



COMESA CLEARING HOUSE

Regional Payment & Settlement System (REPSS)

Payment Systems Department
December 2017



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Central Bank of Egypt

COMESA

Common market of eastern and southern Africa stretching from Libya to Swaziland.



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REGIONAL PAYMENT AND SETTLEMENT SYSTEM (REPSS)



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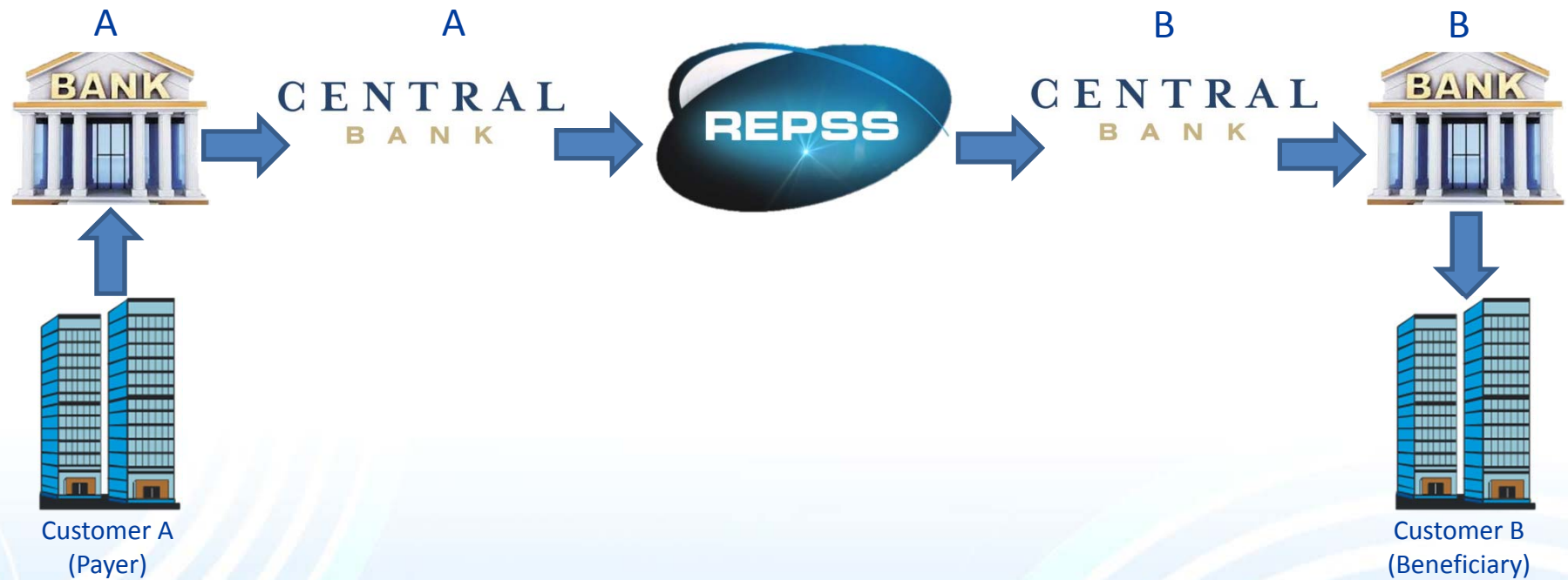


- Is a Payment system that links central Banks Where the commercial banks can participate only through central banks.
- Current Settlement Currencies are US Dollar and Euro.



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REPSS Payment scheme



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Payment Exchange Process

Commercial bank sends payment to Central bank

Central Bank forwards payment to REPSS

REPSS includes this payment into clearing session
then the result settled through Settlement Bank.
REPSS routes a payment to Receiving Central Bank.

Central Bank forwards it to Commercial Bank –
Receiver

Commercial Bank receives payment and distributes it
to ultimate beneficiary



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REPSS Participants



Central Bank of Egypt



Central Bank of Kenya



Bank of Zambia



Reserve Bank of Malawi



Banque Central du Congo



Central bank of Swaziland



National Bank of Rwanda



Bank of Uganda



Bank of Mauritius



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Stakeholders Roles



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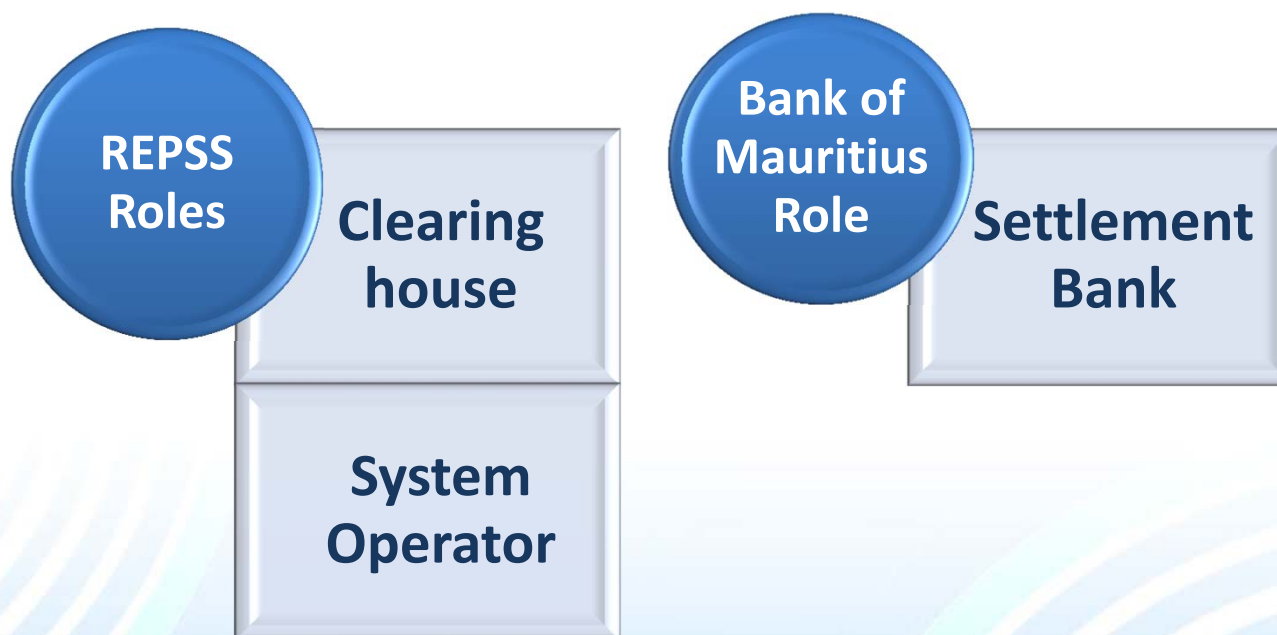
REPSS Stakeholders

- ☐ Central Bank of Egypt
- ☐ REPSS clearing house
- ☐ Bank of Mauritius
- ☐ Commercial banks



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Stakeholders Roles



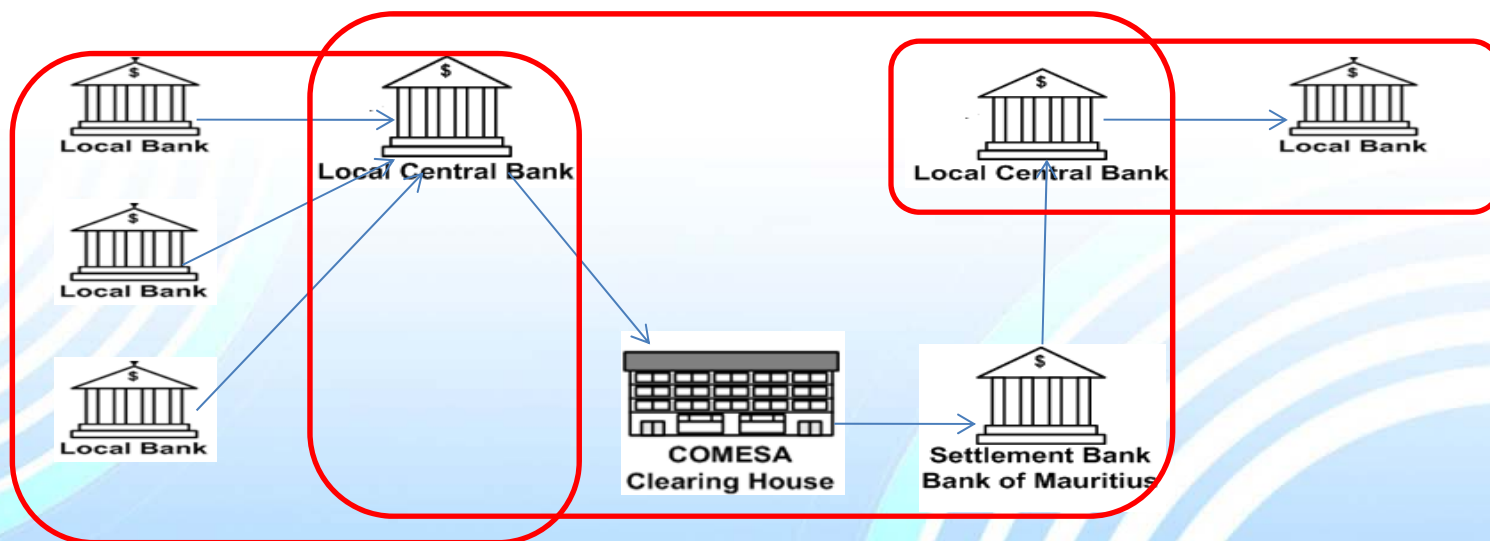
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Stakeholders Roles

Central Bank of Egypt Roles

Direct Participant in the REPSS

Managing Commercial Banks indirect participation
to the REPSS System



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Stakeholders Roles

Commercial Bank Roles

Indirect participant in the REPSS Clearing house

Banks will use their accounts operated with CBE for REPSS debit & credit payments

Interact with clients requests



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Benefits

- Reduces foreign correspondent banking charges
- Reduces settlement time period
- Provide high trust channel as payments are exchanged through central banks.



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REPSS Phases

Phase 1

- Live operation status, CBE participated May 2017
- Targets the normal unconditional fund transfer ex.. individuals' transactions & corporate unconditional payments.
- Settlement on T+1 basis

Phase 2

- CBE working on study to decrease settlement time to T+0
- Targets the conditional fund transfer ex.. trade finance transaction & cash against documents



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REPSS Accepted messages types

- SWIFT message type MT103 is approved for all outgoing payments to REPSS participants
- SWIFT message type MT103 & MT202 are approved for incoming payments from REPSS participants

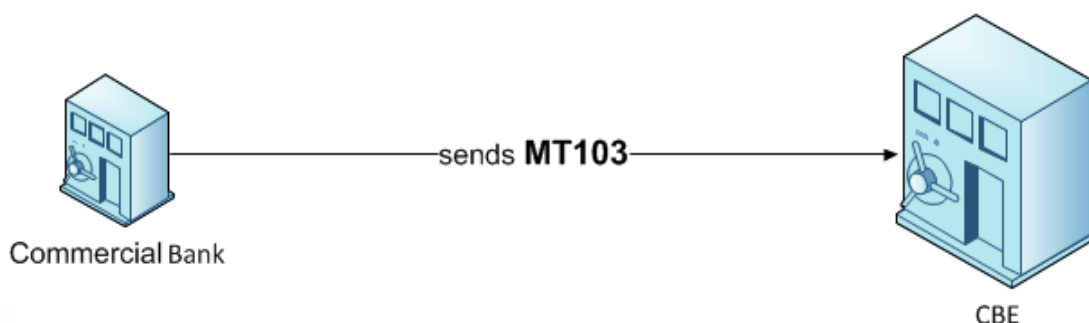


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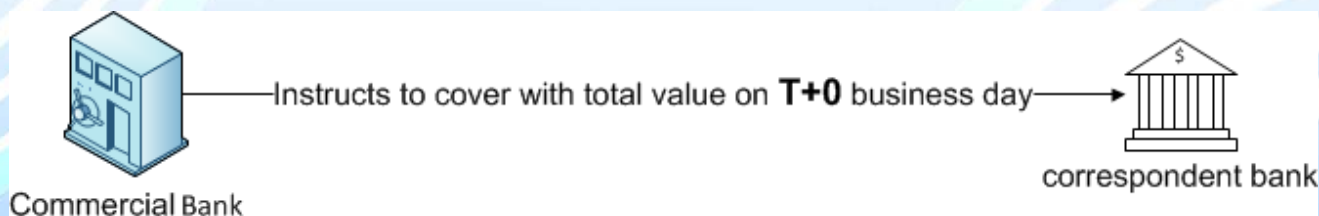
REPSS work flow - Outgoing transaction Use Case

Business Day T+0

1. Commercial bank sends MT103 to CBE requesting for a payment to another participant on the **REPSS** system on T+0 business day.



2. Commercial instructs his correspondent bank to cover CBE correspondent with total value of **REPSS** payments on T+0 business day .

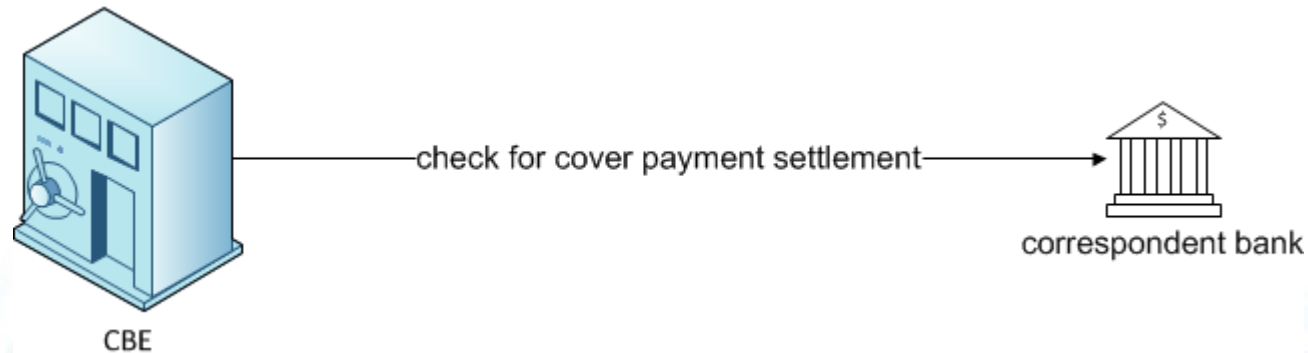


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REPSS work flow - Outgoing transaction Use Case

Business Day T+1

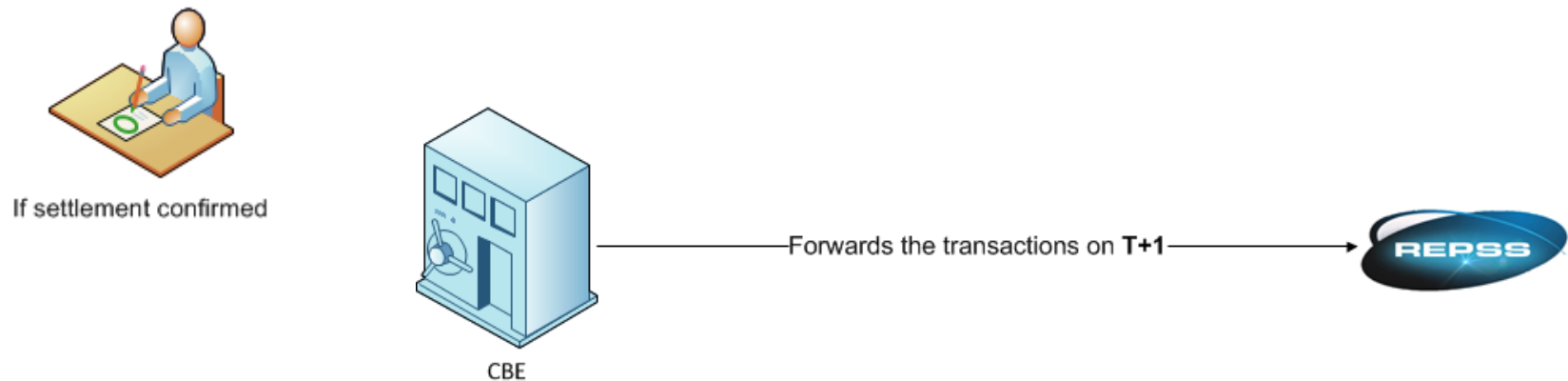
1. At start of day, CBE checks with its correspondent the settlement of coverage payment.



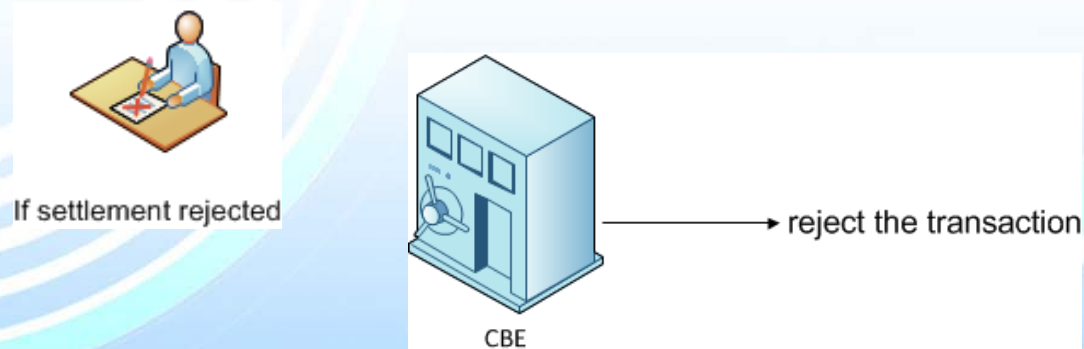
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REPSS work flow - Outgoing transaction Use Case

2. If settlement confirmed, CBE forwards the transactions to the REPSS



3. If settlement rejected, CBE will reject the transaction

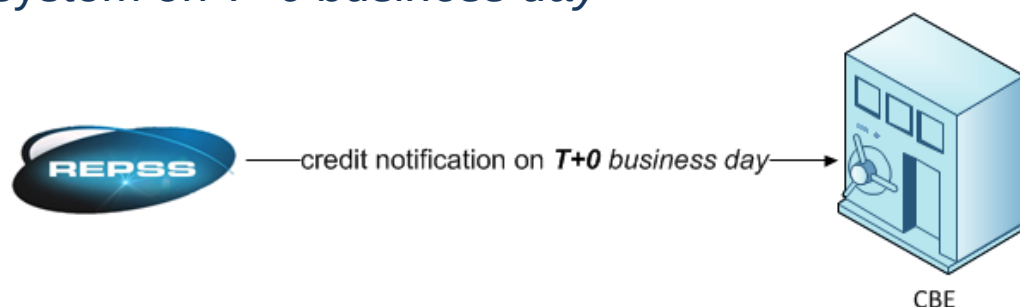


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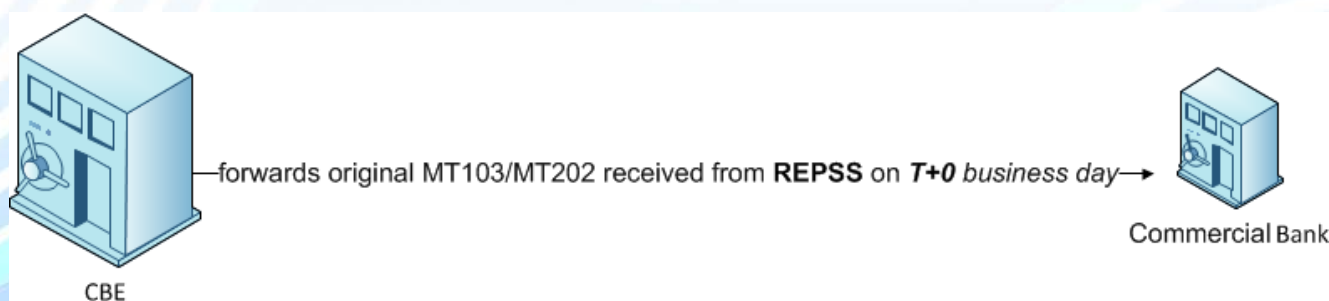
REPSS work flow - Incoming transaction Use Case

Business Day T+0

1. CBE receives a credit notification in favor of Egyptian commercial bank from **REPSS** system on *T+0 business day*



2. CBE at end of day credits the commercial bank account and forwards original MT103/MT202 received from **REPSS** on *T+0 business day*

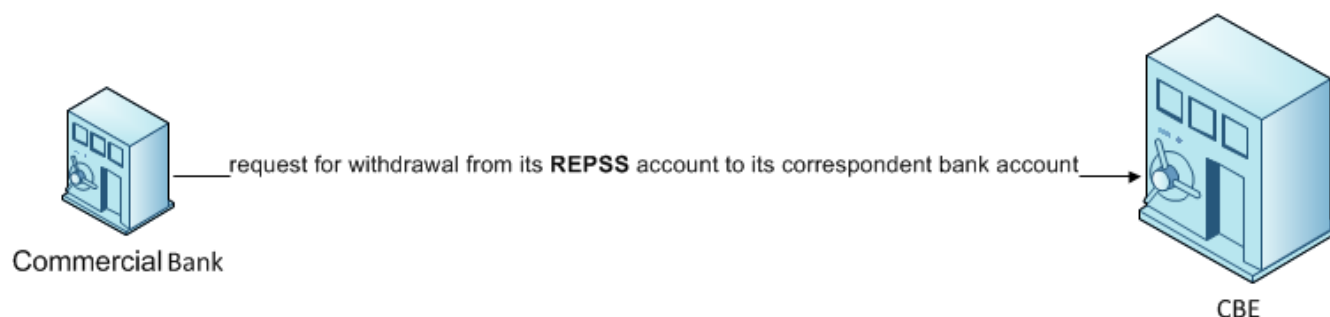


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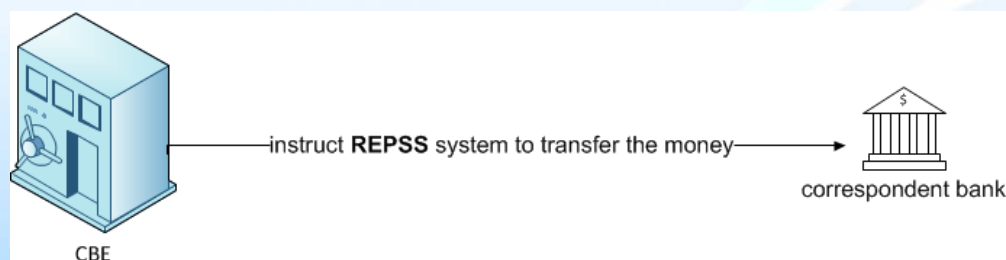
REPSS work flow - Incoming transaction Use Case

Business Day T+0

3. According to commercial bank needs, it will send request to CBE to withdraw credit amount from its **REPSS** account



4. At end of **REPSS** settlement event, CBE will instruct REPSS system to transfer the money to commercial bank correspondent

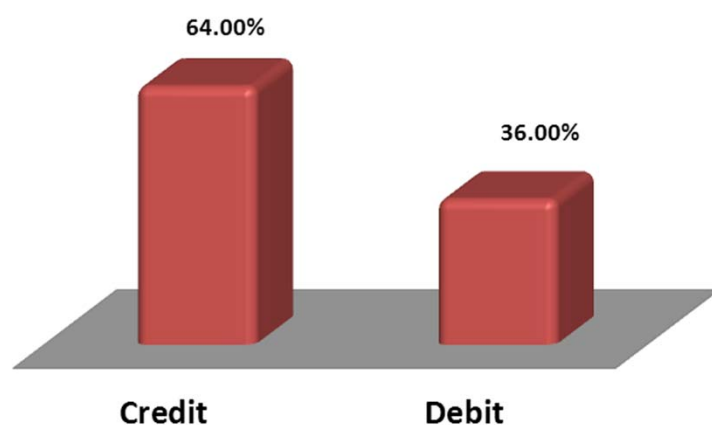


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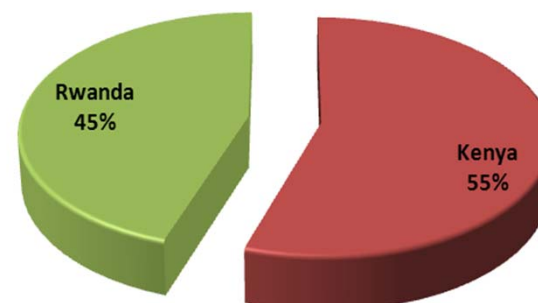
REPSS at a glance

- Average transaction value in the last 3 months = 78,870 USD
- Country with highest value of transfer = Kenya

REPSS settled transactions - Value



Most active countries



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Operation Schedule

Window Name	Time	Activity
Start value day	8:30 AM	
Banks to CBE Exchange window	8:30 AM to 2:30 PM	Bank can send MT103 for messages in addition to MT210 for crediting their accounts
Clearing and approval	2:30 PM to 3:00 PM	Only payment that was credited with MT210 will be accepted
Forwarding credit Messages	3:00 PM to 3:30 PM	CBE forwards Credit messages received from REPSS to commercial banks books
Sending MT950	3:30PM	CBE sends MT950 to commercial Banks



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Thank You

REPSS Support Team

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Hotline: **(+20) 27701550**



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