Northern Ireland Financial Centre of Excellence

Withdrawn 21 May 2019
Welcome to Northern Ireland

Welcome to Northern Ireland, a beautiful region that not only offers a great business environment, but a superb quality of life. Almost 900 inward investors are already enjoying the benefits.

Peace Bridge, Londonderry

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Northern Ireland, with a population of 1.8 million, is an integral part of the United Kingdom with its own local administration. Just an hour’s flight separates London from the region’s capital Belfast. Northern Ireland is the only UK region to share a border with a Euro zone country, Ireland and Belfast is only two hours by road from its capital Dublin.

Belfast is a city with around 500,000 residents and the second city is Londonderry, which has a population of in excess of 100,000. With three airports servicing the region, connections to Great Britain and major European cities are easy and convenient.

Northern Ireland is a very cost-competitive location. Not only are prime office rents among the lowest in Europe, total operating costs can be up to 50% lower than London.²

From 2018, Northern Ireland will have a corporation tax rate of 12.5%, joint lowest in Europe.

The region still offers a largely untapped pool of highly educated people with a professional attitude and strong work ethic.

It has the highest availability of superfast broadband in the UK³ and benefits from a 100-gigabite per second telecoms link between Northern Ireland, Europe and North America.

Quality of life is superb; crime rates are low and, with an abundance of beautiful scenery, leisure activities are easily accessible.

Northern Ireland is rapidly becoming a magnet for the financial sector. Its capital, Belfast, is already established as one of the world’s top locations for financial services technology investment (fintech)² and it is increasingly building a reputation as being home to globally integrated client-facing teams of international firms.

Northern Ireland has built an international reputation for trading technology, data analytics, predictive modelling, software development and cyber security. Substantial clusters of excellence also flourish in insurance, asset management and capital markets.

Global institutions in banking, insurance, asset management and capital markets including, Citi, the Allstate Corp, First Derivatives and Liberty Mutual, are investing and expanding there.

Almost 80% of inward investors have reinvested.⁴
Northern Ireland’s competitive advantages quickly add up, starting with a highly-educated workforce, strong in quantitative skills. GCSE and A-level results rank consistently the highest in the UK league tables. Maths is the most popular A-level subject and post A-level, 75% of students progress to third level education. 66% of university graduates attain the top two degree classifications.

One of the keys to making Northern Ireland a stand out location is the strong collaboration between academic institutions, industry and government. This empowers investors, ensuring their requirements are central to the development of a vibrant financial services sector in Northern Ireland.

Legal and Compliance

Legal and compliance issues are increasingly important to financial services firms and Northern Ireland has proved to be an ideal location for these functions.

Northern Ireland shares a regulatory framework and company law regime with England and Wales, but it’s the region’s available, well-qualified legal workforce that is the main attraction for firms looking for a secure, accessible and culturally compatible location.

Citi’s highly successful legal and compliance operations in Northern Ireland were launched in 2007 at Citi’s service centre in Belfast. The centre was able to ramp up rapidly from its initial target of 39 employees and now employs 300 people in their legal and compliance areas.

The region is home to a nascent cluster of fund accounting and depository operations.

Northern Ireland’s second largest city is Londonderry. It is located in the north-west of the region on the border with the republic of Ireland. It has over 100,000 inhabitants and 300,000 people in the travel to work area. This city, on the River Foyle, is famed for its walls and quality of life. Among the financial services firms with operations there are:

- AXA
- HML
- Allstate

1 Source: JCQ
2 Source: FT FDI Benchmark
First Derivatives (FD)

First Derivatives is headquartered in Newry which lies to the south of the region. Newry is the closest city to the border of Northern Ireland and the Republic of Ireland.

First Derivatives is a leading provider of consulting services and is a leading provider of products and consulting services to the financial services industry. Employing over 1,500, the company has offices in Belfast and Dublin as well as in some of world’s largest financial hubs including London, Stockholm, New York, Philadelphia, Toronto, Dubai, Hong Kong, Tokyo, Singapore and Sydney.

The FD product suite is used at many of the top financial organisations globally as well as in a diverse range of other sectors. It empowers businesses to make informed decisions across enormous amounts of streaming, in-memory and historical data. Organisations use these insights in real-time to innovate, disrupt and establish new business. The most significant and profitable insights need immediate action; hence streaming analytics are fuelling business innovation and it is becoming essential that organisations can react in real-time to the information that they are collecting and processing as part of their business functions.

FD consultancy services for the financial services sector are aimed at getting solutions to market; decreasing project costs, allowing for faster re-deployment of internal resources. The company’s consultants work across legal, regulatory and compliance and multi-vendor services (such as Murex & Calypso) bringing deep domain knowledge, and a diverse set of experience across both business and technology. FD’s regulatory and compliance offering includes the provision of trained junior paralegal resources globally; with expertise across relevant regulatory frameworks (ISDA negotiation; FATCA; EMIR; AIFMD; Dodd Frank) allied to strong domain and technical skills. FD’s renowned ‘Capital Markets Training Programme’ enables employees to get access to the modularised training which combines tailored content with rapid immersion and simulated real world conditions.

Brian Conlon, Chief Executive Officer of FD, commented:

“FD is committed to becoming a leader in innovation in the world’s financial markets and industries such as energy, pharmaceutical and telecommunications. The power of our technology offering coupled with the continued hard work, talent, flexibility and dedication of our employees has enabled the company’s growth as we further enhance our reputation globally.”
Education

*Universities offer tailored undergraduate and postgraduate pathways in cloud computing, cyber security, and computational finance and risk.*

Northern Ireland’s two universities, Queen’s University Belfast and Ulster University, have taken the initiative to prioritize student internships and work placements and align their programmes to meet industry needs. With input from companies in the sector, they have developed new modules in areas such as software testing and big data.

They are offering new undergraduate and postgraduate degree pathways in cloud computing, cyber security, and computational finance and risk. This collaboration between academia and industry ensures graduates are prepared for the industry.

Both universities have specialist industry-supported and focused ‘trading room’ facilities which are equipping students with high level analytical skills to get them work-ready for careers in the financial services industry.

In addition, the Government, working closely with industry and academia, operates an extremely successful skills development programme called Assured Skills. This programme ensures that new inward investors and existing businesses can be confident that the workforce is successfully equipped with the appropriate skills both at launch and for future expansion.
Queen’s University Belfast (QUB)

Founded in 1845, Queen’s University Belfast (QUB) is the 9th oldest university in the UK and a member of the prestigious Russell Group. The Management School, consistently ranked within the top 10 UK business schools, has over 1,300 undergraduate students annually and continues to grow its postgraduate numbers to 300, including a strong research-based PhD programme. In 2013/14, QUB had 23,300 students enrolled and produced 6,800 graduates across all disciplines.

In 2012, QUB launched the First Derivatives Trading Room. Offering Bloomberg terminals, financial information feeds and software, the facility gives students the experience of trading in a busy stock exchange, dealing in real-time equities, bonds, foreign exchange and derivative instruments. QUB has developed modules on financial trading and last year launched an MSc in Computational Finance.

Ulster University (UU)

Ulster University (UU) spans four campuses in Northern Ireland. Most academic programmes include a one year industrial placement to enhance the practical skills of graduates. The Ulster Business School is renowned for its pro-active and business-focused ethos. In 2013/14, UU had 26,200 students enrolled and produced 8,150 graduates across all disciplines.

In August 2015, UU inaugurated its Financial Innovation Laboratory. The laboratory is the result of a strategic partnership between the Ulster University Business School, CME Group Foundation (the charitable arm of the Chicago Mercantile Exchange Group) and Invest Northern Ireland. The laboratory houses the most technologically advanced software to provide students and visitors with hands-on experience of a dynamic trading environment, comparable to an investment bank.
Further Education Colleges

In 2013/14, there were 141,800 enrolments among the region’s six further education colleges. These super-colleges together deliver a range of professional and vocationally led courses in areas like accountancy, investment administration, law and computing. Colleges NI is the association for Northern Ireland colleges.

The biggest of the further education colleges is Belfast Metropolitan which is also one of the largest in the UK with enrolments totalling 37,000.

Capital Markets Collaborative Network

World-class financial services companies collaborate with QUB and Ulster University in the Capital Markets Network, offering career opportunities in capital markets technologies through an intensive training academy and co-sponsorship of PhD projects. The network sets challenges and shares results, teaming-up with government to facilitate innovation. The companies involved with the collaborative network are Citi, Fidessa, SR Labs, Chicago Mercantile Exchange (CME Group) and First Derivatives.

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Investors

Northern Ireland’s reputation is growing significantly with investors such as Augentius and Heritage having joined Lloyds, Chicago Mercantile Exchange, Euronext, Mercer, and Cowen International in opening technology and operations hubs in Belfast.

Established professional services firms like EY, Deloitte and PwC are delivering technology and business intelligence analytics to the sector internationally using their Northern Ireland centres.

They offer a range of services including software development, technology support, risk management, quantitative modelling, operations and compliance. These activities are backed by a strong capability in related professional solutions such as tax, audit, accounting, corporate intelligence and legal services.

Northern Ireland’s talent and low labour attrition rates has enabled investing companies such as Fidessa and indigenous firms like First Derivatives, financial software technology specialists, to upscale rapidly.

Yet operating costs and salaries are significantly lower than in Dublin, London and other traditional financial services centres.¹ Property in Belfast averages a massive 75% less than London and 50% less than Dublin.²

For UK and US partners, Northern Ireland speaks the same language in numerous ways. The region is well connected, making Dublin, the US and London all easily accessible.

Above all, government, business and academia work closely to support success; together creating a dynamic pro-business climate and ensuring Northern Ireland offers a nearshore solution with all the right answers.

¹ Source: FT FDI Benchmark - November 2015
² Source: CBRE Global Prime Occupancy Costs (June 2015)
CASE STUDY - CITI

The right place to perform

Citi, the leading global bank, has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. It provides consumers, corporations, governments and institutions with a broad range of financial products and services.

Citi established a presence in Northern Ireland in 2005 with the ambition of employing 375 people. Initially it was launched as a 'near-shore' lower-cost location for technology services previously provided in London. Citi Belfast has evolved to become a highly successful centre providing a range of support services to the global Citi organisation.

Eleven years on, the company has reinvested several times and expanded its areas of operation. In addition to Operations and Technology it now carries out a range of other functions, such as legal services, compliance, risk, and human resources professional services. Currently the company employs around 2,000 people in Belfast’s Titanic Quarter supporting corporate and investment banking activities across major financial centres around the world.

Areas of activity include trade settlement and reconciliation, trading systems development and support, technology infrastructure design and support and a range of legal and compliance functions that support both front office and external clients.

James Bardrick, Citi Country Officer, United Kingdom, said:

“The supply of talent in Northern Ireland, particularly at graduate level, is impressive and, coupled with the support from Invest Northern Ireland and the region's Department for Employment and Learning, DEL, it makes this region highly attractive to a global company like Citi seeking the best location for growth.”
### Locations of Investors

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Northern Ireland is a compact region that offers a great lifestyle and rich environment for leisure and pleasure.

Northern Ireland is home to three major golf tournament winners - Graeme McDowell, Darren Clarke and Rory McIlroy. There is a wide range of courses to play - from historic Royal links, Portrush and County Down to new parkland courses like Lough Erne.

Walking and hiking, cycling and fishing are all within easy reach and there are arts and music events regularly across the region.
Northern Ireland is home to some world-famous musicians like James Galway, Van Morrison and Snow Patrol. Actors including Liam Neeson, Jamie Dornan, Michelle Fairely, James Nestbitt and Conleith Hill also call the region home. The rugged coastlines, historic castles and breathtaking scenery have helped attract global production companies like HBO which has filmed its worldwide hit series ‘Game of Thrones®’ in Northern Ireland since its pilot season.

Derry - Londonderry has been voted top Halloween destination by readers of USA Today.

Dunluce castle

 Withdrawn 21 May 2019
The mountains of Mourne have been voted the UK's best view.
Northern Ireland

• Ideally situated between mainland Europe and US
• Population 1.8 million
• 55% of population is under 40 years old
• Capital city - Belfast

Three airports offering
• Around 30 flights a day to London airports
• Flights to 33 airports in Great Britain
• 150+ European routes
• Daily flight to US
• Under 2 hours by road or rail from Belfast to Dublin, the capital of the Republic of Ireland
• Modern road and rail network
• The highest availability of superfast broadband in the UK
• 100-gigabyte per second telecoms link between Northern Ireland, Europe and North America
• 12.5% corporation tax rate from 2018

Source: Invest Northern Ireland
Flights to 33 airports in Great Britain
Modern road and rail network
The highest availability of superfast broadband in the UK
Ideally situated between mainland Europe and US
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Carrick-a-rede rope bridge

Northern Ireland Financial Centre of Excellence
UK Trade & Investment is the Government Department that helps UK-based companies succeed in the global economy. We also help overseas companies bring their high-quality investment to the UK’s dynamic economy, acknowledged as Europe’s best place from which to succeed in global business.

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