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Tear down those walls

Gary Casagrande of Confluence discusses the right approach to a winning data and operations strategy

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EC gives green light to Euroclear UK & Ireland for temporary equivalence extension

The European Commission has granted Euroclear UK & Ireland (EUI) the ability to continue to offer issuer central security depository (CSD) services after the Brexit transition period ends on 31 December 2020.

EUI will be able to continue settling Irish-domiciled funds and securities up until the end of the new extension period of 30 June 2021. This comes as the EC has decided to adopt an implementing act determining the legal and supervisory requirements for UK CSDs as equivalent to those in the EU.

The temporary equivalence includes securities constituted under the law of Ireland (Irish securities settlement); and securities constituted under the laws of Cyprus, The Netherlands or Luxembourg, which are represented in the CREST system.

Euroclear explained that this is by way of registrar depository interests (DIs), where there is no other CSD in the holding chain (relevant DI settlement).

From the expiry of the transition period, EUI requires third country CSD recognition pursuant to the Central Securities Depositories Regulation (CSDR) in order to continue to provide Irish securities settlement and relevant DI settlement.

The key milestones in the recognition process include an implementing act of the EC; a subsequent application from EUI to the European Securities Market Authority (ESMA); and a decision from ESMA.

In March last year, ESMA said it was to recognise EUI as a third country CSD in case of a no-deal Brexit, in accordance with Article 25 of the EU CSD Regulation.

EUI's recognition was to apply from 30 March 2019 to 30 March 2021, but following the entry into force of the UK's withdrawal agreement in February 2020, this recognition was no longer applicable.

Meanwhile, in the run up to the UK's exit from the EU, and during the transition period, EUI and EB have issued a number of consultations and notifications which are available on their respective websites.

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Central Bank of Sri Lanka selects SimCorp's investment platform

The Central Bank of Sri Lanka (CBSL) has selected SimCorp's front-to-back investment platform, SimCorp Dimension, to manage the investment operation of the country's official reserves. The agreement between CBSL and SimCorp Asia Pacific aims to deliver the bank with increased operational resilience, improved automation and strong support of the bank's investment strategy.The implementation of SimCorp Dimension is part of its long-term strategy to strengthen operational efficiency and risk management at CBSL.

CBSL will utilise SimCorp's integrated Investment Book of Record (IBOR), which will serve the central bank with a single source of data and a view across asset classes, allowing teams across the organisation with full transparency for stakeholder reporting.

Meanwhile, the mandate will also see SimCorp's automated investment solution streamline the bank's investment management. This includes front office functionality, compliance and performance, through to investment accounting, covering the International Financial Reporting Standards.

Additionally, the solution will handle all of the bank's internally and externally managed funds and coverage of fixed income, money markets and gold.

Oliver Johnson, senior vice president and managing director, SimCorp Asia-Pacific, commented: "We are pleased to welcome the Central Bank of Sri Lanka within our global client community."

"With an integrated front-to-back, multi-asset platform, continued innovation and a deep understanding of central banking needs, we have steadily grown the number of global central banks in our client community."

Apex Group gains new mandate from real estate investor Valpre Capital

Apex Group has been appointed to provide full fund administration services, corporate and depositary solutions to Valpre Capital UK, a London-based investment firm focused on sourcing, structuring and seeding real estate and private equity investments.

The services Apex will provide include transfer agency, financial statements, regulatory reporting and anti-money laundering (AML) services as well as depositary for the fund, delivered via the Apex and European Depositary Bank subsidiary.

Apex has identified real estate fund services as core areas for growth for the business as evidenced by the recent appointment of Michael Sheahan as global head of real estate fund services.

John Bohan, co-founder and country head business development (Ireland) at Apex Group, commented: "We are delighted to announce Apex's latest appointment by Valpre Capital who will benefit from our single-source solution providing fund administration, depositary and custody services."

Mazen Abou Chakra, founder and managing partner at Valpre Capital UK, added: "Apex presented a compelling single-source solution encompassing fund administration, corporate and depositary services, affording the flexibility required to meet both the fund's current and future needs. We have already benefited from Apex's multi-jurisdictional experience and have been impressed by the quality of the team's communication and efficiency; we look forward to working together throughout the lifecycle of the fund."

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Vermeg launches collateral platform for SMEs ahead of UMR phase 5/6

Vermeg, a banking and insurance software solutions provider, is targetting smaller market participants set to face an unprecedented level of regulatory oversight with its new collateral management platform. Some 1,100 buy and sell-side firms are understood to be in scope for the phase five and six of the Uncleared Margin Rules (UMR), which will bring new margining requirements for over-the-counter derivatives in September 2021 and September 2022 respectively.

The 12-month delay in the implementation of the final two phases of UMR was extended because of the COVID-19 pandemic.

Phase five will require all entities with an average aggregated notional amount above €8 billion to post and manage initial margin (IM) for non-centrally cleared derivatives from next September.

A spokesperson for the firm explained that many of the organisations affected by the final phases of UMR have typically managed their collateral management process on spreadsheets and have historically been unaffected by the regulations.

Many in-scope firms will not need to exchange IM but should still be taking this opportunity to review processes, infrastructure and ensure the appropriate controls are in place, says Vermeg.

The delay gives smaller buy and sell-side firms a critical window in which to find strategic solutions to avoid non-compliance with the regulations, according to Helen Nicol, global product director of collateral solutions at Vermeg.

The requirement for IM monitoring and the potential need to exchange collateral requires further documentation, triparty or third-party custodian accounts and connectivity plus the ability to calculate the trade sensitivities in order to calculate the numbers depending upon the approach the organisation has taken.

To meet this challenge, Vermeg has launched Colline.Cloud, a modular, cloud-based, end-to-end collateral management service, aimed at smaller buy and sell-side firms that are due to come under the remit of UMR over the next two years.

Vermeg says Colline.Cloud is highly-automated and adaptable and can be implemented rapidly and seamlessly to meet this need. The firm's flagship platform, Colline, is currently used by more than 90 financial institutions.

The new software has been developed by the Colline service and has additional capabilities including standard IM model calculations and a new user interface.

Nicol added: "With a more efficient collateral management solution like Colline.Cloud, they will not only tick the regulatory box, but it could also improve business performance by providing a sustainable and flexible cost structure and removing the need for burdensome IT infrastructure."

FSB releases guidance on CCP financial resources for resolution

The Financial Stability Board (FSB) has published final guidance on financial resources to support central counterparty (CCP) resolution and on the treatment of CCP equity in resolution.

The recent periods of market turmoil have demonstrated the benefits that central clearing brings for global financial stability, according to the FSB.

Progress in implementing the G20 regulatory reforms agreed after the 2008 financial crisis has promoted the use of CCPs, and the shift to central clearing has also further increased the systemic importance of CCPs.

The chairs of the FSB, the committee on payments and market infrastructures (CPMI), the International Organization of Securities Commissions (IOSCO) and of the FSB resolution steering group have proposed to collaborate on and conduct further work on CCP financial resources through their respective committees.

The partnership between committees during 2021 will consider the need for international policy on the use, composition and amount of financial resources in recovery and resolution to further strengthen the resilience and resolvability of CCPs in default and non-default loss scenarios.

This would include assessing whether any new types of pre-funded resources would be necessary to enhance CCP resolvability.

Part I of the guidance proposes five steps to guide the authorities in assessing the adequacy of a CCP's financial resources and the potential financial stability implications of their use.

FSB outlined the authorities should identify hypothetical default and non-default loss scenarios (and a combination of them) that may lead to a resolution of a CCP.

It also affirmed that authorities should conduct a qualitative and quantitative evaluation of existing resources and tools available in the resolution of the CCP, and assess potential resolution costs.

The guidance also suggested that authorities should compare existing resources and tools to resolution costs and identify any gaps; and evaluate the availability, costs and benefits of potential means of addressing any identified gaps.

HKEX partners with DTCC in light of new settlement acceleration platform

Hong Kong Exchanges and Clearing (HKEX) has partnered with the Depository Trust & Clearing Corporation (DTCC) amid its launch of HKEX Synapse, a new settlement acceleration platform for its Stock Connect programme.

The partnership will see HKEX Synapse link to DTCC's institutional trade processing (ITP) services.

HKEX Synapse is intended to help institutional investors participating in Northbound Stock Connect to better manage their post-trade operations across different time zones, in particular adhering to the mainland securities market's T+0 settlement cycle.

Synapse will standardise and streamline the post-trade workflows of Northbound Stock Connect using digital asset modelling language (DAML) smart contracts, which HKEX suggested will increase efficiencies for market participants.

Asset managers, brokers, global custodians, local custodians, and clearing participants are set to benefit from the improved connectivity and enhanced capacity to handle the growing volume of trades flowing through Stock Connect.

The new settlement platform will allow global investors and HKEX participants to central match cross-border transactions on the Synapse platform.

Meanwhile, Digital Asset has been selected as the vendor to develop HKEX Synapse.

"Embracing new technology to further develop our markets is a cornerstone of our strategy and we are delighted to work together with DTCC and Digital Asset on this exciting new enhancement to our landmark mutual access programme with Mainland China," commented Charles Li, HKEX chief executive.

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Elsewhere in Part II of the guidance, the FSB addressed the treatment of CCP equity in resolution.

It provides a framework for resolution authorities to evaluate the exposure of CCP equity to losses in recovery, liquidation and resolution and how the treatment of CCP equity in resolution could be adjusted.

According to the FSB, the guidance will support resolution authorities and crisis management groups in assessing the adequacy of financial resources for CCP resolution and provides guidance on approaches to the treatment of CCP equity in resolution.

In September, the European Commission adopted a time-limited decision to allow financial market players 18 months to reduce their exposure to UK CCPs as part of its post-Brexit plans.

The EU financial system's heavy dependence on UK-based CCPs could potentially cause complications as the UK is due to leave the single market on 1 January 2021.

The temporary equivalence decision, which expires in June 2022, aims to protect financial stability in the EU and give market participants the time needed to reduce their exposure to UK CCPs.

U.S. Bank to migrate custody services to SEI platform

U.S. Bank will adopt the SEI Wealth Platform across its entire wealth management and investment services group.

The fifth-largest bank in the US will migrate its wealth management, global corporate trust, global fund custody and investment advisor services businesses to SEI's Wealth PlatformSM (SWP) from the legacy wealth management platform, TRUST 3000.

SWP and TRUST 3000 are part of SEI's Global Wealth Management Services business, comprised of market-leading, innovative solutions designed to support the future growth of investment and wealth managers globally.

Sandy Ewing, senior vice president for North America Private Banking at SEI, said: "After driving innovation and experiencing industry change for more than four decades together, we are thrilled to expand our relationship to support the U.S. Bank's continued global growth initiatives."

Dale R. Smith, executive vice president of U.S. Bank trust technology and support services, commented: "With a component-based, configurable architecture to support our flexible business operating model, the SEI Wealth Platform will enable us to drive greater efficiency and deliver enhanced services to our wealth management and investment services clients globally."

Deutsche Boerse to take majority stake in ISS

Deutsche Boerse is set to acquire a majority share of approximately 80 percent in Institutional Shareholder Services (ISS), valuing ISS at $2.3 billion for 100 percent of the business (cash and debt free).

Genstar Capital and current management will continue to hold a stake of approximately 20 percent of the governance, environmental, social and governance (ESG) data and analytics provider.

The transaction is expected to close in the first half of 2021 subject to customary closing conditions and regulatory approvals.

Central Bank of Iceland goes live with new interbank payment system

The Central Bank of Iceland (CBI) and SIA, a European hi-tech company in payment services and infrastructures, have gone live with the new real-time gross settlement system (RTGS) and the new instant payment platform.

The new payments system is a more strategic and modern infrastructure and enables closer cooperation with other central banks.

CBI manages all interbank payments in the country: it currently processes up to one million payments with peaks of 160,000 per hour despite the small population of just over 365,000.

The new system has been developed in order to manage up to five million payments per day and each transaction is on average processed in less than 40 milliseconds.

According to the bank, the launch of the new gross settlement system and the new instant payment platform puts CBI in a prominent position within the evolution of digital payment infrastructures.

"An efficient and secure payment system is one of the prerequisites for smooth, normal business transactions in a modern economy. We need to use the best available tools at all times, and we are delighted with the implementation of the new interbank payment system from SIA," said Sturla Pálsson, director for markets department of the CBI.

Eugenio Tornaghi, marketing and sales director of SIA, commented: "The successful go-live for the new interbank payment system of the Central Bank of Iceland confirms our strong partnership with Central Institutions to deliver secure, mission-critical and high-performance platforms and to enable challenging digital transformation programs in the payments ecosystem."

With this transaction, Deutsche Boerse said it "strongly commits" to one of the key trends in the industry that is expected to change the investment space over the coming years.

Deutsche Boerse explained that ISS' ESG and data expertise will allow Deutsche Boerse to emerge as a leading global ESG data player.

The transaction will bring a strengthened capital structure to ISS and the ability to further accelerate organic and inorganic growth initiatives for the benefit of ISS' clients.

After the closing, ISS will continue to operate with the same editorial independence in its data and research organisation.

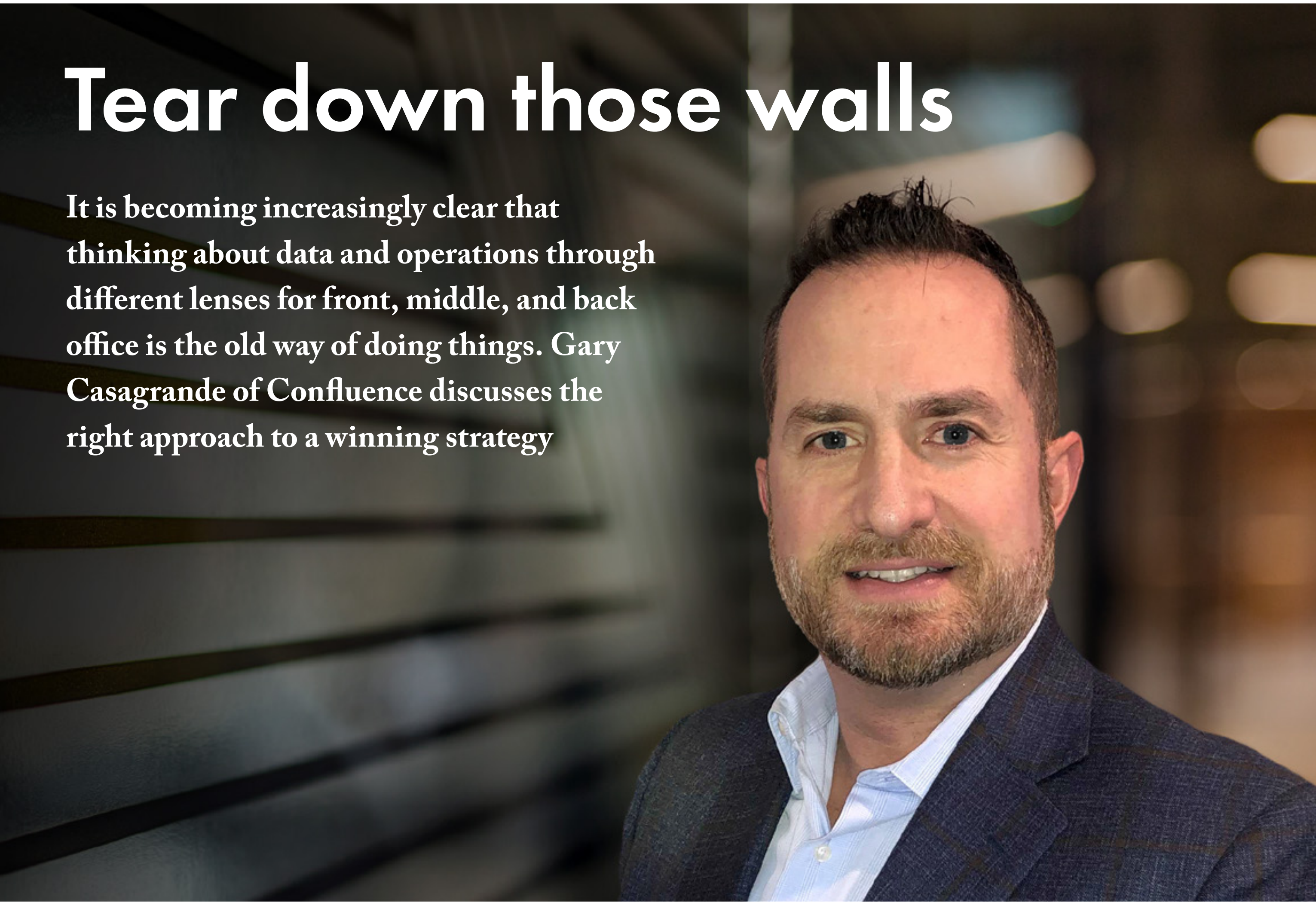
The current executive leadership team with CEO Gary Retelny will co-invest in the transaction and will also lead the business of ISS after the closing.

Commenting on the acquisition, Theodor Weimer, CEO of Deutsche Boerse, said: "Together, ISS and Deutsche Boerse have complementary ingredients to become one of the globally leading ESG players of the future. We have been deeply impressed by the culture and the leadership team of ISS."

Gary Retelny, ISS president and CEO, said: "We at ISS look forward to partnering with Deutsche Boerse, along with Genstar Capital, as we continue to build upon the success of our diversified businesses around the world. As we have for more than 35 years, we remain committed to ensuring the provision of the highest quality research, data, analytics, and insight to our clients globally."

Tear down those walls

It is becoming increasingly clear that thinking about data and operations through different lenses for front, middle, and back office is the old way of doing things. Gary Casagrande of Confluence discusses the right approach to a winning strategy



Investment management companies have had front, middle, and back-office groups for as long as anyone can remember. It's a logical structure for the various functions, and deeply ingrained in the corporate culture of both asset management and service provider firms.

These groups aren't going away anytime soon. What is changing, however, is how investment firms need to manage their data across their enterprises, and that means that the ways these three groups interact will have to change.

The organisational boundaries between front, middle, and back office have resulted in several operational realities. One of them is the fact that many of these firms' systems and processes have been designed more to meet one group's specific needs rather than the company's overall operational requirements.

As recently as just a few years ago, unified, holistic systems that served the purposes of multiple groups weren't believed to be possible and were viewed as unattainable ideals. As a result, systems that touched a firm's all-important operational data were largely siloed, walled off by organisational boundaries. Over the past few years, that has changed. Now, several factors have combined to make the old, territorial approach to enterprise data management less viable every day – and new strategies more attractive and achievable. Below we examine some of the key elements driving this change. We also make the case for why firms, at least from the data management perspective, need to tear down organisational walls and take a cohesive approach to enterprise data management.

Over time, and especially as the functions evolved, extensive systems, workflows, and business processes were developed within these respective areas,

> *Today, the growing strategic importance of efficient, effective and accessible enterprise data management capabilities is changing the operational calculus of investment management firms*

but rarely bridged the gap between and across the buckets. In particular, data processing and management systems were developed independently, which was only natural; when it came to development and funding, groups put their own needs first.

The priorities were understandable: "If it's coming out of my budget, I'm going to make sure it'll do what my group needs, first and foremost."

As margins grew thinner and budgets tightened for both asset managers and service providers, the sentiments only solidified further.

As for holistic, enterprise-wide data initiatives, they were 'nice to haves' but always felt too big, expensive, and complex to actually accomplish and, therefore, were included as second- or third-tier development priorities. In other words, company-wide initiatives aimed at creating more cost-effective handling of enterprise data were essentially non-existent.

Today, the growing strategic importance of efficient, effective and accessible enterprise data management capabilities is changing the operational calculus of investment management firms. Let's take a closer look at enterprise data management (EDM), and how its evolution is playing out in the ultra-competitive investment management sector.

EDM defined

At one level, EDM is the collection of software applications, network infrastructure, business logic, rules and policies a company puts in place to manage the generation, refinement, and distribution of its operational data. To be successful, EDM initiatives must involve virtually all a company's functional groups, front office to back.

At a higher level, EDM can be viewed as a scorecard. It gauges how well a firm can generate information and insights from its operational data, make that single source of actionable intelligence readily accessible enterprise wide, and do so cost-effectively.

Why EDM and why now?

The role data plays inside firms and in the broader investment management ecosystem is its third major change over the past two decades or so. The first big change was digitisation.

During the late 1990s and early 2000s, the focus was on providing better protection for investors. Regulators deemed that disclosures made by people and static, physical documents were insufficient for satisfying the new protection goals, so electronic reporting took hold. To support that, the industry had to alter its fundamental data handling and management regimes, shifting to digital data collection, processing and reporting.

The second major change to hit the financial data world came immediately after the global financial crisis of 2009. That's when financial regulators, prompted in large part by the public outcry over the financial system's meltdown, focused their efforts on reducing systemic risks, both in the capital markets and in the broader financial services ecosystem.

As a result, new regulations in the US and Europe such as the second Markets in Financial Instruments Directive, Form N-PORT, Annex IV, Form PF, and Form CPO-PQR were born. The industry responded by developing a new generation of data processing and management systems to meet the new requirements. But that's where they generally stopped.

As for focus and effort, not much of either was yet being directed toward the idea of building true, end-to-end enterprise data management functionality.

Fast forward to today, and multiple factors are combining to fuel a third major rethinking about data across the industry.

By migrating to cloudbased, all-digital operations, firms are gaining greater flexibility and scalability while lowering their operational costs

Since all those characteristics can be extended to enterprise data management initiatives, that's exactly what leading asset managers and service provider firms are doing

The first driver is the ongoing trend toward digital transformation. Investment management firms have stretched and strained their legacy systems, taking them as far and keeping them deployed for as long as they possibly could.

But many of those old systems are now at the breaking point, and their owners and users realise it. Firms also see the mainstreaming of cloud-based architectures, container-based applications, and microservices – and the compelling business agility gains and financial benefits they promise.

Another driver is the ongoing need to control operating costs. That means both asset managers and service providers need to find ways to improve their enterprise data strategies, but do so in cost-effective ways.

Embracing EDM for competitive differentiation

So, more and more firms are embarking on their own digital transformations and re-architecting their IT environments accordingly. By migrating to cloud-based, all-digital operations, firms are gaining greater flexibility and scalability while lowering their operational costs. Since all those characteristics can be extended to enterprise data management initiatives, that's exactly what leading asset managers and service provider firms are doing. Their leadership teams are saying "Well, we're retooling everything else, we might as well get enterprise data management right, too."

Significant advantages accrue to the firms that get there first, and for all the others, it becomes a competition to avoid being the laggard in their ecosystem of peer companies.

Conclusion

It is becoming increasingly clear that thinking about data and operations through different lenses for front, middle, and back office is the old way of doing things.

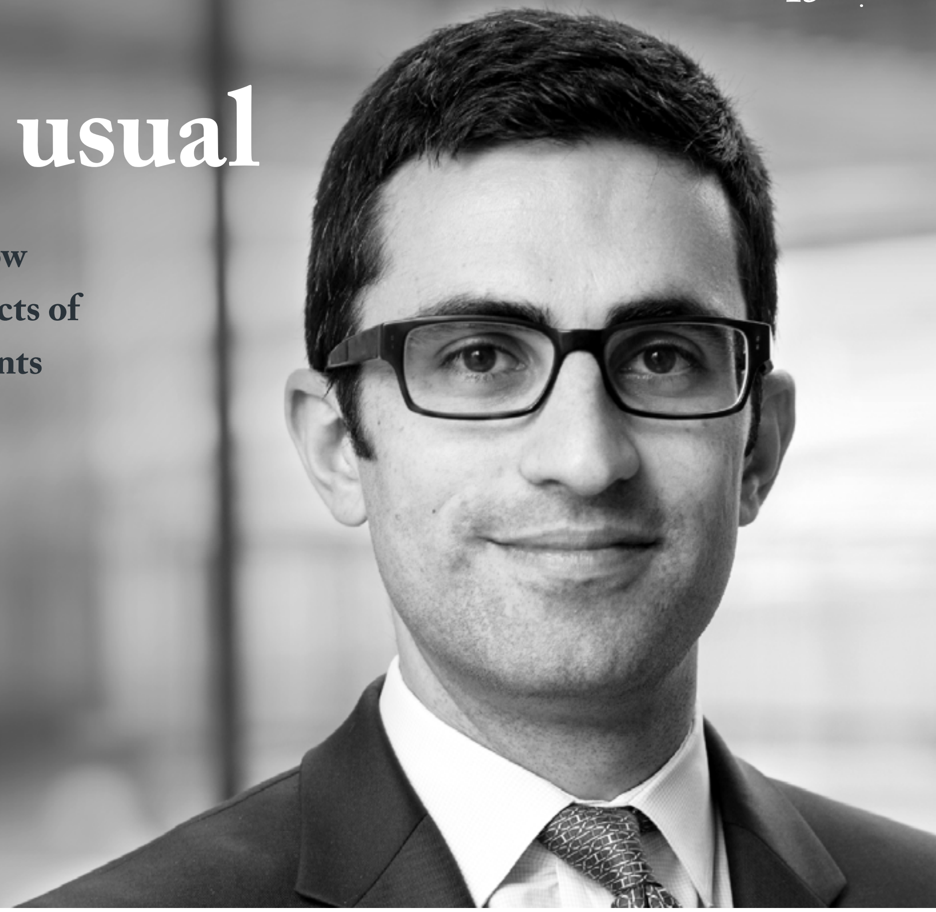
The new, winning strategy involves thinking about data as a single, strategic asset owned by the firm, not by an individual department. That asset needs to be managed in a holistic, unified, and cost-effective manner as it flows up from, through and to different parts of a company.

The right approach is to begin with the data, input/load it from multiple sources, adjust, normalise, and validate it once, and approve it once, thereby creating a 'single source of data truth'.

Keep it secure, make it readily accessible to all groups that can leverage it for competitive advantages, and leverage a cloud-based architecture to encourage collaboration, drive increased business agility, and reduce operational costs.

When this becomes the reality, the organisational boundary lines that separate front, middle and back office groups will blur, and the old labels will lose their former significance. Data and the intelligence that is produced from it will service the whole continuum of groups and functions – from top to bottom and from one end of a firm to the other.

All this will result in a more positive and productive, digital-centric experience for the entire investment management industry. It's about time!



Business as usual

Arnaud Garel-Galais explains how CACEIS is coping with the impacts of COVID-19 for private assets clients

The COVID-19 crisis has confirmed the resilience of private assets. It also confirmed the robust nature of CACEIS' model: an integrated private equity, real estate and securitisation (PERES) business line, with services delivered via dedicated staff based in local European offices and adapted to the needs of private equity, real estate, infrastructure and private debt funds.

On 16 March 2020, in response to national lockdown measures, CACEIS rolled out a company-wide teleworking programme designed to protect staff and ensure business continuity for clients. A staff taskforce was mobilised to implement an IT infrastructure that permitted upwards of 90 percent of CACEIS' employees to work remotely.

This large-scale teleworking programme enabled CACEIS to maintain client proximity through daily and weekly calls aimed at forecasting and tackling upcoming challenges to ensure uninterrupted client servicing. Client proximity, local offices and expertise are integral to CACEIS' servicing philosophy. The CACEIS group as a whole was well-prepared to maintain servicing, and the PERES teams had no issues in handling its clients' capital calls, distributions and investments, remaining responsive to their needs throughout lockdown.

Between March and May of 2020, while working remotely, CACEIS' PERES teams ensured a smooth launch process for over 70 European domiciled private assets funds.

Private assets facing short-term challenges but a positive outlook

The COVID-19 crisis has triggered a financial shockwave that echoes the 2008/2009 financial crisis – and an unprecedented situation due to lockdowns being imposed by government decree. For some sectors, COVID-19's impacts will hit harder than the 2008/2009 crisis: tourism, airlines, retail, automotive and logistics. Other sectors will see a similar impact to 2008/2009: oil and gas, engineering, construction, pharma and medtech. Financial services will suffer in turn once defaults on corporate debt become an issue.

Clients' portfolio valuations give a rough indication of the downward trends at minus 10 percent to minus 20 percent as of Q1 2020. Fund managers rarely re-evaluate positions at Q1, so the more significant drops will come in Q2 and on to the end of the year.

Funds starting their investment period just prior to the 2008/2009 crisis period turned out to be strong performers, and those in a similar situation for the current crisis are unlikely to perform differently

Despite this, the outlook for private assets remains positive. With more experience under their belt than in 2008, managers' reaction times are now shorter, allowing for greater responsiveness for portfolio company protection measures, such as securing liquidity/governmental loans, having their portfolio companies drawing on their revolving facilities and working through debt rescheduling. Many have operating partners to help restructure portfolio companies. The majority of these measures were either not in place during the 2008/09 crisis, or were not implemented quickly enough.

In addition, with a crisis often come opportunities. Although private asset holdings may marginally depreciate, the last three years' fundraising has been particularly fruitful. With $2 trillion of dry powder globally, and in excess of €300 billion at European level, the next two to three years will see well-funded private assets managers acquiring additional assets at attractive prices. Funds starting their investment period just prior to the 2008/2009 crisis period turned out to be strong performers, and those in a similar situation for the current crisis are unlikely to perform differently.

We see a short-term reduction in mergers and acquisition and new deal activity, and according to a recent Preqin survey presented during the Europe, the Middle East and Africa webinar on 14 April, capital calls and distributions are forecast to drop by 40 percent and 20 percent respectively over the coming 18 months.

In April 2020, so partially incorporating COVID-19 impacts, Preqin surveyed some 200 LPs (institutional investors/limited partners) about their future allocation to private assets. Over half, 63 percent, were planning no change in allocation ratio, and 29 percent were planning to increase it.

A "flight to quality" is likely to occur. Recently, CVC Capital Partners collected €21.3 billion for their eighth flagship European and US fund, exceeding by far its initial target of 17.5 billion. It is a strong indicator that well-established fund managers will likely raise the largest pools of capital. Further market consolidation via acquisitions of smaller firms is also forecast.

For the above reasons, the long-term outlook for private assets and private capital remains extremely positive, which for CACEIS as a leading European service provider to this asset class, is encouraging.

Key client servicing takeaways form our COVID-19 experience

As a service provider to a large number of leading fund managers, some of which we support with equity bridge financing, CACEIS is keen to understand COVID-19's impact on their business. Monitoring our clients' capital calls during April in our two largest hubs, we saw 70 France and Luxembourg domiciled funds calling over €2 billion of capital. This included large funds with a diverse set of limited partners from the US, Europe, Middle East and Asia. Our sample showed zero defaults and only 0.01 percent of capital paid with a delay of a few days (on average no more than five).

This crisis highlighted the importance of automation and standardisation to secure processes and reduce operational risk. Nevertheless, customisation and proximity remain key considerations. CACEIS' operating model is robust, with global services delivered via local teams in European markets where our clients operate such as France, Luxembourg, Germany and Italy. The COVID-19 crisis has again validated our decision not to off-shore or near-shore teams and operational aspects of our business, and our clients have confirmed the effectiveness of our business model.

In times such as these, the cost efficiency of a fully off-shored model is bested by a combination of client proximity, multi-local model and a robust IT infrastructure. Client satisfaction surveyed throughout the crisis has been very positive and ratings were higher in 2020 post-COVID-19 than in 2019. Our ability to maintain business-as-usual thanks to our unique servicing model saw several clients launch new funds during the crisis, confident that service quality had remained high. We look forward to bringing our services to new clients in Europe and further afield as the CACEIS Group's network of local offices expands to new markets.

Make it Malta

As an attractive domicile in the alternative space for the small-medium sized managers, BOV Fund Services' Rebecca Xuereb suggests that it's vital for the country to remain responsive to any updates and adaptations required to continue to strengthen its position and reputation

Becky Bellamy reports

What are the key trends currently driving growth and development within Malta's funds industry?

Malta has always been attractive in the alternative space for the small-medium sized managers, thanks to the introduction of the professional investor fund regime, alongside various advantages including cost efficiencies, a pro-business regulator, time-to-market consideration, factors which together create the right environment and render the Maltese jurisdiction an interesting and compelling one, particularly for alternative managers.

Furthermore, with what seems to be an increasing investor preference to opt for onshore regulated structures, we are receiving a number of enquiries from funds in offshore jurisdictions such as Cayman and British Virgin Islands

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> *Malta as a jurisdiction has always been at the forefront in implementing any regulation and changes therein directed at EU level, often being one of the very first member states to transpose such directives into local legislation*

looking into redomiciliation options into a more regulated and robust environment. Malta here remains an attractive option not only for reasons such as those mentioned above, but also for the tried and tested seamless redomiciliation process which allows for the continuation of a fund in Malta with no loss of track record and no need for investors to redeem and re-subscribe, which may otherwise give rise to a fiscal event.

How are these trends impacting your organisation's objectives?

Our objectives as an organisation remain to maintain our position as Malta's leading fund administrator, providing a high quality service, ensuring the utmost satisfaction of our clients. What this means for us is that we must remain at the forefront in responding to changes in demands within the industry, and accordingly adapting efficiently.

The presence of a high number of quality service providers present on the island also means that there is a healthy level of competition between such providers. With no less than 20 administrators present in Malta, this means that we must work hard to constantly remain on top of our game in the services that we provide to maintain our long-standing leading position in the market.

How has the global focus on regulation and good governance impacted the services and business conducted by operators in Malta?

Regulation, particularly in the financial services sector, is constantly changing and developing.

Some may argue that we are indeed in a state of over-regulation, but nonetheless, adherence to any and all such regulatory developments is beyond fundamental.

Malta as a jurisdiction has always been at the forefront in implementing any regulation and changes therein directed at EU level, often being one of the very first member states to transpose such directives into local legislation.

The same too goes for service providers and operators in Malta, who must ensure a swift response to such global focus on regulation in order to maintain competitive advantage, both as a jurisdiction as well as at individual operator level, adapting one's service offering to cater for these new changes and ensuing related demands.

What changes have you observed in client needs in Malta? Which has been the most significant and how have you responded to these new demands?

Being an attractive domicile particularly for the small to medium-sized market, Malta is often home to a number of first-time, startup managers who would have a background and experience in the investment and asset management sectors, but not necessarily in the setting up, launching and managing of an entire fund scheme.

For this reason, the service provisioning of local operators goes beyond simply providing a basic service, but there is a lot of handholding and support to be given to such managers.

As an administrator, we have responded to such demand by ensuring that we remain available to provide the necessary support to our clients. This is particularly evident in the initial stages of a fund where we offer a full turnkey package solution in the setting up of the fund operation in Malta, handling the entire process with the client, legal team, regulator, and all involved parties up until the eventual licensing of the fund, at which point our administration services kick in.

Thanks to the continuous and rapid advancements in technology, we are seeing more and more processes becoming increasingly digitalised within funds and asset management

Can you outline the primary challenges your clients in Malta are facing at the moment and how your services are helping them overcome these difficulties?

Undoubtedly the greatest challenges facing all players across all industries and jurisdictions over the past few months has been the COVID-19 pandemic, and all the uncertainties surrounding these unprecedented times. We were able to provide our clients with support in this regard by continuing to provide an uninterrupted service, while simultaneously and seamlessly making the move to remote working, following the guidance issued by local health authorities. Having a good business continuity plan aided immensely in this regard.

The fact that our local regulator, the Malta Financial Services Authority, was very understanding also with operators who faced difficulties during this time, in providing certain allowances and extensions of a few deadlines, was also very helpful to the industry, and continued to highlight the pro-business approach of the Regulator.

Another major challenge which is to be addressed, in my view, is that Malta has undergone a period of scrutiny particularly in terms of anti-money laundering processes and procedures, and was thus at times viewed in a less than positive light by operators in other jurisdictions. However, I believe that all the inspections and results have allowed Malta to address and rectify any shortcomings, as a result rendering it a more robust and secure jurisdiction.

What are the most significant developments you expect within Malta's funds industry over the coming year?

With the introduction of the Digital Finance Package issued very recently by the European Commission, it is expected that there will be a significant focus on the needs arising from the evolving digital transformation of finance over the coming years.

Digitisation presents itself as a further challenge facing industry players today. Thanks to the continuous and rapid advancements in technology, we are seeing more and more processes becoming increasingly digitalised within funds and asset management. As with most industries, technology presents both an opportunity, providing a lifeline to asset managers in building lasting relationships with a newer generation of investors, and a threat in increasing competition.

In the funds industry, where competition is rather high, it is therefore important to take the decision on whether to be a leader in times of change or simply a follower. Online retailers and big techs are viewed by some asset managers to be potentially disruptive to their business models. Digitisation is forcing costs down, while improving the user experience and quality and so it is important for industry players to adapt quickly to the changing technologies to maintain market share and keep up with the demands of the newer generation of investors.

Of course, service providers must also adapt their offerings to remain able to provide an efficient solution to their asset management clients. As pioneers in the local funds industry, BOV Fund Services has always been considered a leader and has invested significantly in digital platforms to ensure high quality, accurate and timely results for its clients.

What are the key objectives over the coming year to ensure Malta remains a competitive global jurisdiction?

It is important that, as a jurisdiction, Malta remains nimble enough to offer innovative fund solutions to the industry, as it has always done over the past few decades. Our niche as a domicile continues to be strengthened around the needs of the smaller to mid-size market, and consequently so does the focus of operators present locally. Added to that, it is also vital for Malta to remain responsive to any updates and adaptations required to continue providing a quality service to operators and to continue to strengthen its position and reputation as an alternative jurisdiction of choice that is flexible, yet within a robust and regulated environment.

A change of mindset

Andrew Barnett, global head of product strategy at RIMES technologies, says that although technology will play a huge part in future data management solutions, it is not always the silver bullet

Maddie Saghir reports

How important is data to a financial institution's success?

Data is integral to an institution's success. All too often, data is imprisoned by technology, policy, contracts and people and firms aren't getting true value from it. Financial institutions need access to high quality data, which is delivered in a way that enables them to extract value and generate insights. As a former chief data officer, I know first hand how important good data management is, and how it needs to unlock both defensive and offensive data strategies. Data management needs to come with the flexibility and transparency required to enable financial institutions to make the very best commercial decisions on how data is used across an organisation.

Has the pandemic amplified the advantages of utilising correct data?

The need to utilise correct data existed long before the pandemic. However, the true advantage to an asset manager is 'correctly utilising' the data to react and respond. Having confidence in your data helps enable all parts of the organisation to make informed decisions, from investments to business continuity. That confidence is gained from data that has a visible lineage, governance and ease of access, not trapped in legacy technology and accessible via IT teams. We have seen over 2020, when faced with terrible headwinds, organisations that have adapted their operating and commercial model successfully have access to a very visible supply chain of data, and thus information to make those important decisions.

What problems can inefficient investment management operating models cause?

Ultimately, any inefficient investment management model will have a direct impact on pension holders, profitability, innovation and employee morale. Over two decades ago investment managers recognised that back office functions and shared services could be outsourced to specialists. Because of this, the service models around back office functions are mature and, most often, aligned to the business model of the investment management firm. This has not been the case on the topic of enterprise data management, which has continued to apply sticky plaster to sticky plaster and created a legacy technology anchor around the success of the organisation's data strategy, and thus wider organisational success.

Recognising that data management is the foundation to the success of any organisation, but not an investment manager's core activity, is important. The solution is to buy an elastic service, not the technology. Asset managers will start to see a data management operating model that is a reversal of the current landscape where 'how the data is managed determines how it can be used' to one of 'how the data is used is how it is managed'.

Are you seeing trends in anti-competitive behaviour on display from data providers? What other trends are you seeing in the data space?

The recent European competition authority reviews 'calling for input' from the Financial Conduct Authority (FCA) and the European Securities and Markets Authority (ESMA) market share calculations, suggests there is a growing interest in making sure that there is a fair playing field.

As a former chief data officer I was used to my chief financial officer and CEO asking why, with all of the investment in technology and centralising data management, are the costs of data still growing so fast? Wasn't their reduction part of the data strategy business case? There are a number of reasons why this can be:

- Pension consultants have a pre-determined preference for a provider over others

- Data provider right of audit and annual reviews: these give great insight as to how an investment runs their business and uses their data. This can lead to 'adapted' data provider commercial models that recognise all the intellectual property they feel they have left on the table

- Legacy technology and processes lead to a lack of flexibility or high costs of change so moving to the new providers is a multi-year proposition which will not win a business case over other strategic or mandatory change programmes. The solution to this is to buy an elastic data management service with experience across all sources

- New data sets are growing at astounding rates and initial 'free' services are converting to basis point charges. Organisations cannot exclude these new services for risk of being seen as not innovative

Buying a service and not the technology, especially one which allows organisations to move from processing data to creating business benefit, will be a key trend going forward.

Is there a lack of innovation when it comes to utilising data? What challenges do people face when implementing data management projects?

There are pockets of data innovation in every organisation. Those that are within, such as innovation labs, which often have a very self-contained and narrow focus, with their beta product often unable to adapt for commercial or operational success.

The other innovation is the heroic activities taken by people in data management functions, laden with legacy technology and manual processes. These individuals have to ensure investments, distribution, operations and second-line functions have what they need and when whilst overseeing a severely underfunded function ran like a project.

The challenges start with calling data management a project. The real challenge is that you never have the ability to design a service from first principles, as there are multiple previous attempts at building the service with questionable successes. This leads to data being imprisoned by outdated legacy technology, antiquated policies and contracts, as well as being misunderstood by the people that use it. There's a growing frustration that poor data management is a tax on an organisation's business-as-usual and change objectives.

To avoid pitfalls, data strategists must discuss commitment to the activity and demonstrate regular business benefits. With the right strategy, they can look to building data capabilities for reuse right across the organisation.

Looking to the future, what kinds of new data platforms will we see and what role will technology play?

Future data management solutions will provide a comprehensive service across the entire investment management value chain, tailored to fulfil the specific needs of an organisation. The very best will become true value drivers, arming diverse business users with the information and insights they need to succeed. Technology will play a huge part in this, but it isn't always the silver bullet; organisations must change their mindset around data management if they truly are to succeed.

Transaction reporting with Brexit

Cappitech explores how the UK's exit from the EU affects transaction reporting under the EMIR, MiFIR and SFTR

In this month's Cappitech Compliance Corner, with the Brexit transition period coming to a close, we take a look at how the UK's exit from the EU affects transaction reporting under the European Market Infrastructure Regulation (EMIR), the Markets in Financial Instruments Regulation (MiFIR) and the Securities Financing Transactions Regulation (SFTR). While the EU plans to operate similar versions of the existing EU regulation, there are a number of key points firms need to consider.

Dual regimes

When reviewing the effect of Brexit, the first item to keep in mind is that the UK now becomes a third party country under EMIR, MiFID II and SFTR. The result is that UK firms will no longer fall under scope of the transaction reporting aspects of the EU regulation. This includes cases where a UK firm faces an EU counterparty in a trade. While the EU counterparty has an EU reporting requirement, the UK firm does not.

This does not mean that the UK firm is absolved from reporting, but their submissions now fall under the sperate UK based regime of EMIR, MiFID II and SFTR. In cases where a UK firm and EU firm face each other, they both have their own similar reporting requirements but to different regimes. If the product traded is only under scope in one regime, it will lead to only one of the two firms having a reporting requirement (see FIRDS divergence below).

Which TR or ARM do you submit to?

The above feature of two separate but similar regimes affects where submissions are made. From an operational standpoint, submission changes are one of the biggest changes following Brexit. The result is that UK firms now must ensure that their submissions are sent to a UK approved reporting mechanism (ARM) or trade repository (TR) and vice versa for EU companies.

Practically speaking this means that if an EU company is submitting to a UK TR, they now need to contract with that TR's EU entity. They may also be directed to submit files to a new sFTP location. Also, firms planning on operating dual entities due to Brexit need to keep in mind that all of their reports need to be split and submitted separately after 1 January.

How delegated reporting is affected?

One specific area where the dual regimes and split of submissions affects is the flow for delegated reporting. Currently, many sell-side firms provide delegated reporting under EMIR for their clients. To continue to provide delegation, companies will need to identify their clients scope of whether they fall under the EU or UK version of EMIR and report accordingly to the correct TR.

Also, following EMIR REFIT in June, financial counterparties became obligated to report on behalf of their NFC- counterparties. Following Brexit, as UK companies fall out of scope of the EU version of EMIR, they will no longer have a requirement to report for any EU NFC- counterparties. The same holds for EU investment firms now exempt from reporting for their UK NFC- customers. As such, NFC- firms need to be aware of how these changes could affect delegation being provided for them in the future.

NFC's are exempt in the UK under SFTR

Another change affecting NFC firms following Brexit pertains to SFTR. The UK has stated non-financial firms won't fall under scope of their version of SFTR come 1 January. With NFC firms set to fall under scope of SFTR in the EU on 13 January , the UK exemption is one of the first forms regulatory divergence applied between the UK and EU regimes.

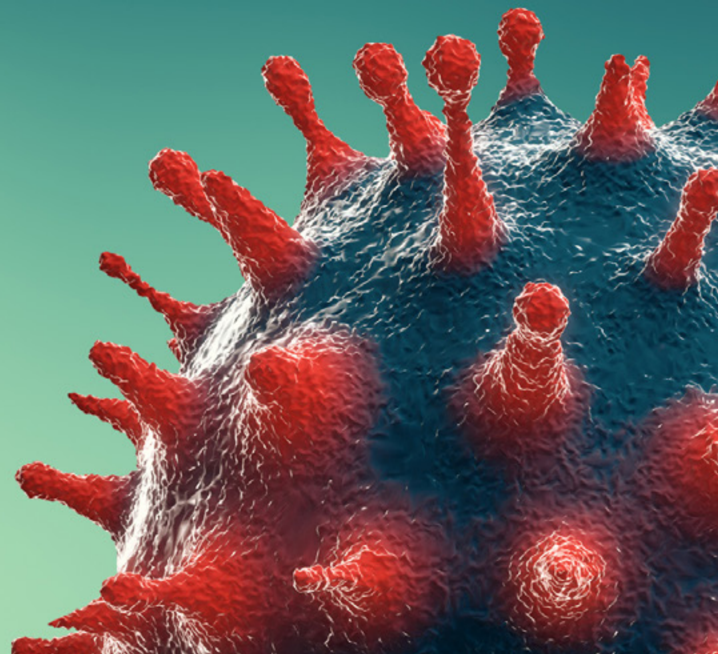
FIRDS divergence

Elsewhere, another area where divergence following Brexit is expected to be realised quickly is around the EU and UK versions of the FIRDS lists of products under scope for MiFID II transaction reporting.

Product scope under the regulation is based on whether a product trades or has an underlying instrument that is listed on a trading venue. Following Brexit, EU trading venues will become out of scope to UK MiFID II and vice versa of EU venues to EU's MiFID II.

This will ultimately create two classifications of products under scope for the two regimes.

The test of resilience



Industry participants review the year that fundamentally changed the world forever, and discuss what lessons have been learned, the challenges faced, and predict what lies ahead for the new year

Maddie Saghir reports

As 2020 draws to a close, it is important to remember the lessons learned from this challenging and unprecedented year. While it has been the ultimate test of operational resilience, experts say financial services firms and market infrastructures have mostly fared well.

The COVID-19 pandemic saw many financial services firms move to a work from home setup and adapt to a new work environment. It has also highlighted the importance of technology, and for many firms it has shown that their current tech systems are not up to the mark. In addition, it has taught firms to always be prepared for the unexpected.

"The financial industry which is extremely technology-dependent has seen numerous outages as well as being close to exceeding their systems' capacities," says Elena Treshcheva, business development manager and researcher at Exactpro.

Experts suggest the main lesson to be learned from the disruptions of 2020 is that the only way to mitigate technology disruption is thorough preparation and pushing the technology systems way over their intended production limits through prior testing.

The main challenges

Increased volatility and high volumes resulting in pressure at all the stages of the business lifecycle, maintaining levels of productivity in a new remote environment, dealing with failures in settlement, and keeping afloat with regulatory changes amid the turbulence of the year all proved to be some of the major challenges.

From the point of view of George Ralph, managing director, RFA, the biggest challenge was ensuring that the asset management industry could maintain its prior levels of productivity, from a new remote working environment.

"This included maintaining infrastructure and connectivity internally and externally, while balancing costs and specialised software licensing with a focus on making collaborative working work, both internally and with partners in a secure environment," Ralph comments.

It involved accelerating the evolution of operating models and reviewing technology and data architecture to fit the new working environment, while other challenges included operating through systems that were secure anytime and anywhere, increasing

images by feydzhet_shabanov/adobe.stock.com cybersecurity knowledge, behavioural analysis as well as application and training.

Increased volatility was something the industry worked hard to grapple with. This coupled with increased volumes led to record numbers of margin calls as well as increased trade exceptions.

This challenge particularly highlighted that a significant amount of post-trade activity remains manual.

For example, allocation, confirmation and settlement processes, as well as the collateral management lifecycle, have all created challenges, particularly for the buy-side.

In times of lower volatility, these manual processes have been manageable, but in today's environment, Matthew Stauffer, managing director, head of institutional trade processing at DTCC, says: "A lack of automated post-trade processes can increase operational risk and cost for firms. In fact, during the volatility spikes in March and April of this year, some fund managers spent valuable time manually processing calls and reconciliation to settlement, keeping them from other business-critical activities such as securing counterparties' credit and meeting margin obligations."

In the settlement space, experts found that settlement failures spiked, which was highlighted in the Bank of England's report 'The Future of Post-Trade' in June. Also, the ability to meet margin calls was a real worry for firms. However, Brian Collings, CEO of Torstone Technology, says this did highlight that efficient access to collateral and short-term funding through securities lending and repo can be vital to firms.

On top of these challenges, and lack of automation in some aspects of the industry, regulation still looms. Although some regulations were granted to deadlines in light of this, firms still had to keep working hard in order to be ready for compliance.

According to Alexandra Foster, director, insurance, wealth management and financial services at BT, regulators have done a good job in supporting the asset servicing industry during 2020.

Foster explains this has been done through the introduction of a number of measures, from the easing of restrictions to postponing regulation, giving the industry vital time to alleviate the operational burden accompanying the switch to large scale remote working.

Regulation ready

Going into 2021, the effects 2020 has had on regulation is expected to cause knock-on effects going into the new year with experts saying we can expect to see an ongoing regulatory response from the aftermath of the pandemic, particularly around liquidity and risk provision in supporting liquidity. In fact, the US is already seeing a formalisation of fixed income market structure to better support electronic trading.

"However, the political climate will realistically temper the response to some extent; to deliver wholesale regulatory change there needs to be consent on issues across jurisdictions, yet there are political differences which may impede consensus being formed. As such the regulatory response we see may well be fragmented and lacking in a standard approach," notes Collings.

Weighing in on this, consultant Tony Freeman, says: "In financial services, pre-pandemic, there has been a huge focus on cybersecurity risk – perhaps to the detriment of wider operational resilience. The pandemic has exposed new risk issues – for example, geographical clustering – which will undoubtedly be reflected in new regulations post-pandemic."

Lessons learned

Despite the hardships and challenges that came with the pandemic, invaluable lessons have been learned and there are opportunities to take advantage of.

For example, more broadly, skills in communicating remotely have been enhanced and being prepared, agile and ready for change is something many firms have upped their game on.

Another important lesson that has been learned is the power of data. Exactpro's Treshcheva stipulates that the industry has received new data – including thresholds, metrics of what exactly happens during the times of disruption – which is extremely valuable and can be used to prepare for future crises.

Meanwhile, DTCC's Stauffer points out that the pandemic has propelled the topic of middle and back-office automation to the board room level, paving the way for the implementation of new initiatives.

This includes digital transformation and the implementation of new measures that increase operational efficiency, including post-trade automation.

"As a result, firms have emerged from the crisis with greater clarity around what needs to be achieved in order to alleviate existing or potential operational concerns," says Stauffer.

Firms have been working hard to address weaknesses exposed during the Q1 volume spike as a result of COVID-19 and, according to Stauffer, are in a much better place to deal with any volatility that may come as a result of subsequent waves of the virus, geopolitical impacts, or another crisis.

Weighing in on this, BT's Foster says: "A positive outcome from 2020 has been increased cooperation within the industry. Competition was effectively put on the back burner as everybody pulled together, from asset servicers to technology providers, to ensure continued business and the stability of markets."

Foster believes this trend of industry partners working closely together to co-create new products and services will continue into 2021 and post-pandemic.

Indeed it seems innovation is here to stay with the drive for greater automation and use of robotics.

A sense of optimism

As we head into the new year, with perhaps a sense of optimism from the news of a vaccine to be deployed, changes made from 2020 are likely to spill over into 2021.

While it can be agreed that nothing quite beats the face to face interaction and bouncing off of other people's ideas in an office environment, the idea of working from home has changed dramatically with many employers now seeing the benefits of this.

Freeman affirms: "The pandemic has changed the way we work – probably forever. Working from home will become normal – but it won't be the default. People want, and need, to physically come together. The bigger firms are likely to adopt a 50/50 balance between home and office working and, long-term, will adopt a more diversified geographical dispersion."

As such the City of London and Canary Wharf will probably never recover the occupancy levels seen in 2019.

"There is no question that we will not be going back to whatever was considered 'normal' 12 months ago. While the concept of the 'new normal' is widely used, it is hard to foresee what it will ultimately mean – we are likely to see the new standard operational practices emerge and bed in over time," comments Yousaf Hafeez, head of business development at BT Radianz.

It is believed that the industry will likely see the new standard operational practices emerge over time, as well as increased services moving to public clouds.

Going forward, there will be significant changes to the way data is used, stored, located and accessed. RFA's Ralph notes: "In terms of changes to cybersecurity, managers will need to ask themselves whether their system is robust. How and when it is tested and are individuals, as well as businesses, are fully versed on policies."

At Citco, managing director Jay Peller, similarly expects the future to continue to be about automation, data and more streamlined communications.

"Providing golden copy data to an investment manager, when and how they need it in a form that is reconciled and sufficiently enriched with other third-party data, will continue to be the holy grail," he says.

Meanwhile, further reducing the manual element of the subscription and redemption process is also in our near future, as we continue to build on the exciting technologies that are in place today, according to Peller.

"There is no reason that an alternative fund manager cannot have an online application form covering their entire fund product suite, which an investor can complete at the outset of a client relationship and then all other transactions can be straightforward. Excellence in technology will continue to be a non-negotiable requirement both now and into the future," he comments.

As well as changes around data and technology, Hafeez says it is also interesting to see how digital assets are increasingly being embraced by institutions. "2021 will no doubt be an interesting year," he adds.

The new year will also be a crucial one. Firms will need to address the specific issue of long-term operational resiliency and decide which tasks can be accomplished internally and what needs to be outsourced. It will also be a year where we will be more prepared for the unexpected.

The European Securities and Markets Authority (ESMA) has released the shortlist of candidates competing to lead the regulator when Steven Maijoor steps down as chair on 31 March 2021.

The finalists include Portugal's former minister of finance Maria-Luis Albuquerque, Carmine di Noia, commissioner for the Italian financial market regulator, and Verena Ross, executive director of ESMA. Maijoor steps away from the role after serving the maximum 10-year term allowed, having ascended to become ESMA's first chair in April 2011.

If Albuquerque or Ross are tapped to succeed him they will become the first woman to take the top job at a European supervisory authority. Ross already claims the title of the first and only woman to serve as executive director at an EU authority.

ESMA said that the shortlisted candidates were selected based on their merit, skills, knowledge of financial market participants and markets, and of their experience relevant to financial supervision and regulation, following an open selection procedure. The list has been sent to the EU's council for final selection and to the European Parliament for confirmation. The EU markets watchdog says it envisages the new chair will begin a five-year term on 1 April 2021.

Based in Paris, the position is a full-time independent professional as the head and external representative of ESMA, with responsibilities including development of the authority's long-term strategy and objectives.

The chair will also act as a voting member of the board of supervisors and the management board.

Raymond Chung has left HSBC Securities Services Hong Kong after 24 years working in both securities services and asset management business lines.

Most recently, Chung served as head of sales and client enablement for Asia, securities services.

In this role, Chung managed the end-to-end sales process in bidding mandates from global and regional multi-sector clients including insurer, fund manager, central bank/sovereign wealth fund, bank/broker dealers in Asia and China.

Chung also gained expertise on sales controls, request for proposal,sales pitch digital transformation, pricing, know your customer/onboarding and digital banking.

Throughout his time at HSBC, Chung served in various leadership roles within securities services and asset management business lines.

"I met and worked with many amazing people including my bosses, teammates and business partners. We together shared successes, overcame hurdles, experienced frustration and supported each other," commented Chung.

Chung explained that past leadership roles in HSBC have developed his broad expertise in fund management and custodian/fund administration.

This expertise is particularly strong in managing end-to-end sales process in bidding mandates from global and regional multi-sector clients in Asia and China, according to Chung.

Additionally, Chung noted that his digital/IT background, combined with his comprehensive product knowledge, laid a solid foundation to explore the possibility of running a consulting business for the Chinese custodian banks and the WFOE PFM/FMC in China.

Before securities services, Chung worked in HSBC Asset Management focusing on operation change management and digital marketing.

Prior to HSBC, he worked in Nomura and UBS on the sell side.

"Today is the end of my HSBC career journey and the start of another exciting one, look forward to new opportunities and challenges. I'm very grateful to have good friends and colleagues supporting and guiding me to explore the next opportunity," he said.

HSBC declined to comment on the departure.

Sanne, a global provider of alternative asset and corporate business services, has promoted Rubina Toorawa from chief operating officer of Mauritius to the role of country head.

In her role, Toorawa will have oversight of the Mauritius operations, including the group's business outsourcing leadership teams and business development function. Toorawa will be taking over from Peter Nagle as he transitions to a newly created role as managing director, global head of client growth.

On the appointment, Toorawa commented: "I am humbled by the opportunity to lead such a dynamic, focused and energised team."

"We have a strong business proposition and I look forward to working with our clients and partners to better align client services. Our valued clients and staff will always remain my top priority," she added.

Mauritius, located between Asia and Africa, has evolved into an International Financial Centre of Excellence and high repute, according to Sanne. Sanne also made a new appointment this month with the hire of Mark Grenyer as the head of client operations, based in Jersey.

AccessFintech has named Boaz Zilberman as executive vice president for business development, bringing 20 years of experience in financial services to the role.

Zilberman will be responsible for go-to-market, channel sales, ecosystem alliance partnerships, developing the commercial model, AccessFintech's scalability and data monetisation.

He was appointed shortly before AccessFintech secured $20 million in Series B financing in October.

During his career, Zilberman has worked at IHS Markit between the years 2004 and 2016 where he managed legal, business development, and alliance partnerships.

In addition, he handled mergers and acquisitions, strategic initiatives and new ventures across IHS Markit's information, software and processing divisions.

Zilberman joined IHS Markit during its early stages and worked closely with the company's founders and senior executives over 12 years.

Commenting on his new appointment at AccessFintech, Zilberman said: "AccessFintech has created the next generation of market infrastructure, with its exceptions workflow orchestration and analytics, and is perfectly positioned to seamlessly deliver strong, immediate value, along with the transformation into the financial industry future operations model."

"I am excited to be joining at a time of significant adoption of its technology and a growing network of clients and participants. What excites me the most about AccessFintech is the opportunity to develop holistic, end-to-end operations technology solutions," continued Boaz.

Roy Saadon, CEO of AccessFintech, said: "In Boaz Zilberman, we have gained an outstanding professional with a proven track record in methodologically accelerating early-stage new service opportunities and who can apply his expertise to mature the company life cycle: from value proposition to execution."

Saadon added: "Zilberman joins us at a crucial time in our journey as we have received another vote of confidence from our investors. He will take all of our achievements to date and leverage them and continue growing our ecosystem."

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