

Cash management services in Finland



Danske Bank Group provides pan-Nordic cash management services based on a single IT platform across the Group.

Danske Bank has been present in Finland since 1970, when Helsinki Branch was opened, and is among the country's best-reputed foreign banks.

Danske Bank acquired Sampo Bank in January 2007. As a subsidiary of Danske Bank and part of the Group's banking activities in Finland, Sampo Bank continued to use the Sampo Bank name until November 2012, when the Group, as part of the June 2012 reorganisation, brought all of its banking activities together under one brand name: Danske Bank.

Danske Bank now consists of three business units – Personal Banking, Business Banking and Corporates & Institutions – that span all of the Group's geographical markets.

In Finland, Danske Bank offers personal, business and institutional customers a full range of services, including asset management, treasury, trade finance and conventional bank and cash management products.

Currency	EUR
Time zone	GMT +2
Central bank	Suomen Pankki (Bank of Finland)
SWIFT/BIC	DABAFIHH

Clearing and local market conditions

Foreign exchange regulations

No regulations in force. Central bank reporting is not required.

Clearing systems

- TARGET2, the pan-European RTGS system
- EBA STEP2 clearing for SEPA credit transfers

Payment instruments

Almost all payments in Finland are processed electronically through multi-banking systems or web-based solutions.

- Payment orders: Reference numbers are widely used for invoicing and reconciliation. The dominant payment method is known as “reference payment”.
- eInvoicing: Use is increasing and eInvoices can be downloaded through Business Online and by file transfer.
- Direct debits: Not frequently used for B2B payments, but very popular with heavily invoicing customers (B2C). By the end of February 2014, national direct debits will be replaced by eInvoices, direct payments and SEPA direct debits.
- Cheques: The use of cheques is very limited. They are never used for B2C and B2B payments. Merchants refuse to accept cheques.

Cards

International credit and debit cards are widely accepted. Card payments are by far the most popular means of day-to-day retail payment and account for some 75% of total volume, with cash being the only other relevant means of payment. Danske Bank offers Visa and MasterCard merchant acquiring services, including POS terminal solutions in Finland together with its partner [Nets].

Electronic banking services

The Finnish banks have offered electronic banking services for the past 30 years, and today nearly all payment transactions from individuals and businesses are processed electronically.

Local foreign currency payments

No restrictions. Settlement abroad.

Foreign payments

No restrictions. Central bank reporting is not required.

Taxation

Resident companies must pay tax on their worldwide income, whereas foreign (non-resident) companies are liable to pay tax on their Finnish source income only.

The corporation tax rate is about 24.5%.

Dividend payments to foreign companies are generally subject to withholding tax at a rate of 24.5% (certain exceptions exist), unless the EU Parent-Subsidiary Directive is applicable or a lower tax rate is stipulated in the applicable tax treaty.

Interest income paid to foreign companies is usually tax-exempt in Finland.

VAT is levied on the sale of goods and services at a rate of 24%, 14%, 10% or 0%.

For more details, please consult a local tax adviser or auditor.

Danske Bank's cash management solutions, products and services in Finland

Accounts

Resident and non-resident accounts in local and foreign currencies. Opening forms available in Finnish, Swedish and English.

Account reporting

Danske Bank can report via the Finnish national format, the XML format and EDIFACT (DEBMUL, CREMUL or FINSTA).

Domestic payments

The ISO 20022 XML format has replaced domestic payment formats.

Foreign payments

No restrictions.

Electronic invoicing

Danske Bank's electronic invoicing services in Finland are based on the Finvoice XML format. Electronic invoicing is suitable for inter-company billing and for charging personal customers. Electronic invoices are sent to recipients through the bank branch network and invoice operators.

By using Danske Bank's invoicing services, you can

- send electronic invoices to personal and business customers
- send paper invoices (they are printed and sent to recipients)
- download your company's own purchase invoices in an electronic format

Electronic invoices are sent to recipients through Business Online or through banking software.

Danske Bank provides partners with solutions for sending and receiving invoices, including value-added services such as invoice attachment transmission, to support the processes. The solutions encompass the whole invoice life-cycle – from transmission of invoices to debt collection.

Liquidity management

Danske Bank offers several flexible liquidity management solutions to help you streamline daily cash flows, optimise interest rates and reduce the need for credit lines. Customised to your needs, the solutions provide full visibility and control of liquidity across companies, borders and currencies.

- Real-time (per transaction) Zero Balancing cash pools in all major currencies are available in all of the Group's geographical

markets except for the Baltic states and Russia.

- Real-time (per transaction) Single Legal Account cash pools in all major currencies are available in the Nordic countries.
- Real-time Multicurrency Cash Pool solutions in all major currencies are available in all of the Group's geographical markets except for the Baltic states and Russia.
- Zero and Target Balancing services are available in all of the Group's geographical markets.
- Multicurrency Interest Netting solutions in all major currencies are available in all of the Group's geographical markets except for the Baltic states and Russia.
- Flexible Credit Lines in all major currencies are available in all of the Group's geographical markets except for the Baltic states and Russia.

Electronic banking

Business Online is Danske Bank's web-based business system. It allows you to quickly create payments, view account information and authorise multiple payments at a time.

All information is shown in real time so you can always stay up to date with your company's current liquidity situation.

Business Online has various modules that you can choose from according to your needs. The cash management modules, which are available for Denmark, Sweden, Norway, Finland, Germany, Great Britain, Northern Ireland and Ireland, enable you to make local payments in each country.

Business Online also supports online collection via SEPA Direct Debit and local direct debit schemes, as well as local electronic and paper-based invoicing.

To streamline your payment processes when you have many regular payments, you can use electronic banking software. Danske Link is Danske Bank's electronic banking software for this purpose. The system has interfaces for many financial management applications.

You can also set up direct communication between your own system and Danske Bank's EDI gateway.

Danske Bank supports a wide range of file formats, including ISO 20022 XML CGI, group-wide EDIFACT setup and the SAP IDoc format in the four Nordic countries. We also support our own CSV-based solution and the SWIFT-based MT 101 format for payments and the MT 104 format for direct debits.

Web business

Services for secure trading and business on the web include the following:

- Web payment service is a risk-free way of paying for purchases made on the Internet.
- Identification service is a reliable method for identifying individual persons or companies on behalf of the service provider
- eSalary is a service for issuing paperless payslips for staff

Links to other banks

Reporting via MT 940 and MT 942 statements, if required. Requests for transfer via MT 101.

More information

If you need more information about our cash management solutions in Finland, please visit our website at www.danskebank.fi or our Group website at www.danskebank.com.