JCC Payment Systems Ltd

*Creating a gateway to growth with timely,
cost-effective SEPA services across Cyprus*

Overview

The need
JCC Payment Systems designed an ambitious strategy to service all SEPA transactions on Cyprus. How could the company achieve its goal within a tight deadline set by the European Commission?

The solution
JCC worked with IBM® Global Business Services® to deploy the IBM Financial Transaction Manager for SEPA solution – creating a transaction hub for the entire country within just five months.

The benefit
Today, JCC Payment Systems delivers SEPA transaction processing as a service to creditors and banks across Cyprus – enriching its service offering and driving growth.

Founded in 1989 and employing 90 people, JCC Payment Systems Ltd is the leading provider of credit- and debit-card transaction processing and settlement services in Cyprus. Today, the company connects with over 20,000 card acceptance points on the island, and processes more than 85,000 transactions daily.

Faster payments, lower cost
With adoption of the Single Euro Payments Area (SEPA) initiative gaining pace across Europe, JCC wanted to ensure that its bank and creditor customers in Cyprus could obtain the benefits of the streamlined payment process.

Demetris Papaphillipou, SEPA DD Project Manager at JCC Payment Systems Ltd., explains: "Previously, our creditors had to open separate accounts with every bank whose customers they wished to do business with. As well as being inefficient, this process introduced additional costs into the transaction handling process."

Working to a tight deadline
He continues: "We realized that introducing SEPA processing would reduce both the cost and complexity of handling transactions within Cyprus and beyond. The challenge we faced was that the European Commission's deadline for implementing SEPA Direct Debits was approaching fast."

Ensuring compliance with transnational financial initiatives can be a complex and time-consuming process. "Working with the IBM Global Business Services team enabled us to tap into their wealth of experience of past SEPA implementations – dramatically accelerating the payment hub deployment," says Demetris Papaphillipou, SEPA DD Project Manager at JCC Payment Systems Ltd.

Solution components

Software
- IBM® Financial Transaction Manager for SEPA Services

Services
- IBM Global Business Services®

After top-level discussions with banking industry leaders, it was decided that JCC would act as the central SEPA transaction hub for the whole of Cyprus.

"Using a single gateway has many advantages, including fast execution and greater economies of scale," says Papaphillipou. "Rather than implementing their own identical SEPA systems, banks can purchase SEPA services from JCC – avoiding the need for capital expenditure and keeping resources focused on core competencies."

Selecting a turnkey solution

To realize its goal within a tight deadline, JCC selected IBM Financial Transaction Manager for SEPA, and worked with experts from IBM Global Business Services to deploy the solution.

Papaphillipou comments: "Of all the software we considered, we felt that IBM Financial Transaction Manager for SEPA was the only solution to offer practically all of the functionalities we needed straight out of the box."

As a first step, consultants from IBM Global Business Services travelled to JCC's offices in Cyprus. After a week-long series of discussions and workshops, the IBM team worked with JCC to create a project plan, and assign roles and responsibilities to internal and external resources.

"Following the initial consultation, we continued to engage with the IBM Global Business Services team via weekly checkpoint calls," adds Papaphillipou. "The IBM team's guidance and knowledge-transfer proved invaluable, and helped us to solve technical challenges in a timely manner."

Going live on-time

Within just five months, JCC implemented the IBM Financial Transaction Manager for SEPA solution to create a central processing hub for JCC's banks and creditors.

"Ensuring that we went live on time was crucial, and getting the IBM team's input in the initial stages of the project was a key factor in our success," says Papaphillipou. "By clearly defining project milestones from the outset, we had a reliable indicator of our progress throughout the project, which helped us stay on target."

> *"The IBM solution enables us to deliver seamless, automated transaction processing services for banks and businesses."*

— Demetris Papaphillipou, SEPA DD Project Manager, JCC Payment Systems Ltd

Automated processing from day one

Today, JCC uses IBM Financial Transaction Manager for SEPA to deliver secure and cost-efficient straight-though-processing for SEPA Direct Debit transactions in Cyprus. The company facilitates transactions with other Eurozone countries via Germany's central bank, Deutsche Bundesbank.

"One of our largest creditors wanted to start processing SEPA Direct Debits on the first day after the European Commission's deadline for the SEPA go-live," recalls Papaphillipou. "Thanks to the IBM solution, we were ready to process 250,000 SEPA transactions on day one.

"We now process around nine million SEPA Direct Debit transactions every year. Typically, the bulk of these transactions occur at the last day of the month. Despite the big spikes in demand at peak times, the IBM Financial Transaction Manager for SEPA solution handles the load flawlessly."

Dependable availability

To ensure availability for its payment processing systems, JCC monitors all of its SEPA workflows from a single point.

"Using IBM Financial Transaction Manager tools, we can generate automated alerts if the system detects an error with any of our processing systems," says Papaphillipou. "Offering highly reliable and available service is an important value-add, and continuous monitoring helps us to meet customer expectations."

Platform for growth

Based on the success of the SEPA Direct Debit project, JCC is now planning to extend its IBM Financial Transaction Manager solution to unlock additional functionalities of the SEPA standard, including credit transfers.

"Our IBM solution enables us to deliver seamless, automated transaction processing services for banks and businesses," concludes Papaphillipou. "Working with IBM, we will continue to build the modern, responsive infrastructure to drive JCC's growth, and the growth of the Cypriot economy."

For more information

To learn more about IBM Smarter Commerce solutions, contact your IBM representative or IBM Business Partner, or visit the following website: **ibm.com**/smartercommerce