



New multi-currency settlement service (MCSSP) in Eurogiro

The new multicurrency settlement solution enables Eurogiro to offer a community settlement service for almost all currencies worldwide. Deutsche Bank has been chosen as provider to the Eurogiro members

"After more than five years of success with offering single point-of-settlement solutions for the Euro and the US Dollar, the introduction of MCSSP is a natural next step towards broadening the scope of currencies" says Ms Annelise Lysdal, Director for products in Eurogiro.

As Eurogiro today covers more than 50 countries, with more than 35 currencies, the demand for expanding the currency reach became obvious. It is a great advantage for Eurogiro members that one provider offers settlement services for other currencies, especially as the set-up is similar to the one being used for the existing Euro- and USD-settlement services (ESSP / USSP). This is especially important as simple and reliable settlement solutions are one pillar of the Eurogiro MultiLateral Framework.

How does it work?

A group of experts from Eurogiro member organisations and Deutsche Bank have designed a framework to make the service as easy and efficient to use as possible.

For example, only the sending organisation must have an account relationship with either of the Eurogiro settlement providers. This means that the sending organisation may use its existing Euro account with Deutsche Postbank or US Dollar account with Deutsche Bank for the funding and technically the requirements are the same as for ESSP and USSP. For senders having requirements to settle in a currency other



"We are very happy with the multicurrency settlement service in Eurogiro" says Ms Annelise Lysdal, Director for products in Eurogiro, "because it expands the scope of simple settlement arrangements to all the currencies that are currently in use in Eurogiro and because the foreign exchange element enables users of the service to offer a known rate to clients already when a payment is initiated". It adds value to the remittance services offered in Eurogiro

than EUR or USD, Deutsche Bank provides other settlement options that can be agreed on a bilateral basis.

The receiving organisation may be reached using a correspondent bank. Deutsche Bank uses its existing foreign exchange engine, FX4Cash, as the core application for the service. The Eurogiro members can access the service under similar conditions as with the other settlement services.

What are the benefits?

Apart from the wide currency coverage, the new

MCSSP provides you with one unique competitive advantage. It allows you to know the actual, applied FX rate in advance. Being advised of the rates up-front is a rare feature in open payment structures like Eurogiro and a valuable selling point towards your customers as it adds transparency regarding the amount received by the beneficiary. This is especially crucial for remittances when every penny received counts.

Deutsche Bank and Eurogiro presented the new service at the Eurogiro member meeting in Rome in May.