

VERMEG is winner of the Innovation in Digital Custody Award 2022 by the Global Custodian



We are proud that VERMEG was among the winners of the Global Custodian's [Leaders in Custody Awards](#) this year: VERMEG's MEGARA have been greatly recognized with the [Innovation in Digital Custody Award 2022](#).

This award recognizes the efforts on [MEGARA](#), with the latest innovation connecting our post-trade processing solution, to blockchain platforms providing full cycle settlement.

VERMEG's system, MEGARA, is built as a modular suite of tools that can be tailored to specific client needs. This year we are enhancing MEGARA's position as a multi-asset platform offering full custody services for both traditional and crypto assets by integrating MEGARA into the crypto ecosystem.

This is [another great milestone](#) in this rich year, and we are looking forward to more achievements and recognitions.



VERMEG FinTalk Podcast:

How Will Regulators React to the Rise of Cryptocurrency with Barney Reynolds

Barney Reynolds, Partner at Shearman & Sterling LLP, breaks down the current volatility around the crypto and digital assets space. Barney discusses the regulatory challenges and the regulator's approach that can be expected around digital assets.

Listen to the full [Podcast episode](#) that essentially covers:

- / Whether the approach to cryptocurrency will be more akin to a currency or a financial investment.
- / The transparency is necessary to avoid crypto becoming the instigator of another 2008-style financial crisis.
- / A potential timescale on which we'll see regulators respond with an implementation timeline.



VERMEG is celebrating its trophy presentation at the Central Banking Summer Meetings 2022

CENTRAL
BANKING
AWARDS 2022
WINNER



Collateral management
services

After winning the Central Banking's [Collateral Management Services Award 2022](#), VERMEG was glad to attend the Central Banking Summer Meetings as a [partner](#), virtually and via in-person Masterclasses held in Brussels in June this year.

The virtual Meetings included sections on governance, monetary policy, financial stability, reserve management, fintech, currency and payments, and climate. Recognizing excellence in the central banking community, the Awards Trophies presentation have marked the first day of the Summer Meetings and was made by Christopher Jeffery, editor-in-chief and chairman of the Central Banking Awards Committee.

"...Customers commended the company's depth of knowledge, strong track record and high-quality support in providing critical systems that

ensure Central Banks can manage collateral effectively. Well done VERMEG!", said Jeffery.

We are glad to celebrate [MEGARA](#)'s achievements on Collateral Management Services through a trophy presentation and acceptance speech by Khaled BEN ABDELJELIL, Global Head of Products at VERMEG. View [the virtual ceremony](#) at timing 19:31.



Central Bank liquidity is only available with adequate collateral, and ECMS is a game changer

[A whitepaper](#) by Euroclear, in collaboration with VERMEG, highlights that Eurosystem central bank liquidity facilities are dependent on the vital role collateral plays in the process and the fundamental changes the Eurosystem Collateral System (ECMS) will bring in November 2023.

Central bank liquidity lines have been used extensively in the last decade to provide liquidity, and no longer just in times of crisis.

An important next step along the journey towards the capital markets union will be the harmonisation of collateral management platforms with the implementation of the Eurosystem Collateral Management System (ECMS) and Single Collateral Rulebook for Europe (SCoRE) in November 2023.



From 19 to 1: ECMS is a game changer

From November 2023 the 19 Eurosystem National Central Bank (NCBs) will migrate each of their existing collateral management systems to a new harmonised collateral management system: ECMS.

Keeping SCoRE of Collateral Growth and Diversity

Deployed in parallel to the ECMS, the SCoRE will define common rules for margining collateral throughout the Eurosystem.

Euroclear and VERMEG

Euroclear and VERMEG are developing their own solutions to enable efficient access to ECMS. Euroclear's Central Bank Access service is available through Euroclear Bank and the ESES CDSs, whilst VERMEG's [EASY Collateral](#) provides a platform for connecting to the ECMS.

Read the [full Whitepaper](#).

VERMEG FinTalk Podcast:

Prepare for the Implementation of ECMS with VERMEG's Ferdinand Peelen

With the introduction to ECMS in late-2023, it's high time to consider whether you're ready for the new, unified approach to managing collateral assets.

Ferdinand Peelen, Senior Sales Executive at VERMEG, talks us through VERMEG's proud involvement in creating the ECMS system, and the tools we've created to assist firms looking for a solution to comply with the new regulations.

Listen to the full [Podcast episode](#) that essentially covers:

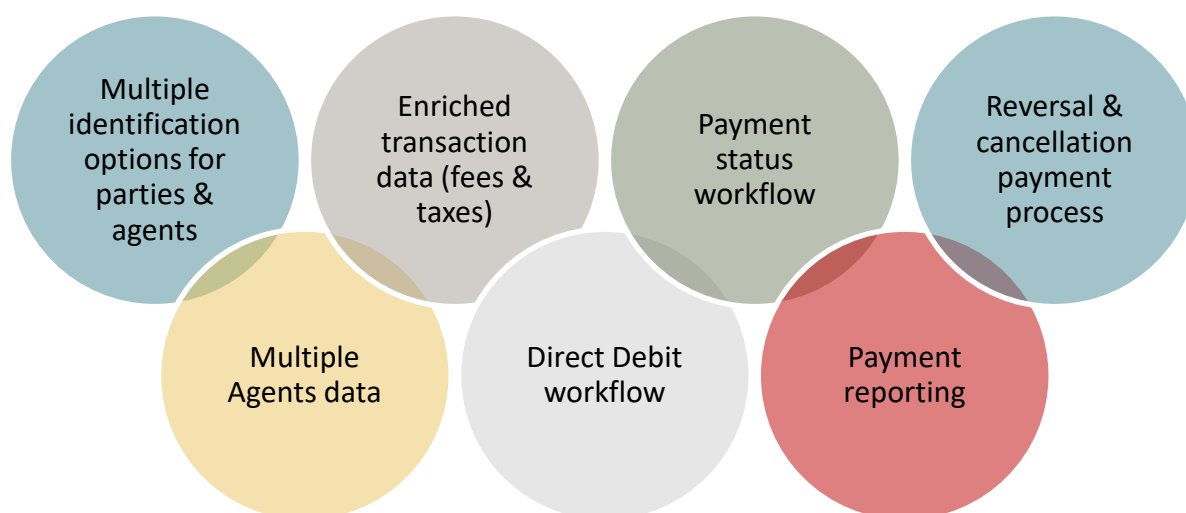
- / Who is potentially affected by the introduction of ECMS, and to what extent
- / How VERMEG's '[EASY Collateral](#)' is built to tackle the regulation changes
- / A timeline for where you should be on the path to adapting your systems.



Release update: Cash 20022

The ISO 20022 message standard offers a rich and granular data dictionary, the ability to carry more structured and/or unstructured data set, allowing further enrichment to the party & Agent's information (Debtor, Creditor, Agent) within the messages and enabling a more efficient anti-money laundry screening, transaction automation and more flexible and easy reconciliation way. This makes the ISO20022 as the only messaging standard supported by the main market infrastructure (T2T2S, CBPR+, HVPS, etc).

With all the advantages of ISO 20022, comes a high level of complexity in the migration of the current legacy MT standards to the new MX standards and especially with challenging deadline.



With financial instruction support, VERMEG offers three different models that can be implemented according to the customer's needs :

- ✓ **Basic Translation Approach:** In this option **Xchanger** can be used as a conversion tool that will map the incoming MX messages into the existing payment system (equivalent legacy MT formats), it also converts the outgoing MT messages into equivalent expected MX formats and supports required for reporting and confirmation messages. Even if this approach does not leverage all the potential of ISO20022, it is a good tactical approach that shields the internal payment systems and makes the financial institutions compliant with ISO20022 standard without any change in the legacy system.
- ✓ **Full Migration Approach:** MEGARA Cash Module by VERMEG supports all the new payment processes making the most of the ISO20022 standard. Our module can be used as replacement of the existing payment solutions for financial institutions. In addition, it offers a support to ISO20022 of the existing MT messages.
- ✓ **Centralized Payments Hub:** In this option, MEGARA Cash Solution will act as an intermediary between the current legacy system still using MT messages and the Swift Network. There is no need then for adaptations in the legacy system. The full cash processing including the new workflow and features will be available in MEGARA Cash module.

This approach is recommended when there are multiple affected financial systems within the institution or when the system is difficult to change.