

PUBLIC MANDATE LENDING: FROM LOAN ADMINISTRATION TO MANDATE EXECUTION

*A WHITE PAPER ON MODERNISING PUBLIC MANDATE
LENDING OPERATIONS WITH AN END-TO-END,
CONFIGURABLE AND INTEGRATION-READY LENDING
PLATFORM.*



Introduction

Across Europe and beyond, many public sector finance institutions operate in a space that traditional commercial banking systems were not originally designed to serve. These organisations finance public infrastructure, affordable housing, regional development, sustainability investments, social programmes, government-backed loan schemes and other initiatives closely linked to public policy objectives. Their role is not simply to provide credit. It is to translate public mandates into structured, auditable and financially sustainable lending operations.

This mandate-driven operating model creates a distinctive set of requirements. Eligibility rules, programme conditions, collateral and guarantee structures, and oversight expectations shape how lending must be executed. The lending platform therefore becomes more than an administrative register: it becomes part of how the institution demonstrates accountability and control.

In mandate lending, your organisation does not exist to experiment. It exists to deliver continuity, keep public investment programmes running, provide stable financing under changing market conditions, and maintain trust through governance that can withstand scrutiny. When the systems behind that mandate become legacy-bound, the impact is not cosmetic. It shows up as rising maintenance cost, slower change, operational risk, and growing dependency on manual workarounds that quietly undermine control.

This is precisely where modernisation stops being an IT topic and becomes an executive topic. If a lending platform is approaching end of life, the organisation does not just face a technology refresh; it faces a business choice between continuing to fund inefficiency and risk or investing in a platform that lowers total cost of ownership and restores the ability to change without destabilising operations.

This white paper is written for specialised public lenders and mandate-driven financing institutions. It explains the operating model and constraints that make mandate lending distinct, and it outlines what a modern platform must support to reduce the cost of complexity while strengthening governance confidence.

It then presents how Evitec Solutions Power Lending supports public mandate lenders through end-to-end lifecycle depth, configurable products and workflows, collateral and guarantee capabilities, and integration-ready

architecture. A central benefit is single data entry and data reuse across the surrounding ecosystem – reducing manual errors and making reporting less dependent on reconciliation.

Finally, it proposes a practical next step: a short first conversation to map your lending and collateral operating model, identify the highest-impact bottlenecks, and outline a phased path tied to business outcomes such as process efficiency, reduced manual errors through data reuse, improved collateral control, and more predictable long-term maintainability through standard technologies and modular architecture.

Public mandate lending: a distinct operating model

Public mandate lenders are financial institutions, agencies or specialised entities that provide financing under a public, semi-public or policy-driven mandate. Their purpose may include strengthening competitiveness, supporting resilience, enabling long-term infrastructure, improving housing affordability, advancing regional development or delivering other policy objectives, often through structured financing programmes.

Across Europe, there is a recognised category of mandate-driven institutions that carry out development and promotional activities under a state or public mandate. Public communications increasingly describe these institutions as a coordinated class of long-term public investors working alongside EU-level

actors to strengthen competitiveness and resilience.

The defining feature of these organisations is that lending is not purely a commercial activity. It is connected to a public purpose. That purpose affects almost every aspect of the operating model: who can borrow, what can be financed, how risk is assessed and secured, how pricing is set, how changes are governed, and how outcomes are reported.

Unlike traditional banks, public mandate lenders often operate with a narrowly defined customer base, legally or policy-defined eligibility rules, long loan lifecycles, and complex guarantee or collateral structures. They also operate under high expectations of transparency and accountability, which increases the importance of process traceability, data quality and reliable reporting.

The practical implication is that operational and governance constraints repeat across borders. Names and legal frameworks vary, but the operating model is familiar: long-lived programmes, structured eligibility, policy-linked reporting, and a need to evolve without losing control. This is why the tools that work well for generic loan administration often do not work well for mandate execution.



Why traditional loan systems fall short

A generic loan administration system may be able to store agreements and calculate payment schedules. Public mandate lending, however, requires more: configurable products, eligibility and programme rule handling, integrated collateral and guarantee management, and strong integration with the institution's reporting and data ecosystem.

A public mandate loan may include eligibility rules tied to borrower type, project purpose, geography, ownership structure, public benefit, environmental criteria or affordability conditions. Rules can also depend on funding sources, programme-specific constraints and audit expectations. Over time, these requirements create a product environment where servicing is only one part of the operating model; programme execution and accountability are equally central.

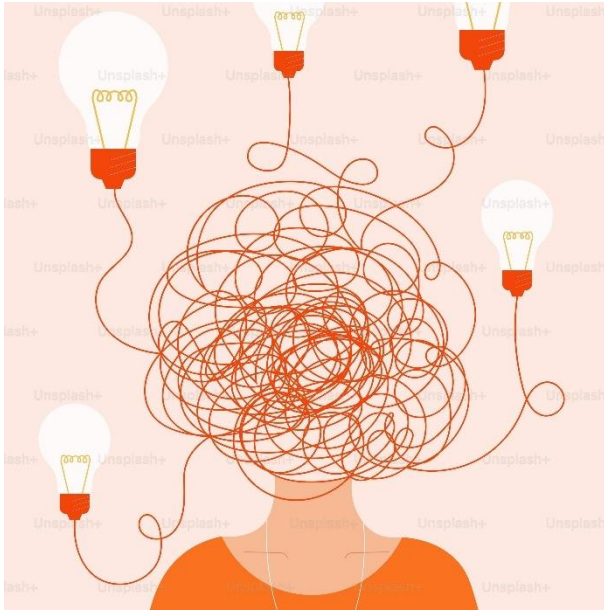
Governance and oversight do not happen only at the end of a process. They shape the process itself. When oversight

expectations are high, the platform must support traceable decisions and consistent data—so that reporting can be generated with confidence and explained without reconstructing history from emails and spreadsheets.

The result is an operating reality where programme-specific product rules, borrower and project eligibility checks, reporting obligations and collateral monitoring become part of daily work—not occasional exceptions.

When systems cannot represent such rules and processes directly, organisations compensate with workarounds: manual checks, separate registers, spreadsheets, and reconciliation steps. This keeps operations moving, but it increases operational costs and reduces the reliability of real-time information.

Organisations that rely on fragmented tools or legacy loan systems may be able to maintain current operations, but they may struggle to adapt to new programmes, new reporting expectations and new integration needs. As mandates evolve, the platform must be able to evolve with them—without turning each change into a high-risk project.



The cost of complexity: three triggers for modernisation

Mandate lenders rarely modernise because they want 'new technology'. They modernise because complexity starts to cost too much. Three triggers commonly bring the issue to the surface.

Trigger 1: End-of-life systems and rising maintenance costs

As platforms approach end of life, maintenance cost rises and change slows down. Obsolete technologies increase dependency on scarce skills, and tightly coupled customisations make improvements risky. The organisation can still deliver, but it pays a growing tax in cost, risk and time.

Trigger 2: Fragmented data and limited reuse across the ecosystem

Mandate lenders operate in an ecosystem where reporting, analytics and oversight

demand reliable data. If the same information must be entered multiple times because it is not available in connected systems, errors increase and reporting becomes dependent on reconciliation. The institution loses speed and confidence at the same time.

Trigger 3: Collateral and guarantees control becomes critical

In mandate lending, collateral is not peripheral. It is often the mechanism through which programme risk is governed and eligibility is enforced. If collateral information is fragmented or outdated, the institution's ability to control exposure and demonstrate prudent governance weakens. This is why collateral lifecycle management, valuation logic and traceable changes become essential capabilities, not optional extras.

What a modern mandate lending platform must support

A mandate lender's platform must support the entire operating model, not only origination. Practically, this means five requirements that work together.

Lifecycle depth - Support the operational lifecycle from early decisions through agreements, changes, servicing, invoicing and allocations so that long-lived programmes can be run consistently over time.

Configurability with control - Model programme specific rules without turning every variation into a development project, while keeping governance and

standardisation where operations benefit from it.

Collateral and guarantees as first-class capabilities - Treat collateral and guarantees as core operational objects with lifecycle, valuation and traceability—supporting risk control and auditability.

Integration readiness - Fit into the surrounding ecosystem of for example CRM, customer portals, integration management as well as data warehouse, reporting solutions and accounting systems through modular, API-based architecture.

Data reuse and transparency - Enable single data entry and reuse so that reporting and oversight are less dependent on manual reconciliation and more grounded in consistent system data.

From a business perspective, the goal is straightforward: reduce the cost of complexity without destabilising operations. That means automating and standardising processes where possible, while keeping the flexibility to model programme-specific rules and evolve the operating model over time.

How Power Lending supports public mandate lenders

Evitec Solutions Power Lending is an end-to-end lending platform that addresses business drivers of legacy replacement, maintenance cost reduction and efficiency improvement through automated and efficient lending processes. It is well suited

to public mandate lending because it combines lending lifecycle depth with configurability, integration readiness and modular architecture.



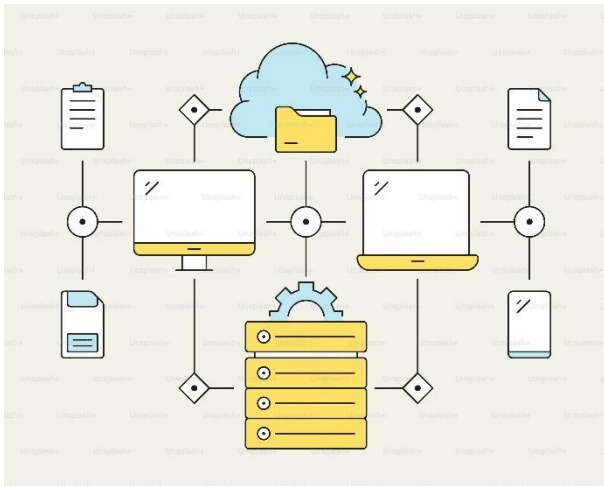
End-to-end lending operations

Power Lending supports the core operational lifecycle from approvals and offers to agreement creation and amendments, disbursement, invoicing and payment allocation. It also supports collateral management, debt collection and accounting as part of end-to-end operations. This aligns with the needs of institutions that must manage not only origination, but the full lifecycle of long-term public finance agreements.

In practical terms, lifecycle depth reduces the number of separate tools required to run daily operations. It also improves consistency: when decisions, agreement data and servicing actions are connected

through one lifecycle model, process becomes easier to govern and explain.

The lifecycle can also be extended with a customer-facing interaction layer for digital application intake, communication and process visibility. This enables customers and partners to engage with lending processes through a unified interface, while core operations remain governed within the platform. Solutions such as Evitec Solutions Pace provide this capability.



Configurable products and workflows

Public mandate lenders need to model programme-specific rules without turning every product variation into a development project. Power Lending supports configurable products, product hierarchies, inherited properties, mandatory and optional agreement properties, valid values and workflow configuration.

This supports a practical balance between flexibility and control. Programmes can differ where they must – while the organisation keeps common process structures, consistent data definitions and traceable approvals.

Collateral and guarantee management

Collateral and guarantees are where value becomes tangible for specialised public lenders. Power Lending includes collateral lifecycle management and valuation logic, including calculation of collateral value and deficit, and support for collateral creation and changes over time. It includes collateral modification and termination, collateral and guarantee registers, and pledge-related functionality.

An outdated collateral tool does not serve current processes and users, while a modern solution enables up-to-date information availability and improves collateral control. For mandate lenders, this is both operationally and reputationally important because security management is often part of how exposure is governed.

Integration readiness and data reuse

Integration readiness is key because mandate lenders rarely want to replace everything around the lending platform. Power Lending is API-based and modular, with modern standard technologies and a

microarchitecture that enables integration with surrounding systems.

Power Lending fits in an ecosystem context that includes integration management, suitable for integrating with customer portals and CRM systems as well as data warehouse and treasury/bank system for financial transactions of funding. It includes both official, in-house and ad hoc reporting such as Power BI. This matters commercially because value is realised when operational data becomes reliably reusable across the organisation's reporting and decision workflows, not when it remains locked inside one application.

A central benefit in Power Lending is single data entry and data reuse across multiple systems. In business terms, this is a direct lever on productivity and quality. When the same information is not re-entered and revalidated repeatedly, error rates fall, processing becomes faster, and reporting becomes less dependent on manual reconciliation.

Operational efficiency and governance confidence

Operational efficiency and governance confidence are linked. As manual work decreases and information availability improves, organisations gain both speed and control. By reducing duplicated work and improving traceability, personnel can focus more on customer-facing and value-adding tasks – and less on reconciliation and workaround management.

Architecture principles for long-lived lending operations

For a prospective mandate lender, this translates into a practical vendor question: can the supplier support a platform over a long lifecycle, under regulated expectations, with predictable cost and change management? Architecture plays a central role in answering that question.

Power Lending offers low total cost of ownership and long lifetime, supported by modern standard technologies and an API-based microarchitecture. When a platform is built on widely supported technologies and modular architecture, future changes become more predictable and less tied to scarce, legacy-specific skills.

Power Lending is modular so that separate modules can be included depending on customer need. This matters because public sector finance institutions vary significantly by mandate and may benefit from phased modernisation rather than a single large replacement programme.

Phased modernisation is not a compromise; it is often the safest route for mandate institutions where continuity is non-negotiable. A modular platform makes it practical to scope modernisation around outcomes – while keeping integrations and governance stable throughout the transition.



Buyer's guide: questions to validate platform fit

Public mandate lenders typically evaluate platforms not only on feature lists, but on whether the solution can carry the operating model over a long lifecycle with predictable cost and controlled change. The questions below are designed to help structure a practical evaluation conversation.

Q: Can the platform support mandate complexity without custom code for every programme?

Mandate lending programmes can differ by eligibility rules, reporting obligations, security structures and lifecycle handling. A key question is whether these differences can be modelled through configurable products, properties and workflows—so that operational flexibility

does not translate into uncontrolled technical complexity.

Q: Does the solution treat collateral and guarantees as core operational objects?

Collateral is often the mechanism through which programme risk is governed. A platform fit for mandate lenders should therefore support collateral lifecycle management, valuation logic and traceable changes—not as an afterthought, but as part of daily operations.

Q: How well does the platform integrate with the surrounding ecosystem?

Mandate institutions typically operate multiple reporting paths, CRM, integration management tooling and data warehouse environments. The practical test is whether the platform is designed for integration through API-based modular architecture, and whether operational data can become reusable across the organisation's reporting and decision workflows.

Q: Is the platform designed for long lifetime and predictable change?

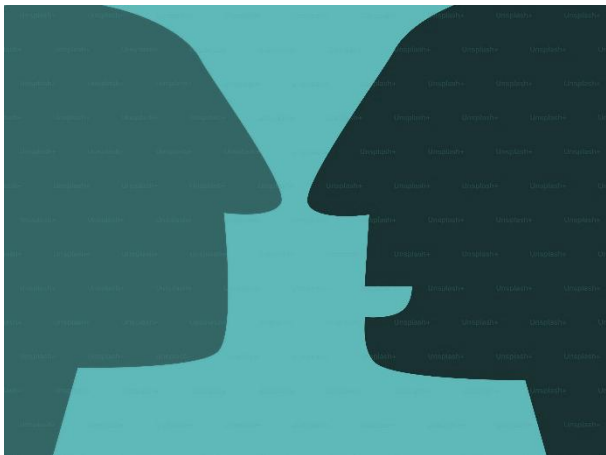
Because mandate lenders plan for longevity, platform sustainability matters. Standard technologies, modular architecture and microarchitecture approaches contribute to predictability: future changes become less dependent on scarce legacy skills and less likely to destabilise operations.

Q: Can modernisation be phased without losing control?

Many public sector finance institutions benefit from phased modernisation rather than a single large replacement programme. A modular platform should make it possible to scope change in manageable phases while maintaining reporting, governance and operational continuity throughout the transition.

Q: Does the platform reduce manual reconciliation through single data entry and reuse?

A recurring cost driver in legacy environments is manual reconciliation across systems. A practical evaluation question is whether the platform's data model and integration approach support single data entry and reliable reuse—so that reporting becomes less dependent on manual stitching and more grounded in consistent operational data.



A practical next step: a first conversation

If your organisation recognises the pattern of end-of-life systems, rising maintenance cost, fragmented data and collateral-heavy operational complexity, the next step should be practical. Evitec proposes a short first meeting to map your lending and collateral operating model, identify the highest-impact bottlenecks, and outline a phased path tied to business outcomes such as process efficiency, reduced manual errors through data reuse, improved collateral control, and more predictable long-term maintainability through standard technologies and modular architecture.

The aim is to convert interest into clarity without forcing early commitment. The focus is your mandate, your operating model and your priorities – so that any further work is grounded in real operational needs rather than generic assumptions.

About Evitec Solutions

Evitec Solutions is a Nordic financial software provider, established in 1992, with approximately 300 employees, operations in five countries, and annual revenue of around €38 million, helping financial institutions modernise core processes through modular and scalable solutions.

About Evitec Solutions Power Lending

Evitec Solutions Power Lending is a modern corporate loan origination and servicing system designed for complex lending environments. It supports end-to-end operations, configurable products and workflows, collateral and guarantee management, and integration with surrounding systems through an API-based modular architecture. Its value proposition targets the business drivers of legacy replacement, maintenance cost reduction and efficiency improvement through automated and efficient lending processes.

About Evitec Solutions Pace

Evitec Solutions Pace is a digital customer interaction solution designed to support front-end engagement in complex service environments. It enables application intake, communication and process visibility through a configurable interface, allowing customers and partners to interact with underlying operational processes in a structured way. Pace

complements core systems by providing a unified entry point to the service lifecycle. Its value proposition lies in improving customer experience, increasing transparency and enabling efficient digital interaction while maintaining governance and control.



Contact Evitec Solutions

sales@evitec.com

www.evitec.com

Evitec Solutions offices

Bertel Jungin Aukio 9 A
02600 Espoo, Finland

Linnégatan 76
115 23 Stockholm, Sweden

Pärnu Mnt 158/1
11317 Tallinn, Estonia