

INTERVIEW

Attracting business

Przemyslaw Koger, who has recently moved from Alter Domus UK to the Malta office, outlines Malta's attractiveness, services and growth.

You have just relocated to Malta from the UK. What will your areas of responsibility be in Malta?

I will be responsible for client relationship management and also head up the depositary function locally, subject to certain regulatory approvals. I will also manage a portfolio of clients serviced by the Malta office, initially those with connections to the UK and Middle Eastern Europe and then potentially cover some other jurisdictions.

Does the Alter Domus approach adapt from one country to the other?

Our global strategy is to be a fully integrated provider of fund and corporate services dedicated to international private equity and infrastructure houses, real estate firms, multinationals, private clients and private debt managers.

We follow a vertically integrated approach in order to be able to offer tailor-made administration solutions across the entire value chain of investment structures, from fund level down to special purpose vehicles.

Our core services, such as company formation, domiciliation, accounting and reporting or company secretarial support are offered across all jurisdictions however, additional services such as payroll, middle office services, transfer pricing or co-sourcing depend on the local jurisdiction.

All our processes and procedures are group wide, but allow for local adaptation for most of the services. Most of our processes are also externally reviewed and quality verified under ISAE3402 standard.

What is the approach taken in Malta?

The office in Malta is Alter Domus' second largest and offers a large spectrum of fund and corporate services, from accounting and company secretarial support to payroll, co-sourcing and serviced offices as well as depositary services.

The majority of services offered from the Malta office relate to corporate services, with a focus on operating entities, regulated companies, entities holding foreign subsidiaries, yacht and aircraft leasing structures, trusts and securitisation vehicles.

Which sectors are experiencing the biggest growth, locally and globally? And what is your service offering in this respect?

Globally, we expect significant growth in the US and this would



Przemyslaw Koger.
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be across all asset classes and on most of our offering. Having acquired CARTA Fund Services in February 2017, Alter Domus now has offices in Connecticut and New York, putting us in a strong position to maximise opportunities in the US.

Since the Brexit vote, despite a strong interest already, we see even more interest in Luxembourg, in particular with regards to fund accounting and outsourced third-party Alternative Investment Fund Management services. Having recently acquired Luxembourg Fund Partners we are confident that we can further enhance our market share and client base there.

In Malta, there is a resurgence of securitisation vehicles and an increasing number of regulated entities being established, to which we provide first in class services. We are also seeing clients wanting to have more presence in Malta including significant operations and permanent staff – hence we are expanding our serviced office space.

We also believe that the recently launched co-sourcing services will be a success in Malta. Co-sourcing is the sharing of Alter Domus staff with clients for short-term, pre-defined time periods to overcome resource challenges that clients might have due to certain events such

as maternity leave, specific projects or similar.

Due to Brexit, various EU countries are trying to attract business from the UK, with government also setting up a task force. Do you think that Malta has what it takes to attract business from the financial services sector to relocate or open an office in Malta?

Malta has a lot to offer to fund managers assessing their options due to Brexit, such as a qualified workforce, English speaking environment, close ties to the UK, an approachable regulator and enjoyable lifestyle.

Therefore I believe Malta will attract business in the financial services space, but new projects and operations will be relative to its size.

I see boutique private equity and real estate houses potentially relocating or setting up wider operations in Malta, family offices establishing mini investment hubs, but not the larger players. Some large asset managers have already announced strengthening their European operations in countries like Ireland or Luxembourg, outlining plans to recruit hundreds of employees and taking up significant office space.

Malta does not currently have the infrastructure to cope with such large projects. More high-

end specialised offices are required with ample parking space for clients and staff. In addition, public transport and the road infrastructure need significant improvement so the talent we attract from abroad can easily commute to work without relying on the car.

Furthermore, Malta needs to work on its brand, which currently, from my experience, lags not only behind Luxembourg and Ireland but also the small islands of Jersey and Guernsey.

I understand that a number of events are planned in the UK to promote Malta, but even more is required.

What added value does Malta, as a country, give to Alter Domus?

Malta offers a growing financial services market so by having the presence here we have an opportunity to benefit from this growth and expand our operations. Since we have opened the office in Malta in 2010, we have seen it go from strength to strength, reaching employment of 120 employees currently.

In addition, Malta offers a qualified workforce, so our office established itself as a centre of excellence for certain products and services such as shipping. Alter Domus Malta has also been selected by the head office as the centre of treasury management for the group.

Furthermore, several of our group wide clients have operations here so it makes absolute sense to be close to them to ensure high quality of the services.

What growth do you expect in 2018?

In short, we expect significant growth, both in terms of revenue and headcount. Some of the countries will grow faster than others but Malta is expected to be one of the top performers. ▀

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