Accelerating P27 Adoption with TCS BaNCS
P27 aims to establish a single pan-Nordic payment infrastructure that will facilitate instant and seamless flow of real-time, batch, domestic and cross-border payments across Denmark, Sweden, Norway, Finland and Iceland. Complying with P27 demands that banks and financial institutions modernize their existing legacy systems any attempts made to modify the existing schema to support P27 could affect ongoing operations. Banks are, therefore, increasingly turning to component-based architectures with best-of-breed solutions to keep up with the rapidly changing business environment.

TCS BaNCS for Payments is a solution that can be plugged into existing banking application ecosystems. Introducing the Payments P27 component, our solution reduces effort and time spent in implementing a new product and allows banks to concentrate on growth and transformation initiatives. TCS BaNCS supports a wide range of payment products – including mobile and cross-border payments. Our SEPA and ISO 20022-compliant system is designed to act as a foundation for P27.

Overview

While ensuring the coexistence of P27 and existing payment infrastructures, banks and financial institutions need to make sure that the new projects do not impact ongoing business operations. Go-live for the P27 initiative, subject to regulatory approvals, is scheduled for mid-2021. The first phase will involve building the underlying clearing platform for the Nordics Payments Council (NPP) to support base-level functionality for the go-live. But adoption of an ISO20022 XML message structure will need changes in the underlying data model. Additionally, migration of corporate BG services to banks will entail the development of new services such as managing orders from corporate customers. A phase-wise go-live of products will need agile development with the ability to continuously grow and integrate with automated test capabilities.

TCS BaNCS for Payments is a state-of-the-art solution offering extensive capabilities for multi-product payments within a single platform. The modern TCS BaNCS architecture enables seamless integration with customer channels, internal systems, and market infrastructures via a full complement of APIs.

TCS BaNCS for Payments has been deployed in more than 25 countries for global and regional organizations and supports more than 40 clearing systems. Built with native support for ISO 20022 standards, TCS BaNCS for Payments includes easy-to-configure options that enable out-of-the-box support and high levels of flexibility for dashboards, pricing structures, reporting, accounting rules and payments routing.

As a proven multi-entity, multi-currency, multi-country solution with extensive experience in SEPA deployments for many banks across Europe, TCS BaNCS for Payments is the ideal fit for P27 deployment.

TCS BaNCS for Payments can be used for end-to-end payments processing for P27, including:

- Receiving real-time payment instructions through web and mobile interfaces
- Handling batch payment instructions through API-based links with participating financial institutions and commercial customers
- Clearing and settlement
- Support for a wide and growing range of products, including domestic and international transfers, real-time payments, direct debits, and cheque clearing

TCS BaNCS for Payments is developed on an agile framework, thereby, empowering banks and financial institutions with the capability of phase-wise development, lessening the impact on other programs and projects. Furthermore, its microservices architecture will enable participating banks to support P27 within the context of their existing application landscapes. Following the initial migration, banks may also enable a centralized hub for payments processing that will support credit transfers, direct debits, and real-time payments for multi-currency, multi-entity payments through a single application, powered by TCS BaNCS.

Our Solution

Facilitating the co-existence of P27 and existing payment infrastructures in the Nordics

TCS BaNCS for Payments ushers in the following distinctive features:

- **Seamless integration:** Empowers organizations with the flexibility to seamlessly integrate with other core banking systems.
- **Data Feed:** Facilitates data feeds from TCS BaNCS for Payments component to existing customer landscape.
- **Adaptability:** Offers a possibility to add more products or services as required in TCS for BaNCS Payments.
TCS BaNCS for Payments - P27

Proposed Setup in Componentization (Microservices) Architecture; benefits of Reporting and API architecture realized at different levels based on Customer Landscape & target Architecture

**Benefits**

With TCS BaNCS for Payments, banks and financial institutions can enjoy the following benefits:

- **Multi-product processing**: Facilitates Credit Transfer (push), Direct Debits (pull), check processing on the same platform. Allows for multi-currency, multi-entity payments processing in a single application and database.
- **End-to-end processing**: Enables end-to-end processing, including order management, pricing, reporting and payments clearing.
- **Operational efficiency**: Offers a rich user experience with easy navigation, sophisticated exception handling, investigation and repair capabilities.
- **Processing hub**: Allows for the creation of a processing hub with acquisitions from multiple channels including web, mobile, and branch with processing in a centralized back office.
- **Confidentiality**: Brings in data access controls and Chinese-Wall concepts that provide the required confidentiality.

**The TCS BaNCS Advantage**

TCS BaNCS for Payments comes with the following unique advantages:

- **SEPA functionality**: NPC rulebook and implementation guidelines for P27 are closely based on the SEPA rulebook and guidelines by EPC. TCS BaNCS for Payments is natively built on ISO 20022 XML-based format and has extensive functionality of SEPA with multiple implementations in Europe.
- **Technical expertise**: TCS BaNCS for Payments has adopted latest technologies to support microservices architecture and containerization, making it possible to quickly roll-out P27 as an add-on component that can seamlessly integrate with existing banks’ application landscape.
- **Component-based design**: TCS BaNCS for Payments is built on a modern scalable architecture with a component-based design. Our solution can easily integrate with new ecosystems and a wide variety of channels through well-defined APIs. It comes with out-of-the-box APIs to support Open Banking and PSD2 for payments initiation and payments enquiry.
- **Vast experience**: With its global presence, TCS BaNCS teams come with a vast experience and a proven track record of implementing SEPA and ISO 20022 across multiple regions in Europe. This also vindicates our system’s capability to implement the necessary changes for P27.
Awards & Recognition

TCS BaNCS is a globally recognized industry leader, with its solutions consistently recognized in top positions by industry experts.

- Huaxia Bank and TCS BaNCS awarded the Best Bank Infrastructure Technology (Core Banking System) at The Asian Banker China Country Awards
- MTB Wins The Asian Banking & Finance Retail Banking Awards 2021
- TCS BaNCS is accredited with SWIFTReady 2021 Certification for Corporate Actions, Payments and Securities Settlement

About TCS Financial Solutions

TCS Financial Solutions is a strategic business unit of Tata Consultancy Services. Dedicated to providing business solutions to financial institutions globally, TCS Financial Solutions has compiled a comprehensive product portfolio under the brand name of TCS BaNCS. The TCS BaNCS solution suite is designed to help financial services institutions enhance end customer experience, enabling them to embrace open and innovative technologies that embody true digital customer engagement. Deployed at more than 450 installations worldwide, it is the largest collection of components, enterprise and consumer apps for the financial industry made available through the cloud, helping firms become more agile and intelligent by leveraging the power of new and extended ecosystems.

To know more about TCS BaNCS, please visit: https://www.tcs.com/bancs
or write to us at tcs.bancs@tcs.com

About Tata Consultancy Services Ltd (TCS)

Tata Consultancy Services is a purpose-led transformation partner to many of the world’s largest businesses. For more than 50 years, it has been collaborating with clients and communities to build a greater future through innovation and collective knowledge. TCS offers an integrated portfolio of cognitive powered business, technology, and engineering services and solutions. The company’s 469,000 consultants in 46 countries help empower individuals, enterprises, and societies to build on belief.

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