

Bilateral and Multilateral Processing of International Transactions in Europe

Overview on Gateway Implementation Status

31/12/2008

1 Introduction

The Berlin Group standard is a standard for the European area for bilateral/multilateral processing of card transactions.

The Berlin Group standard today considers for this processing an exchange of authorisation and clearing data between international gateways. The standard distinguishes between the role of an acquirer gateway and an issuer gateway. For the authorisation, the acquirer sends authorisation requests on-line via the acquirer gateway and issuer gateway to the Issuer, if the transaction is not authorised offline by the card. For the clearing part, the acquirer gateway receives clearing data from acquirers that process card based transactions originating from ATMs, POS terminals or the internet. The acquirer gateway communicates with the issuer gateway sending and receiving batch files containing transaction messages like presentments, reversals and charge backs for defining the reconciliation amount to be settled between issuer and acquirer for a fixed clearing period.

An overview on the today's infrastructure is given in the following diagram.

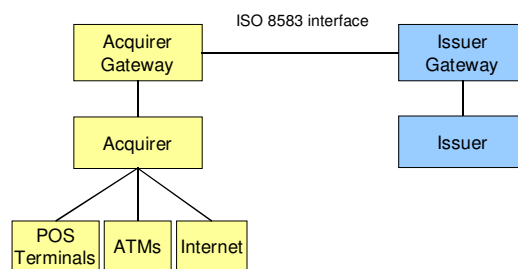


Figure 1: Infrastructure for bilateral and multilateral processing using the Berlin Group Interfaces

The relevant currency for clearing and settlement as defined by the Berlin Group always is euro. Nevertheless, the transactions can locally be processed in other currencies.

Acquirer and Issuer Gateways following the Berlin Group standard are more generally referred to as Berlin Group Gateways (BGG) in this document. In this document also card processors are named, which are supporting bilateral functionality "behind" the gateways named on their behalf.

This document gives an overview on the status of implementations of Berlin Group Gateways in Europe at 31/12/2008.

2 Status 31/12/2008

In the following diagrams the processors are listed who are supporting Berlin Group Interfaces in ATM or POS transaction processing.

The following legend is valid for the diagrams:

- **n.a.:** not applicable or no Berlin Group interface support planned, since e.g. proprietary interfaces exist.
- **test:** Berlin Group interface is in test or was successfully tested.
- **prod:** Berlin Group interface is used in production
- white fields: plans for implementation exist

ATM

Issuer G. Acquirer G.	Bank-Verlag	Card-process	Equens Italia	SIA-SSB	Trionis	Voca-Link	VÖB-ZVD
Bank-Verlag	n.a.	n.a.		test			n.a.
Card-Process	n.a.	n.a.		test			n.a.
Equens Italia	prod	prod	n.a.	n.a.	test		prod
SIA-SSB	prod	prod	n.a.	n.a.			prod
Trionis	prod	prod			n.a.		prod
VocaLink						n.a.	
VÖB-ZVD	n.a.	n.a.					n.a.

POS

Issuer G. Acquirer G.	Bank-Verlag	Card-process	Equens Italia	SIA-SSB	Trionis	VÖB-ZVD
Bank-Verlag	n.a.	n.a.				n.a.
Card-Process	n.a.	n.a.				n.a.
Equens Italia	test	test	n.a.	n.a.	test	test
SIA-SSB	prod	prod	n.a.	n.a.	prod	prod
Trionis					n.a.	
VÖB-ZVD	n.a.	n.a.				n.a.

3 Growth Factor and Quality of Service

In 2008, the Berlin Group has observed a further rollout of gateways toward issuers and acquirers.

Growth Factor:

The Berlin Group users are reporting the following growth factor in 2008, compared to 2007:

The number of first presentments have been increased by 350%.

Quality Level:

The Berlin Group is only publishing abstract measures on the quality of service which the standard offers when used in production.

Charge Back rate: 0,016%

Message Rejection rate in Clearing: unknown