

Vendor Watch

Case Study: Bank Al Muamelat Assahiha

As a new entrant to the Mauritanian market, Bank Al Muamelat Assahiha (BMS) opted for Path Solutions to underpin its business strategy and technology. Following a month and a half roll-out, the greenfield bank has become the third customer live on the **iMAL** system in the country.

Bank Al Muamelat Assahiha (BMS) in Mauritania, a fully-fledged Islamic bank, offers a range of personal and business banking services with the aim to 'support local economic innovation and attract foreign investment using the latest technologies and capacity building', says general manager, Abdallah Ahmed El Mokhtar.

The start-up entered the market in April 2012, after gaining its banking licence from the Central Bank of Mauritania. Stipulations of the licence included that the new bank must deposit its entire capital in accounts opened in the central bank, and it must open to the public and have at least three

branches within one year from the licence date or from the date of the legal establishment of the bank (which in BMS's case was 15th October 2012).

BMS began the process of looking for a core banking solution a month after receiving its licence. It was seeking a system that was 'conceived originally to serve Islamic finance', says El Mokhtar. An RFP was issued and the bank evaluated several market players including Capital Banking Solutions, Delta Informatique (now part of Sopra Banking Software), Infracore Technologies, Path Solutions, SAB and Temenos.

Main requirements comprised flexibility, scalability and a system built to make sure all operations at the bank are Islamic. 'For each banking operation, we have guidelines and system checks to make sure that we operate properly, following the Islamic finance descriptions.' El Mokhtar notes that **it was clear from BMS's criteria that Path was the best possible vendor for the job.**

El Mokhtar describes the overall selection process as 'lengthy'. As part of it, the bank's team spoke to several of Path's existing **iMAL** customers, and 'they were all fine with what they had', he comments. Among these were Al Baraka Algeria and Al Baraka Sudan. The overall feedback, he adds, was 'good', and there was a common theme that the clients **'were happy because the system is made for Islamic banks and understands how Islamic finance works'**. The new bank also took advice from contacts at local banks in the Middle East, and a domestic third party consultant was used for this part of the project.



El Mokhtar says that **Path's professionalism throughout the system demonstrations, and its established presence in the Middle East and parts of North/West Africa were key contributors in the decision-making process.**

'This means that banks are satisfied with the system, and the user base is continually growing – we have seen Path selling its solutions every year.' El Mokhtar says.

BMS signed the contract in November 2012, although the implementation process was put on hold until the bank's team had established its headquarters. El Mokhtar cites: **'Once we had bought and made progress with the head office, we contacted Path in February 2013 to tell them that we wanted to go live with iMAL at the beginning of April.'**

Thorough discussions were carried out with the implementation teams to agree on the scope and deadlines of the project. From this, a go-live date was set for 14th April this year. The vendor was **'responsive to our eagerness'**, El Mokhtar adds, and sent its implementation team to the bank's site a couple of weeks later.

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The project kicked off at BMS in March 2013, and was divided into two phases. The first phase was the vanilla deployment of **iMAL**'s basic modules which were needed for the bank to commence operations. This was completed and BMS launched the new system a week earlier than originally planned, 7th April 2013, after a month and a half roll-out. The project consisted of the usual stages, comments El Mokhtar, including system design and build, requirements gathering, parameterisation, training, testing and a big-bang go-live.

BMS has become Path's third customer live on the system in the country, and El Mokhtar says that it *'was one of the quickest banks to finish an iMAL implementation.'* He also adds that the project was *'smooth from start to finish'*.

At the bank, **iMAL** covers all front-to-back office banking operations, specifically around retail banking products such as murabaha and musharaka. Other functionality includes accounting and financial control, financing application management, Islamic corporate financing and branch automation. The platform was adapted to comply with the Central Bank of Mauritania's regulatory and reporting standards.

For training, the users were divided into groups comprising accountants, front office staff, back office staff, and IT specialists. Five people from Path taught the bank's users on the new system. El Mokhtar says: *'It wasn't hard to train the staff because they are all bankers and had a lot of knowledge of banking systems from previous work experience. In that respect, it was easy for Path and for us too, as the system was very clear and easy to pick up.'* With regards to testing, business-wide operations were 'extensively' trialled through the system prior to go-live. Covering areas such as opening, crediting and debiting accounts, murabaha, musharaka, and foreign currency.

BMS is now undergoing the project's second phase. This is to implement the remaining Islamic banking modules as well as the ATM broker module, which will allow BMS to interface with a local card system for Visa and Mastercard capabilities, he says. This phase is expected to be completed by July this year.

The new bank also has an ambitious growth strategy in place, says El Mokhtar. BMS currently has two branches, but plans to open another four this year and a total of 20 by 2017. 'We hope that the system will be sufficient enough to keep up with the bank's future growth,' he remarks.



Looking back on the project, El Mokhtar says he would not have done anything differently. *'I am happy with what we have and I think Path is very responsive. The overall project has been successful,'* he says.

'We are on track, all of our applications have so far been completed on time, we are up and running, and are happy with the system.' He also comments that he would recommend Path and its offering to other banks.

July 3, 2013. IBS Journal News
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