

Third party connectivity with SAP

→ Achieve straight-through process integration



Processing your payables, receivables and Treasury transactions requires a great number of messaging with different banks or other financial stakeholders. **Multiple interfaces, file formats and communication channels** require a big effort in terms of maintenance, monitoring and development – not to mention the various licenses and transaction costs.

Intensum offers a range of **connectivity solutions** in order to streamline these various interfaces and to put in place a central, uniform and flexible **communication platform** for your SAP systems to exchange financial information, payments and confirmations with external parties over **one single gateway**.

These solutions are based on SAP NetWeaver Technology, **SAP Bank Communication Management** and the **SAP Integration Package for SWIFT**.

Analyzing the business requirements when dealing with third party connectivity, we can discover a number of challenges :

1. Achieve straight-through process integration with banks (avoiding FAX, mail, telephone, ...)
2. Create a potential for cash management centralization (in-house bank)
3. Need to harmonize and standardize payment infrastructure in order to simplify maintenance and reduce costs
4. Increased compliance pressures and upcoming regulatory changes require a standardized approach
5. Reduce risk and complexity in processing cross-border payments

In order to challenge these business requirements, your third party connectivity solution should offer at least the following functionality :

- Capturing financial information like market data, credit ratings, financial instrument performance, etc. from multiple sources
- Straight-through transfer of payment instructions with banks and trading partners for accounts payables & accounts receivables (direct debit, credit transfer, ...)
- Receiving and handling bank statements
- Sending payment instructions for treasury deals and handling confirmations and pre-advice

In addition, various trading partners can be involved :

- Dedicated bank communication systems
- SWIFT connectivity
- Data feeds from Reuters, Bloomberg, iMoneyNet

Payments	Securities	Treasury	Trade Services
Initiation	Pre-trade / trade	FX order and response	Guarantees
Clearing and Settlement	Pre-Settlement	Confirmations	Collections
Reporting	Reconciliation	Netting Reports	Letters of Credit
Corporate to Bank Payment Initiation	Post Trade	Derivatives	Trade services utility (prototype)
Bulk Credit Transfers	Corporate Actions	Interest Rate Swap	Trade services utility
Cash Management	Investment Funds		
Direct Debits	Pre-trade Funds		
Exceptions and Investigations			
	Traditional SWIFT Standards	New SWIFT Standards available	Future SWIFT Standards

Figure 1 : Types of SWIFT supported messages

Intensum offers multiple solutions for your SAP environment to answer the different needs in third party connectivity : accounts receivables, accounts payables and treasury :

→ **Interfacing dedicated bank communication systems**

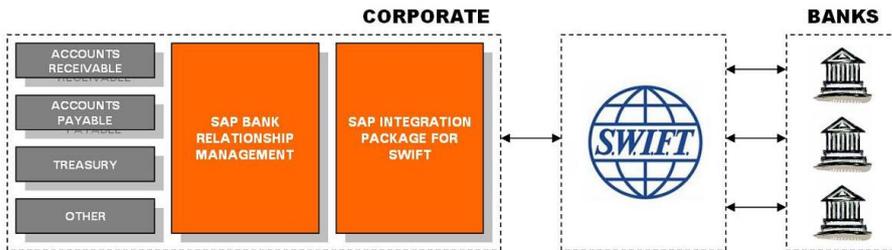
SAP Netweaver (**Process Integration**) allows to interface and communicate with your dedicated bank communication systems for the handling of bank statements and payments in domestic and international formats.

→ **Using market data in SAP FSCM**

Interest and exchange rates, credit ratings, security & commodity prices, forward rates, volatilities, etc. can be integrated in SAP Treasury and SAP credit management using standard scenarios offered by SAP NetWeaver.

→ **SAP Integration Package for SWIFT**

For **real-time exchange** of payment and settlement messages via a secure, trustworthy, and highly available network, using SWIFT's secure IP network, SAP offers the SAP Integration Package for SWIFT.



This package covers the entire business process **from payment to reconciliation** and initially supports FIN and FileAct messages. It enables you to send and receive both MT- and MX-based message types. The package includes standard mappings and conversion rules within the SAP NetWeaver Process Integrator (SAP XI/PI).

In addition to support for classic FIN messages, SAP Integration Package for SWIFT also supports the new international UNIFI message schemes as defined by the International Organization for Standardization (ISO) and SWIFT. These standards are one of the key benefits of the Single Euro Payments Area (**SEPA**).

→ **SAP Bank Communication Management**

This solution is the **front-end** for the SAP Integration Package for SWIFT and offers the following functionality :

- Batching of payments
- Exception handling
- Release procedures for payment approvals
- Personal digital signatures
- Payment status monitor with full status history

FINANCE
 FINANCIAL SUPPLY CHAIN
 CASH & LIQUIDITY
 IN-HOUSE BANKING
 TREASURY & RISK MANAGEMENT
 CREDIT & COLLECTION MANAGEMENT

INTELLIGENCE
 PERFORMANCE MANAGEMENT
 REPORTING STRATEGY
 PLANNING & FORECASTING
 DATAWAREHOUSING & ANALYTICS

INNOVATION
 PROCESS INTEGRATION
 WEB & PORTAL APPLICATIONS
 APPLICATION LIFECYCLE
 MANAGEMENT

ERP
 ANALYSIS & IMPLEMENTATION
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Intensum is a European **SAP consulting agency**. We deliver business skills, project management and first-class implementation competencies, focusing on **Financial Supply Chain Management** (SAP FSCM & SAP Treasury), **Business Intelligence** (SAP BI and Integrated Planning) and Process Improvement through **innovative** solutions based on **SAP ERP** (SAP NetWeaver & SAP XI/PI and SAP Solution Manager).

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