EBA CLEARING

ECB conference on market infrastructures’ business continuity
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Overview

• Overview of the EBA and EBA Clearing Company

• EURO1, STEP1 and STEP2 Services

• Business Continuity and Resilience
EBA was founded in 1985

- by 18 commercial banks and the EIB
- now: more than 190 members from all EU countries, the US, Switzerland, Norway, Australia, Japan, China

Mission

- to serve as a forum for the European payments industry
- to initiate and develop cooperation arrangements in relation to value transfer mechanisms
- to formulate proposals relating to industry issues (new legislation, standards, practices)
Introduction

The EBA Group

EBA
Euro Banking Association

EBA Clearing
Operator of EURO1/STEP1/STEP2

EBA Administration S.A.
Overview

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EURO1, STEP1, STEP2 Services

Settlement:
- direct
- indirect

Processing:
- single payments, same-day, STP & non-
- credits & debits
- payment files, full STP

EURO1 banks
PFP banks
(including central banks)

STEP1 banks
Sub-participants

EURO1 banks
PFP banks
STEP1 banks
Sub-participants

EURO1
STEP1
STEP2
EURO1, STEP1 as SIPS

EURO1/STEP1: the largest single payment x-border system in Europe

- Currently:
  - 200 participants (70 EURO1 banks),
  - 190,000 transactions per day,
  - EUR 180 bio daily,
  - No downtime since day 1

- Technically operated by SWIFT, uses FIN-copy, fully embedded within SWIFT DRI.

- STEP2, the 1st PE-ACH settles in EURO1, technically operated by SIA, currently 250,000 trans. per day.

- EOD Settlement in TARGET.

- Oversight by ECB.
Business development in 2005/06

Sustained growth of traffic handled by the Company
Overview

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EBA CLEARING: Excellence in Service Delivery

What crisis scenario’s do we address?

1. Sudden events
   - Machine failures
   - Site failures
   - Inaccessibility of premises

2. ‘Souring’ events
   - Control and Monitoring tools ‘anytime, anywhere’

• *Obtaining assurance from key suppliers!*
Operational Robustness

1. Dual Operational Centres, fully transparent to our customers
2. State of the art front-office equipment
3. Ongoing staff self-certification process
4. SPs should operate according to BS / ISO
5. Crisis simulation participation
6. Oversight compliance: new core principle VII
7. Cost efficient
EBA CLEARING: Excellence in Service Delivery

Resilience

1. Learn, prevent, manage, plan…..FNAO!
2. Remote Operational Locations (ROLs)
3. Multi country POPs ensuring SWIFTNet connectivity
4. EURO1: 4 machines / 2 operating centres
5. STEP2: 4 machines / 2 operating centres
6. State of the art communication tools
7. Flexibility in Helpdesk and Customer Support set-up
‘More than ever before, try to make sure that business continuity and resilience is embedded in any new service offerings from the start’