based on SEPA payment instruments

RBA, NBR, credit institutions, ST, TFD, IT providers

SEPA Project in TransFonD

1. SEPA – RON

Nov. 2nd

- SEPA Credit Transfer – SCT RON
- SEPA Direct Debit – SDD RON (Core and B2B)
- ReGIS settlement

2. SEPA – EURO

- Domestic payments
- Cross border payments
- TARGET2 settlement

## 3. SEPA Additional Optional Services (SDD Mandates)

- SDD mandates management
- Business model to be agreed with the participants

SEPA challenge – Main objectives

➤ Maintaining the current type of credit transfer messages

➤ Conversion from SVPO format to SEPA CT format

➤ Indirect participation and settlement via a direct participants settlement account

➤ SEPA direct debit schemes (B2B and B2C)

➤ Reduced costs for implementation and operation

SENT SEPA

SEPA RON – Ready to launch
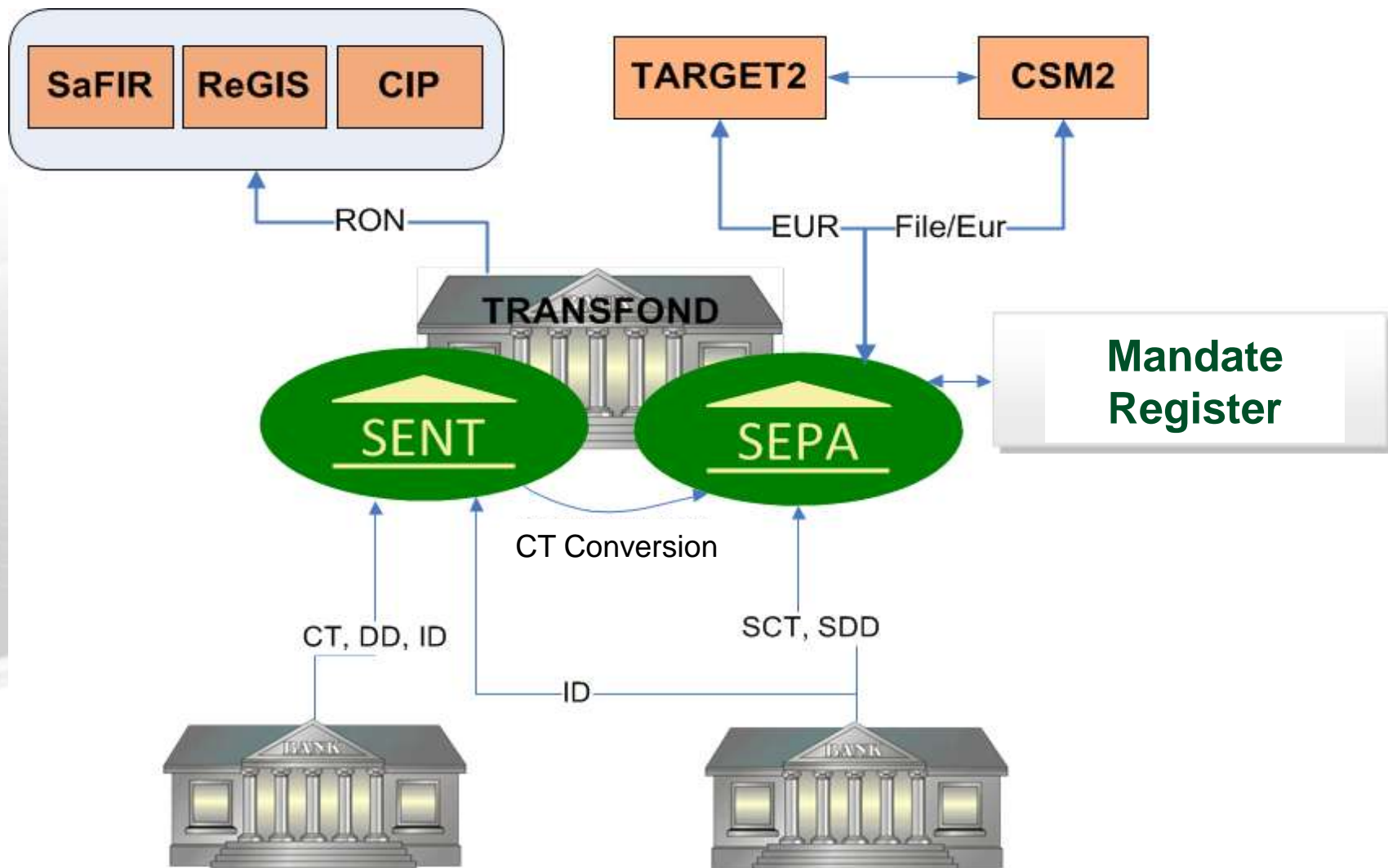
# SEPA RON – Ready to launch

SEPA RON

Modernization of the electronic payments system

- **GUI system, application menu**

- **File transmission period – extended throughout the entire operating day**

- **Waiting queue – status „PENDING" and „TRANSFER", the mechanism of release payments from waiting queue**

- **Unsorted batches received from sender (the application sorts them by recipients)**

SEPA RON – Ready to launch

Type of SENT Participants

- ■ SEPA
- ■ Non-SEPA

18

22
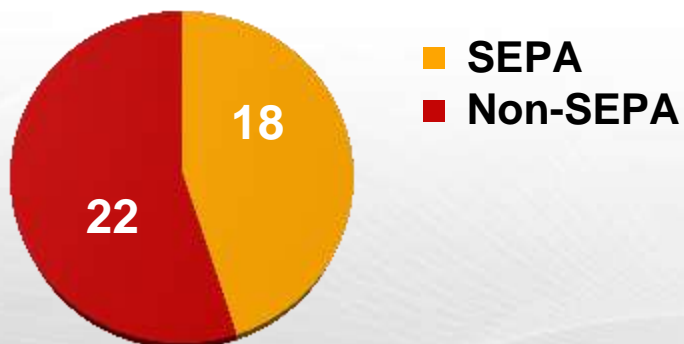
Final preparation for Go Live

13.10.'12

Parallel run

Live environment ready

Participants & users configuration

SEPA EUR – Next step

- ✓ **Sending and receiving payment messages similar to payments in Lei (via VPN, in SEPA format, currency EUR)**

- ✓ **Continuous clearing, with end of session time limit, similar to payments in Lei (less the validation with the collateral limit)**

- ✓ **Reduced costs for participants and clients**

- ✓ **Technical support for banks provided by the same TransFonD team**

- ✓ **High standards of quality and availability of the system (99,99%)**

- ✓ **Using the same system for transactions in two currencies (RON and EUR) – optimization of banking processes**

- ✓ **Ability to customize the number of clearing sessions during a business day, according to the banks needs**
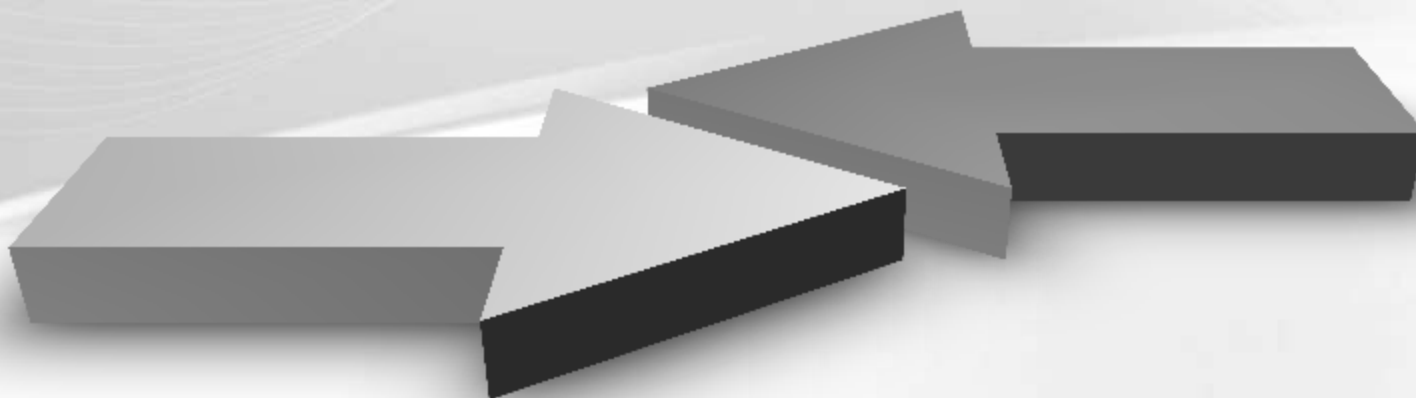
SEPA EUR – Next step
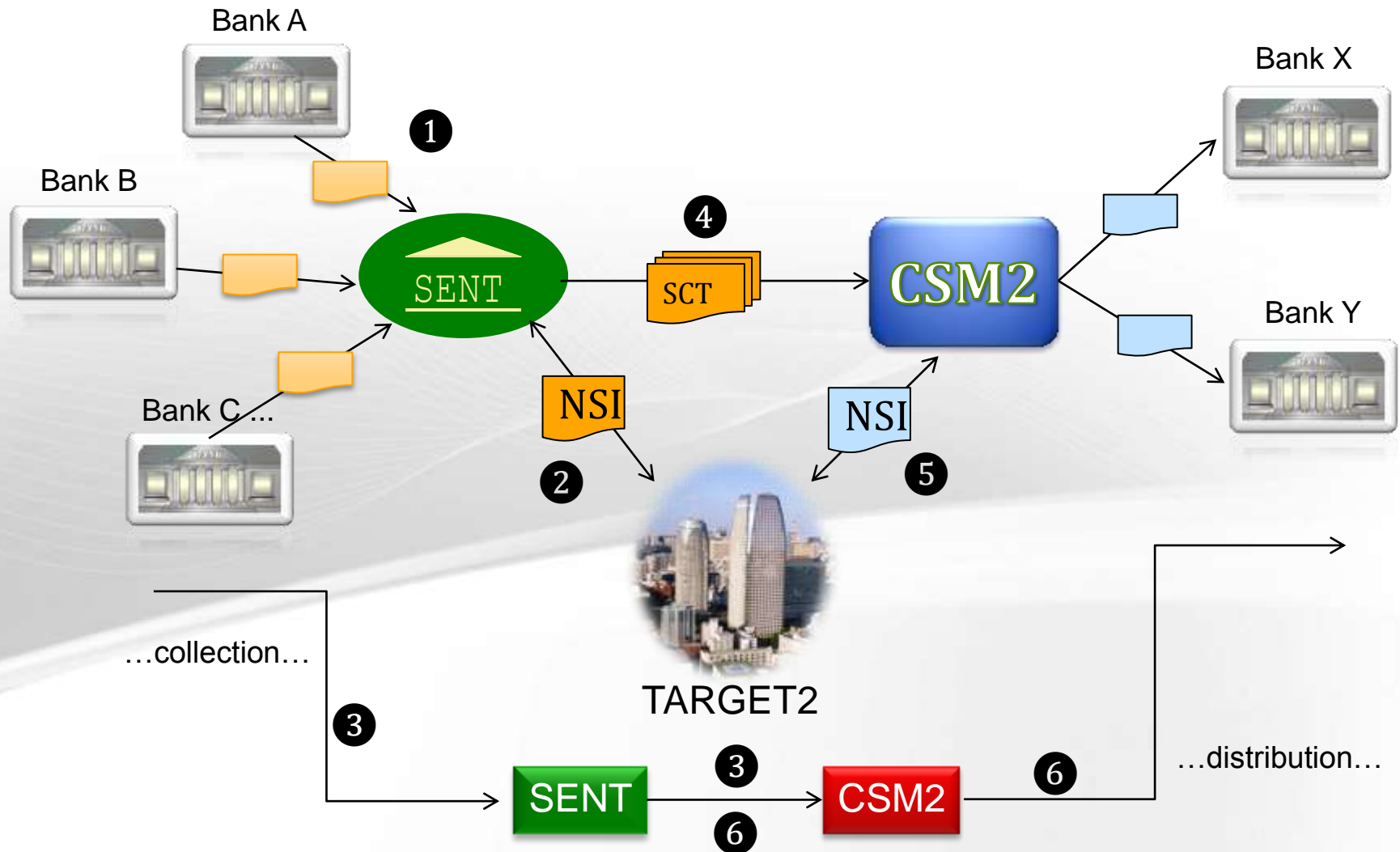
Additional Optional Services

e-Mandates for SEPA Direct Debit

➤ Centralised mandate registry and electronic mandates, administered by TransFonD

➤ Paperless process

➤ Standardized mandates for the entire banking community

Additional Optional Services

1 | **Standard format for the SDD Mandate (SEPA)**
- Paper-based and electronic (ISO 20022)

2 | **RUM – Unique Registry for all mandates**
- Updated database available for the banks

3 | **AM – Application for mandates generation**
- Generator of unique references for SDD mandates (UMRs)
- Generator of mandate forms (.pdf) with unique references

4 | **SENT- SEPA- RON**
- Receiving/ validation/ interchange of mandates messages
- Validation between the SDD instructions and the mandate from RUM

Additional Optional Services

Debtor Bank

- Eliminating papers from mandates circuit
- Implementing a mechanism to prevent exceptions
- Obtaining a copy of the mandate in the same day

Creditor

- Outsourcing to TransFonD the electronic archiving of the mandates
- Automatic cancellation of the mandates after 36 months of inactivity
- Multiple choice to issuing mandates

Creditor Bank

- Increasing portfolio of services addressed to creditors
- Standardizations of mandates form

Conclusions

➢ An ACH-SEPA compliant infrastructure, interoperable and flexible

- SEPA- RON: November 2, 2012

- SEPA- EUR- TARGET2: mid of 2013

- SEPA- SDD- RUM: Q4, 2013

➢ A new model of collaboration for Romanian banking community

Thank you for attention!

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