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Financial IT

Innovations in FinTech

DIGITISING THE DUE DILIGENCE AND COMPLIANCE PROCESS AN END-TO-END SOLUTION

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WHAT ARE THE KEY FACTORS OF SUCCESSFUL DIGITAL TRANSFORMATION?

TOWARDS A NEW ERA OF COLLABORATION?

(NON-)EVENTS IN 2018 SUGGEST THAT NEW KEY PERFORMANCE INDICATORS (KPIS) MAY BE USED TO ASSESS HOW FINANCIAL INSTITUTIONS ARE FARING.

Financial IT magazine has been published continuously now for over five years. A comparison of the earliest editions with the more recent editions is striking. Relative to early 2014, far more of the articles that we publish have been contributed by financial institutions and far more have been contributed by IT companies that are, by most metrics, large and long-lived.

This is significant for a number of reasons. One is that we have ourselves become a part of the mainstream. At the intersection of financial services and IT, we are the Voice of the Solution Provider. In this day and age, the innovation can as easily come from a large and established company (or, indeed, a financial institution) as it can come from a Fintech that has only just been set up.

Another reason why the evolution of Financial IT and its magazine is important is that it will not be possible for us to miss major trends. If there is anything that is seen either by financial institutions or Fintechs as a threat or an opportunity, at least one of our contributors will provide an article which explains that threat or opportunity.

During 2016 and 2017 many of our contributors – including managers with the leading consultancy firms who work with banks and Fintechs – focused on regulation. Looking forward, they were at that time concerned about the implications of the revised Markets in Financial Instruments Directive (MiFID II), the General Data Protection Regulation (GDPR) and the second Payments Services Directive (PSD2).

Together, these European Union (EU) laws and directives have indeed reshaped financial services – and in ways that have been discussed at length. Given the global linkages in financial services and IT, they have had implications in the Asia-Pacific, North America and elsewhere. Calendar 2018 was defined by their arrival.

However, the introduction of PSD2, GDPR and MiFID II did not result in a crisis for the global banking sector. Sizeable sums had been spent preparing for the new laws and directives, involving collaboration between banks, Fintechs, established technology providers and consultants. The result was a smooth transition – almost a non-event – for almost all.

In other words, the collaboration has been very successful. The implication of this is that collaboration itself can, and in our view should, become a Key Performance Indicator (KPI) to assess how a financial institution is faring. Which are the Fintechs (or established providers) with whom a particular bank is working? What are the problems that are the focus of the greatest attention? How will clients, shareholders and other stakeholders benefit from the solution once it has been implemented? These days, such questions are as important as any balance sheet- and earnings statement- based metrics.

To the extent that our contributors are still writing about PSD2, MiFID II and GDPR, it is to highlight the opportunities for banks and Fintechs that collaborate. In the UK, home to one of the world's most sophisticated financial sectors, only a quarter of the banks' customers have heard of Open Banking and even fewer understand what it means. Numerous people are still effectively unbanked in the United States. Further education of the public and further innovation will provide growth for many institutions and the Fintechs with whom they are working.

The identities of the organisations that will be represented at Finovate Europe, which takes place in London on 12-15 February 2019, alone show that collaboration is flourishing. We wish all participants a successful conference.

by Andrew Hutchings, Editor-In-Chief, Financial IT

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Innovations in FinTech

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Money 20/20

WTF – WORLD'S THEIR FUTURE

OUR WORLD NEEDS US TO WORK FOR A BETTER TOMORROW

Yes, I know, I usually write about technology and this title does not sound like a technology article. It is though, a couple of items struck me the past month that I just can't let go by. First, while I am not a Green fanatic, I saw several statics that gave me great concern for our world. Our great world will be in worse condition for the next generations long after I am gone from here. Second, I will tell you about a man, a great man, with a story of amazing hope and possibilities.

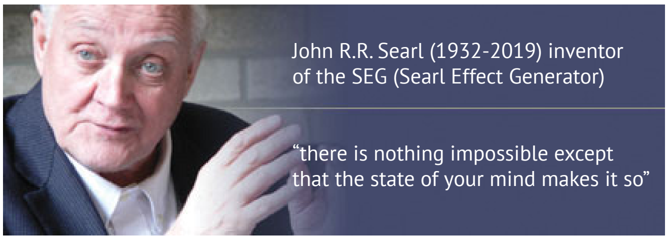
Technology must provide a solution to a better tomorrow. It is conceded that there are seven types of pollution; Water, Air, Land, Thermal, Radioactive, Noise and Light. We fail on all and this will continue to grow as this harm is pushed deeper into the future. The most serious environmental issues are Water, Air and Land. As people we have left no part of Mother Earth better than we received it. My generation, the Baby-boomers, may have first started to understand the damage, but has made it many times worse. Each next generation has identified the problem more and taken steps of correction. They are too few to slow down the ever-increasing price that must be paid in the future.

What have we done to this world and continue to do, the facts are Eye Opening. Take our oceans, there is an estimated 5.25 trillion pieces of plastic, for example about 705,000 tons of fishing nets are lost in our oceans. Air pollution emissions into our atmosphere are estimated 101 million tons per year. On land approximately 72% of all plastic does not get recovered al all.

Environmental concerns have brought clean energy systems to center stage, as we look for ways to reduce our dependence on greenhouse gases and preserve our planet for future generations. The push to eliminate fuel and gas emissions has given us different ways to provide power with renewable energy. Renewable energy capacity has doubled in the last 10 years, 65 out of 195 countries use renewable energy sources for at least 30% of their electricity. As new technologies emerge, they provide us with revolutionary ways to approach energy efficiency.

JOHN SEARL

I know all of you are saying who? I will tell you that Professor John Roy Robert Searl is a visionary inventor of an energy solution that has earned him the name, "Father of Free Energy". In January of 2019, John R.R. Searl passed away at age 86 but his desire to see his technology fully implemented for people and the environment continues at SEG Magnetic, Inc. I did not get to personally meet Professor Searl. I have spent good time with Fernando D. Morris the CEO of SEG, who has worked side by side with Professor Searl the better part of the last 2 decades. Mr. Morris is the man who has proved out that Professor Searl's invention is an energy generator for the masses.

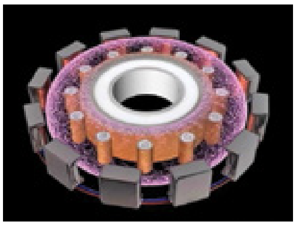


John R.R. Searl (1932-2019) inventor of the SEG (Searl Effect Generator)

"there is nothing impossible except that the state of your mind makes it so"

Professor Searl's story is typical of those that create a generational invention. He faced constant obstacles, from government officials equipped with misleading information to big business feeling threatened by his technology. The skeptics were always at his heels with successful efforts to prevent the world from realizing the revolutionary machine for energy creation. They succeeded in having his prototypes and working models confiscated and he was persecuted during this period. The idea of disruptive devices that could replace power plants 50 years ago put that kind of fear into the establishment. Through it all Professor Searl stayed true to his final mission of giving the world free energy without any of the negative side effects of current power generation methods.

The Searl Effect Generator (SEG) generates electrical power by converting natural energy based on magnetic waveforms. By converting free flowing electrons from the air around us into usable electricity without any fuel of any kind it is 100% clean energy. By using these electrons both negatively and positively charged within the SEG, they create electrical energy while nothing is created or destroyed in completing the circuit. None of the moving parts are in contact with each other so no wear is produced giving the SEG a long and maintenance free life. The SEG can be the size of one-meter diameter of 15kw (power for a home) to several megawatts for powering of city electrical grids. The approach of SEG Magnetics is to build grid size generators and provide power to grids that is pollution free, long life and reduced costs to the consumers. Thus, staying true to Professor Searl's vision and hope to benefit mankind.



FERNANDO MORRIS

With the passing of Professor Searl it leaves one man with the knowledge, practical experience and ability to lead the world into a recognizing and utilizing this powerful clean energy device. Really without Mr. Fernando D. Morris, this technology could possibly have stayed buried as it has for the over 50 years. Mr. Morris has taken each of the facets of the SEG and proved them out personally and built a working SEG. The company is taking the next steps to provide the units which can power homes and businesses on a large scale and will.

Consumers are no longer mere users of electricity, but informed participants in the producers of their power concerned over cost and the impact to their environment. Energy grids have become less centralized over time, as grids move away from power plants in favor of distributed energy sources. Groupings of smaller energy sources are less vulnerable to failure, and provide reliable, cost effective energy options which is the approach of SEG Magnetics. Planning for the energy needs of the future is no easy task. It's a challenge to ensure reliable energy provision for consumers that drives Mr. Morris and SEG Magnetics and the SEG energy infrastructure.

There is a race for clean energy.

The Earth will survive, but the Human Race may not...

Chris Principe,
Publisher, Financial IT

EDITOR'S LETTER

COVER STORY

PUBLISHER'S LETTER

LEAD STORY

INTERVIEW

BREAKING NEWS

DIRECTORIES

FEATURED STORY

Peter Hewlett,
Partner,
A.T. Kearney

ATKearney

OPEN BANKING... CHANGE IS ON THE HORIZON FOR 2019

PSD2 and the UK's Open Banking initiative came into force in January 2018, aimed at encouraging greater competition from non-banking institutions and also creating a system where customer data can be accessed by third-parties. In essence, Open Banking means that banks need to deliver Application Programming Interfaces (APIs), data structures and security protocols that will make it easy, but secure, for customers to share their financial records with external services.

Before this regulation came into play, banks had a unique advantage over new entrants who were looking to use banking data to provide new services, as they were the only ones with access to large volumes of customer financial data. Essentially, they were the default option for banking services. To address this, nine banks were told to facilitate Open Banking in the UK, and an Open Banking Implementation Entity (OBIE) was tasked with developing technical standards that enable third party access.

Where are we now?

We are, to some experts, entering the "Open Commerce" age, where consumers will be able to manage their finances beyond banking by integrating data from many different sources, from smart meters to phone usage. This has enormous potential to make a difference to customers and businesses and in doing so, drive the adoption of Open Banking services.

Although the prospects are certainly exciting, one year on from its implemention, it does seem that Open Banking is yet to have a serious impact on the UK's banking and payments sector.

Since its implementation 12 months ago, the OBIE reports that there are now 100 regulated providers of Open Banking services in the UK, including third party and account providers, with 17 third party solutions already live with customers.

Fintechs have without doubt fully embraced Open Banking and have offered platforms that empower consumers to have more control and choice, but these are inevitably taking time to bring to scale. Banks, on the other hand, have scale built in but are finding it hard to be agile in their delivery and have had to use lots of resources to become regulatory compliant.

Therefore, the focus up to now has been on meeting compliance standards and enabling the infrastructure and basic APIs that are required by PSD2. Now that a lot of the groundwork has been done, we should expect to see some serious innovation in this space, particularly where the banks partner with smaller and more nimble firms that can provide both technical expertise and customer insight to help them differentiate in the market.

Account aggregation is arguably the most widely known use of Open Banking at the moment, and we've already seen two out of the UK's nine CMA9 banks launch apps allowing customers to see all their bank accounts from multiple entities on a single platform.

HSBC launched its Connected Money app in May 2018 and Barclays followed soon after with an update to its core mobile banking app, allowing its customers to view accounts from rival banks in one location. This isn't a new concept in the fintech world at all, but banks have been slow to come around to the idea of providing this service to customers in this way due to concerns about dealing with the competition. In the long run though, this will simply become a standard part of the offering for current accounts.

2019 and beyond

There are some big hurdles to get over for Open Banking to really take off, before more exciting propositions can be released to the market. Consumer uptake of Open Banking-related products and services is one challenge that the more traditional banks – as well as their fintech counterparts to a certain extent – are still grappling with. Many customers understandably feel nervous with the idea of allowing third-party access to their accounts and data. Recent high-profile data breaches are doing little to build trust in big businesses when it comes to data privacy.

As Open Banking's success will ultimately rely heavily on customer trust before this uptake can occur, it is clear that more needs to be done to build awareness of the products and services available. Recent research from Splendid Unlimited found that just one in four people in the UK have even heard of Open Banking, and only 20% of those people understand what Open Banking means, so there's clearly an awareness gap. But in reality, this should be filled by services offered rather than Open Banking becoming a brand in itself.

Indeed, it may be that customers are using a service that's driven by Open Banking or other APIs without even realising it.

Last year, Equifax, in partnership with consents.online, released an Open Banking ID verification system which looks to streamline the customer application processes for Open Banking services. HSBC is one of the big players already using this service, which is helping save customers time, and improve the bank's own efficiency too.

Another space that could see more disruption in this way is credit scoring. Data used for credit scoring can take days, and sometimes weeks, to appear on a credit file, but there's an Open Banking solution for this too. Credit Kudos allows customers to prove their suitability for financial products in real-time, using data analysis. Instead of taking weeks, credit scoring can be conducted in a much more efficient, streamlined way that reflects any changes in customers' personal details much faster than usual processes.

The introduction of Open Banking has brought with it a clear opportunity for traditional retail banks to come into the 21st Century thanks to the wealth of technological developments available under this initiative. Whilst it's already been a year in the making, Open Banking will allow these organisations to evolve in ways which will improve customer onboarding, satisfaction and retention, which is becoming even more vital in today's largely digital banking landscape.

Keeping up with the pace of change

For some time, FinTechs were seen by banks as direct competitors because they were targeting the same market segment. However, over the last decade we have seen this perception shift due to a myriad of challenges that traditional banks and financial institutions are now facing.

Evolving customer expectations caused by digital disruption are resulting in traditional banks and financial institutions struggling to keep up with the pace of change. Existing and new banking customers – from start-ups and scale-ups to large enterprise and blue-chip companies – now desire a wider array of services as one end-to-end offering, for example the ability to integrate mobile wallets, blockchain, video chat, data analytics, lending, legal, and accounting functionality all as one complete interface.

To keep up with these changing customer demands, banks need to provide ultra-personalised services while minimising disruptions to the customer experience, ensuring that they have the right technology in place to make the full switch to digital. IT outages last year at a handful of the world's leading retail banks, demonstrate that there still is some way to go in updating existing systems. Outages not only impact on the ability to provision for a consistent service but also potentially cause reputational damage and affect brand loyalty.

At the same time, the introduction of GDPR and PSD2 has created a regulatory necessity for banks and financial institutions to open up their APIs to third parties. If banks continue to rely on their existing legacy systems to perform task and functions, they will struggle to have a full overview of their data causing siloed reporting. This will make it difficult to provide accurate and complete information for customer and third parties, increasing the risk of non-compliance and financial penalties.

The involvement of big techs in the banking and finance market, such as Google, Apple, Facebook, Amazon (GAFA) and Alibaba, are intensifying competition. Consumers are now used to fast, personal, safe and always-available portable solutions, and banks need to adopt this approach too.

Collaboration for survival

As a way of overcoming these challenges, we're seeing the formation of partnerships between banks and FinTechs across the world becoming the norm. So, how do FinTech collaborations help keep banks and financial institutions stay competitive?

Firstly, smart collaborations between banks and FinTechs enhance current products and services, bypassing years of development and human and technology structural adaptation, to quickly reach and align with customer expectations.

Secondly, collaboration enables the creation of research and development (R&D) projects that focus on innovation and the testing of market strategies, while lowering the risk of reputational damage. The bank is able to act as an incubator before fully delivering new products and services to the market developed by the FinTech teams. New vendors and partnerships can be introduced, and a clearer image for the project lifecycle, details, management and outcomes can be created.

Finally, collaborative partnerships will help lay down the foundation for 'Open Banking': the opening up of banks' APIs to third parties making it easier to achieve full visibility over their data for GDPR, and align with PSD2 regulation much faster.

Smart collaboration best practice

As a way of future-proofing smart collaborations between banks and FinTechs within a constantly evolving industry, their strategy must focus on the following 7 steps.

Step 1: Banks and FinTechs cannot afford to rest because the market, regulations, technology and consumer needs are rapidly changing. They must continue to ensure that their systems constantly adapt through staying agile.

Step 2: Banks and FinTechs must continue to interact to make the best use of their strengths. Constant and regular dialogue is necessary so that they can continue to align strategically, both between themselves and with any stakeholders involved.

Step 3: The innovation process is not easy and it takes a long time to get ideas to market. However it's a pre-requisite and a focal point for future partnership investment. Only innovation can ensure that banks and FinTechs are ahead of customer needs.

Step 4: Banks and FinTechs should strive to create a dynamic culture that is able to continually adapt to business and regulatory change.

Step 5: Banks should demand a strong partnership with their fintech partners that keeps them both up to date about compliance, regulation, and licensing requirements that could affect business and collaboration.

Step 6: Banks must continue to be demanding about security with their FinTech partners, focusing on awareness and security testing.

Step 7: Banks must take care of existing customer data, big-data models and automated decision making. Banks and FinTechs should work closely on testing business resilience.

Investing in the future: Banking as a Service (BaaS)

The landscape of the banking and finance industry is changing rapidly. By 2020, smart collaborations are expected to impact up to 80 per cent of existing banking revenue pools, creating a golden opportunity for banks to seize and to ensure success in the marketplace, keep up with new technologies, customer demands, and navigate regulatory challenges.

It's not the first time that disruption has occurred in the finance industry: for example, the introduction of ATMs was also troublesome but ended up cutting costs for banks, creating 24/7 services, and increasing customer satisfaction.

The introduction of emerging technologies enabled by FinTech partners such as end-to-end Banking as a Service (BaaS), is making it much easier for banks to deliver its full suite of products and services over the Web completely transforming the customer experience and massively reducing the risk of further outages.

Embracing an end-to-end BaaS strategy gives customers fewer reasons to shop around because their every need is catered for, and at the same time banks will reap the benefit of greater process efficiencies and cost savings.

With some banks now choosing cooperation rather than confrontation, the future of banking is a strategic partnership between banks and FinTechs, using their skills to better serve the needs of customers and to strengthen their own businesses.

five°degrees
the fintech engineers

Martijn Hohmann,
CEO and
co-founder,
Five Degrees

THE RISE OF SMART COLLABORATIONS BETWEEN FINTECHS AND BANKS

Erika Moczok,
Marketing Manager,
ApPello

DIGITAL LENDING BY APPELLO

What are the key factors of successful digital transformation?

In the last couple of years, the digitalization in the FinTech area has become more than just a popular buzzword. ApPello collaborates with financial institutions as one of the key tech providers of the CEE region and supports them in the digital transformation to shorten the time-to-decision and increase the level of automation. As one of the distinguishing features, ApPello' Digital Platform enables a high level of customization according to the specific needs such as business flows, integrations and data model. This shortens the project implementation time and improves the user experience.

It is obvious for everyone that the traditional consumer borrowing process leaves a lot to be desired in terms of user experience. Digital technology is transforming the consumer loan industry by providing borrowers with greater simplicity, efficiency and transparency. Organizations that can use digital technology to process applications, make decisions and do the loan disbursement quickly on devices of their choice, will win going forward.

In terms of digitalization, the financial industry is behind the commerce market so banks need to accommodate otherwise they might lose some of their customers. In case of Lending services, the digitalization is a challenging but necessary way for the banks, as a huge percentage of their clients are millennials armed with high expectations and lack of patience regarding banking processes. The new digital era has begun, so the question now is, how to be ahead of the pack.

Banks around the world are already realizing how investments in digital technologies could benefit customer acquisition and satisfaction, but with the rise of Fintechs, banks are facing a bigger race in lending as well. The advantages of digitalization are only procured by the sacrifice of some traditional ways – the new innovations need to work with the cumbersome systems that have already been implemented decades ago in banks, so the skill of seamless integration is also a crucial point of success.

As an example, in the UK the alternative Business Lenders or Lending Fintechs have been steadily taking away the share of SME loans from banks we can say that more than half of the SME loans funded by Fintechs. Low cost to capital, higher risk appetite, better service in terms of processing time and documentation involved along with the fact that the SMEs are increasingly tech-savvy, millennials also give the Fintechs significant leverage to use technology to bring disruption to the way loans are issued and serviced. To keep up in this fast-changing market, traditional banks will have to adapt new operating models similarly to the Fintechs. In particular, changes in IT, new products and services development, and changing expectations for time-to-market will be key factors going forward.

At ApPello we are passionate about delivering end-to-end lending software solutions for financial service providers and help them to achieve the best result in the digital transformation. As we try to serve our clients – banks and financial institutions – in the best possible way, we realized that we should shorten the time-to-decision by using our new pre-integrated front-to-end lending solution. With the help of this new innovation, financial institutions can provide an excellent, personalized borrower experience and will be able to reduce the time of the disbursement in case of corporate and SME clients as well.

As we learned from our latest projects, the most important goal of banks is the digital transformation of end-to-end credit journeys, including the customer experience and also the support of credit processes. For banking clients, the crucial points when applying for loans are: the time, the amount of administration and the necessity of personal presence in the branch or bank office. If any of the previously mentioned factors exceeds a certain level of inconvenience, there is a big chance for customer churn. Today the borrowers' habits have changed a lot and for example most of the SMEs don't find the need to talk to a loan officer for getting a loan and in the retail sector, to get a loan immediately is a basic expectation.

The ApPello Lending Portal provides a new level of flexibility in lending with its user-friendly, self-service application. The innovative platform, with its responsive modern design and state-of-the-art user interface, gives customers a comprehensive banking experience, pre-integrating various different lending solutions (e.g. loan origination, real estate valuation). Additionally, the platform allows the full parameterization in its applications and radically shortens the "time to decision". In this endeavor, automated workflows and customizations help modeling the processing in accordance with the regulations of the bank.

Today, the battle for good customers is bigger than ever. Whether launching a new lending product, or trying to rapidly adapt existing processes to new market segments or regulations – organizations are challenged by long IT queues, and inflexible software. ApPello digitalizes all important client interactions with ease and helps responding immediately and ensures effective operation with a fully customizable end-to-end lending solution (ApPello Loan Factory) that puts emphasis on client digital journeys over the legacy system-oriented approach. In addition, with ApPello Lending Portal it is possible to boost new customer acquisition and increase customer engagement.

Bringing advanced analytics, application processing and decision flexibility to businesses, banks can make more precise, profitable decisions when launching a new loan product.

The strict rules of the banking industry limit the ways of transformation but we believe that it also initiates new innovations for Fintechs.

About ApPello:
ApPello Banking Software is a leading fintech vendor specialized in front-to-back-office banking solutions. We cover all phases of any lending related activity. ApPello is headquartered in Budapest and is strongly represented in the CEE region with a proven track record of more than 20 years. We are constantly developing our platform (ApPello Digital Platform) which is currently one of the most powerful and prevailing in the CEE region. We use proven technologies combined with the latest innovations available on the market, which helps to speed up and simplify the implementation in many legal entities. ApPello believes in innovative products and professional expertise that provides superior customer experience, flexibility to follow fast changes on the market and hence, support digital transformation.

Erika has been active in Fintech since 2006 and has an economics background. She has been working for ApPello since 2016 and focuses on marketing and business development. Environmental protection and sustainability is a priority in her life and work. She is a city cyclist and does triathlons as a hobby.

Kristoff Zammit Ciantar,
CEO of Aqubix

DIGITISING THE DUE DILIGENCE AND COMPLIANCE PROCESS AN END-TO-END SOLUTION

In principle, "Know your customer" (KYC) sounds pretty straight forward. Banks and other organisations need to verify that customers are who they say they are, confirm they're not on any prohibited lists and assess their risk factors. It sounds simple enough: however, as regulations vary from one jurisdiction to another and internal processes becoming more cumbersome, KYC has become a lengthy and costly operation.

The introduction of the Fifth Anti-Money Laundering Directive has made it imperative for firms to have a good grasp on their compliance processes. They need to be able to fully understand corporate hierarchies and ultimate beneficial ownership, to be able to produce audit trails to demonstrate how decisions have been reached amongst a host of other obligations.

Complying with KYC requirements has even made opening a new account a long and complex journey for corporations who also face ever-increasing compliance costs as KYC continues to drive up the costs of customer on-boarding. The documents needed vary from nation to nation and bank to bank and on top of it all, once the data is collected, organisations are also required to keep the information up to date.

In this environment of increasingly stringent regulation and rising compliance costs, AML and KYC compliance have become key areas for digital transformation. Technologies that can provide efficient processes to streamline data management and regulatory compliance, whilst delivering a positive client experience every time is the future. That's exactly where KYC Portal comes in!

KYC Portal is the industry's most advanced, end-to-end due diligence and AML data collection platform. It centralises and simplifies the due diligence process, reducing costs, customer touch points and the overall duration of the process by automating what is usually done manually when conducting due diligence on subjects, being both individuals as well as corporate customers, suppliers, affiliates or any other B2B relationship.

KYC Portal allows a compliance team to configure all aspects of the system at any point in time based on their needs, addressing the challenge of constantly evolving due diligence requirements and internal risk measures.

The system allows organisations to define their own risk-based approach and review processes, stipulate the data they want to collect, tailor checklists for on-boarding and review processes, streamline document requirements including the enhanced due diligence process, set their own scoring engine and tailor their form requirements with inbuilt risk for automatic assessment. KYC Portal has an inbuilt workflow engine that also allows them to define the level of automation within the system, guiding their teams in managing the operational aspect of due diligence within the company.

The solution's central console of compliance merges all the aspects of due diligence into one screen, presenting all the information to enable reliable decisions to be made faster. It provides a clear view of the client structure being handled, together with all the related data, forms, bespoke checklists and a full tamper proof historical audit in one dashboard.

The dynamic workflows module allows organisations to set rights and roles and specify who can do what task on any kind of application, based on risk and authority.

The central risk dial which is updated in real-time, provides a key visual indicator of the risk the particular organisation is being exposed to, at any point in time and a full detailed report is available at the click of a button specifying what has generated this risk, automating the risk-based approach obligation in its entirety and also eliminating the time wasted in investigating applications.

KYC Portal also comes with an embedded document management module enabling organisations to upload documents against entities across applications, with the ability to add expiry dates, meta data and also verification decisions on each document.

The system's real-time organigram provides a birds' eye view of multiple involvement of parties across the organisation, instantly enabling organisations to identify any potential risks across services.

The Customer Outreach Tool addresses yet another challenging task. It enables communication with customers in a direct, audited and secure way through 2 Factor Authentication. This tool allows the customer to fill in the entire data set digitally, including uploading of documentation and filling in of forms.

KYC Portal allows for live-chats with a customer, live audio calls as well as face to face video calls, all of which are securely audited with the possibility to play back the call! Throughout the face to face video calls, the system also reads the biometrics of the person and matches them to the biometrics extracted from the uploaded ID documents, adding value to the verification process of entities.

The system also alerts the teams when something needs manual intervention. Alerts that are based on the configuration that the compliance team would have set within the system itself. Notifications could include expiry of documents, to screening alerts on subjects, specific risk levels being reached, upcoming reviews, real-time transaction anomaly alerts and other critical triggers.

KYC Portal is fronted by a fully authenticated API that allows clients to integrate their own systems to further enhance the level of automation. It allows for the embedding of screening services to automate PEPs, Sanctions and Adverse Media checks to any other integration with document verification providers, company house databases as well as internal systems, making KYC Portal the central solution of any due diligence process.

In 2018 the solution made it to the Regtech 100, an acknowledgement of the innovative use of technology to solve a significant industry problem, or to generate cost savings or efficiency improvements across the compliance function. KYC Portal is being demonstrated at Finovate Europe in London on February 12, 2019.

Kristoff Zammit Ciantar has been working in IT for over 20 years. A Business Analyst by profession, Kristoff has years of experience in bridging the gap between the business requirements and the technical deliverables. Kristoff went on to found Aqubix in 2008. The company specialises in IT consultancy and bespoke solutions and today has earned a solid reputation within the RegTech industry for their innovative solutions in KYC, due diligence and AML. Kristoff is also Director at Finopz, a UK company providing solutions to the banking and financial services industry in the UK.

Boris Demin,
VP & Managing Director,
Americas at Compass Plus

CAN PREPAID CARDS DRIVE FINANCIAL INCLUSION?

In recent years, there has been significant progress made towards financial inclusion. According to the World Bank's Global Findex data, more than 1.2 billion adults worldwide have gained access to financial services since 2011, and today 69% have a bank account. However, there is a long way to go, with close to one-third of adults (1.7 billion) still classed as unbanked.

Despite common perceptions, financial inclusion is not just a problem for the developing world – approximately 7% of US households do not have access to a bank account, and almost 20% are underbanked. These figures continue to rise in 'bank deserts' – rural communities where access to financial services is non-existent. However, unlike elsewhere in the world, in the US it isn't just a lack of geographic access that prevents people from utilising banking services, but a lack of incentive – a recent FDIC report stated the main reasons for not having a bank account were that they did not have enough money to keep in a bank (34%), they distrusted banks (12.6%), and that account fees were too high (8.6%).

While the financially excluded and underserved are often portrayed as homeless, impoverished, immigrants or poorly educated, many work and receive wages. However, their lack of formal financial services means they are unable to pay bills through direct debit, make bank transfers or use ATMs. There is light at the end of the tunnel though, as financial institutions invest in products that can help in the fight against financial exclusion – step forward the prepaid card.

With the rising popularity of prepaid cards, particularly in the wake of the financial crisis, there is an opportunity for financial institutions to both gain financially from this segment and to encourage people to manage their money more responsibly in a symbiotic relationship.

Prepaid cards in the US offer a range of capabilities that closely mimic the advantages of having a bank account. Therefore, they have become a viable alternative for the unbanked and underbanked, allowing cardholders to store money securely and to exercise better control over their money to avoid expensive overdraft charges.

In fact, many prepaid cards only differ from bank cards in that they do not need to be linked to a bank account, and they require no proof of credit history. Not only can they be used to purchases goods and services where debit and credit cards are accepted, including online, the ability to obtain a prepaid card easily form various sources, including bank branches and online, and load funds onto it immediately is a hugely convenient factor.

Many prepaid cards also facilitate access to digital services; allow the receipt of direct deposits including pay checks; and enable bill pay, all without the possibility of allowing the cardholder to get into debt – US prepaid card issuers have realised that the underserved should have access to the same services as everyone else with the same quality of experience.

With 57% of American adults struggling financially, according to the Center for Financial Services Innovation, the prepaid card's growing popularity as a financial tool offers an unprecedented opportunity for financial institutions to drive loyalty within their current customer base, instill trust in their future customer base and create new revenue streams – the value in prepaid cards for a financial institution is in the customer acquisition potential that it represents.

With the Consumer Financial Protection Bureau's Prepaid Card rule, which requires prepaid issuers to disclose fees and other important terms in a consistent industry-wide format, enabling easy comparisons between prepaid programs, it is more important than ever to think about the approach to take. For example, many prepaid products boast little to no monthly fees, load fees or transfer fees, which might be worth considering. While fees are a natural inclination for financial institutions and represent increased revenue, they can ultimately deter the underserved who are often seeking the lowest-cost alternative to a traditional checking account.

Creating a compelling use case

As much attention should be paid to prepaid cardholders as is paid to that of other account holders. The card should therefore offer access to mobile and internet banking services and enable the use of the loyalty and rewards programs and personal financial management (PFM) tools a financial institution offers.

Ensuring the message is clear

Underserved consumers need to be shown the value proposition of having direct access to banking services, and this value needs to shoot other alternative financial services out of the water in terms of the advantages that lie therein. The message needs to demonstrate that prepaid cards are easy to use, safe, affordable, financially viable and, most importantly, that these products were developed to enable consumers to control their spending, avoid debt and eliminate risk of overdraft rather than to trick them out of their money with hidden fees and confusing jargon.

Promoting the products

As with any product launch, the campaign needs to be distributed via multiple channels, including a website, mobile app, in-branch materials and promotion by staff. Social media and advertisements on ATM and kiosk screens are also important ways to reach people who aren't currently doing business with a financial institution. The message needs to be simple and hit on the main financial issues a prepaid card could solve for an underserved person, such as spending control, electronic bill pay capability, direct deposit and online account access.

With prepaid cards regularly being used to dispense government benefits and as payroll cards, the habit for the underserved to use this card type has already been created – in fact, approximately half (48.7%) of households that used prepaid cards in 2017 were either unbanked or underbanked. The foundation for use is already there and, with this large new potential revenue stream, financial institutions need to reassess their stance on the underserved population. The opportunity far outweighs the risk and with this comes a change in perspective: can financial institutions risk not catering to this segment?

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With over 12 years' experience in the industry, Boris is an expert in payments and retail banking and has worked in various regions around the world, across a number of key areas. Prior to his current role, Boris worked in other senior roles managing key accounts, developing hands-on training programs for technical specialists and distributors, and providing technical and business sales support.

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THE POWER OF PAYMENT METHODS: WHY ONLINE RETAILERS MUST ADDRESS THE CHECKOUT PROCESS

The retail industry has dramatically changed and continues to do so at a rapid pace. The days of bricks and mortar stores being a consumer's only option are long gone.

Easy to navigate web pages, a wide variety of products to choose from and getting items delivered straight to your door all save consumers time, and in some cases money.

The combination of the death of the high street, and the instantaneous nature of buying goods has meant that shopping expectations have changed. Consumers demand immediacy and expect retailers to provide a seamless shopping experience. However, one thing that is too often overlooked is the payment process. This includes offering a wide choice or local and preferred payment methods for customers. If they don't, they risk losing potentially loyal customers to competitors.

According to PPRO's own research, 67 per cent of UK consumers have abandoned an online retail site simply due to the payment process. Just over a fifth of these (22 per cent) left because the process was too complicated, while 21 per cent didn't complete the transaction as the merchant didn't offer them their preferred payment option. This demonstrates how important payment methods really are to the consumer.

It's essential that consumer expectations around payment processes are addressed, but there are several aspects to consider:

Cultural differences when it comes to payments

When it comes to addressing consumer expectations around payment processes, it's important to consider that preferences differ from country to country.

For example, consumers shopping in the UK prefer paying with PayPal (50%) and debit or credit cards (43%). In counties such as Germany, most digital buyers prefer payment on account and via direct debit. Merchants need to know exactly who is shopping on their site and accommodate their preferences.

Payment preferences vary just as languages do and when it comes to attracting global customers, the last thing merchants want is the method of payment to be the barrier to sales.

Picture the situation – a customer in Germany goes to a UK merchant's site to make a purchase. They get through the perfectly translated front-end but when they reach payment they do not recognise any of the methods offered to them. The likelihood is they will abandon their basket and go elsewhere. Limiting payment options limits global reach, all the while extending a competitor's reach.

To truly go global, merchants don't need to just break down language barriers, but also payment barriers.

The risk for retailers who don't offer alternative payment methods

Payments have come a long way since the advent of online shopping. Customers expect to be able to buy what they want, when they want, how they want. This was substantiated in our research study, which showed 90 per cent of UK consumers expect to have the option to pay by a number of means when they shop via the internet.

It's no longer adequate to offer customers one single way of paying – in-store or online. Not everyone has a credit or debit card, so if this is all that's on offer, merchants will lose out on sales from those who prefer to pay by an alternative method.

For example, the internet has introduced card-free methods, such as Pay Pal, which are in-keeping with the quick and easy style of online shopping itself. This simplifies the shopping experience for customers, as these types of payment methods mean customers no longer need to carry cash or card around with them to make a quick payment – they simply need to log in, enter their password and submit.

Imagine if a customer has an online basket worth hundreds of pounds but doesn't have their credit card available at that moment. If they are unable to pay through an online payment method, that sale is automatically lost. It's key to remember that if payment options are limited, so are sales opportunities.

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HOW CAN BANKS BUILD A GENUINE, EFFECTIVE DIGITAL CULTURE?

The huge global increase in connectivity, prompted by the launch of mobile devices, has affected banks just as much as retailers. As a result, financial institutions have had no choice but to put digital at the front and centre of their strategies – using technology to enhance the customer journey at every touch point, personalising services, combining channels, and using big data to make the consumer's banking experience more seamless. As the industry is starting to see, organisations that do this successfully can gain loyalty from customers, attract new business and make savings along the way.

We know that financial institutions haven't always been able to effectively digitally transform at the pace they need. However, digital is no mere fad, and so finding a new approach is essential. After all, it is estimated that by 2025, 40% of Fortune-500 companies will have vanished because they will have failed to keep pace with the changes now underway. Customers increasingly expect a digital experience and financial institutions therefore, have no choice but to provide one.

A digital approach is a people-first approach

To deliver a digital experience to their customers, financial institutions need to build a digital culture into their processes and foster this among their staff. They also need to remember that investing in technology alone doesn't make them digital.

That's because ultimately, any digital strategy must start by putting people at its heart. Digital teams must ask – what do our customers want to achieve? What's the journey like for them? What information do they need access to, and how do they want to access it? And, crucially, how do we help our staff make this possible? It's only by understanding the answers to these questions that a financial institution can then start to build and implement the technology that will best support its customers.

Of course, every customer likes to deal with their banks, lenders, mortgage providers, or current accounts differently, so it's likely that there's no one simple answer to these digital strategy questions. One banking customer might be very happy to embrace the whole mortgage process from their living room, even down to booking their removal firm from the banking app on their smartphone. For others, a transaction like this is preferable face to face, but they would expect services and information to be readily available via engaged and knowledgeable staff in branch. Financial institutions need to consider this, and make sure that their digital investments support a wide range of customer journeys and preferences.

Achieving all of this, of course, is no mean feat, and there is a growing need for banks to put customers and people at the heart of every digital change. So, how do banks need to change culturally to make that happen?

Building a digital culture

Of course, financial institutions need to invest in technology and continually monitor developments in digital applications, but it is nowhere near good enough just to give staff new technology and tell them to get on with it. If banks are serious about going digital, they must create an organisation that is customer-focused. For many, this involves a certain amount of cultural change at an internal level.

Initial steps might seem small – such as cross-team working to encourage new ideas, or data analysis to understand customer trends and requirements better – but steps like this are vital for setting out on the right path, and for making the right digital choices in the long run.

Most banks already have a crew of 'digital natives' who can contribute to the process (according to some reports about 50% of today's workforce is currently considered to be digitally native). So, banks can benefit from not only informing, but also actively engaging enthusiastic staff from the beginning. When barriers are removed, and contributions welcomed, a 'learn fast' rather than a 'risk averse' approach can inspire creativity and foster digitalisation.

Once initial steps have been taken to encourage collaboration and agility, concept work and R&D, will be essential to digital development. Every new innovation must be tried and tested, a process that involves stakeholders and many levels in the business – from customer experience teams in branch, to security professionals at HQ.

Before new technology can be put to work, financial institutions must also train staff effectively. For many front-line employees in the branch, a switch to digital might involve them having less of a transactional role and becoming more customer-facing, so an educational programme to bring staff onboard with change, if they're not already, is essential.

Many, or all, of these steps require an adjustment – whether that's because traditionally siloed teams must work with other departments in the business, or whether because projects may need to change direction or morph as time goes on. Cultural change is not easy – in fact, according to Harvard Business Review, three-quarters of all organisational change initiatives fail. This makes it all the more important that financial institutions help staff to see the benefits of change. Certainly, there is reason to hope that employees will be keen, if they understand the future benefits of transformation.

In short, digital culture requires greater collaboration, agility and, above all, a strategy and vision that is designed to put people first. Because for financial institutions who can engage with customers in a way that adds real value to their daily lives, the digital future looks very promising indeed.

HOW TO INNOVATE FINANCIAL SERVICES WITH DISRUPTIVE APPS TECHNOLOGY

The financial services industry has often been on the vanguard of new technology. High-speed trading systems, customer self-service websites backed by complex back-office systems, and a myriad of risk and liquidity management tools are just a few of the applications that form the backbone of the industry.

However, in their current state, these applications no longer differentiate firms. Unless brands find innovative ways to apply technology to disrupt the applications themselves, they leave the door open for more creative competitors to beat them to the punch. When disruption on this scale is the norm, identifying innovative business models and applications is a matter of survival.

How can financial services brands evolve their applications so that they remain the winners and avoid becoming also-rans? Firms have three clear options. As a good portfolio manager might advise, intelligent, diversified investments across all three is best.

Create Better Experiences from Existing Applications

While core business functions are already enabled, a closer look at these applications can create the opportunity to interconnect capabilities to create new applications and user experiences that will delight customers and set the firm apart.

Applications integration technology that supports the modularity needed to decompose, reformulate, and re-optimise existing applications to deliver new applications provides a key differentiator. A new clearing-service application or a faster trade-reconciliation application can leverage existing applications to provide a new or superior offering.

APIs allow clients to engage with applications via new user interfaces, such as mobile, or to gain value from transparent connections with complementary partner applications. The automated 1099 upload to TurboTax provided by brokerages is one example of a value-adding partnership that benefits and delights clients.

Additionally, facilitating the loose-coupling required for application migration and re-hosting on new, lower-cost infrastructure can provide significant improvement. Migration from on-premises data repositories to data lakes or the cloud demonstrates this cost-savings approach.

Drive Sounder Insights from Existing Applications

Understanding what happened in the past to enable positions and trades reporting, commissioning, and compliance drove the first wave of data and analytics adoption in financial services. Understanding what is happening now drove the second wave, as access to real-time market data proliferated. Analysing existing applications data to better predict and improve future outcomes now drives the current wave.

Virtualised data access provides analysts and applications with easy access to the widest possible range of data sources, including enterprise data, big data, cloud data, and real-time data, without the overhead of physical data consolidation or the nightmares of nightly FTP feeds. Using data virtualisation to federate current trading feeds with trading, allows a risk management team to expand the analysis window for fixed income trades and thus reduce fixed income trading risk.

Agility and scale support the rapid-time-to-insight capability required to accelerate the generation of new insights, so firms can respond quickly to unforeseen market and competitive disruption (an approach that Gartner identifies as Mode 2). Once in place, the technology should provide an evolutionary path toward enterprise-scale service-level agreements (SLAs) — Gartner calls this Mode 1. So in practical liquidity risk management, an analysis designed to quickly meet a one-time SEC compliance request might later be moved into production to support ongoing Basel II liquidity risk regulations.

Make Applications Smarter with Artificial Intelligence

Financial advisors spend significant time searching for and analysing the information needed for an investment recommendation. This might involve hours of research time, including calls to the capital markets desk, visits to the firm's research portal, and reviews of other key sources of information. By using artificial intelligence and machine learning algorithms to analyse the relevant data, firms can provide specific recommendations directly to advisors and improve client returns while saving time and costs.

Making applications smarter with AI and machine learning requires technology that can support a collaborative effort of business stakeholders, data scientists, business analysts, and IT staff. For example, a new foreign exchange trading application will require traders to work with data scientists to propose and evaluate multiple algorithms as they collaborate to hone in on the one that performs best. Business analysts and applications developers will then need to collaborate to deploy that algorithm in production.

Once algorithms are proven, they should be reused across different applications. The same natural language processing algorithm that sifts through public filings and third-party sources might be reused in one application to alert buy-side analysts and in another application to trigger trades.

Finally, there is no AI and machine learning without data. During experimentation, data is needed to design, test and fine-tune algorithms. During production, data is needed to fuel the algorithms. When one firm sought to reduce credit card defaults, the team found a high correlation with the cessation of auto-deposits, typically a result of job loss. Once identified, the firm added auto-deposit activity data from clients' checking accounts to their credit limit calculation algorithms and were able to systematically reduce limits whenever auto-deposits ceased.

The top modern financial services brands are driven by disruption. New fintech firms, AI-powered robot advisors, and regulatory mandates such as GDPR are today's catalysts for change. But what will spur the disruptions of tomorrow? Although we can't know for sure, it's up to organisations to mix their own secret sauce with innovative apps technology to delight the clientele of the future.

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RenovITe
Transforming payments

BANKS NEED **GRAND MASTERS** WHEN IT COMES TO APPLYING **ARTIFICIAL INTELLIGENCE**

Many of us have had conversations with bankers about the inherent risks of providing payments transactions. At one extreme, bankers can guarantee a risk-free environment: simply deny every transaction. The trouble is they will not make any revenue and they will not have any customers. The other extreme is they approve everything – which may well make the customers happy, but profitability will plummet together with their reputation. Obviously, the answer lies somewhere in-between those two extremes.

Another issue is disagreement from within banks different areas on the best strategy to achieve this. A risk-averse fraud department will seek to block each and every suspicious transaction, while commercial and business areas will want to ensure maximum utilisation of the card, meaning that more fraudulent transactions will be unwittingly processed.

However, even though we are now in 2019, it is amazing how many institutions have a one size fits all approach to authentication, authorisation and risk management of online transactions. In reality, each product portfolio has its own distinct set of needs and risks: banks approach to an elite card portfolio should be different to the approach to a pre-paid card portfolio. Using the same approach does not mitigate the various risks each different product presents.

From a systems perspective, some key things have changed. In the old days, it was a struggle to keep up with volume demands. The approach was the simplest possible: relying heavily on near real-time systems to do the heavy lifting for online transactions.

In today's massively parallel, cloud-based environment, it is perfectly possible to effectively manage the amount of computer resource you wish to spend based on a transaction and product basis without incurring surplus costs.

This means the cost of a transaction can reflect the risk and impact to the bank. So as a trivial example, a pre-paid card which has little risk to the bank in terms of transaction risk and future revenue risk can be processed with bare minimum resources. The ability to block cards and transactions can be performed with relatively little knock-on risk. The super elite product can be exposed to multiple Machine Learning algorithms in real time ensuring that if the card is automatically blocked, the result is a higher probability of early detection of fraud with less false positives. This use of resources does not only apply to fraud risk. It can also apply other risks such as credit risk – automatically approving over-limit transactions in real-time – for the most profitable portfolios. Another approach is the real-time probability that the transaction could be a chargeback. This allows the reduction of chargeback costs at source.

What this change has done is to start the process of looking at real-time transactions and managing the cost of the processing of transactions against the potential impact of them. With the advent of Machine Learning and Artificial Intelligence, this moves the process even further along. Some Machine Learning algorithms are very efficient with computer processing at the point of transactions – you may still need an array of graphics processors based on supercomputers to build the model, but the execution of the model is quick and efficient and in computing terms cheap. This does not move the industry toward monolithic hand-built

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neural net models traditionally seen in payments, but rather multiple algorithms based upon success based on the actual use cases presented.

This brings us to the definition of Machine Learning and Artificial Intelligence. Machine Learning is a program that builds a unique algorithm based on your data. The output of that is a value that determines the likelihood of a particular outcome e.g. that the transaction is fraudulent. The Artificial Intelligence element is what action is taken on the basis of that outcome. So, for a driverless car with its large array of sensors Machine Learning will determine there is an obstacle on the road ahead: the Artificial Intelligence will determine how to respond to that; should the car brake, swerve, or continue? Artificial Intelligence makes that decision.

For banks to manage transactions, much like the array of sensors on driverless cars, they now have the ability to create additional data to determine authorisation and risk decisions. This additional data is normally referred to as features. Features can take many forms; it can be additional data about the transaction or a geo-location of the transaction, for example. It can be data based on history of the transaction – how far did the card-holder travel since the last transaction? It can be grouping and clustering of data such as risky merchant types.

This data can be taken further to create complex multi-dimensional representations of data. In today's systems, it is not unusual for a single transaction to create thousands of additional data points to be used in the Artificial Intelligence of a transaction.

Another impact of this is the creation of 'Data Lakes' that can be used for other things. Many providers of transactions do not maximise the value of the 'Little Big Data' they store. The features and transaction data are not only indicators of fraud – they are indicators of customer churn, future purchasing habits and capacity and portfolio planning. With the latest database technologies, this can provide accurate predictions of real-time data – ensuring anomalies in business processing are spotted quicker and can be responded to quicker and any potential impact minimised.

The challenge for banks is not so much the Machine Learning, although the vast array of changing technologies in this area is moving at a breakneck speed. The challenge is how they apply the Artificial Intelligence to maximise profit. Artificial Intelligence demands an understanding of the domain. Google's AlphaGo Artificial Intelligence program was built by algorithms derived from playing with Grand Masters. To re-use the example from earlier, a driverless car Grand Master will know how to stop the car in the wet vs how to stop the car in dry conditions.

For banks to maximise the opportunities the new payments landscape offers them they must also train with their banking Grand Masters. It is that combination that will ensure the future is profitable and risk is minimised, not the latest Machine Learning algorithm. It is not going to be a simple case of one figure from a Machine Learning algorithm – there will be an array of 'sensors' and additional data available about the transaction. It is how banks manage that data which will be the key to future customer retention, perception in the marketplace, managing transaction risks and ultimately providing profitability.

About Idrees Kolabhai:

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Idrees has over 25 years of experience in the finance sector with multiple local and international Financial Institutions. His current role is Head of Cash Management for the Transactional Products and Services business for Standard Bank. Idrees is responsible for developing, implementing and driving cash management strategies for Standard Bank Group and its clients in 20 countries across the Africa continent.

Idrees started his Banking career in 1993 with Standard Bank of South Africa. He later transitioned to Nedbank Corporate, and then joined Citi Group South Africa in their Global Transactional services unit. In 2008, Idrees joined HSBC as the Head of Payments and Cash management function in South Africa, before re-joining Standard Bank in 2013. Idrees is a member of the Institute of Directors (IoD) and a Councillor on the Payments Association of South Africa (PASA).

FINANCIAL SERVICES SECTOR POISED FOR CHANGE AMIDST CHANGING CLIENT EXPECTATIONS

As Africa continues its growth trajectory, Africa's payment systems are becoming an increasingly important topic.

The commercial payments industry is at the convergence of many trends and the need to stay competitive amid changing expectations from customers and regulators is more important now than ever.

Technology has brought about a clear shift toward emphasising efficiency and productivity improvements. At Standard Bank, we continue to see Fintechs and big tech companies entering the financial services market and do not expect that to slow down. By using technology, these players are changing the economics and business model of the financial services industry.

Advances in technology is making everything faster. Banking and payments are not immune to this trend. Technologies like artificial intelligence and machine learning are changing the way work gets done. Open is the new normal for financial services and the drive towards greater openness in banking and payments is impacting how money moves.

In the transactional space, the focus must move back to meeting our customers' needs rather than by the limitations of current systems and regulatory requirements being imposed. The speed of digital transformation in financial services is driven by customers behaviours as well as regulation which varies from country to country. In a few African markets we are seeing conservative regulations which inhibit innovation, whilst others are using regulation to speed up transformation. Authorities looking to impose new taxes and regulations on the industry need to balance this with efficiency gains. It would be prudent for Financial institutions to help shape regulation rather than stubbornly oppose it. This collaboration will be the deciding factor of which Financial Institutes will see success in the future.

Mobile payment applications and mobile banking is transforming the region and driving financial inclusion. Across the African continent, mobile network operators are playing a role as the largest disruptors entering the financial sector. Implications of the open era include offering new services and improving the customer experience. Collaboration has definitely become more important, so has knowing when to co-operate and when to compete.

Financial institutions must place innovation as a top priority in order to be able to compete. The importance of developing new solutions that take advantage of data and new delivery platforms has never been more important. The financial services sector is poised for change, but it is hard to judge whether this will be more evolutionary or revolutionary.

Understanding the complexities of how to work with Fintechs is what will make the difference.

NAILING COMMUNICATIONS COMPLIANCE IN A VOLATILE & LITIGIOUS MARKET

In an industry still reeling from catastrophic shocks to public trust, financial services organisations are under ever-closer scrutiny from regulators. They must be able to demonstrate immutable records of all their dealings and be able to call these up with precision and speed in the event of an audit or investigation. But infrastructure complexity and call format issues can impede this accessibility.

Financial services organisations trade on reputation and public trust, which are rocked every time an industry scandal emerges such as a rogue trading incident or product mis-selling. To mitigate the risk of such events, which are cripplingly expensive, and to remain on the right side of regulators, financial organisations must keep immutable records of all of their dealings and communications. As well as being comprehensive and robust, these must be easy to access and, in the case of voice recordings, easy to play back in the event of an audit or investigation.

But this can be an onerous technical challenge. Over the years, financial organisations have amassed an array of solutions to record calls each with its own particular call capture protocol, leaving them with disjointed silos of data, whether this has been through mergers and acquisition or natural growth. And this is where financial organisations are coming unstuck, although they have a record of everything somewhere, it is worthless if they can't quickly pinpoint a specific record when needed.

Rapid response

All of this presents a significant and costly challenge, particularly in today's litigious and strictly monitored market where financial organisations must adhere to MiFID II, KYC, etc., and must be able to produce records at short notice (Dodd Frank specifies within 72 hours).

The records involved could go back decades. In the case of annuities, organisations are obliged to keep records for a person's lifetime and beyond. This inevitably spans generations of call recording technology which poses a huge challenge for organisations as they are faced with legacy solutions which are no longer being supported.

Meanwhile how does an organisation deal with challenges that could arise over mis-selling or compliance? They need to be able to defend their position. The harder it is to access their calls quickly, the greater the chance of redress (i.e. customer pay-out) and of being fined and exposed for non-compliance – it's a huge reputational risk. So it's in their interest to ensure that their systems are fit for purpose and will facilitate timely call data retrieval.

Beware of empty promises

All manufacturers of technology will produce software that has proprietary elements and financial services organisations must take the appropriate steps to ensure that their data is transferable from alternate and dissimilar systems. Not to do so is at best short sighted and at worst it could be considered tantamount to gross negligence. Preventative action costs less then corrective action and the sooner action is taken the better. The smart money is always on doing it sooner.

Let's take the example of a major American Investment Bank but typical of the industry as a whole. The firm realised it was exposed by having multiple sites each with its own individual call recording system and understandably these individual systems were of various models, various ages, and various release versions i.e., it realised it had zero ability to provide any form of federated compliance control.

Without the central control of a federated system each individual location applied its own rules and without knowing which specific recordings needed to be retained and which didn't, it kept them all – 'just to be safe'. This then manifested into a much larger problem as the bank was facing the collective risk of having huge volumes of data residing on legacy systems with the added ignominy of also spending considerable sums supporting expensive and unnecessary technology.

In attempting to retire legacy systems the first thought considered is usually an attempt to move the data to a new storage system but this is generally an over-simplification; it can mean moving years of data into new systems and unless the destination system is very open architecturally, the desired federated result is not achieved and the problem is merely transferred from one system to the next.

In this case the bank's first port of call was to use the supplying vendor's own tool kits but these didn't solve the problem because the data lay across multiple product versions which weren't uniformly compatible. The bank then adopted and applied a federating policy via a third party resulting in an extremely successful project. Indeed after the successful consolidation of its recordings and meta-data, the bank was able to purge over 40% of its calls bringing about the additional benefits of lowering risk and reducing costs.

Ultimately the bank realised that rather than trying to predict what might be the definitive format for managing all this data in the future, the answer had to involve unlocking and categorising what was already there and using the data more proactively for the benefit of the business.

Just as modern content management platforms allow companies to search and access a whole spectrum of seemingly incompatible documents, there are solutions that can extract and manage data from a diverse range of capture and storage solutions, from multiple vendors, wherever it resides and present it in one single central management portal.

Imagine this… One single central management portal will provide legal teams with the ability to self-serve eliminating a lot of the heavy lifting that IT were previously having to do. Organisations will be able to be more proactive with their data, with multiple departments easily extracting voice recordings so that data can be analysed for trade reconstruction. Voice recordings (on multiple systems, across multiple locations) that fall outside of retention periods can be identified and deleted driving huge savings and eliminating risk.

The days of having legal teams locked away for weeks on end sifting through monotonous call recordings to extract the relevant interactions should be a thing of the past. Especially in this digital era which has seen communication trails broaden to encompass web, email, SMS, Skype/VoIP and WhatsApp, in line with customer expectations. Financial Services organisations must be able to manage all of this from a compliance perspective – and be able to follow dialogues that may start out on email, progress to the phone, and span across at least two other communication channels. As these channels grow and the volumes of data soar, organisations need to have access to flexible and scalable solutions to manage this.

The practical panacea for managing all of this is a central, vendor neutral portal – which can draw recording data from any number of systems, from multiple vendors or locations, whether these are legacy, live, cloud-based or on premise. A single point from which authorised users can view, manage, replay, store, extract and run reports.

Certainly, as both the communication volumes and regulatory burden continue to grow and become more onerous, it will take a smart, forward-looking approach to stay in control.

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MAKING TRADE FINANCE ACCESSIBLE FOR INSTITUTIONAL INVESTORS

An Interview with Christoph Gugelmann and Nils Behling of Tradeteq

Financial IT: What are the problems that Tradeteq solves for its clients?

Tradeteq: Tradeteq is a smart technology platform powering global trade investments from end-to-end. Trade finance is arguably the oldest banking product, although also the only one that is not easily accessible for institutional investors. We have the technology to make trade finance investable.

For those unfamiliar with trade finance, it may not be immediately obvious why institutional investors should consider putting funds into this asset class, nor indeed why those lending to companies trading goods globally do not simply retain the loans on their books.

Yet, the trend has been growing – trade finance assets are becoming more widely available and more attractive to institutional investors. And, while the practice was triggered by the combined pressures of market and regulatory forces, it is the more recent application of technology that has made trade finance one of the lowest-risk and easiest-to-manage investment opportunities in the institutional market. It is also eminently scalable.

Financial IT: What are the key technologies that underpin your marketplace?

Tradeteq: Our AI-driven credit model combines behavioural and other information about companies and enriches this data with geographical and socio-economic information. We recognise data depth and breadth by carefully handling any missing entries. This means that if a company is missing a certain accounting entry, we are not excluding it from the training and test sets, but instead note the absence of data and even learn from this pattern of absences.

A combination of machine learning techniques with deep and broad data coverage allows the outperformance of traditional Z-score and other traditional models.

Applying machine learning specifically to trade finance data yields a lot of valuable insights, for example allowing the identification of features not visible in simple cross-sectional analysis, such as irregularities in repayment patterns relative to other customers of a given supplier, or changes in trade payments relative to other similar companies from the same industry or region. And it is this application of AI to broader and deeper data that allows a far greater number of SMEs to be captured and credit-scored.

Additionally, our securitisation as a service offering reduces complexity and makes trade finance investments efficient, liquid and transparent.

Financial IT: Do you have any rival products in the market and what makes you unique?

Tradeteq: We specialise in the distribution of trade finance from originators to institutional investors, and as such, act a partner to banks. In this part of the value chain, there are currently only a very few other active platforms – making us one of the first and most experienced providers in the industry. A large proportion of fintech companies in the "tradetech" arena focus on the corporate to bank channel or try to disintermediate banks altogether.

Unlike our competitors, we are not trying to disintermediate the banks. Instead, we leverage their access to corporate networks to assist with labour-intensive processes such as on-boarding, collection and work-out services. We are alone in providing a cloud-based portal that grants access to trade finance assets. And due to our exclusive focus on this area, there is no conflict of interest with the banks themselves.

Financial IT: What real-life applications of Tradeteq's technology can we expect to see in coming months?

Tradeteq: We were recently selected as the first VAS (value added service) provider to the Singapore government's digitalised international trade platform, the Network Trade Platform (NTP). Developed by Singapore Customs and the Government Technology Agency of Singapore, the NTP is a one-stop trade and logistics ecosystem which supports digitalisation efforts and connects players across the trade value chain; both in Singapore and abroad. It aims to provide the foundation for Singapore to be a leading trade, supply chain and trade financing hub – as well as provide a template for other trade-geared national platforms.

Tradeteq's role as a VAS provider for NTP users facilitates the use of the platform for trade by offering instant credit analytics on counterparties. The AI-powered credit scoring can be generated at the touch of a button and in standardised formats – allowing traders, bankers, lenders, and logistics companies to enhance their risk management processes.

Financial IT: How has Tradeteq developed over the last year?

Tradeteq: We have passed several hundred million worth of trade finance instruments through the platform, involving market participants in Europe, Asia and Africa. We currently have over 40 active platform members, with funders ranging from regulated insurance companies to private banks. Over recent months, we've completed several credit analytics proofs of concept (POCs).

Moreover, and despite our only recent inception, we are already engaged – at POC or data integration phase – with the top four global trade finance banks. Looking to 2019, we can expect to see large institutional investors coming online as investors of bank distributed trade finance instruments.

Christoph Gugelmann – CEO, Tradeteq Limited

Christoph is the co-founder and CEO of Tradeteq Limited – a marketplace that allows finance investors and originators to connect, interact and transact. Tradeteq delivers AI-powered credit analytics, workflow management, and investment automation, transforming trade finance assets into transparent and scalable investments.
Christoph was previously a Portfolio Manager at the Trafigura owned Galena Asset Management in Geneva. Prior to that he was a Managing Director at Bank of America Merrill Lynch where he headed all public and private side market solutions teams for Europe, Middle East and Africa. Christoph also held various management positions at Goldman Sachs and Morgan Stanley in London, Frankfurt, and New York.
Christoph holds a Degree in Finance and Business Administration from the University of St. Gallen, Switzerland.

Nils Behling – CFO, Tradeteq Limited.

Nils is the co-founder and CFO of Tradeteq Limited. Tradeteq delivers AI-powered credit analytics, workflow management and investment automation, transforming trade finance assets into transparent and scalable investments.
Nils was previously a Principal at Gemcorp Capital LLP in London, working on Structuring. Prior to that Nils was a Portfolio Manager at the Trafigura owned Galena Asset Management in Geneva. Nils also held various management positions at Merrill Lynch, Deutsche Bank and Weil, Gotshal & Manges LLP, in London and Frankfurt.
Nils holds a Legal Doctorate (PhD) from the University of Saarbruecken, Germany and is a CAIA Charter Holder.

FISERV INTRODUCES MORTGAGE TECH

Fiserv, Inc., a leading global provider of financial services technology solutions, today announced a new approach to mortgage technology designed to allow lenders to manage the complex mortgage ecosystem from end-to-end.

Mortgage Momentum is a digital-focused approach that covers each stage of the mortgage lifecycle from application through closing. With Mortgage Momentum, Lenders are able to improve loan quality, mitigate risk, and speed approval and closing processes while reducing the cost of origination, ultimately supporting a better experience for today's demanding borrowers.

Combined with workflow automation tools, Mortgage Momentum from Fiserv streamlines and simplifies loan origination, and enables lenders to leverage a wide range of prepackaged solutions to enhance the lending experience. As these capabilities evolve, they will support greater customization and simplification of the mortgage loan process through existing digital channels.

The updated Mortgage Director loan origination system (LOS) and the new OriginateSM Mortgages point-of-sale (POS) mobile enhanced application are among the digital solutions from Fiserv that enable the Mortgage Momentum approach.

"In an industry increasingly focused on speed and experiences, mortgage lenders are challenged to deliver a more efficient lending process and a compelling, differentiated borrower experience," said Lionel Urban, vice president, Product Management, Fiserv. "Automation of lending processes improves efficiencies for lenders and speeds time to approval and close, so customers can quickly receive the keys to their new home, refinance, or obtain a home equity loan or line of credit."

SWIFT TO OPEN GPI TO E-COMMERCE AND DLT PLATFORMS

SWIFT announces a proof-of-concept (PoC) to trial gpi Link, a gateway to interlink e-commerce and trading platforms with SWIFT gpi – the new standard in cross-border payments.

gpi Link will seamlessly connect gpi members to multiple trade platforms thereby enabling gpi payment initiation, end-to-end payment tracking, payer authentication and credit confirmation. The gateway will enable the continuous monitoring and control of payment flows and the subsequent movement of goods by those trade platforms, while to ensure global integration and interoperability it will support application programming interfaces (APIs), as well as SWIFT and ISO standards.

The first stage of the PoC will work on R3's leading blockchain platform, Corda, and aims to bring the benefits of gpi payments' speed, ubiquity and certainty to distributed ledger technology (DLT)-enabled trade. The PoC addresses the need for DLT-based commerce to be supported by global, fast, secure, and transparent settlement using fiat currencies by enabling 'off-ledger' payment settlement based on gpi.

Luc Meurant, SWIFT's Chief Marketing Officer, said: "All trade platforms require tight linkages with trusted, fast and secure cross-border payments mechanisms such as gpi. While DLT-enabled trade is taking off, there is still little appetite for settlement in crypto-currencies and a pressing need for fast and safe settlement in fiat currencies. With gpi Link, banks will be able to provide rapid, transparent settlement services to e-commerce and trading platforms, opening up whole new ecosystems to the speed, security, ubiquity and transparency of gpi and enabling them to grow and prosper in the new digital economy. Given the adoption of the Corda platform by trade ecosystems, it was a natural choice to run this proof of concept with R3."

COUPA NAMED A LEADER IN IDC MARKETSCAPE ON WORLDWIDE SAAS AND CLOUD-ENABLED ACCOUNTS PAYABLE APPLICATIONS 2019 VENDOR ASSESSMENT

Coupa Software, a leader in business spend management (BSM), today announced that it has been named a Leader in the IDC MarketScape report: Worldwide SaaS and Cloud-Enabled Accounts Payable Applications 2019 Vendor Assessment, US44753119, January 2019.

According to the report, IDC recommends considering Coupa if you are looking for an "AP automation platform capable of handling large and complex organizations" or "a solution with a large supplier network and powerful self-service tools including full configuration and global e-invoicing compliance without the need to develop custom code."

"Finance leaders today are seeing the value that comprehensive solutions for managing accounts payable automation can bring to their organizations," said Kevin Permenter, senior research analyst at IDC. "Coupa continues to deliver innovation and value in several areas of a company's accounts payable process through consistent execution and a clear vision."

The IDC MarketScape found that Coupa offers advanced, configurable control models that deliver e-invoicing compliance for 40 countries as well as Coupa InvoiceSmash, a feature that converts PDF invoices into structured data "much more accurately than OCR." This automation can save time, reduce the chance of error, and minimize the burden on suppliers.

TEMENOS AND CREDORAX DEPLOY CORE BANKING PLATFORM IN THE CLOUD

Temenos, the banking software company, and Credorax, a leading global smart acquiring banking firm, today announced that they have selected Temenos T24 Transact deployed on the cloud. Temenos' digital banking platform in the cloud will enable Credorax to expand into new market segments, and accelerate time-to-market for its offerings, for enterprises and small businesses, beyond merchant acquiring, into cross-border payments and banking services.

Credorax has created a fully API-centric, technology ecosystem with the Temenos open banking platform running on Microsoft Azure. Temenos was the first banking software provider to launch a cloud offering running on Microsoft Azure and since 2011, T24 Transact has been available as a managed service on the Temenos Cloud.

After fundamentally changing the landscape of traditional merchant acquiring by leveraging its technology assets and expertise to address the unique needs of online merchants, Credorax established itself as a significant fintech disruptor. Now, Credorax is a fully-fledged European commercial licensed bank via the Malta Financial Services Authority, and offers a suite of advanced services, including fraud detection and local processing. Credorax's partnership with Temenos signifies further growth of Credorax offerings and efficiency and an embrace of cloud innovation that is increasing vital to the banking industry.

Steen Jensen, Managing Director – Europe, Temenos said: "Temenos shares Credorax's focus on innovation and best-in-class digital customer experience, and provides a proven, open, technology platform that is future-ready and scalable to meet exponential growth. With T24 Transact, Credorax can capitalize on real-time, highly flexible technology today, as well as have a foundation for future growth. Our focus on innovation is relentless. We were the first to launch a core banking in the cloud and continue to invest heavily in our cloud capabilities."

Moshe Selfin, COO at Credorax, said: "At Credorax, disruption and innovation is in our DNA. Our goal is to accelerate global e-commerce by transcending the challenges faced by traditional acquirers and banks, and provide cross-border e-commerce merchants with faster processes, advanced flexible payment and banking solutions, and customized commercial models. Through partnerships with innovators and market leaders like Temenos, we are elevating our banking service offerings while leveraging our fintech roots."

UK FINTECH WEEK LAUNCHING IN 2019 TO HIGHLIGHT THE UK'S COMMITMENT TO INNOVATION, COLLABORATION AND OPENNESS

UK FinTech Week (UKFW) will launch across the country from April 29th to May 3rd 2019, with Mark Carney, Governor of the Bank of England, set to speak at the flagship event – the Innovate Finance Global Summit (IFGS).

UKFW will be a week-long series of events, showcasing the UK as an epicentre of innovation. The events will explore, debate and try to solve some of the most important issues of our time by taking a think-tank and collaborative approach, sharing insights, fostering collaboration, and celebrating the UK's position as a global capital of FinTech. UKFW partners include HM Treasury, Innovate Finance, The Department for International Trade, the Financial Conduct Authority, the London Stock Exchange, London & Partners and The City of London.

Key themes will include ensuring that the UK remains an investment friendly environment for FinTech in the wake of Brexit, continues to attract a diverse pool of talent to fuel the FinTech sector and that it is promoted as a market open for FinTech businesses scaling.

UKFW is an opportunity to demonstrate why the UK will remain a world-leading FinTech hub. Taking place just one month after the UK's proposed exit date from the European Union, the five days will focus on championing the country's commitment to innovation, collaboration and openness.

CORLYTICS WINS DELOITTE REGTECH CHALLENGE

Corlytics, the innovative regulatory risk intelligence and analytics company, has won first place in the Deloitte Regtech Challenge. As part of the prize, the company will now be collaborating in client engagements with some of Deloitte's EMEA Risk Advisory firms.

The aim of the competition was to find the most innovative start-ups using Artificial Intelligence (AI) to solve regulatory problems, particularly in relation to Conduct Risk. Corlytics competed against 40 other businesses at the RegTech Challenge Pitch & Award Day, which took place at Deloitte Greenhouse in Milan earlier this month. The business was awarded with the accolade after showcasing how it is incorporating advanced AI modelling to provide regulatory risk ratings for financial institutions.

Kevin O'Leary, VP product management at Corlytics, comments, "The practical nature of Deloitte's prize – which includes the opportunity to solve real business problems for their clients – makes this a brilliant win for the team. We were thrilled to compete against those doing some great work in the regulatory landscape.

He continues, "The accolade comes at a time when we are seeing real momentum in the regtech market. We're now looking forward to delivering pilots and proof of concepts to help Deloitte's partners understand the size, scope and root causes of regulatory risk."

IBM SIGNS $260M DIGITAL TRANSFORMATION DEAL WITH PHILIPPINE BANK

IBM and the Bank of the Philippine Islands signed a $260 million multi-year services agreement calling for IBM to provide IT services for agile IT and hybrid cloud, as well as development to accelerate BPI's digital transformation, IBM.

BPI is the third-largest bank in the Philippines in assets, with more than 9 million customers, providing services over mobile, ATMs, cash accept machines and branches, IBM Corp. (NYSE: IBM) said in a statement.

IBM and BPI designed an IT environment that supports open APIs to create application and services. BPI wants to achieve continual upgrades for bank branches with new technology, as well as additional financial services apps for customers, IBM says.

The deal continues two weeks of good news for IBM's cloud business. And IBM hasn't had a lot of good news in the last couple of years, as it struggles to transition from its legacy systems business to emerging technology including cloud, cognitive computing, and analytics.

The cloud helped IBM boost revenue and beat expectations for fiscal 2018 and sent the company stock soaring following an earnings report Tuesday. IBM traded at $133.04 up 8.59% Wednesday afternoon. (See IBM Had a Very Good Day in the Cloud.)

SECURE TRADING / ACQUIRING.COM SELECT AEVI TO DRIVE VENDOR-AGNOSTIC POS AND OMNICHANNEL SOLUTIONS

Secure Trading / acquiring.com have announced today the extension of their complementary cloud-based payment gateway (Secure Trading) and next generation acquiring solution (acquiring.com), thanks to the addition of AEVI's vendor-agnostic payment app, and smart point-of-sale solution. The partnership will allow Secure Trading / acquiring.com to offer omnichannel point-of-sale solutions, powering payments for merchants and partners by leveraging SmartPOS, MPOS, Unattended, Internet of Things (IOT), and new payment form factors.

AEVI was selected for this important collaboration due to the spread, depth and maturity of their card-present solutions across Europe and the US. Its open and vendor-agnostic platform offers Secure Trading unprecedented flexibility and choice when adapting to future merchant needs.

Jonathan O'Connor, Chief Commercial Officer of Secure Trading / acquiring.com said: "Our forward-thinking and flexible omnichannel solution, in partnership with AEVI, helps our partners and clients to rapidly adapt to changes in their payment landscapes. Our vision is to deliver product innovation and vendor-agnostic POS, serving retail, hospitality and hotels, in addition to emerging markets such as cryptocurrency and blockchain, all supported by our centre of excellence based in Malta."

WIRECARD AND P.F.C. TO LAUNCH THE NEXT GENERATION OF DIGITAL BANKING SERVICES IN SWEDEN

Wirecard, the global innovation leader in digital financial technology, together with the Swedish FinTech P.F.C. – Personal Finance Co., formerly Betalo, have introduced a new digital banking proposition aimed at hundreds of thousands of Swedish consumers. The cooperation between Wirecard and P.F.C., which was founded in May 2012 and belonged to the 50 fastest-growing Swedish technology companies in 2017, has enabled P.F.C to launch Sweden's first neobank, a digital, mobile-first financial service for Swedish customers. The two companies have announced a Mastercard debit program, which is combined with a highly personalized app to help people manage their personal finances.

Sweden is at the forefront of the transformation towards a cashless society with only 13 percent of payments being made using cash, according to Sweden's central bank. Digital payments via cards or apps are so widely accepted that many Swedish people no longer carry cash. Thanks to the ever-expanding capabilities of mobile devices, combined with the banking industry's wholesale transition to digital, the market has seen cashless payment applications increase.

Eli Daniel Keren, founder and CEO of P.F.C., commented, "Today, people expect financial services to be personal, transparent and simple. We want to do just that with P.F.C. We rely on strong partners like Wirecard to bring our products to market. In the long run, the solution that P.F.C. and Wirecard provide enables people to gain financial health, and that's no small feat."

Financial IT

Innovations in FinTech

Financial Technology Buyers' Guide

Accuity offers a suite of innovative solutions for compliance and payments professionals, from comprehensive data and software that manage risk and compliance, to flexible tools that optimize payments pathways. With deep expertise and industry-leading data-enabled solutions from the Fircosoft, Bankers Almanac and NRS brands, our portfolio delivers protection for individual and organizational reputations.

COMPANY PROFILE	
Company type	Public Company
Annual turnover	Undisclosed
Number of Customers Total	Undisclosed
Number of Employees	over 1000
Inception	1836
Geographical coverage	Global

COMPANY CONTACT DETAILS	
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Allevo provides software solutions that help financial institutions of all sizes reduce TCO and achieve end-to-end interoperability across the financial supply chain – by using FinTP, a complete open source application that processes transactions, automates flows and offers compliance to regulatory and industry standards. The Allevo guaranteed distribution of FinTP is aimed to grow competitiveness and offer operational risk containment, making such systems affordable to SMEs as well. FinTP and all ancillary documentation is distributed freely and openly through the FINkers United community and it provides collaboration ground for rapid development and integration of new technologies, such as crypto currencies, biometric security, data analysis algorithms.

COMPANY PROFILE	
Company type	Privately Held
Annual turnover	1,44 mil. Euro (2015)
Number of Customers Total	Undisclosed
Number of Employees	48+
Inception	1998
Geographical coverage	Global

COMPANY CONTACT DETAILS	
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AppPello is a leading software solution provider specialised in front-to-back office banking solutions, covering Credit Risk Management, Cash Optimization, Trade Finance and other related areas. ApPello is proud to provide a fully modular and flexible approach that can be easily adjusted to the always changing business and regulatory environment of financial institutions. The solid growth of ApPello over the past 15 years proves our strategy driven by the attention to our customers, our focus on the best technologies and practices, and the will for innovation

COMPANY PROFILE	
Company type	Private
Annual turnover	Undisclosed
Number of Customers Total	Undisclosed
Number of Employees	51-200
Inception	1998
Geographical coverage	Global

COMPANY CONTACT DETAILS	
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Aqubix is an IT consultancy and experienced solution provider and have earned a reputation for offering a flexible approach with years of experience in business analysis and technical architecture. Aqubix aims to exceed the expectations of their clients, while maintaining competitive pricing.
Head quartered in Malta and with offices in Spain and UK. Aqubix offers modular and easy to use solutions and have been entrusted with projects for some of the largest companies, both locally and overseas

COMPANY PROFILE	
Company type	Private
Annual turnover	Undisclosed
Number of Customers Total	Undisclosed
Number of Employees	11-50
Inception	2008
Geographical coverage	Global

COMPANY CONTACT DETAILS	
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Compass Plus provides proven software and services for financial institutions, including retail banks and payment processors across the globe that operate in complex and rapidly changing business and technology environments. Compass Plus builds and quickly implements comprehensive and integrated payment technologies that allow customers to increase revenue and profits, and improve their competitive position by implementing flexible systems that meet market demands. With hundreds of successful projects spanning card, account and merchant management, card personalisation, mobile and electronic commerce implemented in record breaking time, Compass Plus ensures its customers make the most of their technology investments.

COMPANY PROFILE	
Company type	Limited Partnership
Annual turnover	Undisclosed
Number of Customers Total	Undisclosed
Number of Employees	Undisclosed
Inception	1989
Geographical coverage	Global

COMPANY CONTACT DETAILS	
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eVision is a leading software solution provider focused on assisting clients with their financial transactions and cash management operations. Since 2000 eVision has been helping their clients improve their operational processes and reduce costs. With the growing demand for financial transaction control and compliance, eVision has built and partnered with world-class software solution providers to ensure financial transactions are operating in a straight through processing mode. Furthermore, eVision provides a full range of support and implementation services worldwide, allowing clients to achieve the maximum return on their investment. We currently operate in Morocco, Algeria, Tunisia, Nigeria, and Egypt.

COMPANY PROFILE	
Company type	Private Company
Annual turnover	Undisclosed
Number of Customers Total	Undisclosed
Number of Employees	22
Inception	2000
Geographical coverage	MENA

COMPANY CONTACT DETAILS	
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Fenergo is the No. 1 provider of Client Lifecycle Management (CLM) software solutions for financial institutions, counting 26 of the top 50 financial institutions in the world as clients. Its award-winning CLM suite transforms how sell-side banks and buy-side firms manage clients – from initial onboarding to KYC/AML and regulatory compliance, to client data management and ongoing lifecycle KYC reviews and refreshes. Fenergo CLM empowers financial institutions to deliver a faster, more efficient and compliant client experience and achieve a single client view across channels, products, business lines and jurisdictions.

COMPANY PROFILE	
Company type	Private
Annual turnover	€58m
Number of Customers Total	67
Number of Employees	650+
Inception	2009
Geographical coverage	Global

COMPANY CONTACT DETAILS	
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Finastra unlocks the potential of people and businesses by creating a platform for open innovation in the world of financial services. Formed in 2017 by the combination of Misys and D+H, we provide the broadest portfolio of financial services software in the world today – spanning retail banking, transaction banking, lending, and treasury and capital markets. Our solutions enable customers to deploy mission critical technology on premises or in the cloud. Our scale and geographical reach means that we can serve customers effectively, regardless of their size or geographic location – from global financial institutions, to community banks and credit unions. 90 of the world's top 100 banks use Finastra technology.

COMPANY PROFILE	
Company type	Private
Annual turnover	~$1.9 Billion
Number of Customers Total	9,000
Number of Employees	10,700
Inception	2017
Geographical coverage	Global

COMPANY CONTACT DETAILS	
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HCL Technologies is a next-generation global technology company that helps enterprises reimagine their businesses for the digital age. HCL's technology products, services, and engineering are built on four decades of innovation, with a world-renowned management philosophy, a strong culture of invention and risk-taking, and a relentless focus on customer relationships. They offer an integrated portfolio of products, solutions, services, and IP through their Mode 1-2-3 strategy, that has been built around digital, IoT, cloud, automation, cybersecurity, analytics, infrastructure management, and engineering services, among others.

COMPANY PROFILE	
Company type	Public
Annual turnover	US$8 billion
Number of Customers Total	Undisclosed
Number of Employees	12,400+
Inception	November 12, 1991
Geographical coverage	Global

COMPANY CONTACT DETAILS	
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NICE Actimize is the largest and broadest provider of financial crime, risk and compliance solutions for regional and global financial institutions, as well as government regulators. Consistently ranked as number one in the space, NICE Actimize experts apply innovative technology to protect institutions and safeguard consumers and investors assets by identifying financial crime, preventing fraud and providing regulatory compliance. The company provides real-time, cross-channel fraud prevention, anti-money laundering detection, and trading surveillance solutions that address such concerns as payment fraud, cyber crime, sanctions monitoring, market abuse, customer due diligence and insider trading.

COMPANY PROFILE	
Company type	Public Company
Annual turnover	Undisclosed
Number of Customers Total	over 100
Number of Employees	over 500
Inception	1999
Geographical coverage	Global

COMPANY CONTACT DETAILS	
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Powering Islamic Financial Markets

Kuwait-based Path Solutions is a leading information technology solutions provider offering a broad, deep spectrum of Sharia-compliant, Riba-free and asset-backed integrated software solutions and services to the Islamic financial marketplace, covering the entire range of Islamic Banking, Retail and Corporate Banking, Investment and Financing, Treasury, Asset Management, Risk Management, and Regulatory Reporting in GCC and Global Capital Markets. Designed to meet the needs of modern Islamic banking, Path Solutions' turnkey solutions are based on an open, flexible architecture and an established deployment methodology.

COMPANY PROFILE	
Company type	Privately-owned company
Annual turnover	Undisclosed
Number of Customers Total	117
Number of Employees	500
Inception	1992
Geographical coverage	Middle East, GCC, Africa, Asia Pacific, South America & United Kingdom

COMPANY CONTACT DETAILS	
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Paybase is an end-to-end payments platform that has achieved industry recognition for revolutionising the world of finance. In an industry fraught with legacy technology and legacy thinking, businesses needing to facilitate payments between multiple parties often have to work around payments, restricting their ability to build innovative, user-friendly products.
Paybase changes this, offering businesses a truly flexible payment system that suits their needs and matches payment experience to user experience. This makes Paybase perfect for marketplaces, gig/sharing economy platforms and products with complex payment requirements.

COMPANY PROFILE	
Company type	Private Limited Company
Annual turnover	Undisclosed
Number of Customers Total	Undisclosed
Number of Employees	20
Inception	2016
Geographical coverage	UK

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Pendo Systems was established to provide a new standard in Investment Accounting System Delivery. At Pendo Systems, our mission is to be a premier provider of software solutions to global financial institutions. We strive to not only help our clients achieve their business objectives and goals, but also to contribute to the success of individuals, businesses and communities throughout the world. We are driven to work with our clients in a collaborative partnership, and are guided by the fundamental values of professionalism, respect, teamwork and quality in delivering products and services to our clients.

COMPANY PROFILE	
Company type	Sole proprietorship
Annual turnover	over $5M
Number of Customers Total	20+ top tier banks worldwide
Number of Employees	over 10
Inception	2006
Geographical coverage	North America

COMPANY CONTACT DETAILS	
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Cross-border e-payment specialist PPRO removes the complexity of international e-commerce payments by acquiring, collecting and processing an extensive range of alternative payments methods under one contract, through one platform and one single integration. PPRO supports international payment methods across more than 100 countries. PPRO also issues Visa and Mastercard consumer prepaid cards, under its own brand name VIABUY, and enables B2B prepaid cards, under its CROSSCARD and FLEETMONEY brands, which can be issued both physically and as virtual cards or NFC devices. Founded in 2006 and headquartered in London, PPRO is an EU-certified financial institute with an e-money license issued by the British regulatory body FCA.

COMPANY PROFILE	
Company type	Privately Held
Annual turnover	Undisclosed
Number of Customers Total	Undisclosed
Number of Employees	200
Inception	2006
Geographical coverage	Global

COMPANY CONTACT DETAILS	
Contact	Sales Department
Job Title	Sales Department
Contact address	20 Balderton Street, London W1K 6TL
Telephone number	+44 20 3002 9170
Email	sales@ppro.com
Homepage address	www.ppro.com

Trulioo offers the most robust and comprehensive global identity verification solution in the market to help you fully digitise and automate your customer onboarding process. Through a single integration, Trulioo can assist you with cross-border AML/KYC identity verification requirements by providing secure access to over 5 billion identities and 250 million business entities worldwide. Trulioo's mission is to create products that solve online identity verification challenges in a way that is accessible to both SME and large enterprise customers.

COMPANY PROFILE	
Company type	Private
Annual turnover	Undisclosed
Number of Customers Total	500-1000
Number of Employees	100
Inception	2011
Geographical coverage	Global

COMPANY CONTACT DETAILS	
Contact	Kim Hong
Job Title	VP Marketing
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Telephone number	1 877 292 7424
Email Address	sales@trulioo.com
Homepage address	www.trulioo.com

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COMPANY PROFILE	
Company type	Privately Held
Annual turnover	Undisclosed
Number of Customers Total	10,000+
Number of Employees	3,500+
Inception	1997
Geographical coverage	Global

COMPANY CONTACT DETAILS	
Contact	Alison Sharp
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