



# CLEARING CONNECT

A key component of Capgemini's integrated Payment Hub solution, helping banks to quickly go live with new payment schemes.



The payments business is undergoing a profound transformation as technologies change the traditional ways banks handle payment transactions. Payments IT platforms used by banks are fast becoming bottlenecks. Almost all major global banks and regional banks are moving away from country-specific payment processing to a consolidated payment hub solution. The payment hub is predominantly an IT-based solution that allows centralized processing of payments for the entire bank or for a particular region. But the journey to a payment hub presents many challenges:

**Highly customized rules:** Every bank involved in payments transactions has its own business rules and processes

**Clearing House rules diversity:** A mature payment hub may have clearing houses across several countries, with each one having specific rules, regulations, and processes.

**Internal complexity:** A payment hub journey is a multi-year transformation involving various departments, countries, and regions within the bank.

**Engine configuration:** Most global payment hub solutions use a few commercial, off-the-shelf payment engines which are highly configurable. For every clearing to ACH in-country connection, the bank must configure their business rules within the payment engine. This complex process is one of the biggest implementation challenges for a payment hub journey.

## Capgemini's Clearing Connect enables banks to overcome these challenges through its Use Case Maturity Model:

*Capgemini's Clearing Connect captures scheme-specific requirements in form of use cases and matures it to bank-specific and payment hub-specific requirements. Subsequently these requirement-centric use cases are converted into testing-centric requirements. This is then further used for validating and certifying the payment hub for the particular payment scheme.*

## Stabilize your Payment Hub with Capgemini's Clearing Connect

A mature payment hub might encompass multiple clearing schemes across multiple geographies. Implementing a new clearing requires an end-to-end change view, steered by the core payment engine. To support each Clearing & Settlement Scheme, the payment engine vendor provides product configuration, software patches and a basic technical business set up. Banks also have their own set of requirements. This can result in additional code changes and configuration of the Payment Engine. The installation, configuration and test process can take 6 to 12 months per clearing. To ensure a stable payment hub, banks must start with a few schemes in the hub then add in new ones as they are built and tested.

Capgemini's Clearing Connect can help banks jump start this process. Our unique, use case maturity model and clearing certification factory allows you to do a simple and comprehensive clearing certification of your payment hub.

Clearing Connect helps in capturing & developing matured functional use cases. Test cases for the Payment Scheme with bank-specific requirements and landscape-specific nuances are generated from these function use cases at the click of a button. This subsequently is used for validating and certifying of payment hub.

As a new clearing scheme gets rolled into the hub, changes can impact the hub's previous country setups and add instability. Capgemini's knowledge repository and use cases for clearing and settlement schemes across various geographies provides a holistic mitigation approach. We use a comprehensive centralized methodology to bring consistency and stability to the process whether you're a large multinational bank or small individual branch. Our methodology reduces the work to gather clearing-specific requirements.

## How does Clearing Connect work

Clearing Connect validates that your payment hub is ready to process payment through a specific clearing and settlement (CSM) system using an iterative process that can be repeated for each new CSM.

**Step 1: Create detailed knowledge repository.** Drawing on Capgemini's extensive payments experience, we create an easy-to-use document of general clearing house information to serve as a knowledge repository for the clearing. Our documentation provides clearing-specific details including operational procedures, infrastructure, messages, clearing and settlement mechanism, and transaction statistics.

**Step 2: Build Level 1 use cases.** We focus on how a member bank interacts with specific clearing houses by identifying all flows between the two and generating a series of Level 1 use cases that highlight which services are used in which sequence. The goal is to build the use case model from a message flow perspective.

**Step 3: Augment Level 1 use cases.** At this step, we enhance Level 1 use cases with clearing message data elements to develop Level 2 use cases which include details of input and output messages for every possible flow. We look at services

within the identified message flow and update service level use cases to cover all the possible flow paths.

**Step 4: Map use cases to the payment architecture.**

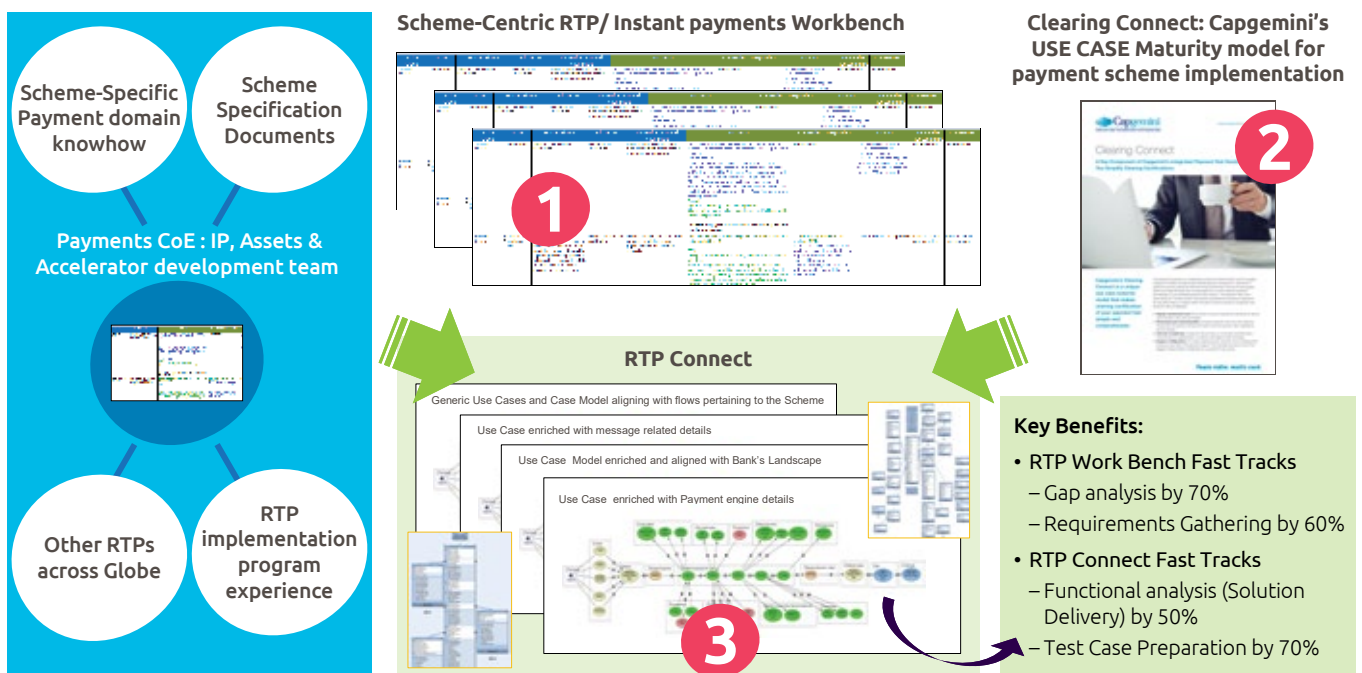
Next we map the Level 2 use cases to the bank’s payment architecture to create Level 3 use cases. We also add elements of the bank’s business and operation rules to enhance each applicable use case.

**Step 5: Synchronize use cases to the payment engine.**

Finally, we design Level 4 use cases that are engine-specific for the bank’s payment engine or payment hub solution. We add details about the exact business rules configuration. Herein we transform the business-centric use cases to testing-centric use cases.

# Accelerate Implementation of Real Time or Instant Payments through RTP Connect

RTP Connect is the Real Time version of Clearing Connect



**Clearing Connect Capgemini IP for Payment Scheme Implementation. RTP Connect is the Real Time version of Clearing Connect.**

## Benefits of RTP Connect

- RTP Work Bench fast tracks
  - Gap analysis by up to 70%
  - Requirements gathering by up to 60%
- RTP Connect fast tracks
  - Functional analysis (solution delivery) by up to 50%
  - Test case preparation by up to 70%

5. Industrialized model with increasing returns of investment
6. Helps in payment flow standardization across various schemes

## Six Reasons Clearing Connect is Right For Your Bank!

1. Fastens up the requirement gathering process.
2. Compliance with regulations
3. Facilitates test automation
4. Certifies Payment Hub for last mile connectivity with payment scheme

## Capgemini is A Payments Partner You Can Trust

When you turn to Capgemini, you are tapping into more than 25 years of experience in the global payments industry. Capgemini has successfully delivered Payments Hubs for banks across the globe including:

- Providing hub strategy and design, architecture definition and platform selection for a large Asia Pacific bank
- Defining strategy, business case and program for large European banks
- Performing implementation analysis, best practices and landscape transformation support for a large global bank



We have more than 5000 professionals experienced in delivering payment services across cards, retail banking and corporate banking sectors.

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## About Capgemini

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of 200,000 team members in over 40 countries. The Group reported 2017 global revenues of EUR 12.8 billion.

Learn more about us at

[www.capgemini.com](http://www.capgemini.com)

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