

By **Gez Overstall**, Business Development, InfrasoftTech

## The RegTech Challenge

**For financial institutions (FI's) a key challenge is the need to comply with ever increasing regulation whilst remaining competitive against a background of high labour costs.**

The obligations to run due diligence checks on clients for anti-money laundering and counter terrorist financing purposes continue to be enhanced. Along with a growing array of regulations including FATCA/CRS/CDOT, AIFMD, QI reporting and in future BEPS. This puts enormous pressure on operational teams and IT systems to evolve in order to meet these time critical and complicated needs. This trend shows no sign of abating.

What makes the task extra hard is that often the final reporting standards are defined late in the day meaning that FI's are trying to hit a moving target. This can lead to teams having to work long hours in the lead up to reporting deadlines, with the nagging doubt that their submissions may be insufficient in some way.

Through discussions with new and existing customers we realised that there is a real need for effective technology solutions, just adding more people is not commercially viable in the medium to long term. Working in partnership with large and small financial institutions across the Islands for over 10 years, we have built a detailed understanding of these challenges and have developed enterprise scale solutions to meet them. Implementation is supported by local teams who work alongside our customers from start to finish.

All the Crown Dependencies have long prided themselves on being at the forefront of financial regulation globally, which has provided a significant competitive advantage and a platform

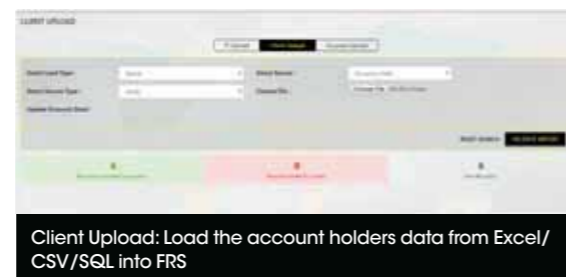


to become leading international finance centres. In support of this with our local and international customers, InfrasoftTech is becoming a global market leader in the emerging area of 'Regtech', providing a suite of tried and tested software solutions.

### Cracking FATCA and unscrambling CRS

A fantastic example is InfrasoftTech's FATCA/CRS solution, which was developed locally and has been successfully implemented for a large number of varied FI's across the Islands and other international finance centres.

The solution has been delivered both on client premise, usually within a timeframe of under a month, and as a cloud based service. It captures, validates and stores the required data, provides for audited review and ultimately generates the reports required for submission to Tax authorities around the world on time. Data is seamlessly aggregated from clients existing systems and



Client Upload: Load the account holders data from Excel/CSV/SQL into FRS

### About InfrasoftTech

InfrasoftTech is a fintech company specialising in application solutions and services for financial organisations and governments in the Crown Dependencies and elsewhere across UK, Europe, Middle East, Africa, North America and Asia. We work with over 400+ customers' globally, from large multi-national banks to smaller boutique wealth management firms.

With operations in Jersey, Guernsey and the Isle of Man, InfrasoftTech has developed a unique service delivery model, with substantively locally based teams combined with access to a global resource pool and scale.



www.infrasofttech.com



Report Generation Screen: On this screen we can generate reports in different formats (XML, Excel and PDF)

mapped according to FATCA, CDOT and CRS specifications, to the varied formats required. The solution has workflows, robust security and audit trails and is deployable across multiple jurisdictions in order to help the end user/officer upload, review and approve data prior to XML generation and submission to reporting authorities.

Reflecting the diversity of client needs, flexible commercial options are available ranging from license based to a pay per use model, depending on what is most appropriate for the client.

### What next?

As the current reporting round completes and the much larger one of CRS looms, ongoing product development will ensure it remains consistent with the evolving requirements, adds greater value to our clients and leads the global market place.

InfrasoftTech continues to develop other Regtech products including solutions for Anti-Money Laundering, Customer Due Diligence and On-

boarding, all of which have been implemented successfully for financial institutions across the globe.

We are also working with a number of clients on Business Intelligence solutions which help to visually represent and interrogate data, improving data quality and often facilitating remediation which is an important piece of the jigsaw when it comes to accurate regulatory reporting. These solutions can also help to support improved organisational decision making, revenue growth through sales & marketing activity and increased operational efficiency.

InfrasoftTech will be running a number of seminars across the Islands to discuss areas of interest such as RegTech, Digital enablement and Big Data Technologies. Associated solutions and prototypes will also be available. In advance we will be running an e-survey to establish how FI's both in the Islands, and beyond, have dealt with regulatory reporting to date, and what they see as the key challenges for the future.



FI Status Tracking Screen: Track the workflow status of each FI in the system and option to download the generated XML file.

### Get in touch

If you are interested in becoming involved with either of these initiatives, please get in touch.

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