

Societe Generale and ABN Amro Select Joint Data Offering from Aim Software and CetrelSecurities

LUXEMBOURG - Societe Generale Security Services (SGSS) and ABN Amro Private Clients in Luxembourg have chosen the new, joint, integrated reference data and compliance offerings from software providers Aim Software, specializing in data management, and CetrelSecurities, specializing in compliance, officials tell Inside Reference Data.

Carla Mangado

In February, CetrelSecurities and Aim Software entered a long-term strategic partnership to serve the European financial market with an application service provider (ASP) platform based on the Gain Data Management product from Aim.

Vienna-based Josef Sommeregger, vice-president, business development and sales at Aim Software, says: "While we focus on the technology and provide the platform as an ASP service, CetrelSecurities concentrates on clients' specific business domain know-how, including services that are oriented to specific compliance regulations, and where clients are tackling local regulation in Luxembourg, France and Germany directly, for example."

SGSS in Luxembourg, which has taken the offering for compliance purposes, has selected Cetrel and Aim to meet regulatory requirements relating to undertakings for collective investments in transferable securities (Ucits) funds.

SGSS is one of the first banks to choose UcitsCheck, the eligibility service of CetrelSecurities, after the partnership between the two firms. By using the service, developed for compliance departments at asset management firms, custodians or fund administrators, SGSS will be able to automate the eligibility controls needed to identify if an instrument is eligible for Ucits funds, a process that is typically very manual.

One of the drivers for Societe Generale was to automate these controls, and to continuously monitor the instrument status as it might change over time. Luxembourg-based Carlo Houblie, executive vice-president at CetrelSecurities, says it is necessary to have more than a unique assessment: "The instrument has to be continuously eligible, and to ensure this, you have to perform daily control checks on the instrument."

Daily monitoring will help the bank identify if instruments become illiquid, delisted from a regulated market, or ineligible for Ucits funds.

CetrelSecurities began discussions with Societe Generale in June 2009 and the decision to go ahead with the project was taken within a month.

The Ucits service is already being used by a number of European fund administrators.

Luxembourg-based Renaud Oury, executive vice-president of CetrelSecurities, says while the Ucits service is starting to become very popular in the Nordics, it is also being used in Ireland, as well as in Luxembourg and more recently in Singapore, where its first Asian customer is based.

On October 5, 2007, The Financial Services Authority (FSA) set out proposals to implement the EU Eligible Assets Directive (EAD) and the related Committee of European Securities Regulators (Cesr) guidelines for operators of Ucits schemes, to help with the definition of which assets are eligible for Ucits schemes to invest in.

The EAD came into force July 23, 2008. "The major fund administrators in Luxembourg usually have the compliance function for their administrative funds outsourced to them and processes remain manual," says Houblie, adding that the requirements are still quite new at this stage.



ABN Amro Private Clients Roll out ASP Pricing Service

Meanwhile, ABN Amro Private Clients in Luxembourg is currently rolling out the ASP pricing service, another part of the joint offering from Aim and Cetrel, across the firm.

The project, driven by a change in the IT infrastructure, will be completed in phases throughout 2010. The first phase was focused on the securities pricing service, including data cleansing and creation of data validation rules, and subsequent phases will focus on descriptive data, intra-day opening of securities, income or cash flow data, and finally corporate actions.

Following the implementation in the Luxembourg division, the pricing service will be implemented in other divisions in Belgium and Switzerland.

The vendors started discussions with ABN Amro during the summer of 2009 and the price platform implementation began in mid-November 2009. The first phase was delivered by mid-January 2010.

