

CASE STUDY

Global Teamwork Key to Implementing Pension Payments Solution for Italy's Central Bank Cooperative



OVERVIEW

An Italian pension entity sent public notices to all Italian financial institutions requesting their participation in a bid for executing pension payments to more than 400,000 Italian pensioners in 134 countries. Four Italian banks had been providing these services to entity. However, they wanted to consolidate all payments with a single financial institution.

Many global and local institutions joined the bidding pool, including the Istituto Centrale delle Banche Popolari Italiane (ICBPI).

CHALLENGES

- **Strict criteria, established by ICBPI, had to be met:**
 - The euro be the preferred currency (where allowed by country regulation)
 - An electronic credit to the beneficiary account be the preferred payment method
 - The beneficiary receive full payment without deductions
 - Unique pricing per transaction, regardless of country and means of payment
 - The winning institution's correspondent bank needed to have a large number of branches
- **Find a way to make USD payments to 40,000 U.S. pensioners**
- **Need to meet a fast-approaching deadline:** This would ensure service gap would be filled.

SOLUTION

J.P. Morgan's relationship team quickly understood the ICBPI's need and implemented a U.S. dollar pension payments solution that consisted of the following J.P. Morgan services: J.P. Morgan ACCESSSM, Host-to-Host, ACH and Payables Web ServicesSM, as well as SWIFTNet.

Other key components that made the solution work were:

- Strong collaboration between J.P. Morgan Treasury Services and ICBPI from the start
- Constant communication through weekly meetings and proactive discussions in explaining the solution
- Up front expectations levels set to ensure the project was tracking on time. Included a project booklet that summarized the steps and served as a reference guide.
- Clear product documentation, questionnaires and testing procedures that J.P. Morgan hand-delivered and explained to ICBPI, which saved time and resulted in accurate transmissions
- J.P. Morgan's on-site implementation team, along with other experts in New York, London and Milan, implemented the overall solution with great efficiency

RESULTS

- **Record seven-week implementation period** from the original mandate got met the strict deadline.
- **Primary objective of paying the pensioner clients was met.** Teamwork from J.P. Morgan in London and the United States working with ICBPI's technical teams made the difference.
- **ICBPI looking at other ways to leverage the superior products and service received from J.P. Morgan**

"We chose J.P. Morgan because of their U.S. footprint of many branches. We wanted our project to be with a very solid institution."

"J.P. Morgan's sales teams, technical staff, documentation providers and product teams were always available any time we needed them. J.P. Morgan did everything right."

"J.P. Morgan team did a great job explaining everything clearly."

"It was the teamwork that made the difference."

Pension Payment Project Manager,
ICBPI

For more information, please contact your J.P. Morgan Treasury Services representative or visit jpmorgan.com/ts.