

U IT Dev – Project CEDRS (August & September 2020)

U IT is an innovative company specialized in the field of Legal Reporting from Luxembourg.. Our activity is divided into providing support to our customers and developing & testing new applications.

Since 2010, U IT supported more than 400 customers including 45 banks. For these key customers, we developed pre/post-treatment tools to automate and strengthen the transmission of the Legal Reports. Since 2014, we started to offer services under SLA for our most demanding customers.

This document describes the future solution U IT is developing in order to respond to the recent CSSF Circular 20/747. Mainly addressed to all the Luxembourg banks, this new reporting brings an important change in the transmission method, adding a new secure channel to the currently existing ones.

U IT Dev Team communication

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Project CEDRS		
Version	Date	Project
V 1.3	10/9/2020	CEDRS

Context

This new reporting was officially announced early this year along with the law of 25 March 2020. The objective is to establish a central electronic data retrieval system related to IBAN accounts and safe-deposit boxes. A recent CSSF Circular (CSSF 20/747) was released end of July where the technical requirements and format are described.

1 A new secured channel

Given the maximum sensitivity of the data content, we assume this would be one of the reasons why the CSSF decided to raise one step further the level of security and data protection during transmissions. The first annexe of the circular is a technical guide describing the new secured channel and its requirements.

As a result of this decision, a new application is required to be used by banks to connect to the CSSF solution and securely transmit the required reports. This new client application has to be developed; anyone can develop its own tool based on precise technical specifications provided by the CSSF.

2 Agenda

Update 10/9/20 : The deadline of 10/9/20 is passed and CSSF started to provide the professionals their access to the MFT portal. Many are waiting now for a date to provide the CSSF with the first reports. On the development & test sides, but also at the infrastructure level, the following weeks will be charged.

3 Nature of report

Some may wonder if this new report can still be classified as “Legal Reporting” ?

By definition, the answer should be “yes”, but in comparison with the usual information already provided by the financial institutions through the Legal Reporting, the nature of the data is from another domain and the preservation of their confidentiality is a necessity.

4 This project document

This project was launched in urgency. U IT will apply the Agile method and regularly update this document. We ask our readers to keep in mind the special situation and conditions of this new reporting. We'll keep informed any customer interested by it.

U IT response

U IT was waiting for the release of the circular and started to work on a development solution.

We redirected our experienced team on this development project, granting it the highest priority. Our solution will consist of 2 independent tools :

- **RGen CEDRS** – Report’s generation tool
- **SAPI CEDRS** – Secured transmission tool

The main characteristics of the project were chosen to respond to a maximum of needs and requirements :

- RGen CEDRS Target : **Update 10/9/20** : Application is available in its first early version - An update to support the new format as described in the latest circular (from 4 September) will be released on 11 September.
- SAPI CEDRS Target : supposing to receive the final documentation at the date of 10/9, we expect to be ready with **a first version for end of September** (3 weeks) – note that **delays may be extended as part of the project is dependent of all other participants response times**.
- Automated tools running on Windows operating systems.
- Offline applications (tools do not connect to any external source, no web-based development).
- For both applications, the first version v1.0 will be released as soon as possible with a minimum but sufficient set of options implemented. Future versions will complete the tools with more options and functions (see annexe “Roadmap” documents)
- **Update 4/9/20** : The costs of both application is now determined (see next page)

Practical facts from an IT development perspective

Extracting the right data required to fill the report should not be represents a problem for the majority of the banks. Some may experience difficulties if the information are stored on multiple databases.

Update 10/9/20 : U IT is now in measure to provide with a **simplified CSV** template to its customers, a **dummy sample file** but also **a first test version of RGen CEDRS**. We can also provide the CSV template to any company interested by the application without any engagement signed.

For RGen CEDRS, U IT will collaborate with its first customers and develop specific “Loader Functions” to adapt the raw data to the simplified CSV template we created – U IT will perform these developments at no extra cost, our aim is allow RGen to accept a maximum of formats.

RGen CEDRS will be highly adaptable and configurable. The first version will perform the minimum data validation in order to meet the date, further versions will enhance the data validation and bring more functions or options. We’ll also take into consideration our customer’s feedbacks.

The main challenge concerns the transmission tool : SAPI CEDRS – which can be considered as a new “open” secured channel on the Luxembourg market. From our first analysis, it turns out that the development of this tool requires strong development skills and a good expertise in the domain.

If you want to learn more about U IT, you can access the results of our satisfaction survey. From our website www.uit.lu, go on the Expertise page then click on the keyboard image

Project detail & planning

Please refer to the other documents released by U IT for further details about the technical features and roadmaps of the 2 applications to be released soon.

Update 8/9/20 : U IT finished all developments that were possible with the actual technical information provided by the CSSF. This first weeks of September we are entering early testing phase of the generation of the reports with our bank partners. We can now provide with detailed information for the accepted entry format (of raw data extraction) including a sample file.

Beta-tests program & benefits

Update 8/9/20 : U IT already engaged with a few bank customers to beta-test the 2 applications and we are willing to propose a similar cooperation with new ones. If you would like to enter our beta-test partner program and benefit special pricing conditions, or just interested to learn more, please contact us.

After initial testing, U IT will be in measure to provide a beta version of **RGen CEDRS** to any customer who responded positively to our survey (see below). Based on feedbacks received, our development team will consider including new options or functions if requested or seen opportune for many.

Costs & survey

We'll provide an offer to our customers who responded to our survey.(needed for calculation)

The costs are calculated as follow :

- A fixed & common cost.
- A supplement based on a category – this category will depend on the number of IBAN & safe-deposit boxes which have to be reported.
- For 2020, U IT decided to apply the same cost than the licence cost covering all the setup, installation & test of the solution. More details are provided further discussion.

Any demand of extra support or extra developments (specific pre-task, functions, options) will be possible upon discussion. At this stage U IT cannot guarantee our availability for other custom developments as our primary target remains the development of the 2 tools.

Survey document :

In annex of this document, we released a 2 pages survey document. Please fill this document if you are interested in our solution. Sending back this document does not engage in any manner and will allow U IT to provide back with a fixed price offer. This document will also help us to better understand your needs and/or requirements, it contains open questions.

Refer to the following page on our website to keep you informed on this project:

www.uit.lu/CEDRS

You can also contact us using the following email address:

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