

CASE STUDY

KEY FACTS

Existing Solution: FLEXCUBE FCC, FLEXCUBE FCR

New Solution: Oracle FLEXCUBE 14.1

Implementation Partner: Finonyx Software Solutions Pvt Ltd

Project Start: January 2019

Project Go Live: 14 November 2019

Central Bank of Libya – Primary Objectives

1. The stability of currency in Libya.
2. Management of Reserves and Control of Foreign Exchange.
3. Regulating the quantity, quality and cost of credit to meet the requirements of economic growth and monetary stability.
4. Taking appropriate measures to deal with foreign or local economic and financial problems.
5. Acting as a banker and fiscal agent to the state and public entities.
6. Managing and issuing all state loans.

BACKGROUND

CBL was established in 1951 with the primary objective of achieving price stability and thereby ensuring sustainable economic growth in Libya. The current technology environment was a constant hinderance towards achieving its strategic goals. The primary concerns were around management of securities and cash management. The leadership team at CBL recognized the need for a complete technology overhaul to ensure greater role in servicing the multiple banks in the country and the governmental bodies.

CBL was using an older version of FLEXCUBE which required immediate upgrade.

CHOOSING THE RIGHT SOLUTION

Oracle FLEXCUBE version 14.1 was chosen as the new solution after detailed evaluation of the available solution vendors. The primary reasons for deciding to continue with an upgraded version of FLEXCUBE were –

1. Proven track record of serving central banks at different countries
2. Extensive Islamic banking functionalities
3. Enhanced integrations for improved operations and compliance

In addition to this, features within the solution provided the ability to manage the complex cash management requirements that were unique to Central Bank of Libya.

“CBL realized that towards being the ideal bankers’ bank, we required a robust and proven application that could be tailored to CBL’s unique needs. FLEXCUBE 14.1 was found to be the ideal solution and we are confident of realizing our longterm strategic goals”

Ali A. Kerwan

Upgrade Project Manager, CBL, Libya

CASE STUDY

Finonyx as the Trusted Partner

Successful implementation track record in the region and technical expertise were primary considerations for Central Bank of Libya while looking for a strategic partner.

- Finonyx comes with 10 years’ experience in providing implementation, upgrade, and support services to more than 65 banks across the globe.
- Finonyx successfully demonstrated its capabilities to provide unique workarounds to meet CBL’s specific customization requirements.

Finonyx Approach

Unlike regular application upgrade projects, CBL being the central monetary authority of Libya presented specific challenges. CBL had a unique requirement around cash management, which required the printed currency notes to be part of the inventory without a value until a certain stage and later gets a value assigned. The standard FLEXCUBE application did not support this requirement. The Finonyx team developed a work around using the inventory module of FLEXCUBE. The implementation involved multiple customizations and parameterization requirements.

The implementation also presented logistical challenges - The entire implementation as done from a different country, consultants from Finonyx and CBL travelled to the project office in Tunisia. Language barriers within project team during the initial phase of the project required multiple communication channels before initiating a new work-around or deviation from the existing plan.

Strong commitment of CBL's higher management and dedication & determination of central bank team was a key factor that contributed towards success of this project.

Project Outcomes

- After an initial phase of parallel run from November 2019 to February 2020 – CBL went fully live on the new system from March 2020.
- With the new system in place CBL has achieved a 1:1 mapping and wholistic view of every component and the associated charges.
- The check clearance system has radically changed ensuring faster and more efficient operations.
- Complete integration with National payment systems (NPS) , Real time gross settlement system (RTGS) and automated clearing house (ACH)
- The time taken to complete end of cycle and closure operations has reduced from a few hours to under 10 minutes.

“The team from Finonyx showcased great understanding of the solution which helped in developing innovative work arounds to meet unique requirements. We also appreciate the flexibility that was shown in overcoming the logistical challenges in this project”

Ali A. Kerwan

Upgrade Project Manager, CBL, Libya