BNP Paribas is a bank with a long digital shopping list.

Between now and 2019, it will be spending €3billion on the group’s digital transformation programme, focusing, among other things, on improving operational efficiency and customer experience. That includes looking at how the way data is collected, stored and delivered to staff.

Andrei Serjantov, global head of electronic primary and credit markets for BNP Paribas corporate and institutional banking, points to a data lab full of mathematicians and data scientists who are designing intelligence to be integrated with internal processes across a wide variety of areas.

“You can think of data as the eyes of our front-office staff; it’s what they see, and we want to collect, store and deliver it to them as quickly and efficiently as we can. Workflow is like the hands; we want to fill in key information, record all the data and make things as automated as possible.”

Much of this activity is being driven by the second Market in Financial Instruments Directive (MiFID II), which is impacting the business models, internal processes and IT infrastructures of trading banks and the markets in which they operate, with its demand for speed, transparency and more detailed transaction records.

Serjantov gives the example of pre-trade transparency. Traditionally, a salesperson asks a trader for a price and then calls the client to supply it, but there’s nothing to tell them when it has to be published elsewhere first to meet requirements. A digitised workflow, on the other hand, flags what is needed and implements it automatically, transforming not only the process but the trading culture – there’s less shouting across a desk, it’s all done silently within the system.

In January, BNP Paribas also announced it was among six investment banks to partner fintech startup Origin Markets on the dealer side of a platform that aims to simplify the way money is raised in the private placement market for medium-term notes. This means collecting information about many different types of small debt issuances in different formats from different issuers. It is then supplied to BNP Paribas over an application programming interface (API) that allows it to access everything through the backend, so it flows directly into its systems. Staff no longer have to wade through emails for information and input data manually.

“There are many different kinds of instruments – fixed, floating, complicated coupons, etc – and different issuers have different formats; data is all over the place,” says Serjantov. “Origin gives us tremendous efficiency by bringing that all together.”

Meanwhile, on the other side of the trading fence is Ipreo Investor Access. It makes sure investors are alerted to new-issue announcements and receive structured information on deal terms and conditions. It also allows them to submit and manage orders, and receive electronic notification of allocation and pricing details, along with other information, such as the prospectus and final terms. BNP Paribas became one of the first banks to issue a bond over the platform days after its launch this year.

“Typically, when a bond issuance is announced, customers put in orders by calling our salespeople and they input the order into our system manually,” says Serjantov. “Investor Access allows the customer to input orders themselves, but it doesn’t mean the sales team is cut out; they can still see what’s happening and discuss it with the customer if they need to, but this way there’s more efficiency and less operational risk.”

Faster communication between buyers and sellers will be key to the industry going forward, says Serjantov. Which is why BNP Paribas has also signed up to technology utility Neptune. A digital pipeline distributing standardised pre-trade bond information, it currently connects 25 participating banks with 50 global buy-side institutions, totalling around US $16.5billion in assets under management.

“That’s obviously much more efficient than each of the banks connecting to each of the clients,” says Serjantov.

“It’s an example of infrastructure that is useful for everybody – both sell-side and buy-side – and the interesting thing is that it’s owned by a consortium of banks, all sitting around the table together, working out what data we need and what we’re going to communicate down that pipe. This has potential to evolve and create even more effective communication between various market participants.”