WSCFR

WORLD SUPPLY CHAIN FINANCE REPORT

2024

Expert views and opinions on today's global supply chain finance market

Edited by
MICHAEL BICKERS

BCR

WSCFR

World Supply Chain Finance Report 2024

Published by

BCR

978-1-909200-47-0

Published by BCR Publishing Ltd.
3 Cobden Court
Wimpole Close
Bromley
Kent
BR2 9JF
United Kingdom

Tel: +44(0)20 8466 6987
Fax: +44(0)20 8466 0654
Email: info@bcrpub.com
Web: www.bcrpub.com

Editor	Michael Bickers
Deputy Editor	Yongmei He
Design	Anita Razak
Production	Yongmei He

Preface

Michael Bickers, Editor

The *World Supply Chain Finance Report* 2024 aims to offer an insight and review of the global supply chain finance market, through both regional and specialist articles contributed by industry experts. For the purposes of this Report, the term 'supply chain finance' has been predominantly used to signify an arrangement whereby a supplier's invoices are approved by a large buyer for financing by a bank or other financer; also known as reverse factoring, and approved payables finance. The term, however, is sometimes used to include other forms of finance as some contributors have done as, for example, in the articles for China and India.

In the report, the regional coverage includes Europe, North America, Latin America, Africa and Asia, with two articles specifically summarising the development in China and India. Figures have been gathered for reverse factoring (buyer centric) volume and funds in use and, in an attempt to provide meaningful statistics, we have relied on our expert contributors' opinions and estimates. Thus, the figures quoted, particularly in the tables in the following two pages, should be considered as indicative only.

Much of the content reflects the impact of high inflation, high interest rates and tightened credit conditions, which all put pressure on company's working capital needs. Supply chain disruptions, although much alleviated, still cause tension in hard-to-source materials, due to continued geopolitical tensions and uncertainties in trade policies. Also covered are the continued acceleration in the development and adoption of digitalisation and AI technology and the increasingly prominent role ESG is playing. Despite the above-mentioned turmoils, SCF markets have generally seen steady growth in 2023.

I would like to thank all the contributors and sponsors to this 2024 edition of the *World Supply Chain Finance Report*.

London, January 2024

Estimated Global SCF Volumes and Funds in Use

The following statistics are derived from industry experts who have provided content for the *World Supply Chain Finance Report*. However, as in previous editions, they are very much estimates, and should therefore only be taken as a guide to industry performance. Please note: the figures are for reverse factoring (buyer centric) only. They do not include traditional full factoring (supplier centric) or other forms of SCF such as pre-shipment finance or inventory finance.

The rates of growth in most markets have slowed down compared to year 2022, with the exception of Africa, which has kept its growth momentum. Most markets still show good growth.

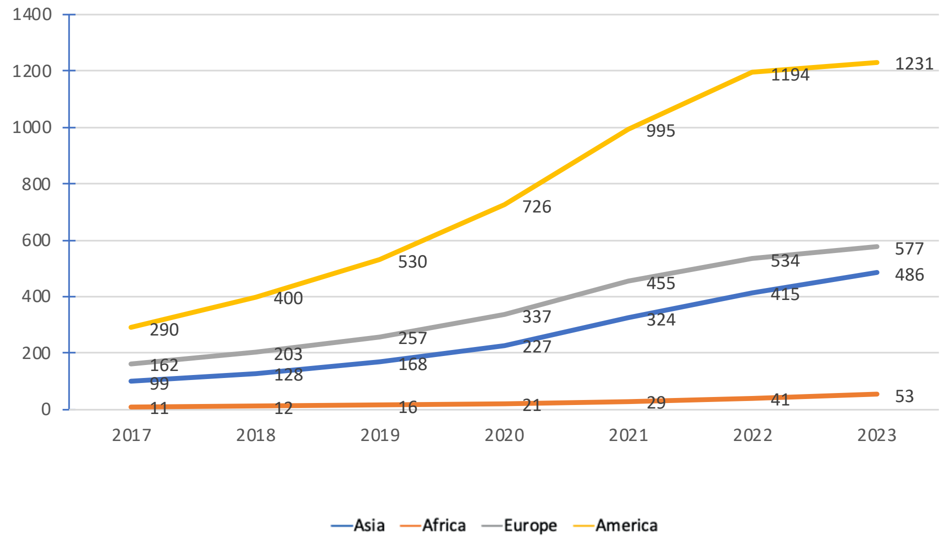
The global volume has increased by 7% to USD 2,347bn and funds in use up by 7% to USD 916bn.

Strongest growth is reported in Africa at 29% by volume and 30% in funds in use. Asia still shows double digit growth while Europe and North America have slowed down to single digit growth.

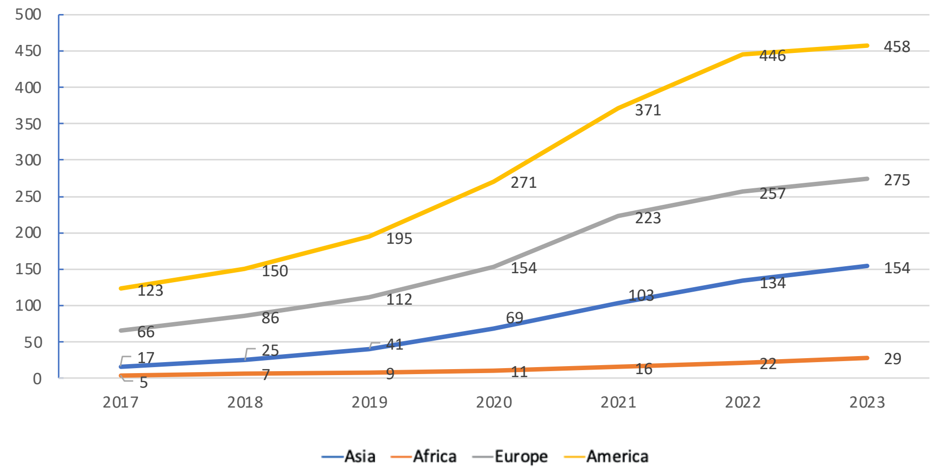
	2017 Volume (USD bn)	2018 Volume (USD bn)	2019 Volume (USD bn)	2020 Volume (USD bn)	2021 Volume (USD bn)	2022 Volume (USD bn)	2023 Volume (USD bn)	Increase 2023 *vs* 2022
Asia	99	128	168	227	324	415	486	17%
Africa	11	12	16	21	29	41	53	29%
Europe	162	203	257	337	455	534	577	8%
America	290	400	530	726	995	1194	1231	3%
TOTAL	**562**	**743**	**971**	**1311**	**1803**	**2184**	**2347**	**7%**

	2017 FIU (USD bn)	2018 FIU (USD bn)	2019 FIU (USD bn)	2020 FIU (USD bn)	2021 FIU (USD bn)	2022 FIU (USD bn)	2023 FIU (USD bn)	Increase 2023 *vs* 2022
Asia	17	25	41	69	103	134	154	15%
Africa	5	7	9	11	16	22	29	30%
Europe	66	86	112	154	223	257	275	7%
America	123	150	195	271	371	446	458	3%
TOTAL	**210**	**268**	**356**	**505**	**713**	**858**	**916**	**7%**

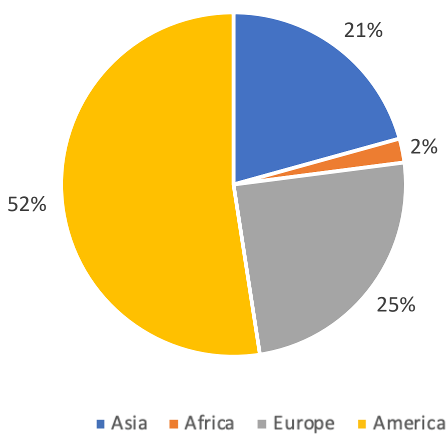
2017-2023 Volume (USD bn)



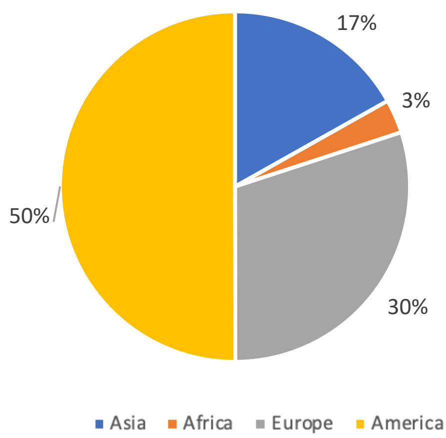
2017-2023 FIU (USD bn)



2023 Volume Distribution



2023 FIU Distribution



Contents

Specialist

Articles

Predictive analysis for SCF: what is possible and what is not

Can you imagine the ideal SCF world? There are stable material flows across all channels and borders.

We have a fully digitalised workflow at the financing level, without any loss of time or efficiency. Decisive criteria with regard to ESG issues are fully taken into account. Last but not least, SCF players have optimum planning security, thanks to the use of AI-based predictive analysis tools, ensuring maximum resilience even during major upheavals in the global markets.

Back to reality. Global material flows are unstable and will remain so in the future. We are (unfortunately) still relatively far from comprehensive digitalisation of the entire SCF and consideration of all ESG factors. What is available today, however, are technologies that help us analyse existing data streams and use them to make predictions about potential financing risks and disruptions, as well as possible opportunities. We are talking here about machine learning (ML).

The basis: data, data, data

Supply chain relationships can be highly complex as they involve many different players on the supplier and customer side. According to an estimate by the Boston Consulting Group, more than 20 parties are usually involved in a typical trade finance transaction*. Therefore, there is no shortage of data from all the related (sub-) networks: whether payment behaviour, demand trends, defaults, limit utilisation, etc., the historical information is sometimes already available to SCF providers when it comes to long-term customer relationships. However, the availability of data does not automatically make it usable.

Excursus: of supercomputers and exaflops
Enormous computing power is required to process huge amounts of data - especially for training within AI models. It is therefore not surprising that the global demand for powerful computing machines has increased exponentially since the start of the AI boom. Countries around the world are currently investing huge sums of money in the expansion of supercomputers - knowing that access to enormous computing power will be one of the strategic advantages in the future**. To give just one example, China is planning to increase its computing power to a total of 300 exaflops by 2025, with one exaflop comprising the power of two million laptops working in parallel. However, cloud computing and collaborations also enable smaller companies to train and utilise AI models with the necessary computing power (see also "Critical factors" detailed on page 4).

Federico Avellán Borgmeyer,
Chief Partner Officer

Raško Perić,
Marketing Manager

Harshavardhan Achyuta,
Data Analyst

efcom GmbH

Agile systems for dynamic markets

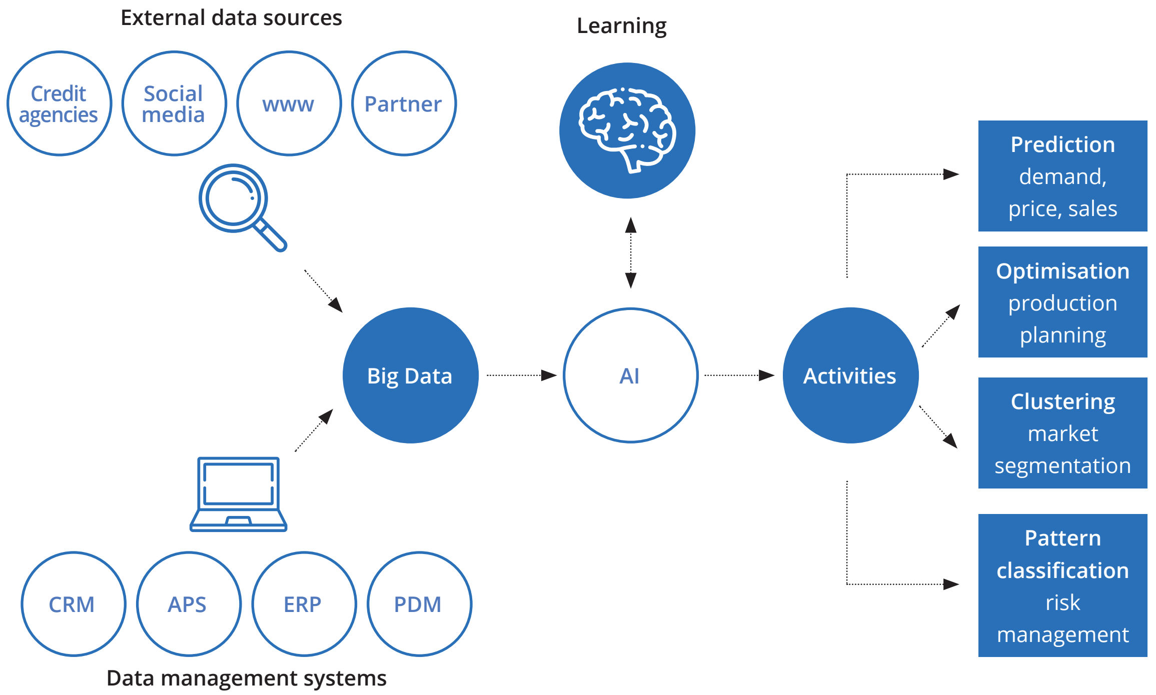
The next logical step is to generate knowledge from the existing databases that can help us make decisions. The aim here is to train a data model in such a way that it is able to output relevant labels such as low risk, medium risk or high risk (supervised learning), with the help of certain parameters (analogous to the evaluation of a customer by an employee). In a further development stage, the system continues to learn independently and attempts to find and categorise relationships between the data (reinforcement learning). It can access not only "internal" available data from the individual management systems (such as payment behaviour and financial reports, etc), but also "external" data such as general market trends, data from partners and information sources, as well as information from the web (articles, social media). The ultimate aim is to map the dynamics of the markets in an agile, self-learning system.

I see what you don't see!

In this case mapping means, in particular, being able to recognise patterns that would not be visible to humans and/or previous methods. These patterns can then be interpreted and serve as the basis for further recommendations, warnings or decisions, for example, indications of possible risks from fraud. As already mentioned, the system's ability to learn improves over time, leading to increasingly accurate results.

Example scenario

Let's go through an example of how ML can be used to generate usable results in the area of SCF. Let's assume that the user of such a tool is a medium-sized international financing bank. Ideally, the bank already has a historical database with information on payment behaviour, other key financial figures (balance sheets, annual reports, KPIs, etc), and external information (ratings, credit insurance, etc) on its existing customers. The latter are part of a supply chain, either as a supplier/seller or as a buyer/customer.



Source: Relevant advanced technologies for trade and supply chain finance, Whitepaper by Commerzbank and Fraunhofer IML, 2022

Initial analyses are then carried out on the basis of the collected historical data to help us understand what the data is saying. Specifically, the aim is to identify decisive factors that could have an influence on the subsequent output. For example, were there unusual events such as COVID that should be eliminated as a factor? What are the reasons behind certain patterns and behaviours? Once we understand these factors, the actual learning process begins in which we teach the ML system to predict what might happen in the future. In this so-called training database, external data from the WWW is incorporated, in addition to the determined parameters (as mentioned, based on specialist expertise, among other things) in order to map current developments and trends.

Our trained ML system now establishes properties and (new) connections, which in turn lead to specific activities. These are, for example, predictions about the probability of customer failure within the supply chain due to regional or industry-specific disruptions, or due to fraud. This means that you are not just content with a purely descriptive analysis based on historical data, but also receive (ever-improving) predictions about likely scenarios in the future. However, as soon as external changes occur that are categorised as systemically relevant, the ML model must be adapted accordingly. In this case, it must be retrained. Such changes could, for example, be far-reaching regulatory adjustments on the markets.

The real highlight is that such ML-based predictive analysis tools can be used for the entire customer ecosystem. In other words, if a customer is categorised as probably risky, all the players in the system who have a relationship with them are also analysed and assessed accordingly. The result is an intelligent SCF cockpit that generates indications of potential risks in real time - not just selective y, but in the form of a "big picture". Of course, the whole thing also works in the direction of potential opportunities: the bank receives information on which sectors, regions, etc. harbour particular potential that can be exploited accordingly.

Critical factors

What about computing power and the associated costs? As already mentioned, there are very large amounts of data to be processed. This requires correspondingly large capacities of computing power. With on-premise solutions, this would involve relatively high investment in software and hardware. Cloud computing opens up new possibilities here without having to pay horrendous sums for storing and processing the data. Nevertheless, there may be an objection that the use of AI/ML is only reserved for players that are large and financially strong enough. One solution here would be to form partnerships to create synergies - between banks and fintechs, for example.

Other concerns would be an over-reliance on AI-based systems, which can lead to considerable losses if misinterpreted. At this point, it should be expressly mentioned that results based on AI should not be used completely without reflection. After all, AI is not a 100% replacement for humans, but rather serves as a support to achieve more accurate or new results more quickly. Finally, the handling of sensitive data (GDPR) is also viewed critically. In any case, appropriate security standards must be observed and continuously monitored.

Summary

Supply chain finance can utilise AI and ML to exploit enormous potential that has so far remained untapped. By training existing customer data in ML models, recommendations, hints and warnings can be generated for possible events in the future. Such a predictive analysis approach must also be critically scrutinised - for example, in terms of the cost-benefit ratio, data security and reliability. However, such risks can be minimised with the help of cloud computing and efficient cyber security concepts.

Notes:

**Boston Consulting Group 2017*

***Guido Appenzeller, Matt Bornstein, and Martin Casado, Navigating the High Cost of AI Compute, Andreessen Horowitz, April 27, 2023, https://a16z.com/navigating-the-high-cost-of-ai-compute.*

Supply chain finance: financial solution for future challenges

Mónica Fernández Barbero, Chairman of the SCF Committee, ***FCI***

In the last decade, SCF has been extremely useful for companies to build a more solid network in their supply chains, to reach suppliers where it would otherwise have been very difficult for them to do so, and to link their strategic suppliers to their main projects.

The key point of the success of SCF, or reverse factoring, is that it is an excellent financial tool for companies to retain their suppliers, especially if they are SMEs. SCF offers suppliers easy access to financing, and this became especially relevant after the financial crisis in 2008/2009, when there were severe credit restrictions for companies, with a special impact on the SME segment.

A good example of this is how, in those difficult times, SCF was considered a key financial product to maintain the supply chain, and large companies which did not even use it before, began to request SCF to help their suppliers survive throughout those difficult years. SCF was seen as a symbol of financial strength and negotiation power, and this was also proven to be the case during the pandemic.

Impact of the pandemic on the SCF market and implementation

SCF is a flexible product that has been able to adapt to new market needs.

A clear example of this was during the pandemic, when, despite the difficulty of the moment, the product demonstrated that it had the ability to retain suppliers and owners of the SCF to maintain financing by quickly linking the SCF to the facilities granted to the companies by the financial institutions.

High inflation and interest rates and SCF future

Inflation and the exponential increase in interest rates are a new turning point for SCF and can become a disruptive circumstance that endangers the product, or it can be an opportunity to develop new tools that help alleviate these two points that affect the supply chain severely.

Inflation has a direct effect on SCF as it generates an increase in the capital needs of SCF programs to be able to offer the necessary financing to providers; and high interest rates make it difficult for providers to continue accessing financing, by having to pay the new financial costs that seriously affect their commercial margins.

This involves a double reflection:

1. Companies that have SCF programs will have to allocate a greater portion of their debt capacity to the SCF programs to avoid endangering their supply chains.

2. Suppliers will have to review their commercial margins to be able to maintain the new financing costs, which will have a direct negative impact on the price of supplies.

Fraud and risk

The key risk in SCF is generally accepted to be fraud. Typical frauds include counterparties being undisclosed affiliates that use SCF to obtain finance as a real independent provider when they are not, or using the same invoice as collateral for multiple loans apart from SCF (factoring, reverse factoring, invoice advance, etc).

The only way to reduce the risk of fraud in SCF is to invest in technology that develops new control methods and filters: blockchain to verify the legitimacy of documents and transactions at each end, counterparty onboarding systems, and AI to learn from experience...

Increase of regulation requirements

One of the biggest challenges for SCF lies in the onboarding of suppliers, especially if such suppliers are not clients of the bank which is running the SCF program, and they are in different countries.

To face this challenge, it is important to have a profound knowledge of the specific regulations of the country where the provider is located, and it is crucial having local people, with the same culture, who can explain to the supplier, in the same language, what documents they need to sign, how the platform works, etc.

Sustainability, ESG - implementing sustainability into a business supply chain

The sustainability agenda is driving change across supply chains, which is enhanced due diligence across the whole supply chain to ensure every link is fulfilling sustainability criteria.

The main challenge is how SCF can help SME suppliers in general, and those located in developing countries, to become sustainable.

SCF - carbon prints and climate change

Supply chains are the key to fighting climate change, because they generate around 60% of carbon emissions globally. Addressing supply chain sustainability is, therefore, an essential step in achieving net zero, and a tool to enhance this can be the SCF program linked to sustainability criteria that can help to unlock resilience and growth.

Financial inclusion's role in SCF - global organisations, financial institutions, and governments can promote financial inclusion within SCF

Financial inclusion is a multifaceted concept that goes beyond mere access to financial services. It seeks to address the underlying barriers that hinder individuals from fully participating in the financial system. By providing a wide range of affordable financial services, financial inclusion aims to enable individuals to manage their finances effectively and improve their overall well-being.

When people or small businesses have access to financial services, they can save, invest, apply for loans to set up businesses, or invest in the existing one to improve it.

Around a third of the total population does not have access to any type of financial system for basic functions, so facilitating their access through mobile banking or digital wallets, and allowing them to have access to financing, is a great step towards the financial inclusion of these most disadvantaged groups, and SCF programs can play a crucial role in all this.

Expanding financial inclusion requires the collaboration of various stakeholders, including governments, financial institutions, NGOs, and technological innovators.

Governments can promote financial inclusion through favourable policies and regulations. They can encourage financial institutions to reach under-served populations. They can also facilitate the development of robust payment systems and infrastructure, ensuring access to digital financial services.

Multilateral institutions, such as the International Monetary Fund (IMF) or the World Bank Group (WBG), can promote the inclusion of suppliers from emerging countries into the supply chain of major multinational corporations. Through their financing programs, these institutions provide funding for SCF programs to financial institutions, making them more profitable and attractive for all the parties involved.

Servicing the SCF market – challenges and opportunities

Eric Balmer,
CEO,
Global Supply Chain Finance Ltd.

Eric Balmer gives his views on recent trends impacting the SCF market.

BCR: How is digital transformation changing the business landscape today?

Eric Balmer: Being a servicing provider in the SCF industry for over three decades, GSCF is the first to witness how digital transformation is reshaping the contemporary business landscape in profound ways. There are several key aspects to the alteration of SCF, a few of them being the use of digital tools and cloud-based platforms, which enable real-time collaboration between participants, operational efficiency through automation, improved monitoring and data analytics, as well as the implementation of robust cyber security.

We see, and our clients confirm, that this evolution supports agility, transparency, and helps us grasp new opportunities in a faster, more efficient way.

We view digital transformation as a strategic avenue to deepen meaningful engagement with our clients, understanding their needs, advising and tailoring to them.

BCR: The third party providers' market is developing and bringing a lot of opportunities. What are the advantages and disadvantages of one platform connecting all players?

Eric Balmer: Outsourcing to third party providers has a truly transformative impact on the funders' operational dynamics, ultimately benefiting their clients.

Many funders operate with a traditional manual, legacy platform which is slow and requires considerable time and resources to operate and keep up to date. These constraints are usually the reason why more complex business opportunities are missed and growth is adversely affected.

Partnering with a third party servicing company and platform provider can bring an immediate transformative impact to the operational dynamics of the funder. Fundamentally, it lessens the funder's workload and enhances overall efficiency. Not only can a third party servicing company manage the processing of SCF programs, but it also allows for processing of more complex programs, limits internal operational work, and offers real-time monitoring of all program steps. The funder's clients may be linked to the platform as well, gaining access to transparent, real-time information.

In our world, there are no disadvantages to cooperating with an external servicer connecting all players over a common platform, and creating a more collaborative and cost-effective ecosystem.

BCR: ESG is still a hot topic. How do you see ESG impacting the SCF market?

Eric Balmer: In response to heightened public awareness, media attention and stakeholder activism, ESG considerations have become increasingly important over the last few years. This has underscored the importance of sustainability for corporations seeking capital access and funders striving to achieve ambitious goals through targeted green financing initiatives. In addition, reporting requirements for corporates are already implemented in many regions, and for banks we expect regulations to come soon, possibly with the beneficial capital treatment of ESG-labelled financing, underlining the urgency to integrate ESG-considerations into the SCF space.

Third party providers have to get ready to meet this need and help funders to track and filter ESG-compliant actors, offer ESG-compliant clients improved business terms, and label the funding as sustainable; whilst corporates need support to meet reporting requirements and improve the monitoring of their business partners.

And let's not ignore the fact that companies with strong ESG practices are often viewed more favourably by investors, lenders and partners. It is a recurrent topic in the conversations we have with our funders and corporates, so it was natural for us to act upon it.

BCR: We are in a period of increasing interest rates and inflation. How is this influencing your activity?

Eric Balmer: Higher interest rates and inflation make borrowing more costly, and the financing of day-to-day operations such as inventory procurement more expensive. Increased costs can cause cash flow challenges and impact a business's ability to meet profitability goals. This development is putting pressure on companies to manage their working capital, which is a cheaper option than relying on credit. One option to optimise working capital is to enter into an accounts receivable (AR)-based financing program and obtain up-front liquidity against the sale of assets. The selling of the AR to a funder is not only useful in the context of reducing costs linked to the collection of the outstanding invoices, but also in terms of mitigating obligor credit risk. For funders, AR-based programs are typically deemed as a low, self-liquidating risk and easily credit insured, in addition to being secured by the ownership of the AR. To mitigate remaining risks and streamline the funder's operational processes, SCF servicing companies providing a comprehensive overview at each stage in the financing cycle can assist in managing credit risks, analysing payment behaviour, and gathering valuable data intelligence. An additional value creator in this environment is the collection and analysis of the obligor's finances on behalf of the funder.

Partnering with trusted and long-standing servicing companies in this financial landscape provides all parties with the innovative solutions they need to optimise working capital, leverage technologies and data analytics, and minimise credit risks.

BCR: Can you describe the challenges third-party providers are facing?

Eric Balmer: The recent disruptions in supply chains have imparted valuable lessons to market participants, emphasising the critical importance of fostering strong relationships between buyers and suppliers. Third-party providers like us come into the picture when companies recognise the need for resilient supply networks and consequently engage more actively in financing programs. This not only strengthens current business relationships but also enhances sales, serving as a strategic mechanism to ensure timely sourcing and distribution of goods and services.

As a third-party provider, it is crucial to understand and customise the solution to the specific requirements of the participants in a financing program. We aim to respond efficiently to integration complexity, address data security concerns, and ensure compliance with regulatory standards. Given our commitment to addressing the unique needs of every client, we must carefully weigh the importance of all these elements, frequently within tight timelines, and effectively educate all the stakeholders about their necessity, value and importance.

BCR: How do you see the development of SCF in these challenging times?

Eric Balmer: We see the development of SCF characterised by a focus on resilience, risk management, technology integration, and more collaborative approaches.

The use of technology and partnerships between traditional financial institutions and fintech companies is a fact. Automated platforms and fintech solutions streamline processes, enhance transparency, and provide quicker access to funds. This trend is likely to continue as businesses seek efficient and digitised financial solutions. This partnership can lead to innovative financing solutions that combine the strength of established banks with the agility of technology-driven platforms.

In conclusion, the evolving landscape of SCF underscores the symbiotic relationship between traditional financial institutions and fintechs, fostering a dynamic ecosystem poised for continuous innovation and adaptability in meeting the evolving needs of businesses worldwide.

Assessing the relationship between trade credit insurance and supply chain financing today – why working together works for all

Daniel de Búrca,
Head of Policy and
Regulatory Affairs,
ICISA

The use of trade credit insurance (TCI) within supply chain financing is a well-established practice.

Experience built in recent years as use of the product has grown has cemented relationships between the sectors. This has increased understanding and knowledge, as well as predictability for SCF providers, enabling closer engagement between insurers and financiers, and involvement in a wider range of opportunities.

The simplicity of TCI protection

TCI is a deceptively simple product. Protection is provided against the risk of non-payment because of insolvency or protracted default. Political risk causes such as currency inconvertibility, inability to transfer, war, and related events are also routinely covered. Traditionally, the product has been used by corporates as a means of managing the risk that their receivables go unpaid. But over time, this use has spread with banks, factors, and other financial institutions seeing the benefit in the protection it offers.

For financiers, this has meant that capital is freed up, key elements of risk are secured, and trade and supply chains are more resilient and liquid. The insurers themselves are subject to robust regulation. With the sector focused largely on European markets, this means insurers fall under the Solvency II regime, or similar frameworks in Switzerland, the UK, or other non-EU member states such as Israel and Australia.

Providers of trade credit insurance are specialists in this niche line of business, developing experience over many years. This is backed by massive stores of data – both internally and from third party providers – to help assess default risk on an enormous range of businesses. Advanced systems for assessing risk and underwriting requests from clients rapidly ensures efficiency throughout. Coupled with extensive risk management processes and disciplined underwriting and exposure management, the TCI sector is a stable and secure part of the global insurance sector.

Growing familiarity between financiers and TCI providers

The increasing familiarity through closer connections between SCF and TCI providers has also meant that SCF providers are more familiar with how the product functions. This includes actions that insurers may take to reduce or withdraw limits on a policyholder's buyers due to a deterioration in the default risk they pose. These withdrawals serve as an early warning mechanism for financiers, and only apply to deliveries from the point of the withdrawal and not before. Once a delivery has been made under the cover of trade credit insurance, it will remain protected, including after a limit has been adapted.

Understanding how these processes of risk reduction work and the advantages and limitations of different forms of protection function (i.e. cancellable versus non-cancellable) also comes from experience. Insurance brokers play a key role in ensuring that communication between insurer and policyholder is strong, as well as advising clients about the nature of their protection and which forms are most suitable for them.

What is the impact of regulatory change?

Another key touchpoint in this relationship is how the regulatory regime changes over time. The rules that insurers work within are evolving in the same way as those for banks and other financial institutions. This includes an increased focus on addressing threats of systemic risk, ensuring transparency, and effective reporting, as well as ultimately enhanced solvency requirements, ensuring that policyholders are protected regardless of what happens to the insurer. The concluding Solvency II review in the EU, as well as the parallel developments of the UK's version of the regime, mean that these rules continue to advance in order to remain fit for purpose.

But aside from this, there is also the greater focus on sustainability, data protection, open finance, and many of the other topics that SCF providers are also having to respond to. As the use of TCI continues to grow and become embedded within SCF, it is important that the respective regulatory regimes of both sectors remain aligned on addressing the challenges both sectors may face. This ensures that all parties are operating under rules that make sense, particularly when they interact. We can see therefore that the regulatory touchpoints between the regimes governing SCF and TCI are crucial. For example, when credit insurance is employed to support supply chain financing, this involves several conduct and prudential rules relating to insurers and financial institutions applying simultaneously. This also highlights the importance of efforts to clarify the eligibility and treatment of credit insurance policies when used by financial institutions under EU and other jurisdictions' banking rules following Basel implementation.

In the same way, many of the challenges that SCF providers face are the same as those seen in the TCI sector. Challenging macro-economic conditions, geopolitical tensions affecting trade and investment patterns, threats to cyber security and ensuring data protection, as well as the ever-pressing need to remain profitable despite these conditions. This is where cooperation between the industries is invaluable in ensuring a continuous dialogue and sharing of information. As well as detailing best practice, priorities, and areas of focus for different actors in the sectors, this also builds closer relationships between TCI and SCF providers.

Cooperation to address fraud and financial crime

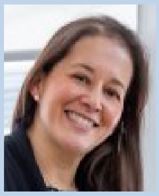
There are growing opportunities to work together to address some of the challenges that the sectors mutually face. The marked increase in fraud cases in recent years is a problem that requires concerted efforts, as well as the sharing of information. This makes sure that cases are identified as soon as possible, but also that characteristics of fraud are better understood as technology changes. As with many forms of crime, those who commit fraud have the advantage of being ahead of the market. This is where efforts around digitalisation show great promise.

As the global trade association for the trade credit insurance sector, ICISA took several steps throughout the last couple of years to address sources of financial crime affecting the sector, including fraud. An overview of developments in the sector published in August 2023 looked at some of the key trends and highlighted the stark nature of the threat. This also referenced research that showed that the value of fraud committed on financed trade transactions could be as much as USD5 billion annually. The implications of this are obvious for both the trade credit insurance and the supply chain finance sectors. Neither can address this challenge alone.

This is why efforts such as the ICC's Digital Standards Initiative, and regional developments such as the implementation of the Electronic Trade Documents Act in the UK, are so important. These kinds of developments do not offer a silver bullet, but they do help to balance the playing field a little. This ensures standardisation of documentation, acceptance of verified electronic copies, and gives more certainty to all involved in global supply chains.

Wider take up of these methods around the world is essential and is an area where TCI and SCF players can cooperate to promote good outcomes. Looking further afield still, as international trade and supply chains potentially become more complicated with geopolitical tensions rising, maintaining an open conversation between TCI and SCF sectors takes on an added dimension of benefit and risk reduction.

Breaking the glass ceiling of finance: fostering inclusive supply chain finance for women-led businesses in Latin America



Maria Camila Munoz Sanchez,
CEO and Founder,
Exponencial Confirming

Latin America, a region flourishing with entrepreneurial spirit and a strong female workforce, harbors a stark paradox: despite their significant contributions to the economy, women-led businesses face a persistent trade finance gap, hindering their growth and economic impact.

This overall financing shortfall, which can be estimated at a staggering USD12 billion[1], disproportionately affects small- and medium-sized enterprises (SMEs). This article delves into the impact of this gap on women-led companies in the Latam region, and explores ways to unlock potential, so that SCF leaders finally delve into using technologies such as generative AI to tailor solutions and build bridges for the financial inclusion of women.

The playing field needs to be leveled. Lower loan approval rates, less favourable financing terms, and a lack of understanding of the unique challenges faced by women entrepreneurs, are a few examples of the barriers that women face. The gap is larger in regions like Latin America, where underdevelopment and lack of education pose a significant challenge to organisations led by women, curtailing their ability to compete effectively and reach their full potential. This gap manifests in several ways:

Limited access to capital: Data from the World Bank[2] indicates that companies led by women in Latin America are 20% less likely to receive financing from formal financial institutions compared to their male counterparts.

Higher costs of financing: Inter-American Development Bank (IDB)[3] found that women founders in Latin America pay an average of 2.4% higher interest rates on loans compared to male-owned businesses.

Hindered growth and expansion: IFC[4] estimates that the trade finance gap for women founders in developing countries, including Latin America, results in an average decline in sales of 10% and a decrease in employment growth of 8%.

The following figures illustrate the extent of the trade finance gap and its impact on companies and businesses led by women in some Latin American countries:

Brazil: *The World Bank[5] revealed that businesses led by women in Brazil face a trade finance gap of USD8.8 billion, representing 18% of the total trade finance gap in the country.*

Mexico: *The Inter-American Development Bank (IDB) found that women-led businesses in Mexico face a trade finance gap of USD2.5 billion, accounting for 15% of the total trade finance gap[6].*

Colombia: *According to the Colombian government, businesses steered by women face a trade finance gap of USD0.7 billion, constituting 10% of the total trade finance gap[7].*

__Argentina:__ A study by the Argentine government estimated that women-led businesses in Argentina face a trade finance gap of USD0.3 billion, representing 10% of the total trade finance gap[8].

It is undeniable: Women face a persistent trade finance gap when leading companies or ventures, limiting their access to capital and hindering their global trade participation. Generative Artificial Intelligence (AI) emerges as a catalyst and transformative force to bridge this gap and empower women entrepreneurs worldwide.

AI excels in risk assessment, leveraging vast data sources to gain deeper insights into women´s businesses' financial health, beyond traditional metrics that often disadvantage them. AI-powered factoring solutions cater to their unique needs, optimising terms, pricing, and risk mitigation strategies.

Streamlining documentation and application processes reduce administrative burdens, making trade finance more accessible. AI-powered tools expedite document verification, while chatbots guide entrepreneurs through the process. Elevated fraud detection capabilities safeguard women-led businesses through AI algorithms, analysing transaction patterns, identifying anomalies, and flagging potential fraud. Timely intervention and mitigation measures protect their financial well-being. Personalised financial education and awareness tailored to women empowers them to make informed financial decisions. AI-powered chatbots and virtual assistants provide tailored financial literacy training, explain trade finance options, and address common misconceptions.

AI fosters inclusive trade finance ecosystems by facilitating collaboration and information sharing among stakeholders, including financial institutions, government agencies, and business support organisations. AI-powered platforms can connect female leaders to relevant financial providers, mentors, and advisors, creating a more supportive environment.

The potential is immense. All of us who are part of this market have a duty to revolutionise trade finance for women-led businesses, enabling them to participate fully in global trade, further contribute to economic growth and achieve sustainable success. And all resulting in a larger market, meaning more business for the SCF Industry.

Factoring companies: stepping up to the challenge with disruptive innovation

Factoring companies can play a crucial role in bridging the trade finance gap to empower women´s businesses worldwide. To effectively address this challenge, factoring companies need to focus on overcoming traditional gender biases and develop strategies that have a broader impact:

- Targeted outreach and education: Factoring companies must proactively reach out to women leaders, providing them with clear information about their services, benefits, and eligibility criteria, through tailored outreach programs and workshops.

- Tailored factoring solutions that cater to the unique needs and risk profiles, offering flexible terms, competitive pricing, and simplified application processes, such as online application portals and simplified documentation requirements.

- Partnerships with women's organisations and business associations to promote awareness of factoring services and provide training and support to leading teams, through joint workshops, mentorship programs, and access to financial literacy resources. Women need to learn that such products and services are available for them.

- Leveraging technology for streamlined processes comes last. Factoring companies should embrace technology to streamline their processes, making it easier to access financing and manage their receivables, through online platforms, digital invoicing solutions, and data analytics tools.

While generative AI is still an emerging technology, there are some examples of government initiatives that are exploring its potential for SCF and specifically targeting women-led businesses. Such initiatives are valuable, sustainable, and demonstrate economic potential as development banks and governments prioritise the need to narrow (and eventually close) the gap.

__Chile:__ AI-Powered Trade Finance Platform for Women Entrepreneurs: The Chilean government, through the Ministry of Women and Gender Equity (SERMEG) and the Production Development Corporation (CORFO), has launched the "Plataforma de Financiamiento al Comercio Exterior para Mujeres Emprendedoras"[9] (Trade Finance Platform for Women Entrepreneurs). This platform aims to facilitate access to trade finance for women´s businesses by leveraging AI algorithms to assess creditworthiness and automate processes.

Colombia: *AI-Driven Risk Management for Women-Focused SCF: The Colombian government, through the Ministry of Commerce, Industry, and Tourism, has partnered with the Inter-American Development Bank (IDB) to develop an AI-driven risk management framework for SCF solutions tailored to women-led businesses[10]. This framework aims to reduce the perceived risk associated with lending by utilising AI to analyse alternative data sources and identify hidden patterns that can unlock access for them.*

Mexico: *AI-Powered Trade Finance Matching Platform: The Mexican government, through the National Financial System Commission (CONSAR), has launched the "Plataforma de Encuentro para el Financiamiento al Comercio Exterior"[11] (Trade Finance Matching Platform). This platform utilises AI algorithms to match women-led businesses with suitable trade finance providers, streamlining the process of finding financing and reducing transaction costs.*

Brazil: *AI-Enhanced Financial Literacy for Women Entrepreneurs: The Brazilian government, through the Brazilian Development Bank (BNDES), has developed an AI-powered financial literacy program specifically for women entrepreneurs[12]. This program utilises interactive chatbots and personalised learning modules to provide women with the knowledge and skills to navigate the complexities of SCF and make informed financial decisions.*

Argentina: *AI-Based Trade Finance Risk Assessment: The Argentine government, through the Ministry of Production, has partnered with Fundación Capital to develop an AI-based trade finance risk assessment tool specifically for businesses led by women. Although not yet released, it is planned that this tool will use AI algorithms to analyse financial and non-financial data to provide lenders with a more comprehensive assessment of creditworthiness.*

These examples provide evidence of the growing interest among governments in harnessing the power of generative AI to address the challenges faced by women-led businesses in accessing SCF and promote financial inclusion in the global supply chain ecosystem. Partnerships between data providers, financial institutions, and development banks could enhance data sharing and collaboration to develop more effective and inclusive SCF solutions for all entrepreneurial women.

However, the inequality gap is far from being closed in the Latam region. There are still several disruptive innovations in SCF that could revolutionise the way these businesses access financing and participate in global trade. Any SCF business willing to innovate and truly contribute to sustainable solutions for gender equality must explore and test inclusive products and services. Governments and public development banks are aligned. Women need solutions to break the glass ceiling of finance. We, as a collective of companies representing the best of the best in SCF, must focus on breaking down the barriers that hinder women's access to finance and help unleash the wave of innovation and growth driven by women-led enterprises.

While Generative AI poses an opportunity, it stands next to other powerful possibilities for sourcing innovative disruption:

Decentralised finance (DeFi): DeFi platforms could provide women with access to peer-to-peer financing and eliminate the need for traditional intermediaries, reducing costs and increasing access to capital.

Blockchain-powered supply chain finance: Blockchain technology could enhance transparency and traceability in supply chains, reducing perceived risks and making women-led businesses more attractive to lenders and investors. It can provide true objectiveness to the process.

Embedded finance: Integrating SCF solutions into e-commerce platforms and business management tools could simplify access to financing and make it seamlessly integrated into the daily operations.

Data-driven marketplace: An online marketplace that utilises data analytics and AI could connect women with potential financing partners, trade opportunities, and strategic partnerships. An AI-powered trade finance matching platform could match these companies with suitable trade finance providers based on their specific needs, risk profiles, and trade requirements.

Mobile-based SCF solutions: Mobile applications could provide convenient and accessible access to SCF solutions, particularly in underserved areas in developing economies. Women also face the challenge of remote work and value mobility as a solution to manage their care duties.

Gamified financial literacy and SCF training: Gamification techniques could be employed to create engaging and interactive financial literacy and SCF training programs, improving their understanding of financing options and risk management strategies.

These disruptive innovations have the potential to transform the landscape of SCF for thousands of businesses in Latin America, enabling them to overcome traditional barriers, access the financing they need, and thrive in the global economy. This evolution will also become an asset as it addresses the gender inequality gap. A 2023 updated World Bank and IMF study found that closing the gender gap in labour force participation could boost global GDP by 25%[13].

Women hire other women. Promoting women-led businesses and enabling massive access to SCF solutions for them is both sustainable and economically attractive.

References

1 *https://www.afi-global.org/wp-content/uploads/publications/2017-11/AFI2017_Gender_full_AW_ISBN_digital.pdf. The IFC, estimates that women-led businesses in developing countries face a trade finance gap of $1.5 trillion, with a significant portion of this gap affecting businesses in Latin America. While there is no single definitive source for the exact figure of $12 billion, the consensus among various organizations and experts is that the trade finance gap for women-led businesses in Latin America is substantial and poses a significant hurdle to their growth and success.*

2 *"Towards Realizing the Potential of Latin America's Women Entrepreneurs: An Analysis of Barriers and Challenges" by the Latin American Research Review, 2023.*

3 *"Higher costs of financing for women-led businesses in Latin America" by the Inter-American Development Bank (IDB), 2021.*

4 *"Breaking Barriers: Women's Entrepreneurship in Latin America and the Caribbean" by the International Finance Corporation (IFC), 2022.*

5 *"Financing the Growth of Women-Led Businesses in Latin America: A Landscape Analysis" by the World Bank, 2022.*

6 *"Diagnóstico del Financiamiento para Mujeres Emprendedoras en México" (Diagnosis of Financing for Women Entrepreneurs in Mexico) by the Inter-American Development Bank (IDB), 2022.*

7 *Emprendimiento femenino en Colombia: Brecha de género en acceso a financiamiento y alternativas para su cierre" (Female Entrepreneurship in Colombia: Gender Gap in Access to Financing and Alternatives for its Closure), was published in 2022 by the Colombian Ministry of Commerce, Industry and Tourism.*

8 *"Estudio sobre la Brecha de Género en el Financiamiento a Emprendimientos y Empresas Lideradas por Mujeres en Argentina" (Study on the Gender Gap in Financing for Women-Led Ventures and Companies in Argentina) by the Subsecretaría de PyMEs y Desarrollo Regional (Subsecretariat for SMEs and Regional Development) of the Ministry of Production of Argentina, 2021.*

9 *https://www.crecemujer.cl/*

10 *https://we-fi.org/implementing-partners/idb/*

11 *http://www.consar.gob.mx/*

12 *https://www.bndes.gov.br/wps/portal/site/home*

13 *https://www.worldbank.org/en/topic/gender/overview#:~:text=The%20World%20Bank%20takes%20as,of%20the%2021st%20century%20without*

Regional

Articles

Africa

2023: a good year or a bad year?

Shereen El-Ansary,
Head of Supply Chain Finance & Custody Division,
Qatar National Bank Alahli

It depends… what part of the world you are, and what business you are in.

Year 2023 witnessed many events on the political, economic and social levels. Will these have an influence on 2024? Some no doubt will, not only in 2024 but for years to come.

In my view, the following were major events for the past year:

- The Russian invasion of Ukraine and the Myanmar civil war continued in 2023, and a series of coups, several armed conflicts and political crises broke out in numerous African nations, most notably a war in Sudan;
- India surpassed China as the world's most populous country;
- Hamas attack on Israel;
- BRICS summit in Johannesburg in August 2023, Egypt and Ethiopia (out of six new members) to join in 2024;
- Shipping firms suspend Red Sea activity after Houthi militants' attacks;
- Artificial intelligence (AI) offers promise and peril.

Supply Chain Finance (SCF): a bird's eye view

SCF is not 'one size fits all', nor is it suitable for all firms. Therefore, SCF implementation needs careful consideration before it is initiated. A program is the linkage of a buyer to multiple suppliers, or a supplier to multiple buyers/distributors. In most SCF programs, SCF providers will utilise the anchor's creditworthiness for the benefit of other supply chain partners. Two types of anchor-led programs exist in SCF: the buyer centric program and the seller centric program. Under each of those programs/approaches a broad range of products can be applied according to the specific situations.

Nonetheless, in recent years, with regards to new SCF product propositions — partly propelled by technology — a certain shift from a very anchor-centric perspective to a supply-chain network perspective can be noted. Having said this, it is also clear that no one instrument can cover the trade and financial needs of all the different parties along the end-to-end flow of business.

Technology, sustainability (ESG), digital transformation/platforms, managing risks, all are drivers for better SCF, which in turn lead to better economy by improving the quality of life for a very important segment in the value chain, the small and very small businesses. This is due to the role they play in job creation for many countries.

Glimpse on SCF figures

In Africa, the market for payables finance grew to USD 41bn in year 2022, a 40% increase from the year before according to a study published by the UN Conference on Trade and Development (UNCTAD). That growth rate is nearly double the global average, and far higher than the 28% figure for Asia, the next fastest-growing region.

In Kenya alone, the size of the potential market for SCF is estimated at nearly USD 25bn, in terms of annualised value of payables, receivables and inventory – yet the total today is less than a tenth of that.

Nigeria's estimated market for SCF totals a further USD 6.6bn, driven by a growing manufacturing sector.

The IFC assessment shows that the current market for SCF in Uganda is worth approximately 7.5 trillion Ugandan shillings, equivalent to USD 2.1bn.

This is a key opportunity for financial institutions to reach small and medium enterprises in a range of value chains.

Optimising Africa's SCF: overcoming the barriers

2023 was another challenging year for Africa due to a combination of factors, including a slowing global economy and tighter global financial conditions, following the shocks caused by the Covid-19 pandemic and the invasion of Ukraine. These shocks have resulted in high inflation, impacting the poor most severely by increasing the cost of essential products like food and energy. In 2019 Africa was already extremely poor, and recent events have exacerbated the situation, pushing the number of people living in extreme poverty to 497 million in 2021, a 12% increase from the 2019 level of 444 million. Indeed, the International Monetary Fund released growth forecasts for the world economy in April 2023 with the lowest projections seen in 30 years. High inflation has forced central banks around the globe, including Africa, to raise interest rates, despite a slowing global economy.

One of the areas that still presents challenges is accessing financial services, as well as securing adequate funding from traditional financial institutions. Credit information is often lacking, with small and very small entities unable to provide detailed financial records, credit histories or collateral, meaning the cost of carrying out due diligence proves prohibitively high for them as borrowers. With the current inflation, the cost of borrowing locally represents one of the biggest challenges to be addressed.

Also, international trade funding is facing challenges with accessing funding, especially SMEs. The trade finance gap globally has been growing and stood at approximately USD 2.5 trillion in 2022, with SMEs facing 45% of all rejections for finance.

The beauty of SCF programs lies in the fact that it provides innovative solutions that can help reduce the financial cost to small and very small entities by including a creditworthy anchor (buyer or seller), and integrating the relatively low risk of dealing with the chain/network related to this big anchor.

UNCTAD says optimising Africa's supply chains could bring significant rewards as demand for consumer technology and renewable energy increases. UNCTAD says, "The continent can mobilise more funds by removing barriers to supply chain finance, including regulatory challenges, high-risk perception, and insufficient credit information."

Managing risk and regulatory framework

Risk is an integral part of the cost of funding, and managing the inherent risks paves the way to extend more financial support with better terms to the value chain. To realise these opportunities, UNCTAD calls on financial institutions and governments to work on developing innovative credit assessment and financing tools, backed by guarantee schemes and sustainability criteria that could prove more attractive to investors. The role played by insurance and guarantee companies in securing and facilitating finance should be further encouraged by governmental institutions.

However, there is a 'disproportionately high-risk perception' of such firms.

At the same time, a lack of harmonised regulatory frameworks means there are concerns among creditors over enforcement in cases of conflicting claims.

"The legal framework is usually unable to facilitate the use of assets as collateral, and makes the expansion of supply chain finance, or generally credit financing, difficult," according to an UNCTAD report, adding it is "essential" for African countries to create a more enabling environment for SCF. I would add that applying the option to record invoices in the movable assets registry - which doesn't exist in many countries - will enable more growth to the value chain.

Digital payments in the chain reduces the risk. Watching the full cycle transaction (buyer and seller), monitoring the payment, and linking the chain helps improve the embedded risk.

Changing the mindset

Problems faced by SMEs in Africa include lack of knowledge, trusting the system, and changing the way business is done. Many businesses want to change and develop, but they need guidance.

For the past five years, Egypt has been giving a lot of attention to SMEs on several fronts. A lot of effort and investments were directed to support this emerging sector: improving the technological infrastructure, funding initiatives at a very competitive rate, financial inclusion, legislation, and finally electronic and digital developments. In 2023, SMEs contributed about 43% to its GDP, accounting for over 75% of total employment in the Egyptian market, according to the latest approved statistics (Bassel Rahmy, head of MESMEDA).

In parallel, there were also efforts to develop those entities on the level of learning, mentoring and developing their skills through different initiatives and projects, to name a few:

1. **Nilepreneurs Initiative**

A fast-growing national initiative funded by Central Bank of Egypt, and implemented by Nile University aiming to enhance the ecosystem for entrepreneurs in Egypt through different programs with the support of different banks, governmental entities and international organisations. The services provided are designed to promote growth through innovative and sustainable solutions presented by five main programs:

- **BDS Hubs:** offering financial and non-financial advisory services to entrepreneurs and SMEs to improve their market performance.
- **NP Learn:** a blended learning program that aims to provide young entrepreneurs with the best practices and hands-on experience from industry experts in entrepreneurship development.
- **NP Incubate:** incubating innovative startups in strategic sectors in Egypt and helping them until the commercialisation phase, and in collaboration with the extended network of government, banks, NGOs and international organisations.
- **NP Innovate:** supporting startups and SMEs to push new innovations to the market and providing them with the right expertise to create new products or re-engineer existing ones. The services include concept generation, design for manufacturing, and die design.
- **NP Compete:** transferring knowledge through professional and online training targeted towards the promotion of exports and value chain strengthening.

2. **German Development Cooperation (GIZ)**

The German Agency for International Cooperation, or GIZ, an international enterprise owned by the German federal government operating in many fields across more than 130 countries, designed a special project called Private Sector Innovation in Egypt (PSI) aiming at creating a favourable environment for Egypt's manufacturing sector. The project takes an integrated approach that combines elements/activities of SMEs and financial system development, one of which is the Value Chain Finance Technical Assistance Program. Its objective is to raise awareness in Egypt's financial sector of the concept of value chain financing, and assisting financial institutions in developing adequate financial products for the manufacturing sector.

One important role for multilateral institutions, besides providing affordable packages as part of their developmental role in different societies and elevating the standard of living for both the B2B and the end consumer, is the learning and training provided to SMEs to help them become more innovative and competitive.

The workshops with banks, SMEs and some governmental institutions have proven to be of great importance and benefit, not only to raise their awareness, but more importantly to prepare them to grow and play their part in developing the economy.

Technology and digitalisation

In the wake of the Covid-19 pandemic, there is even stronger demand to eliminate the use of paper and move towards a wholly digitalised environment. The drive towards digitalisation is supported by a number of industry and government initiatives to introduce new rules and standards, which will finally enable us to overcome barriers which have stood in place for centuries.

Platforms

Trade digitalisation is currently a hot topic, promising improved access to trade finance, increased transactional speed, reduced costs, and efficiencies for both borrowers and lenders.

These game changing platforms with the aid of AI offer increased visibility, tracking, reporting, planning and insights, allowing companies to manage disruptions and achieve more efficient, reliable and sustainable supply chains.

These platforms offer valuable data points for lenders and bring independence and structure to data and insights, allowing for the creation of automated lending decisions at scale. Real-time tracking, historical trading patterns, inventory and purchase order management all become valuable tools to lenders to better forecast and understand a borrower's working capital cycle, inherent risks, and ways to best mitigate the risks of additional funding to SMEs.

Risks will exist at the outset while data and insights from these platforms are limited, but the benefits for SME funding are significant. SCF platforms, though relatively new, provide a fresh approach for lenders to extend more funding to SMEs. The key lies in collaboration between lenders and SCF platforms.

Interoperability of different platforms

The ease of payments and monetary transactions will benefit B2B payments. Interoperability will motivate and increase the level of financial inclusion. Many small and very small businesses are in rural and remote areas with little or no access to digital payments solutions. Allowing them to use different channels/platforms while not worrying about changing their payment preferences will enable a smoother and more comfortable environment for all parties involved.

Fintech versus techfin

Although techfin sounds like fintech, techfin companies are technology companies who have been providing software solutions that are not primarily finance-related, and now seek to launch financial services. Techfin companies can use innovation and data to develop solutions that help finfech companies, banks, and other financial institutions. One of the major problems that techfins solve is the process of integrating and updating financial records.

Techfins and fintechs create new digital operations that would be impossible to execute otherwise. Examples are Google, Apple, Meta (Facebook) and Amazon (GAMA) - companies that have financial services for their users, freeing them from the need to resort to banking institutions in order to access credit and savings products, thus creating a satisfactory customer experience.

AI in SCF

Artificial intelligence (AI) has gained significant momentum in recent years across industries, and the SCF sector is no exception. AI-powered solutions are transforming the SCF landscape, offering new levels of automation, speed and accuracy in managing SCF operations.

SCF involves managing the financial transactions and relationships between buyers, suppliers and other parties involved in the supply chain. The process includes invoice processing, payment processing, and financing for suppliers. AI in SCF can help streamline these processes, reducing manual intervention and errors while improving efficiency, accuracy, and speed in managing financial operations, improved supplier financing access, better fraud detection and prevention. As AI technology evolves, we expect to see even more innovative solutions in the SCF sector, leading to greater transparency and trust between buyers and suppliers.

Collaborating not competing

The role of banks will always remain vital. They should focus on what they do well, i.e. risk assessment, risk taking, funding liquidity and relationship management. On the other hand, fintechs/techfins are needed as they can provide flexibility and bring innovation. Fintechs/techfins can complement banks' activities by providing end-to-end onboarding, simple and swift KYC (EKYC), and innovative solutions.

More importantly, growth in SCF volumes is being backed by increasingly robust reporting requirements, electronic documents legislation, and greater collaboration between fintechs and banks. Investors are also showing interest in SCF-based assets.

Conclusion

Considering the higher interest rate environment, this move is not only driven by a need to build customer intimacy and capture more margin, but also by the necessity to manage the impact of increased borrowing costs on profitability. More emphasis on sustainable finance is expected to take place, particularly in emerging markets.

The year 2024 is likely to see a strategic shift in the funding markets for SCF. In addition, markets must react to the fast transformation in technology and pursue more agile and innovative approaches/programs to SCF. Banks can then enhance the current SCF offers to both buyers and suppliers, improve liquidity and maintain long-term relationships with different parties. Partnerships with supranational institutions will play a pivotal role in bringing financing solutions to more businesses through a shared banking infrastructure. Innovation, led by fintechs, will add to the development of SCF programs, solutions and ultimately the whole economy.

References:

https://www.gtreview.com/news/africa/high-growth-low-volumes-africas-scf-problem/?trk=public_post-texthttps://www.linkedin.com/posts/activity-7135249478202134528-RUVi?utm_source=share&utm_medium=member_android

https://www.sydle.com/blog/techfin-what-is-it-632ca127ed4c26012b66942e

World Supply Chain Report 2023, BCR Publishing, January 2023

RFIx 2023, panel session on 23–24 May 2023: "The SCF market – bigger, better or bubble?", which was moderated by Deutsche Bank's Christian Hausherr

Asia

The Asian market: trends and developments

Adriaan Bellaart,
Global Head Supply Chain Finance,
ING Wholesale Banking

Asia is probably one of the world's most diverse regions, making it extremely challenging to write something which would capture the entire market. Transacting in Asia means dealing with countries that are in different stages of economic development, using multiple currencies under very different legal frameworks. Market opportunities are also clearly distinct as countries can differ massively in size – India recently taking over from China with the world's largest population of 1.4 billion compares oddly with Maldives housing barely 0.5 million inhabitants – with an enormous array of fascinating cultures. Trade has always been an important growth component for many Asian economies though, with exports to western companies increasingly being sided with commerce between Asian countries. In the context of dealing with different currencies, rising interest rates and economic growth, financing needs are growing. Whilst traditional trade instruments continue to be widely used in Asia – documentary collections, letters of credit, etc – the gradual move towards open account trading is undeniable and has proven to be a fertile ground for supply chain finance (SCF) solutions. We have historically seen European and American corporates offering SCF to their Asian export partners to ensure the wider value chains remain liquid. We now see a growing trend of strong Asian companies setting up their own payables solutions within the region to support not only liquidity but also other elements like FX and counterparty risks management. This article provides an overview of the changing trade environment in Asia, followed by some key trends in financing the Asian-linked, international trade flows.

Dynamics in international trade

Global trade has entered a phase characterised by economic headwinds, and increased protectionism with continued geopolitical tensions. While the recovery of trade after the Covid-19 pandemic was robust, in 2022 the value was 25% higher than in 2019, but the flourishing outlook was impacted negatively by the Russia-Ukraine conflict. The continuing tensions between the US and China remain a concern, whilst the resurgence of the conflict in the Middle East has added to general unrest and uncertainty globally. In this context, concerns around the availability (and affordability) of energy and other commodities grew, pushing inflation upwards, intensifying currency fluctuations and causing interest rates to spike.

The economic environment and the speed of changes occurring have brought the topic of resilience of the value chain straight to the top of priorities for businesses across the globe. The previous focus on efficiencies and cost optimisation had resulted in lengthy supply chains, where products are sourced and manufactured in the cheapest possible way, transported to the last assembly location or to end-markets preferably just-in-time to avoid (or at least limit) costly stock keeping. The different environment has shifted business priority to resilience, product availability and certainty of supply, implying a re-assessment of the existing supply chain from a geographical and throughput time perspective. Nearshoring or even insourcing are again back on the agenda as corporates re-balance between production continuity and cost optimisation. Whereas de-globalisation is the term widely applied to describe this phenomenon, in practice it indicates an anticipated geographical shift in import and export flows. Overall, it is very unlikely that companies withdraw completely from international trade as refraining from the benefits of overseas resources is commercially unattractive.

Trade in the Asian environment

When thinking about trade and Asia, one cannot but start with China. The economic activity of China has slowed down in recent times given a depressed domestic demand. At the same time, China exhibits growing ambitions of a political nature in the global marketplace. Although the direct impact of the Russia-Ukraine and Middle-East conflicts may be considered limited for China, it has added fuel to the geopolitical tensions (i.e. the China-Russia connection vs China-US/EU) which negatively feeds the general unrest affecting trade and economic growth.

Another indirect effect – derived from the Middle Eastern conflict - is the piracy in the Red Sea making shipping routes from Asia to Europe through the Suez Canal more risky. ING calculated in a recent report that the rerouting of vessels via the Cape of Good Hope – the detour to avoid the Suez route - adds some 10 days of sailing. This obviously lengthens supply chains in terms of throughput times and may challenge the timely availability of products; in addition, the longer 'in transit' time also has a direct impact on prices through rising logistics costs and reduced capacity being available. International trade is already affected by this and will likely influence considerations on the geographical optimisation of overall chains. It should be noted, however, that the short-term alternative of keeping higher inventories is costly, thus ensuring international trade flows will continue. Overall, ING estimates growth of merchant flows between Europe and Asia at 2.5% in 2024.

Over the past decade, Asia has moved away from being just the 'supply base' for the European and North American manufacturing sectors. Nevertheless, electronics and machinery continue to be important value drivers for Asian exports. Technological advances, amongst other things, have enabled Asian companies to absorb more value added by exporting not only semi-finished goods but also producing end-products. The growth of the services industry in Asia has supported this shift generating an increase of regional demand for finished products. This explains the expansion of intra-regional trade flows, in addition to the intercontinental relations. To illustrate this, the value of global exports grew by 35% between 2012 and 2022 (UNCTAD database), compared to the value of Asian exports which grew by 42% in aggregate over this same period. Having outpaced the global marketplace for a decade, the Asian share in global exports increased from 40% to 43%, where Europe's share decreased to 36%. According to UNCTAD, this increase has been fuelled by intra-regional Asian exports which now contribute to 59% of the Asian aggregate export value.

Whereas intercontinental transactions between the US/Europe and Asia are predominantly settled in US dollars, more and more transactions within the region are settled in local currencies. Apart from the argument that the overall interest cost of US dollars is high given the increased reference rates, larger Asian corporates embrace the idea of being the best equipped party in the chain to manage FX, thus moving towards settlement in local (supplier) currencies. Irrespective of the trading currency, the market place dealing in multiple (local) currencies provides for volatility risks, so accelerating collections are always of interest, be it through liquidating traditional trade instruments (bills/drafts/LC confirming and/or discounting) or through invoice discounting. The combination of the above factors have resulted in, amongst others, a positive drive for SCF solutions.

Trends and developments

As previously indicated, companies are moving towards 'trusted' trading partners, sometimes closer to home, sometimes diversifying away to reduce dependencies. Treasury teams play an important role in this as they seek to ensure sufficient liquidity is maintained throughout the value chain and counterparty risk is properly managed. Structured solutions covering the various components of the value chain – receivables, payables, inventory, purchase order, pre-shipment phase – are all gaining momentum. A higher level of inventories has become a post-pandemic reality; across all sectors, Asian companies have increased their inventory levels by approximately 45% in 2022 vs 2018 (CapIQ data), which exceeds the 37% aggregate increase in revenues over the same sample set. As a result, the market for inventory solutions has quickly gained in interest. Inventory is a cushion to make production processes more robust in an environment of freight rate volatility, and restrictions and supply chain uncertainty. Financing partners are still in an initial phase, customising solutions either around the exporter/supplier ('seller-led'), the importer/debtor ('buyer-led') or merely around the underlying assets in stock. Banks and their clients typically engage with specialised partners to structure these solutions, as not many financial institutions have the appetite to take all sorts of inventories on their balance sheets. It is anticipated that more inventory solution providers will enter this market specialising in certain jurisdictions, assets or industries. Given the surge in demand for such solutions, it is also likely some standardisation will occur once the market matures and auditors, rating agencies and other stakeholders gain experience.

Another trend in the market, which ties into the resilience element as well, is the need for greater transparency. Insight in transactions throughout the supply chain becomes more and more important. The need to comply with stricter regulation (including sanctions) requires corporates to be able to trace products and counterparties, preferably in real-time. Apart from the financial risks involved – ability to react on FX changes, fluctuating risk premiums, detours of freight in transit – reputational risks are at play as well. These risks can be addressed by ensuring transactional transparency is established between all parties involved. This is one of the reasons behind the expansion of data-driven platforms and technology service providers in Asia. Given the ever-growing need for transparency, visibility and accountability this trend is likely to continue over the coming years.

Last but not least, an undeniable trend is of course sustainability, also in trade finance. Generally speaking, Asia seems to be lagging behind somewhat in ESG, or better said in tracking ESG performance. However, ESG is gaining in importance, driven by 'western' demands. Complying with ESG requirements is a licence to remain competitive and relevant for European clients. For the majority of large corporate companies, ESG targets go hand in hand with commercial ambitions, which in many cases extend to also cover the value chain. Applying less fertiliser or pesticides in agricultural chains, complying with human labour conditions in manufacturing processes, being able to track and trace which component stems from which factory, etc are increasingly common elements when doing business internationally. ING has deployed a number of sustainable SCF solutions which take pre-agreed and sector-dependent ESG factors of the suppliers into account to enhance sustainability through a company's value chain. Large buyers and importing firms thus provide an incentive – or even a straight-out qualifier – to suppliers that handle ESG more appropriately. Typically driven by intercontinental trade relationships, the sustainable angle is applied more and more in intra-regional trade within Asia as well. Choosing the right (financial) partner is key to ensure transparency, credibility and long-lasting impact from an environmental, social and financial perspective.

The outlook of trade finance in Asia remains promising

Asia combines a strong trading tradition with growing intra-regional flows as economies develop. In an environment of shifting global trade flows, volatility in interest rates/currencies and the need to manage counterparty risks, the position of SCF and more traditional trade finance solutions remains promising. At the same time, the market for trade finance flows between Europe/America and Asia is far bigger than the intra-regional one, implying a lot of promising upside for solution providers with the adequate capabilities. I look forward to seeing what 2024 (and beyond) will bring.

Sources:

ADB, "Asian Development Outlook December 2023", 2023

ICC, "2020 ICC Global Survey on Trade Finance", July 2020

ING Economics Department, "Red Sea shipping disruption rages on and the impact will continue well into 2024", January 11th, 2024

East & Partners and HSBC, "Global Supply Chains – Networks of tomorrow", 2022

Finance Asia, various articles including "Asia meets supply chain challenges", September 2000

UNCTAD, "Key statistics and trends in international trade 2022, February 2023

https://unctadstat.unctad.org/datacentre/dataviewer

SUPPLY CHAIN FINANCE

12 HOURS OF ONLINE TRAINING

This 12 hour online training course will provide you with a detailed understanding of the market trends in Supply Chain Finance and the recognised SCF techniques/programmes that can be put in practice, locally and internationally to support sellers and buyers along the supply chain. Supply Chain Finance Programmes can help lower costs, improve financial efficiencies and provide stability for the parties involved in trade transactions. Supply Chain Finance includes a broad range of established and evolving practices and techniques for the provision of finance and the management of risk across parties in a supply chain.

CONTENT OVERVIEW

The course contains four key modules with an assessment at the end of the course to test your understanding of the training material. Each SCF technique lesson will include a workflow demonstrating the flows within the SCF programme, the parties, the benefits and contracts involved, as well as the security, risk and risk mitigation tools used.

Module 1 - SCF Background
- Overview
- Working Capital and Liquidity
- Types of Supply Chain Finance
- Buyer Led and Supply Led Programmes

Module 2 - Receivables purchase techniques
- Overview
- Receivables discounting
- Forfaiting
- Factoring
- Payables financing

Module 3: Advanced Payables Techniques
- Overview
- Corporate payment undertaking
- Dynamic discounting
- Bank payment undertaking

Module 4: Loan Techniques
- Overview
- Loan against receivables
- Distributor Finance
- Loan against Inventory
- Pre-shipment finance

12 CPDs

TARGET MARKET
- Bank Staff
- Large Corporates
- SMEs
- Educational Institutes

BENEFITS
- Online Training - access material anytime, anywhere
- Save time and money – no travel and subsistence costs
- 12 hours of online training
- Content based on Global Supply Chain Finance Forum taxonomy, techniques and terminology
- Each trainee receives a personalised Certificate of Achievement on successfully completing the course

PRICE
Standard price: €450

FURTHER INFORMATION
Contact us at info@coastlinesolutions.com or call us on +353 1 2352166 for further information

Coastline Solutions

In association with supplier plus

China

Vigorous growth in supply chain finance in China

Sources from:
China Supply Chain Finance Ecology Research Report 2023, by Remin University of China and 10000Link

The official definition of supply chain finance in China refers to the integrated financial supply system and risk assessment system for upstream and downstream enterprises, which provide systematic financial solutions to quickly respond to the comprehensive needs of corporates in terms of settlement, financing, and financial management, avoiding bottlenecks in cashflow, reducing costs and enhancing the value of all parties in the industry chain. Financial technology (fintech) can help integrate logistics, capital funds and information flow in the entire value chain.

There are four categories:

- credit-based supply chain finance (similar to factoring and bills)
- asset-based supply chain finance (based on goods and warehouse receipts)
- structural supply chain finance (with supply chain reconstruction, supply chain companies can trade directly with customers to achieve risk control)
- data-based supply chain finance (relying on supply chain big data and models)

While repayment mostly depends on the core enterprise, repayers with the last category (data-based supply chain finance) are small and medium-sized enterprises. Asset-based types do not rely on core enterprises either. They only need to keep an eye on the goods, price, and disposal channels.

In recent years, with continuous promotion from central as well as local governments, supply chain finance in China has developed vigorously.

According to the People's Bank of China (PBOC), in 2022, commercial bill acceptance volume was USD3.84 trillion, and invoice discounting volume was USD2.73 trillion. As of the end of 2022, the commercial bill acceptance balance was USD2.68 trillion, a year-on-year increase of 15.2%; and the discount balance was USD1.82 trillion, a year-on-year increase of 29.1%. There were 213,000 small, medium and micro enterprises that issued bills, accounting for 94.5% of all companies that issued bills, and totalling USD2.50 trillion, accounting for 64.9% of total bills issued. There were 327,000 small, medium and micro enterprises that used invoice discounting, accounting for 97.1% of all enterprises that used invoice discounting, amounting to USD1.99 trillion, 72.9% of the total invoices discounted. In December 2022, total non-governmental financing reached USD1.03 trillion, a growth rate of 16.3%. With the rapid market development, various types of enterprises, including corporates, financial institutions and technology companies, joined the supply chain finance market, which has seen a booming momentum in innovations and breakthroughs, reflected in quantitative and qualitative changes, as well as changes in the industry environment.

From the perspective of quantitative development, the intensity and scale of inclusive finance is increasing, especially for small and micro enterprises. Loans are increasing rapidly: USD6.03 trillion in 2019, USD7.85 trillion in 2020, USD10.09 trillion in 2021, and USD12.34 trillion in 2022. At the same time, the cost of financing for small, medium and micro enterprises has gradually decreased. The interest rate for newly issued loans, including small and micro enterprise loans, averaged 7.34% in 2018 and 6.7% in 2019, a decrease of 0.64%; and in 2020 it was 5.88%, a further decrease of 0.82% . The overall rate in 2021 was 5.69%, a decrease of 0.19% from 2020. The interest rate of new MSME loans nationwide in the first half of 2022 was 5.35%, a decrease of 0.35% from 2021. In addition to the volume of financing and interest rates, enterprises that actively promote and carry out supply chain finance are becoming increasingly diversified.

The main participants in supply chain finance can be divided into eight categories, according to their different functions:

- core enterprises
- chain enterprises (small- and medium-sized enterprises)
- financial institutions
- logistics service providers
- supply chain management service companies
- technology companies

- infrastructure service providers
- government bodies and associations

Judging by current development trends, these organisations are actively interacting with each other, while at the same time carrying out their own specific roles in the supply chain finance sector.

In terms of qualitative changes, there have been some big innovations and breakthroughs in supply chain finance in recent years, which can be summarised as follows:

- collaborative promotion
- digital credit
- diversified goals

Collaborative promotion refers to the close cooperation between different entities and organisations, enterprises and financial institutions, and even between local government and other management service providers, to build a supply chain finance platform providing comprehensive SCF services to corporates including SMEs. This collaborative cooperation approach can effectively combine the resources of all parties involved, better serving industrial clusters and small, medium and micro enterprises.

Digital credit is the application of digital technology to strengthen the credit establishment and management of participating entities in supply chain operations. It has become the main tool in managing supply chain finance programmes. A series of hardware and software (big data analysis, AI applications, etc.) development is the focal point in building supply chain finance digital infrastructure, helping to solve working capital requirements of enterprises, and cultivating innovation, green and sustainable development of industries, and the resilience of value chains as a whole.

From the perspective of changes in the industry environment, the supply chain finance market has gradually received more active promotion from the government, and more effective regulations have allowed the market space to develop. In January 2022, the Assets Supervision and Administration Commission of the State Council issued the regulation on “Promoting Central Enterprises to Accelerate the Construction of Treasury Systems and Further Strengthen Fund Management”. This requires central enterprises to further strengthen fund management, effectively improving the efficiency of fund operations and strengthening the supply chain. Financial service management must strictly control the scope of supply chain finance business, while strengthening the collection and management of accounts receivable. On 29 March 2022, another regulation from the General Office of the CPC Central Committee and the General Office of the State Council mentioned a number of issues regarding the construction of the financial credit system, financial service entities, and the development of supply chain finance. On 11 August, the Shanghai Commercial Paper Exchange issued "Tips on Matters Concerning Adjustment of Bill Payment Period and Information Disclosure", and the People's Bank of China, Bank of China and the China Banking and Insurance Regulatory Commission plan to shorten the maximum payment period for commercial bills. On 29 September, the China Banking and Insurance Regulatory Commission and the Central Bank jointly issued a proposal to increase the scope of financing services for movable property and rights, expand the scope of collateral, and allow full play of movable property and rights. On 18 November, the People’s Bank of China and the China Banking and Insurance Regulatory Commission jointly revised and issued the "Interim Measures for the Administration of Commercial Bill Acceptance, Discount and Rediscount", to promote development of the bill market. Accordingly, the maximum term of commercial bills of exchange is adjusted from one year to six months, and the authenticity of the trade background will be vigorously checked. The introduction of these measures and regulatory framework will play an important role in improving supply chain finance ecological governance and promote the development of supply chain finance.

From a more detailed analysis on days sales outstanding (DSO), The DSO of construction industry in 2022 was as high as 555.48 days, an increase of 1.7% compared to 546.21 days in 2021. The DSO of wholesale business in 2022 was 284.5 days, an increase of 152.69% compared to 112.59 days in 2021, the highest increase among all industries. The DSO of real estate was 119.9 days in 2022, a decrease of 31.29% compared to 174.49 days in 2021, the biggest decrease among all industries. Leasing and retail industries both have DSO of less than 20 days.

The analysis of days payable outstanding (DPO) shows the following: the DPO of wholesale business was 401.99 days, a huge increase of 367.9% compared to 85.91 days in 2021. The DPO of real estate was 328.28 days, an increase of 36.22% compared to 241 days in 2021. The DPO of agriculture, forestry and fishing was 206.62 days, an increase of 213.49% compared to 65.91 days in 2021.

It should be noted that under the current uncertain conditions, such as the impact of the epidemic, high inflation, global economic turmoil, the Russia-Ukraine war, and Sino-US trade frictions in recent years, China's industries and enterprises still face many challenges in terms of funding and are in urgent need of more supply chain finance.

Europe

Interview with Eugenio Cavenaghi

Eugenio Cavenaghi,
Managing Director,
Head of Working Capital Advisory and Structured Trade, Europe,
Banco Santander

Michael Bickers of BCR Publishing talks to Eugenio Cavenaghi of Banco Santander about the progress of SCF in Europe.

Michael: There is a new law in England on the Electronic Trade Documents Act and there's the MLETR (Model Law on Electronic Trade Records), which is similar. The latter is being implemented by various other jurisdictions. What is the potential impact on the supply chain finance market? There are assumptions that because many other markets copy English law, it will be adopted in other jurisdictions around the globe.

Eugenio: As far as I can see, the main potential impact is that instead of an irrevocable payment undertaking, you could replace this with an electronic bill of exchange, giving the banks more security and opening up prospects for liquidity, distribution and secondary markets. The irrevocable payment undertaking is a very small niche that was introduced years ago with the promise of revolutionising the trade finance market, and that didn't really happen.

There are two ways to understand that. One is - your irrevocable payment undertaking which the buyer makes on a revolving basis in a framework contract in an SCF contract, there's no need to digitalise that because you can write it just once. And then there's SWIFT. At transactional level, banks could exchange with each other even irrevocable payment undertakings, as if it was practically a digital LC rather than a paper LC.

Michael: But this has the potential of being discounted on the open market – it wouldn't have to be banks, it could be anybody who wants to buy it because it's a negotiable instrument backed by statute.

Eugenio: This was the whole point of the transaction, even irrevocable payment undertakings backed by LC or SWIFT. The adoption has not been massive, but it was useful in certain niches. Also SCF is not going to change the way things are done because it is already, to a large extent, digitalised. On the rest of trade there have been attempts already, although a lot of documentary trade remain on paper. So, this is an interesting new model law and we certainly have to observe what kind of evolution it triggers; the fact that the UK has adopted it as a blueprint is promising. The adoption will be gradual, starting first from simpler documents like Promissory Notes, while more complex documents like the Bill of Lading will take longer, with major shippers wanting to digitalise it by 2030. Santander likes innovation and we will stay tuned on it.

Michael: Interesting comments... so not everybody is thinking that this is going to have a dramatic change for SCF. Some people like the ICC are very positive about it, but others are not.

Eugenio: Of course, every piece of legislation that goes towards digitalisation helps us move in the direction of efficiency.

Michael: But nothing dramatic.

Eugenio: It is something to be welcomed, but any serious player in supplier finance has already digitalised as much as possible.

Michael: What is your general view on business over the past year. Is it still buoyant?

Eugenio: We are still getting lots of inquiries and new business coming in. We are definitely the top player - we use our technology and structuring expertise to arrange very large programs and it helped a lot the fact that we launched our partnership with SAP, so our hit ratios in the RFPs and in the market from the corporate clients are pretty high. We continued winning important mandates in Europe and I would say half of them have been new facilities. Companies want to roll out for the first time for different reasons: some of them want to ensure their supplier network is resilient against new shocks, others want a more efficient working capital structure along, some want to stress the ESG aspect upstream their value chains. There are new facilities, new programs, and some complement existing programs that were already up and running. Every project is different and we learned that being solution-driven rather than product-driven pays out for us in the long run.

Michael: Are these still primarily large, blue-chip buyers? Are they corporates?

Eugenio: Yes, the majority of them are.

Michael: So, there's no real sign of saturation in the market at this point?

Eugenio: It's more saturated now than it was last year, and the years before. But there is still room to grow.

In general, it has been a year of growth and good market momentum for most providers.

Michael: What about the current environment of high inflation and high interest rates? Has it been good for the SCF market?

Eugenio: The rate increase has been fairly steep and fast. Some users or suppliers of SCF were not prepared and were shocked by the speed of change, going all of a sudden from an environment of negative rates to pretty high Euribor rates with a very short transition period. As a consequence, some suppliers have adjusted their discounting pattern to reassess the market and their refinancing opportunities.

Michael: So there's been an element of adjusting to the market?

Eugenio: Especially between Q1 and Q2, when the markets were taking a totally different direction in terms of interest rates and reference rates. The change was quick. That is when most suppliers reassessed the way they discount. But most still kept using the program, because after having assessed all the changes they came to the conclusion that SCF is a very convenient, efficient, flexible way of sourcing funding.

Michael: What about supply chain disruptions, such as political instability and disruptions with Ukraine and the Middle East?

Eugenio: From all the publications of the Federal Reserve in New York, you will see that the supply chain pressure index was very high last year. Then it went down and you had a typical bullwhip effect. After a period of pressure companies react, or rather they tend to overreact. They overstock and end up with a surplus of goods, which takes time to bring down.

We talked a lot about going from just-in-time to just-in-case in terms of inventory policy. So, the supply chains that were running at a very thin level of safety stocks were disrupted, then reacted by making sure they had a lot of buffer stocks; but then they have ended up taking time to get the inventory levels down again.

There are some sectors where the pressure is still high and disruptions can still happen. Automotive, semiconductor availability and other critical materials are liable to disruption. If you look at different surveys last year and this year of managers of large corporations, around one third say that part of the strategy is to run with high inventories in case of potential disruptions. The number of risks that linger in the value chains is probably higher than ever. Last year, there was still the impact of Covid lockdowns and the conflict between Russia and Ukraine. They are disrupting a lot of supply chain routes now.

There are also a lot of other considerations. People talk about 'slowbalisation', meaning a phase of slow retreat from the previous policies of free trade and low trade barriers. Both tariff and non-tariff barriers used to be low all around the globe, so everybody was incentivised to look for the cheapest sourcing possible. But in the last two years the trade barriers have started to increase again, both tariffs and non-tariffs.

Now, with the conflicts and more geopolitical tensions around the world, there are a lot more potential issues. We know exports of certain materials have been capped from China to the rest of the world and there are similar examples from other countries. All these factors are inducing companies to react. That's a way to absorb potential shocks and more than half of the corporates have started to implement or at least have plans to reshape their supply chains and go into near-shoring type arrangements, to repatriate some of the supply chains or move them to a jurisdiction that, even in the case of high geopolitical tension, would belong to the sphere of friendly jurisdictions. Luckily, at Santander we organised our trade teams by sector, so we have developed deep expertise inside every industrial vertical and can advise the clients on the exact challenges they have to face every day. We also do this this seamlessly across the entire European region, so that our clients never miss an emerging trend or a good practice that we may have tested in a different country.

Michael: Nevertheless, it's going to be more costly than the more globalised supply chains we had in the past.

Eugenio: Yes, that is a likely consequence. This is why many corporates still only have a plan rather than executing a plan because the cost structure changes and the cost of goods in practical terms would go up.

Michael: I get the impression that there is a bit of drift now into providing services to the midcap market, although I don't have any real evidence. Can you see any trend towards servicing midcap buyers and their suppliers?

Eugenio: As the process of education of the whole market around SCF is very advanced, the mid-market segment is aware of its benefits. There is a demand and there are providers able to serve that demand. As technologies and methodologies have advanced, it is easier and more efficient to implement programs. Having said that, it remains true that the overarching principle is - the bigger the buyer, the bigger the leverage you have for large rollout, and the better credit arbitrage that improves the economic side of a program. There are providers that are happy to serve the mid-market segment because there's obviously less saturation there.

Michael: Does insurance play a much bigger role in the mid-market sector?

Eugenio: Established insurance players providing credit capacity in SCF are useful and active in all segments, both large and mid-market.

Michael: Was that happening five years ago? I'm talking about credit insurance wraps.

Eugenio: Yes. Since then, there has been more penetration. And the size of the market is such that more insurance players have started to get interested. Some have gained experience, and with experience comes more appetite. They are definitely in a better place than they were five years ago.

Michael: Which industries or sectors have been experiencing more supply chain issues than others? You did touch on this already - is there anything to add to that?

Eugenio: The sectors that are more exposed are transition metals in general because of the requirements in terms of renewable energy, decarbonisation, etc. They are more exposed to disruptions because they are increasing their demand on certain critical materials to an extent where the supply sources might not be ready yet - things like lithium and copper, which are used for car batteries and for transmission lines. There's a huge investment in energy transmission and electromobility infrastructure in Europe. OEM players are building gigafactories, sourcing lithium and cobalt, so demand is growing rapidly for transition metals.

The suppliers are still trying to catch up and this has created a bottleneck for some of these value chains, hence much higher demand for SCF in those sectors. Financial support can enable the buildout of the supply sources, such as mines for lithium or factories for batteries. Prepayment finance, inventory finance or project finance are in demand to support these changes.

Michael: How about pricing?

Eugenio: Pricing is definitely up compared to this time last year. We went from a phase where the cost of money was very low to now where the cost of money is significantly higher. This is reflected throughout all sectors of the economy, including financing. But clients have learned to appreciate all the many aspects that go into delivering a quality SCF program, besides pricing, including reliability, technology, supplier service, implementation support. In the past years, some fintechs tried to profile their offers by emphasising tech and access to cheap funding. Recent history showed that cheap funding is opportunistic and unstable when the markets are rough, and that tech is only one little factor in the whole product delivery equation.

Michael: Has there been any particular development in the last 12 months in the area of technology?

Eugenio: Yes, we are very happy that we started this initiative with SAP. We have a solid partnership with them under the slogan 'Invisible Banking', because the idea is that the best banking service you can provide is where the user does not even notice that they are calling a service from an external financial institution - the service is embedded in the day-to-day functionalities in their SAP environment. This is what we have been developing for SCF, and also other typical working capital solutions that we strive to provide on a daily basis to corporates, including receivables finance and other cash management options. We have built at the back of SAP a data highway that connects directly the ERP system of the corporate user to the Santander platform. I think invisible banking is the future. The highest level of sophistication is the one that allows you to provide the service without the user even noticing - a much more fluid approach than an automated approach.

The ERP system and, in particular, SAP ease the dominating system in the corporate environment. That's where the treasury users spend the majority of their working time. So let's plug in directly to that instead of coming up with a separate portal. As long as it is separate, it will still break into the day-to-day activity for the user, and this is the whole idea of invisible banking.

Michael: So it's a much more integrated approach.

Eugenio: Yes, definitely.

Michael: How about ESG?

Eugenio: That's still a big part, and growing. For every new program, we make sure there is an ESG strategy in it. If the company that is requesting already has an ESG strategy, it makes sense to apply to SCF because it creates an outreach for the company. On the other side, there are the mandatory disclosures under US GAAP and coming soon for IFRS. So SCF is an initiative that has to be disclosed. If you have to disclose it, then it is better to do it with an ESG. So, all new programs need to consider very carefully if they should be sustainability-linked programs right from the start.

Michael: Is this pricing related?

Eugenio: Yes. There are different ways to do it. You can have an admissions criterion related to meeting certain ESG KPI, which could be a certification or a minimal scoring on certain metrics etc. If you qualify, then you are allowed to come into the program. That's the incentivisation scheme. Or another way is through pricing. For example, the supplier base is divided into at least three tiers: average, high performers, and low performers. And you would adjust pricing based on how good the suppliers score on certain sustainability KPI, which are agreed with the corporate.

Major SCF banks are fairly advanced in terms of using ESG or conforming to ESG requirements. Banks like Santander have five or six important examples that offer insights on what works, and how to embed an ESG link to the programs. But some providers haven't done much and they are still exploring. So, I think the landscape is mixed in terms of approaches at the moment.

Michael: What about reaching the long tail and the deep tiers in supply chains - are we getting to the long tail; are we getting down to the deeper tiers in the supply chain now?

Eugenio: This comes down to a cost issue basically. We have a very efficient onboarding process. If your process is not very efficient, it will cost you more to onboard a supplier and will reduce your profit. To have an efficient process, you have to have a certain scale that allows you to maintain the infrastructure for that. So big players like Santander are getting more penetration in deeper tiers because we're now fully automated and have the right design or process to make it both fast and secure. Providers that do not have the scale advantage definitely have an issue to go deeper. So they stay in the top tiers where the cost benefit for them is better.

Michael: What about risk distribution?

Eugenio: Yes, more distribution in terms of spreading risk.

Michael: Are there more multibank deals?

Eugenio: There's more readiness from banks to work collectively on programs to make them work together.

To cite a metaphor, there are herbivore banks and carnivore banks. There are a few carnivore banks which are the ones that have the systems, the product and the infrastructure to front a program and scale it up. Then there are a lot of herbivore banks that are happy to participate in programs that others have built to provide the funding. And there are a few banks that are omnivore and do both.

The climate across the sector has made the players fully aware that there is hardly a big program with a single institution. It's always more like a syndication, or a club deal, or in some other shape such as forming a multibank. More institutions are happy to collaborate. Multibank is an established trend and practice. And most of the blue-chips are multi-banks anyway. Those banks want to be involved with their clients on SCF programs.

Michael: Any other general remarks?

Eugenio: On the market status, particularly now compared to 12-15 months ago in Europe, everybody is waiting to see what is going to happen when everybody needs to disclose their SCF data according to the new IFRS rules. The IFRS rules are very detailed, different from the US GAAP ones because there is a requirement on a high level of granular information. There will be a lot of data to analyse in a few months once everybody is complying with the new disclosure rules. For all the players, including both corporates and providers, there will be a greater level of transparency.

Michael: Is this connected with the fallout of Greensill?

Eugenio: I would say that has been around for a long time. Events like Greensill and others have accelerated the discussions but it has been cooking for a long while. Now it's finally coming.

India

Supply chain finance in India: a catalyst for future economic growth

Ravi Valecha,
CEO,
India Factoring and Finance Solutions Pvt. Ltd.

In today's interconnected world, businesses across the globe spread supply chains wide and far in search of quality and competence, besides other external factors such as geopolitics. Supply chains thrive on commitment and coordination among key stakeholders, continuous innovation, and alignment to the end user's choices. The timely financing of these supply chains, including buyers, sellers, distributors and logistic partners, form the foundation of sustainable global markets.

Introduction

Supply chain finance (SCF) in India dates back to the 1980s, when the concept of factoring was first introduced. While traditional financing by banks had supplied the growth of the post-liberalisation era in India, the focus shifted towards SCF in recent years - a more comprehensive solution that involves multiple parties. Factoring as well, both non-recourse and recourse fronts, is a favoured choice among sellers in the current market.

India is currently the fifth largest world economy, with GDP of USD3.3 trillion, and the government has announced a GDP target of USD5 trillion by 2028. Despite significant global challenges, India was one of the fastest growing major economies in FY22/23, at 7.2%. This underscores the strong domestic demand, continuity in policy reforms, and a strengthening financial sector. The World Bank forecasts India's GDP growth for FY23/24 to be 6.3%.

Key enablers for India's growth include a favourable demographic dividend, successful public digital infrastructure including UPI and unique identification (Aadhar), public capex push, political stability with continuous policy reforms, a burgeoning financial sector, and considerable forex reserves. India's policy push includes implementation of a unified tax system (GST), cuts in corporate taxes, liberalisation of FDI norms, the introduction of the Production Linked Incentive (PLI) scheme, and the National Infrastructure Pipeline (NIP). India has made huge strides in space technology, vaccines and healthcare, and semi-conductors including electronic manufacturing space in recent times, as well as the established IT services, RMG, auto-components space, amongst many others sectors.

India supply chain finance market – overview

SCF will play a key role in providing access to credit to fuel the forecasted growth in India. According to sources in the public domain, approved SCF facilities with Indian Financial Institutions is c. USD24 billion, expected to reach USD100 billion in the next three years. The MSME sector contributes c. 30% to India's GDP, 45% to manufacturing output, and 48% to exports. The credit gap in the MSME sector is estimated to be c. USD250 billion.

The SCF market will experience significant growth, mainly driven by:

1. India's economic growth
2. Consistent policy reforms across sectors
3. Integration to global but diversified supply chains across multiple geographies
4. Growth and increase in the number of SMEs
5. Adoption of technology-based solutions
6. Large digital public infrastructure

Key policy reforms

The Reserve Bank of India (RBI), India's central bank, and the government of India have played a pivotal role in encouraging the SCF ecosystem, as follows:

Trade Receivables Discounting System (TReDS): In 2014, RBI introduced TReDS to enable private-sector financial institutions (FI) to offer SME financing via SCF solutions without the need to set up their own technology infrastructure. RBI set the regulatory framework for TReDS under the Payment and Settlement Systems Act 2007 and established clear guidelines for the set-up and operation of TReDS.

TReDS is defined as an electronic platform for facilitating the financing/discounting of trade receivables of MSMEs through multiple financiers on a secure digital platform. The initiative was designed to encourage multiple private providers to be licenced by RBI to operate a TReDS.

International Trade Financing Services (ITFS) Platform 2021 under IFSCA regulator at GIFT City (offshore location within India): A platform to enable buyers and sellers from anywhere in the world to access trade finance from multiple financiers through a unique bidding mechanism that will help them discover the best possible rates.

Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE): A scheme for providing guarantees in respect of credit facilities extended by lending institutions to the borrowers in Micro and Small Enterprises (MSEs). Guarantees worth USD6 billion have been approved under CGTMSE in FY22.

Implementation GST (Goods and Services Tax) and IBC (Insolvency and Bankruptcy Code): this has led to more robust and transparent trade practices in India. Implementation of e-way bills and e-invoicing systems has reduced domestic trade malpractices to a large extent.

Automated processes of cautioning/de-cautioning of exporters through the EDPMS system has strengthened discipline in export realisation.

Reforms in factoring ecosystem

India is one of the countries with a regulated factoring industry, requiring a specific license for providing factoring services. India has the Factoring Regulation Act 2011, and a list of acts including Category for NBFC – Factor under RBI regulations – 2013, Trade Credit Insurance Policy 2021, and Factoring Regulation (Amendment) Act 2021. These laws add regulatory control, compliance, and business stability by offering receivables financing solutions at scale.

Active participation of non-bank finance companies (NBFCs)

Other factors on the forefront of the growing SCF market in India are the non-bank financial companies (NBFCs) specialising in receivables funding, import finance, pre-shipment funding and factoring. These NBFCs offer one stop solutions in each segment, with bundled solutions of risk management and funding which help MSMEs to grow faster.

Fintech is enhancing the efficiency of SCF

The advent of SCF is primarily driven by easier access to credit created by fintech, using the existing digital infrastructure, including TreDs, Account Aggregators, and host-to-host network creation. Data-driven decision-making, including cash flow-based lending, track record of repayments, and purchase order-based funding, has catalysed SCF growth since the MSMEs difficulty to secure finance from traditional means. Indian fintechs are the second most funded in the world, with over 9000 companies operating in this space.

Transition to sustainable energy to open up opportunity for SCF

According to a submission to UNFCCC, India is working on mass movement for 'LIFE'– 'Lifestyle for Environment' as a key to combating climate change. This means a reduction of emissions intensity of GDP of 45% by 2030, from the 2005 level, and 50% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030; to create an additional carbon sink of 2.5 to 3 billion tonnes of CO_2 equivalent through additional forest and tree cover by 2030, among other proposals. The government of India is working to increase its renewable energy share to 65% by 2030, ahead of the indicated NDC target.

The ambitious target of reaching net-zero by 2070, which requires a USD10 trillion budget[1], and much needed action on climate change, can be possible with the help of a transfer of technology and low-cost finance, including from the Green Climate Fund (GCF).

The Reserve Bank of India has introduced guidelines for FIs to accept "green deposits", allowing GSSS bonds (Green Social, Sustainability and Sustainability-linked). The government has authorised 100% annual FDI for renewable power generation and distribution projects. The Companies Act 2013 section 134(m) mandates companies to include a report by their board of directors on conservation of energy, along with its annual financial statement.

From an SCF perspective also there is increased momentum towards Green SCF following the protocols outlined above. A cascade of the real impact of Green SCF including cost dissemination is expected over the next few years.

SCF ecosystem and enablers – summary

Products / Enablers	Banks	NBFC	Fintech / Platforms
Supplier Financing (Domestic and Cross Border)	✓	✓	✓
Inventory Financing	✓	✓	✓
Distributor Financing	✓	✓	✓
Deep Tier Financing	✓	✓	✓
Domestic Factoring (Recourse / Non-Recourse)	✓	✓	✓
Export Factoring	✓	✓	✓
Import Factoring	✗	✗	✗
Pre-Shipment Finance	✓	✓	✓
Credit Insurance availability[2]	✓	✓	✗
Regulatory landscape[3]	✓	✓	✓
Awareness	✓	✓	✓
Estimated current market (USD)	24 Billion		
Potential opportunity (USD) – 3 years	100 Billion +		

Overall, the SCF industry in India is witnessing tremendous growth, and the trend is expected to accelerate further, driven by factors such as impressive GDP growth, consistent policy reforms, growth of the fintech ecosystem, and efficiency gains from digitalisation. Further regulatory enablers like TReDS, ITFS and various others are expected to propel growth at even faster levels.

Acknowledgements to those listed below for their invaluable contribution:

Paramanandan P,
Business Head – West and South,
India Factoring and Finance Solutions Pvt. Ltd.

Gopi Krishna,
AVP West,
India Factoring and Finance Solutions Pvt. Ltd.

Notes:

1 *Press Release by Ministry of Environment, Forest and Climate Change and newspaper articles in the Reuters.*
https://pib.gov.in/PressReleasePage.aspx?PRID=1885731
India succeeds in reducing emissions rate by 33% over 14 years - sources | Reuters

2 *Trade credit insurance allowed in India since November 2021*

3 *Regulatory landscape: Encouraging development from various regulators, including RBI, IFSCA, IRDA, MSME ministry, etc.century%20 without*

Latin America

Spotlight on Latin America: challenges and growth opportunities

Mauricio Tarazona,
Managing Director,
Latin America Trade & Working Capital Solutions Product Head,
Citi

The Latin American economies are predicted to slow in 2024 in the face of a challenging global environment. Analysts expect regional growth to slow to 1.6% in 2024, from 2.3% in 2023.

Modest recoveries across the region have already slowed significantly. Some of this is due to external factors, such as slower growth in the US and China, tight global financial conditions, and the impacts of severe weather events. In addition, predictions indicate that inflation will continue to moderate in 2024.[1]

Despite these headwinds, businesses throughout Latin America are well positioned to overcome challenges, taking advantage of new opportunities based on changing market dynamics, adoption of new technologies, and focusing on their strategic working capital goals while embracing new regulatory demands.

Creating new business models and supply strategies

Many companies in Latin America have reengineered their strategies in light of these conditions. Businesses throughout the region have to rethink how they can thrive in the complex economic, consumer and supply chain conditions found in the marketplace today; while at the same time, ensuring they can meet sustainability goals, innovation objectives and growth aspirations.

In this heightened interest rate environment, corporations are increasingly focused on ways to better manage working capital, while also deploying new strategies for achieving greater treasury efficiency. The transition to a digital economy has led many businesses to adopt new business models in collaboration with supply chain functions and partners, in order to expand operational boundaries and take advantage of new revenue opportunities.

Recent data suggest that "nearshoring" could become a structural shift, while companies move production closer to their home country to reduce the risk of supply chain disruptions. As a result, investments in the region are expected to increase substantially in the near future. For example, Mexico reported a 12% increase in 2022, the highest in seven years.[2] The US has free trade agreements with 12 countries in the region that provide investment protection and certainty to investors, which will contribute to the sustainability of this trend.

The push for greater transparency around supply chain management

One of the biggest changes for companies doing business across Latin America is the push by global accounting firms and regulators for greater transparency and improved disclosures around supply chain finances on financial statements. Countries such as Brazil, Mexico, Argentina, Colombia, Peru, Chile and Costa Rica have stepped up efforts to cut back on the incidence of fraud and tax evasion. To accomplish this, governments throughout the region have implemented a number of initiatives to ensure checks and balances are in place on transactions.

These changes were designed to create greater transparency and increased trust in the trading environment. At the same time, they result in various operational and reporting requirements for those doing business in multiple countries in the region.

A few examples of these regulations include:

Effective in 2024, Financial Accounting Standards Board (FASB) and International Financial Reporting Standards (IFRS) clients face new disclosure requirements.

- **FASB:** Buyers with 31st December year-ends will be required to add the disclosures to their 2023 financial statements, in addition to the roll forward disclosure, which is effective for 2024 (but may be presented early).

- **IFRS:** An entity shall apply those amendments for annual reporting periods beginning on or after 1st January 2024. Earlier application is permitted. If an entity applies those amendments for an earlier period, it shall disclose that fact.

The FASB is addressing insufficient transparency in supplier finance programs which lack explicit disclosure requirements that meet generally accepted accounting principles (GAAP). The Board's update requires that a buyer in a supplier finance program disclose sufficient information about the program to allow a user of financial statements to understand the program's nature, activity during the period, changes from period to period, and potential magnitude. This includes disclosing the number of outstanding obligations that the buyer has confirmed as valid to the finance provider or intermediary by the end of the interim period.

Additionally, most countries in the region have introduced mandatory e-invoicing and tax validation for taxpayers. These requirements can create operational and integration burdens as a result of the complexity of the invoice data capture requirements. Each authority has their own rules around the format in which data must be captured to achieve compliance. For instance, Mexico, Chile, and Peru all require supplementary XML files to be submitted and cross-checked against their invoices.

In response to the regulatory and operational challenges of operating in Latin America, large and medium-sized companies are increasingly seeking solutions that enable regulatory compliance, workflow automation, improved data quality and lower processing costs. Supply chain financing plays a critical role in enabling new supply chain models and ensuring supply chain resilience. This necessitates partnering with banks, technology providers and suppliers to implement processes and e-invoice formats that meet the different regulatory and fiscal requirements in each country.

This has put an emphasis on technology and automation investment, which is crucial to adapting processes and preparing businesses for today's regulatory landscape, as well as future requirements.

Improving supply chain financing accessibility through digitisation and upcoming trends

Companies across the region and around the world have embraced digital transformation initiatives to deliver improved efficiency and increase growth opportunities through new business models. Investment in digital technologies such as data analytics, cloud computing, cybersecurity, and artificial intelligence are fuelling greater productivity and resilience. This trend is sweeping Latin America. According to market research, the Latin American digital transformation market is predicted to reach USD 207.87bn by 2032 with a CAGR (Compound Annual Growth Rate) of 15.13%.[3]

The current digitisation trend is proving key to managing regulatory requirements in a highly compliant manner without compromising operational efficiency. New digital innovations have embraced the use of data and automation to create entirely new SCF business models and solutions. The needs of these businesses have led banks to develop technology to make SCF more accessible, particularly to the large and under-served community of SMEs in the region - a segment that constitutes 99.5% of companies in Latin America, creating a cost-effective means of providing broader services to this segment.[4] A good example of this treasury innovation is Citi's digital onboarding tools which are available globally. When combined with e-signature tools, such as DocuSign, suppliers no longer are compelled to prepare and deliver cumbersome physical documents. The rapid onboarding process makes it possible for SMEs to gain rapid access to short-term financing.

Another important trend in Latin America is the checking from large corporates on distribution capabilities, which is becoming a critical item when choosing which financial firm to work with. The reasons behind this are that these types of programs have proven to be extremely effective in supporting a company's working capital strategy. However, these programs vary in size and could become extremely large, making it difficult for a single entity to support them. Under this scenario, distribution becomes a powerful tool.[5]

Among the various benefits offered by banks, such as Citi, is the capacity to lead a program and work with other banks as participating lenders. For corporates, the benefits include a single point of contact bank to interact with regarding all implementation and maintenance aspects, including technology development, documentation, supplier onboarding, etc. Today, technology is providing the tools to automate this process efficiently.

At Citi, we have the capacity to support global programs in every geography with a single platform and system, standardising the process for corporates and bringing investors as needed to support their SCF programs.

On another note, Citi recently launched a USD 300m facility pilot under the International Finance Corporation's (IFC) newly established Global Supply Chain Finance Program. The pilot will help provide much needed SCF to suppliers and buyers in emerging markets, such as Mexico, with the goal of expanding to other countries in the near future. This program will help to ease constraints and boost market resilience amid global economic uncertainty. In addition, the program will focus on helping to solve supply chain finance gaps for SMEs and women-owned suppliers, and expand access to sustainable supply chain finance in the region.

Beyond banks, a number of non-traditional players are offering SCF programs in Latin America. As of May 2023, there were 11,651 fintech startups in the Americas, making it the region with the most fintechs globally.[6] This growth is generally acknowledged as a positive development in the push for end-to-end digitisation. However, it is important for corporates to clearly understand and address potential risks, such as ensuring regulatory compliance on an ongoing basis, and adherence to industry best practices around security and technical standards, before engaging with fintechs. Transparency should be a key consideration as companies look to take advantage of the latest technology developments. In developing an effective SCF strategy, choosing the right partner is essential in order to manage evolving risks and ensure that programs meet liquidity and supply chain objectives, while remaining robust, secure, accessible and compliant over time.

The green evolution of SCF programs

Managing liquidity and risk are the key financial objectives for treasury. Of growing importance is a focus on sustainability, as more and more corporates are placing environmental, social and governance (ESG) KPIs directly alongside commercial objectives. Companies are working to build policies and procedures with the goal of adapting business models to meet ESG targets which have a tangible impact on people and the planet. ESG is of growing concern in regions such as Latin America where social and environmental impacts are significant.

In response, banks are making concerted efforts to support their clients in achieving sustainability goals, and companies are increasingly embracing ESG standards, using internationally accepted criteria, including metrics adopted by credit rating agencies that focus on ESG when evaluating a company's creditworthiness. Likewise, Brazil, Colombia, Chile and Mexico have recently taken steps to strengthen the regulatory framework for including ESG factors as part of investment processes.

It is important to acknowledge that the ESG landscape has become more complex as companies navigate increasing regulatory focus, evolving disclosure frameworks, and escalating target-setting expectations. That said, ESG is a robust and growing approach to finance. For example, sustainable bond issuance from corporates and governments increased 18.6% compared to 2022.[7] There are a number of drivers behind the latest ESG trends in LATAM. These include investor pressure to advance sustainability initiatives, net zero objectives, and an evolving need for transparency and disclosure around environmental and social impacts.

The disclosure requirement in Latin America include:

- Brazil has ESG disclosure rules for listed companies, asset managers, and financial institutions based on "Task Force on Climate-Related Financial Disclosures (TCFD)".
- Chile has sustainability and corporate governance disclosure rules for issuers of securities based on SASB (Sustainability Accounting Standards Board) standards that are being developed in phases.
- Colombia requires issuers to discuss information on social and environmental risks consistent with TCFD for climate and SASB for sustainability.
- Mexico requires issuers to discuss their environmental policies.
- In Brazil, the central bank has mandatory disclosure rules for FIs; compulsory disclosure of ESG risks and opportunities.

It is worth noting that different industries are at different states of ESG risk. Regardless of where a business is in the continuum, it is imperative to link ESG and business strategy to ensure they are aligned. This requires defining ESG processes and metrics to standardise data flows and disclosure practices. It is also important to assess external ESG risks through vendors and partner evaluation. Corporates will want to build robust corporate governance policies to protect all stakeholders, as well as leverage opportunities for raising funds at incentivised rates.

There is little doubt that financial institutions and businesses have an instrumental part to play in the transition to a sustainable economy. The UN's Declaration on financing for development specifically identified short-term trade finance as an important path to achieving sustainable development goals. Citi is playing its part. In 2021, the bank announced its goal of USD 1trn sustainable finance by 2030.[8] Citi has contributed USD 348.5bn as of 2022, while Latin America contributed USD 16.6bn to this goal as of 2022.

Alongside its sustainable finance commitment, Citi has developed a Sustainable Supply Chain Finance initiative. This aims to generate economic, societal and client value by helping to enable sustainable growth and economic progress throughout a business's entire supply chain across the region and beyond. As part of this initiative, importers or buyers are able to provide additional benefits to suppliers that comply with pre-defined ESG goals, therefore incentivising good ESG practices across supply chains. Third-party verifiers can be used to track suppliers against those pre-defined targets.

An example of Citi's SCF program in action can be found with one of the largest food and beverage multinational companies. This company had several sustainability goals relating to energy consumption, water usage, landfill reduction, and various social goals. They wanted to implement an SCF program that would increase sustainability across key suppliers and incentivise them towards their sustainability goals. Citi enhanced the multinational's existing SCF program to include sustainability requirements with key selected partners. Preferential financing was offered to suppliers that demonstrated strong or improving sustainability performance linked to the UN's Sustainable Development Goals (SDGs). Certificate and KPI assessments were performed regularly to ensure agreed ESG metrics were being met, helping Citi to support the supply chain with richer information and assure transparency and disclosure compliance within the program.

Choosing the right SCF partner is essential

Implementation of sustainable SCF programs have delivered considerable financial, environmental and social benefits. Getting the most from such programs requires that metrics are measured and monitored in a credible, robust and systematic way, to ensure that programs are creating a positive impact. It is also essential to select the right financial partner to be certain of full transparency, independent measurement and robust reporting.

While economic growth faces headwinds in 2024, companies in Latin America have proven they have the wherewithal, resilience, and skill to take advantage of new opportunities. Some companies are already driving growth through innovative supply chain strategies, while digitisation of processes and business models and a focus on efficient liquidity and risk management will be critical strategies over the coming years. At the same time, ESG is becoming – and must remain – at the forefront of strategic and tactical decision-making processes to drive sustainable growth that benefits all relevant stakeholders and the environment.

References

1 *https://www.fitchratings.com/research/sovereigns/latin-america-sovereigns-to-converge-to-lacklustre-pace-stay-resilient-in-2024-11-12-2023*

2 *https://www.whitecase.com/insight-our-thinking/latin-america-focus-fall-2023-unlocking-opportunities*

3 *https://www.linkedin.com/pulse/latin-america-digital-transformation-market-growth-2023-saumya-singh/*

4 *https://oecd-development-matters.org/2022/03/02/a-faster-path-to-digital-transformation-in-latin-america/*

5 *https://www.tradefinanceglobal.com/posts/evolution-supply-chain-finance-banks-distribution/*

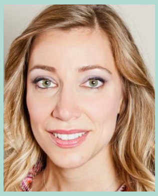
6 *https://www.statista.com/statistics/893954/number-fintech-startups-by-region/*

7 *https://www.bloomberg.com/professional/blog/green-bonds-boom-in-first-half-of-2023/*

8 *https://www.citigroup.com/rcs/citigpa/storage/public/Global-ESG-Report-2022.pdf*

North America

Building resilience into supply chains for future opportunities



Pauline Kontos,
Head of Global Working Capital Advisory, Services,
Citi

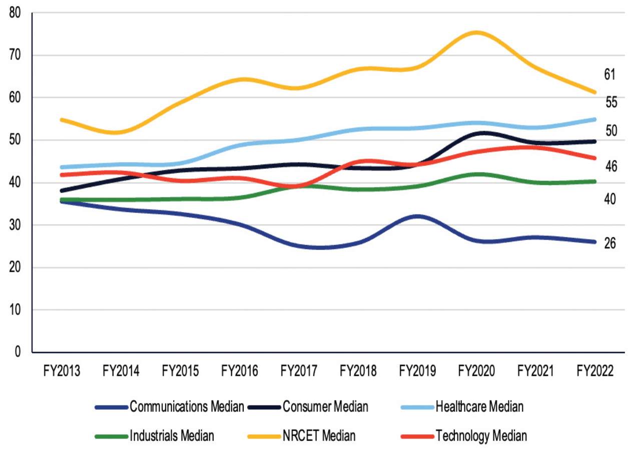
In 2023, corporates managed tightened credit conditions and increased borrowing rates, resulting from measures to curb inflation. Geopolitical instability was again elevated. From lessons learned, corporates continued to diversify supply chains, through reshoring and nearshoring and creating new supplier relationships, resulting in new global trade corridors and new opportunities.

In our January 2024 Citi GPS Supply Chain Financing publication,[1] Citi's annual survey of suppliers/SMEs advised that supply chains are no longer reporting significant challenges. The more significant insight is that global trade is undergoing a period of transformation, with a growing focus on new trade corridors and diversification of supply chain partners.

Credit conditions remained tight throughout 2023 for borrowers of all sizes amid continued geopolitical fragility. Resilience, particularly financial resilience, is a focus of corporates. As in previous periods of stress, boosting working capital efficiency while limiting expense is on strategic agendas, especially as companies look towards expansion and growth.

Many corporates have focused on working capital for the last 10+ years and are very active in managing payment terms. Payment terms have lengthened by a median of nine days since 2013 for constituents of S&P 500 listed companies (excluding real estate and financial institutions). Across most industries, a spike in length of payment terms in 2020 may explain how companies navigated supply chain challenges associated with the global pandemic.

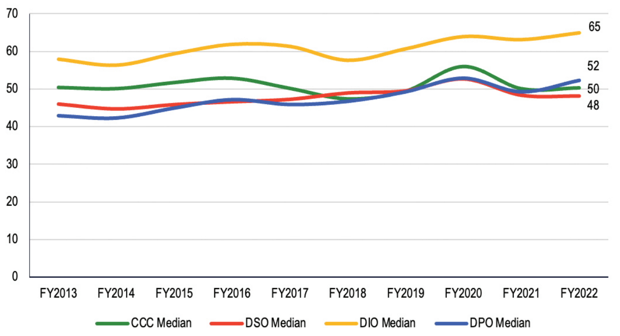
Figure 1. Days Payable Outstanding, NAM



Note: Figure is for illustrative purposes only and subject to change.
Source: S&P Capital IQ, Citi Services

Inventory management has become more efficient to maintain resilience. Certain industries strategically choose to hold more inventory for hard-to-source components, resulting in added pressure down the supply chain. Suppliers are being tasked with holding more inventory on behalf of customers financed at their own cost of capital and reducing its own margins. Suppliers' access to early payment is important in today's high rate and limited credit environment.

Figure 2. Working Capital, NAM

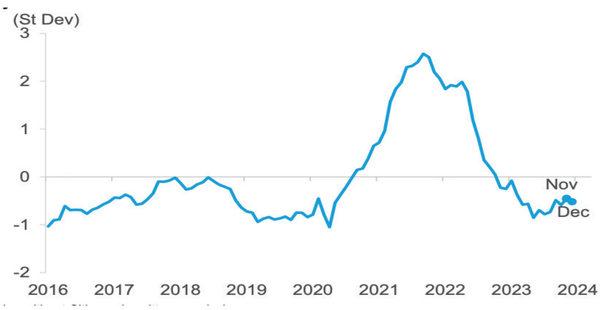


© 2024 Citigroup Inc. No redistribution without Citigroup's written permission.
Note: Figure is for illustrative purposes only and subject to change.
Source: S&P Capital IQ, Citi Services

Citi's Global Supply Chain Pressure Index, which uses shipping costs, global Purchasing Managers' Indices (PMIs), and inventories as a gauge for supply chain pressure, has improved since early 2022. For much of 2023, pressures in supply chains were hovering near pre-Covid lows. By last December, pressures had picked up modestly, but remained relatively limited and were running near the pre-Covid average. The easing of goods inflationary tendencies has added pressure to the price for services.

Citi Research views the normalisation in supply chain pressures as largely reflecting an easing in the global consumer demand for goods. As the pandemic receded, consumers rotated their spending away from goods and back toward services.

Figure 3. Citi Global Supply Chain Pressure Index



© 2024 Citigroup Inc. No redistribution without Citigroup's written permission.
Note: Figure is for illustrative purposes only and subject to change.
Source: Bloomberg, Citi Research

Our Citi Treasury and Trade Solutions business processes on average US$4 trillion of daily trade flows globally. Payment and receivable flows through the Citi payment network show that despite economic headwinds, global trade flows continued to normalise in 2023 and remain strong.

Payment flows in January to September 2023 vs. January to September 2022

Overall payment flows in the period fell by 13%. Natural resources and clean energy transition (NRCET) exhibited the biggest drop in flows, posting a decline of 28% for the same period compared to the year prior. Market pricing adjusted from 2022, where we reported 65% growth year-over-year in NRCET flows, as energy prices soared in the wake of sanctions placed on Russia and flows shifting regionally.

North America payment flows in the period were down across all industries, led by NRCET as expected, followed by technology.

From an industry perspective, the consumer segment overall shows notable growth, having increased 11% compared to the previous year, followed by growth in the industrial segment at 3% from the prior year. Growth in flows into Mexico (up 40%), Great Britain (up 71%) and Poland (up 108%) account for much of consumer sector flow growth, while overall growth of flows into EMEA (up 11%) has driven much of the growth in industrials.

Communications is up by 3%, Technology flows are down by 8% as a whole, led by a 14% decrease in flows into Asia, followed by decreased flows into NAM. This pressure on the technology segment flows stems from inventory challenges that the industry continues to face.

For the global Citi supply chain finance (SCF) program, 2023 started with subdued throughput. However, we have seen an increase as the year has progressed.

In North America, the Citi SCF program 2023 full year throughput remained strong following significant growth in 2022 (44% increase), decreasing by a modest 2% over 2022. The decrease may be the result of lower inflation, cost of goods sold (COGS), increased rates, and in some cases lower demand.

Supply chains return to normal, with focus on continued resilience

Citi works closely with our SCF suppliers to capture their perspectives through several surveys throughout the year. The objective is to understand the challenges and opportunities facing their businesses and develop best-in-class offerings to meet their evolving needs. The breadth of Citi's SCF programs offers us the unique ability to capture perspective across a diverse global supplier base. In 2023, Citi Research repeated an annual survey of corporates who are suppliers participating in Citi-managed SCF programs. The survey serves as a pulse check on supply chains and demonstrated a return to normal for many industries, regions and businesses in 2023.

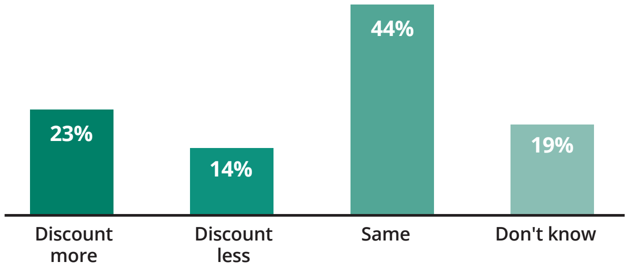
The survey was conducted across all global regions concluding in October 2023.[2] Of the total respondents, 95% were from small and medium-sized enterprises (SMEs);[3] and 73% had a 2022 revenue of less than US$20 million. The suppliers surveyed had customers predominantly located in NAM, Africa/Middle East, and Western Europe.

The survey results suggest an easing of supply chain pressures and challenges. When asked about the challenges facing their businesses in 2023, 13% of respondents stated they have not faced any supply chain challenges, over a three-fold decrease from 2022. Difficulty forecasting and planning for customer demand remained the second most common challenge faced in 2023. While down compared to 2022, customer demand for goods remains high as businesses operate with uncertain global economic forecasts influenced by monetary policy decisions and global geopolitical turmoil.

In 2023, a higher percentage of suppliers noted challenges with cost-prohibitive financing and/or difficulty accessing financing. This was mentioned by 27% of suppliers, up from 21% in 2022. We note that in the time between the two surveys, the US Federal Reserve raised interest rates six times[4] — bringing the federal funds rate up to 5.25%–5.5% from 3%–3.25% — and the total number of rate hikes to 11 since March 2022. When asked how rising rates have influenced capital investment decisions, 63% of suppliers elected to be more cautious. Based on the survey results, this is particularly true with suppliers based in Asia, excluding India.

We also asked suppliers if they elected to discount more or less through Citi's supply chain financing offering in 2023 compared to 2022.

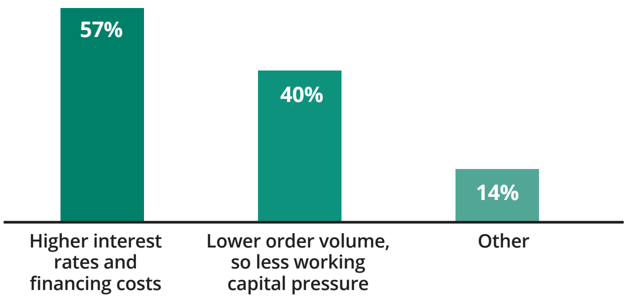
Figure 4. Has Your Company Elected to Discount More or Less in Supply Chain Financing Offerings in 2023 vs. 2022?



Note: Figure is for illustrative purposes only and subject to change.
Source: Citi GPS, Building Resilience as the New Definition of "Global" Emerges, 2024

Sixty-seven percent (67%) of respondents said they discounted more or the same as in 2022 (Figure 4). Among the 14% who indicated discounting less, the most cited reason was higher interest rates, followed by less working capital pressures due to lower order volumes (Figure 5). Suppliers observed normalisation in lead times and ordering cadences. Companies are now better capitalised for production and are experiencing less "order booms" that can put immense stress on production and working capital, leading to potential backlogs and delays.

Figure 5. Why Are You Discounting Less in Supply Chain Financing Offerings in 2023 vs. 2022?



Note: Figure is for illustrative purposes only and subject to change.
Source: Citi GPS, Building Resilience as the New Definition of "Global" Emerges, 2024

When asked about decreased discounting volumes, in 2023, 48% of suppliers answered somewhat below expectations or significantly below expectations, compared to 33% in 2022.

Forty-seven percent (47%) of North American suppliers reported new orders below expectations compared to expected sales for 2023, in line with 50% of global respondents who reported year-to-date new sales orders below expectations.

Suppliers headquartered in China were also less optimistic about sales expectations, citing US-China trade discussions, higher interest rates, and Covid-19 related supply chain disruptions. Conversely, Latin America (LATAM) based suppliers reported the strongest sales versus sales expectations figures, perhaps influenced by the region's increased presence in the global trade arena.

Regionalising supply chains is a well-documented business practice and has been a growing priority for many companies in recent years. Over a third of respondents said their organisation has focused on nearshoring and onshoring, with a greater percentage of larger suppliers opting for regionalisation. For these suppliers, we asked a series of questions to better understand the perceived benefits and challenges associated with regionalising.

Notably, 40% of all surveyed suppliers perceive regionalisation as increasing resilience, led by North American suppliers, with 55% indicating that they perceived it as increasing resilience. A significant portion of respondents indicated regionalisation would result in no change or decreased resilience. Responses from Chinese suppliers demonstrated mixed opinions amongst peers with observable regional distinctions.

An overall increase in manufacturing costs was listed as the number one challenge associated with regionalisation, followed by difficulty forming new supplier relationships, and workforce skillset.

As in our 2022 survey, we asked suppliers to rank a number of supply chain-related decisions and themes, with 'just-in-case' vs. 'just-in-time' being the most important. Inventory management strategies continued to adapt. While corporates looked to move back towards 'just-in-time' inventory practices, they strategically held larger inventories for components that are hard to source.

Our 2023 supplier survey highlights that conditions continue to normalise, but organisations are not out of the woods. In managing global supply chains, organisations have observed that Covid-associated shocks are now controlled but give way to potentially systemic issues and challenges. Suppliers continue to improve their business practices and embed resilience in their supply chains through what they have learned from recent years, while keeping an eye on the horizon for new opportunities and challenges.

Observations from North America suppliers

While NAM suppliers' responses were mostly in line with global responses, there are some notable differences.

Particularly, NAM was the region most concerned about increased costs of goods sold/raw materials (observed by 63% of the NAM respondents), making it the biggest challenge faced by NAM suppliers. NAM suppliers continue to be impacted by labour shortages, as indicated by 45% of the respondents. NAM suppliers were also concerned about difficulty procuring from downstream suppliers (25%), as well as shipment of goods to customer destinations, such as port delays (18%).

Less than a quarter of NAM respondents have focused on regionalising their supply chain, compared to over a third of global respondents. When asked about the biggest challenges they face with onshoring or nearshoring, increased costs (people, materials, transportation, etc), forming new supplier relationships, and workforce skillset were the top concerns.

Working capital resiliency: preparing supply chains for future opportunities

Today's tight credit conditions and high-rate environment have caused stress on corporates. While there is a broad consensus that inflation has peaked in many markets, the high-interest rate environment has driven companies of all sizes to increase their focus on financial resiliency, prioritising access to working capital and liquidity management. The intent behind any working capital optimisation strategy is to adopt an efficient operating model that aligns with industry standards, build resiliency strategies to withstand disruption, and maintain ample liquidity for operations and investment in strategic initiatives for growth. However, SMEs face additional challenges compared to their larger peers. High-interest rate environments have a faster and greater impact on SMEs, which often have more limited access to capital and face higher borrowing costs than larger firms, underscoring the importance of stable access to liquidity for these businesses.

Supporting supply chain resiliency

Buyers can support suppliers by implementing an early pay program such as SCF or dynamic discounting. SCF has been available for over 20 years and is the preferred tool for many global corporates. It supports working capital initiatives while simultaneously embedding resiliency within their supply chains by providing suppliers with a channel to access reliable funding at an efficient rate. Public sector partners have a key role to play and can amplify these programs to reach the most vulnerable suppliers. As reflected in the supplier survey, most suppliers (67%) indicated the same or increased use of discounting via SCF programs compared to last year.

Corporates recognise the detrimental effects a supplier collapse would have on their overall supply chain. Product offerings such as purchase order (PO) finance and deep-tier finance are focused on extending financing deeper down the supply chain, to help qualifying companies obtain capital where it is needed, when it is needed. Purchase order finance helps support the needs of SME suppliers by providing financing options, such as pre-shipment financing, at the purchase order stage, and is growing in popularity. Pre-shipment financing supports qualifying suppliers' upfront working capital needs and their ability to fulfill larger buyers' orders. Purchase order finance is helpful in this environment as suppliers are tasked with holding higher levels of inventory. As noted in the supplier survey, rationalising inventory holdings continues to be an area of focus: certain industries can benefit from maintaining lean inventory holdings; for others, maintaining stock, particularly for hard-to-source components, is necessary.

Facilitating new trade opportunities

Small and medium size enterprises now have an opportunity to participate in new and existing global trade corridors. For corporates operating across borders, trade finance services are an important component of a company's financing and risk mitigation structure.

Sovereign governments have long helped manufacturers to export goods to the rest of the world. Increasingly, they also play a role in helping their home countries secure access to critical components and materials. Export credit agencies (ECAs) and multilateral banks are important partners to global corporations; many are now embracing new applications for their offerings.

As an example, to help meet the fast-growing demand for electric vehicles in North America, Solus, a major producer of copper foil used in EV batteries, sought to build a copper foil manufacturing facility in Canada, the first of its kind in North America.[5]

To bring Solus' ambition to fruition, the company used an ECA financing structure. The transaction was supported by a consortium of financial service firms and was unique in that it involved a partnership between Korea Trade Insurance Corporation (K-SURE) and Export Development Canada (EDC), a first for the two ECAs.

Copper foil is a key component in EV battery production and the plant provides a stable supply of an essential component, with growing demand. It also resulted in substantial foreign direct investment into Canada and will support the creation of high-skill and high-wage jobs.

As companies trade with new suppliers and new customers, letters of credit (LCs), one of trade services' earliest and continuously popular product offerings, are an important solution for corporates of any size to help support companies' trading activities and mitigate cross-border risk and counterparty risk. Trade financing products, such as SCF with early payment options for suppliers where buyers have extended payment terms and LC discounting, aim to improve working capital management.

Supporting sales and customer resiliency while managing DSO

Companies are looking for ways to satisfy their customers' requests for longer payment terms while simultaneously limiting the impact to their days sales outstanding (DSO). Treasurers place high importance on liquidity management to address economic uncertainty, and to collect payment on sales faster. Improving liquidity management may help hedge against economic volatility as it emerges.

Accounts receivable finance solutions are used by thousands of corporates of all sizes around the world to supplement liquidity while managing DSO. Treasurers are using structured solutions such as portfolio accounts receivable finance, which can be tailored to a corporate's specific needs and offer an efficient mechanism for infusing sales channels with liquidity.

As an example, semiconductor manufacturers around the world are looking at ways to develop additional capacity to satisfy the surging global demand for chips. With a customer base that often consists of other large, highly-rated corporates, monetising receivables through an accounts receivable financing structure may be an efficient mechanism for accessing liquidity. This was the case for a US-based chip maker looking at ways to fund its capital expenditures and expansion.

A global accounts receivable purchase program was the right solution for the semiconductor manufacturer in order to unlock the most liquidity at the best price possible, given the number of obligors involved and its investment grade rating.

Trade credit insurance has also existed for some time and has been an effective tool to mitigate risk on a single customer and portfolio basis. By securing insurance coverage and digitising the receivables monetisation process, global corporates and their banks have been able to reshape accounts receivable finance into a modern offering that provides efficient funding.

Trade and working capital eLoans offer a valuable alternative that may help address challenges with cash pooling in jurisdictions with strict currency controls. By using a lender's capital for working capital as opposed to intercompany funding, corporates may have easier access to liquidity.

Navigating the future

In a high-interest rate environment with tight credit conditions, companies of all sizes are increasing their focus on financial resiliency, and improved working capital management.

Suppliers continue to improve and implement resiliency strategies in their supply chain financing options based on recent experience, while looking out for new opportunities and challenges.

Banks, ECAs and multilateral banks have an important role to play as SMEs have an opportunity to participate in new and existing global trade corridors, and the continued growth of B2C and B2B e-commerce.

Innovations in technology and digitisation, including AI and blockchain, aim to help enhance companies' operational efficiency, reduce risk, and add transparency throughout the supply chain cycle. There is still work to be done by all parties across the physical and financial supply chains to invest in improving the quality and accessibility of data that underpin supply chain financing solutions.

Information, communication, and collaboration will be more important than ever before.

References

[1] *Citi GPS, Building Resilience as the New Definition of "Global" Emerges, 2024*

[2] *Survey results may be impacted by subsequent or future geopolitical events.*

[3] *SME is defined as having under 500 employees and/or less than or equal to US$100 million in revenue.*

[4] *FRB, Effective Federal Funds Rate, 2024*

[5] *CBC, South Korean firm opening copper foil plant in Quebec for use in electric vehicles, 2023*

Supply Chain Finance

Directory of Suppliers

ARGENTINA

HSBC
Florida 201, Buenos Aires, C1005AAE, Argentina
W: www.hsbc.com.ar | T: +54 11 4320 2800

AUSTRALIA

Commonwealth Bank of Australia
Ground Floor, Tower 1, 201 Sussex Street, Sydney NSW 2000, Australia
W: www.commbank.com.au | T: +61 2 9378 2000

Deutsche Bank AG
Level 16, Corner of Hunter and Phillip St, Sydney NSW 2000, Australia
W: www.deutschebank.com.au | T: +61 2 8258 1234

HSBC
Level 36, Tower 1, International Towers Sydney, 100 Barangaroo Avenue, Sydney NSW 2000, Australia
W: www.hsbc.com.au | T: +61 2 9006 5888

AUSTRIA

Deutsche Bank AG
Fleischmarkt 1, 1010 Vienna, Austria
W: www.db.com/austria | T: +43 1 53 181 0

UniCredit Bank Austria AG
Rothschildplatz 1, 1020 Vienna, Austria
W: www.bankaustria.at | E: info@unicreditgroup.at | T: +43 (0) 50505 25

BANGLADESH

HSBC
Level 4, Shanta Western Tower, 186 Bir Uttam Mir Shawkat Ali Road, Tejgaon Industrial Area, Dhaka 1208. Bangladesh
W: www.hsbc.com.bd | E: contact@hsbc.com.bd | T: +880 966 633 1000

International Islamic Trade Finance Corporation (ITFC)
DB Bhaban (Level-10), E/8-A, Rokeya Sharani Sher-e-Bangla Nagar, Dhaka – 1207, Bangladesh
W: www.itfc-idb.org | E: ITFC@itfc-idb.org | T: +880 2 918 3460

BAHRAIN

ICICI Bank (Bahrain)
Manama Centre, Manama, Kingdom of Bahrain
W: www.icicibank.bh

BOSNIA AND HERZEGOVINA

UniCredit Bank
Kardinala Stepinca bb, 88000 Mostar, Bosnia and Herzegovina
W: www.unicreditgroup.eu | E: info@unicreditgroup.ba | T: +387 33 222 999

BRAZIL

Brasilfactors SA
Av. Engenheiro Luis Carlos Berrini, 1681 - 81 - Cidade Monções, São Paulo - SP, 04571-011, Brazil
W: www.brasilfactors.com.br | E: commercial.contato@brasilfactors.com.br | T: +55 11 3186 8310

Citi Brazil
Avenida Paulista, 1.111, São Paulo - SP, 01311- 920, Brazil
W: www.citigroup.com | T: +55 11 4009 3000 / +55 11 2109 2484

BULGARIA

UniCredit Bank
Sveta Nedelya Square 7, 1000 Sofia, Bulgaria
W: www.unicreditbulbank.bg | T: +359 (0) 700 184 84

CANADA

BMO Capital Markets
First Canadian Place, 100 King Street West, Toronto, ON M5X 1H3, Canada
W: www.capitalmarkets.bmo.com | T: +1 844 837 9228

eCapital Corp.
1220, 155 University Avenue, Toronto, ON M5H 3B7, Canada
W: www.ecapital.com | T: +1 844 290 5883

HSBC
885 West Georgia Street, Vancouver, British Columbia, V6C 3G1, Canada
W: www.hsbc.ca | T: +1 604 685 1000

ICICI Bank (Canada)
Don Valley Business Park, 150 Ferrand Drive, Suite 1200, Toronto, ON M3C 3E5, Canada
W: www.icicibank.ca

Scotiabank
44 King Street West, Scotia Plaza 8th Floor, Toronto, Ontario, M5H 1H1 Canada
W: www.scotiabank.com | T: +1 416 866 6161

CHINA

Bank of China (headquarters)
1 Fuxingmen Nei Dajie, Beijing 100818, China
W: www.boc.cn | T: +86 10 6659 2638

Citibank
34F Citigroup Tower, No. 33 Huayuanshiqiao Road, Lu Jia Zui Finance & Trade Area, Shanghai 200120, China
W: www.citibank.com.cn | T: +86 21 2896 6000

Commonwealth Bank of Australia
Level 43-031, Hang Seng Bank Tower, 1000 Lujiazui Ring Road, Pudong, Shanghai, China
W: www.commbank.com.au | T: +86 21 6123 8900

Deutsche Bank
28/F, Deutsche Bank Tower 1, China Central Place, No. 81 Jianguo Avenue, Chaoyang District, Beijing 100026, China
W: www.china.db.com | T: +86 10 5969 8300

HSBC
37F, HSBC Building, Shanghai IFC, 8 Century Avenue, Pudong District, Shanghai 200120, China
W: www.about.hsbc.com.cn | T: +86 21 3888 3888

ICICI Bank (China)
27th Floor, Wheelock Square, 1717 West Nanjing Road, Jingan District, Shanghai, China
W: www.shanghaibranch.icicibank.com

Kinyu SCM (Guangzhou) Co. Ltd
T.I.T Creative Park, 397 Xingang Middle Road, Haizhu District, Guangzhou 510000, China
W: www.kinyu.co.uk/scf/ | T: +86 181 7315 8445

Standard Chartered Bank (China) Ltd
20/F Standard Chartered Tower, 201 Century Avenue, Lujiazui, Pudong District, Shanghai, 200120, China
W: www.sc.com/cn | T: +86 21 3851 5527

CROATIA

OTP Banka Croatia
Domovinskog rata 3, 23000 Zadar, Croatia
W: www.otpbanka.hr | E: info@otpbanka.hr | T: +385 (0) 72 201 669

UniCredit Bank (Zagrebacka banka d.d.)
Trg bana Josipa Jelačića 10, 10000 Zagreb, Hrvatska, Croatia
W: www.zaba.hr | E: zaba@unicreditgroup.zaba.hr | T: +385 1 4808 222

CZECH REPUBLIC

Bibby Financial Services a.s
Hlinky 505/118, Pisárky, Brno 603 00, Czech Republic
W: www.bibbyfinancialservices.cz | T: +420 800 111 008

UniCredit Bank Czech Republic and Slovakia a.s.
Želetavská 1525/1, Prague 4 - Michle 14092, Czech Republic
W: www.unicreditbank.cz | E: info@unicreditgroup.cz | T: +420 221 210 035

DENMARK

Danske Bank A.S.
Holmens Kanal 2-12, DK- 1092 Copenhagen K, Denmark
W: www.danskebank.dk | T: +45 4512 6000

EGYPT

African Export-Import Bank
Afreximbank Building, 72(B) El Maahad El Eshteraky Street – Heliopolis, Cairo 11341, Egypt
W: www.afreximbank.com | T: +20 2 2456 4100/1/2/3

Egypt Factors S.A.E
Nasr City, Public Free Zone, Block H/11, Cairo, Egypt
W: www.egyptfactors.com | E: info@egyptfactors.com | T: +20 2 2672 0787

HSBC
Al Maadi Company, Al Isaweyah, El Basatin, Cairo Governorate 4220301, Egypt
W: www.hsbc.com.eg | T: +20 2 3535 9800

International Islamic Trade Finance Corporation (ITFC)
6/F, Plot 46, Financial Center, Boomerang Building, 90th St. New Cairo, Egypt
W: www.itfc-idb.org | E: ITFC@itfc-idb.org | T: +20 2 2537 0044

QNB Alahli
5 Champollion Str., Dar Champollion Building Downtown 2664, Cairo, Egypt
W: www.qnbalahli.com | E: customer.inquiry@qnbalahli.com | T: +20 2 2770 7000

ESTONIA

SupplierPlus
Maakri 19/1, Tallinn 10145, Estonia
W: www.supplierplus.com | E: info@supplierplus.com | T: +372 600 2420

FRANCE

BBVA Factoring & Confirming
29 Avenue de L'Opéra - 75017 Paris Cedex 01, France
W: www.bbva.fr | E: serviceclients@bbva.com | T: +33 1 4486 8300

Bibby Factor France SA
160 Av. Jean Jaurès, 69007 Lyon, France
W: www.bibbyfactor.fr | T: +33 4 7235 9709

BNP Paribas
20 Boulevard Des Italiens, Paris, 75009, France
W: www.group.bnpparibas | T: +33 1 4014 4546

eexpand
1 rue de Stockholm, 75008 Paris, France
W: www.eexpand.com | E: contactasia@eexpand.com

Factofrance
17 bis Passerelle des Reflets, 92988 Courbevoie, France
W: www.factofrance.com | E: factoringdfs@factofrance.com | T: +33 1 4635 7000

HSBC
38, avenue Kléber - 75116 Paris, France
W: www.hsbc.fr | E: contact@hsbc.fr | T: +33 1 4070 7040

Natixis
30 Av. Pierre Mendès-France, 75013 Paris, France
W: www.natixis.com | E: marketing@factor.natixis.fr | T: +33 1 5855 2686

Societe Generale Factoring
6 All. des Sablons, 94120 Fontenay-sous-Bois, France
W: factoring.societegenerale.com/en/ | T: +33 1 7189 9999

UniCredit
117 Avenue des Champs-Elysées, 75008 Paris, France
W: www.unicreditgroup.eu | T: +33 1 5367 5161

GERMANY

BBVA Factoring & Confirming
Neue Mainzer Strasse, 28 60311 Frankfurt am Main, Germany
W: www.bbva.com | E: Corporate.Deutschland@bbva.com | T: +49 69 2222 82200

Bibby Financial Services GmbH
Hansaallee 249, 40549 Dússeldorf, Germany
W: www.bibbyfinancialservices.de | E: info@bibbyfinancialservices.de | T: +49 211 5206 53 0

Deutsche Bank AG
Taunusanlage 12, 60325 Frankfurt am Main, Germany
W: www.db.com | E: corporate.bank@db.com | T: +49 69 91000

HSBC
Hansaallee 3, 40549 Düsseldorf, Germany
W: www.hsbc.de | E: international.corporates@hsbc.de | T: +49 211 910 0

Santander
Bockenheimer Landstraße 39, 60325 Frankfurt am Main, Germany
W: www.santanderbank.de | T: +49 69 596760

SEB
Stephanstraße 14 – 16, 60313 Frankfurt am Main, Germany
W: www.seb.de | E: information@seb.de | T: +49 69 2580

UniCredit Bank AG (HypoVereinsbank)
Arabellastrasse 12, 81925, Munich, Germany
W: www.hvb.de | E: info@hvb.de | T: +49 89 3784 8000

GREECE

Eurobank Factors S.A.
Laodikeias 16 & Nymfeiou 1-3, PC 115 28 Athens, Greece
W: www.eurobankfactors.gr | E: eurobankfactors@eurobankfactors.gr | T: +30 21 0607 8000

Piraeus Bank
4 Amerikis St, 105 64 Athens, Greece
W: www.piraeusbank.gr | T: +30 21 0328 8551

National Bank of Greece SA
Eolou 86, 105 59 Athens, Greece
W: www.nbg.gr | E: contactcenter@nbg.gr | T: +30 21 0484 8484

TEB
Saray, Sokullu Cd 7A C Blok No: 7/A, Ümraniye 34768, Istanbul, Turkey
W: www.teb.com.tr | E: info@teb.com.tr | T: +90 0216 635 3535

HONG KONG

Citibank Hong Kong
G/F & 10/F, Wheelock House, 20 Pedder Street, Central, Hong Kong
W: www.citibank.com.hk | T: +852 2860 0333

Commonwealth Bank of Australia
Suite 1401, One Exchange Square, 8 Connaught Pl, Central, Hong Kong
W: www.commbank.com.au | T: +852 2844 7500

HSBC
HSBC Main Building, 1 Queen's Road Central, Hong Kong
W: www.hsbc.com.hk | T: +852 2748 8288

ICICI Bank (Hong Kong)
Unit 1504B-1506, Level 15, International Commerce Centre, 1, Austin Road West, Kowloon, Hong Kong
W: www.icicibank.hk

NatWest Markets
Unit 702, LHT Tower, 31 Queen's Road, Central, Hong Kong
W: www.natwestgroup.com | E: support@natwestmarkets.com | T: +852 2327 5345

Simmons & Simmons
30th Floor, One Taikoo Place, 979 King's Road, Hong Kong
W: www.simmons-simmons.com | E: enquiries@simmons-simmons.com | T: +852 2868 1131

Standard Chartered Bank
Standard Chartered Bank Building, 4-4A Des Voeux Road, Central, Hong Kong
W: www.sc.com/hk | T: +852 2868 2154

Wells Fargo Capital Finance
27/F. Three Pacific Place, 1 Queens Road East, Hong Kong
W: www.wellsfargo.com | E: internationalconnections@wellsfargo.com | T: +852 3650 8000

HUNGARY

UniCredit Hungary Zrt.
1054 Budapest, Szabadság tér 5-6, Hungary
W: www.unicreditbank.hu | E: factorkozvetitesek@unicreditgroup.hu | T: +36 30 325 3200

INDIA

HSBC
52/60 Mahatma Gandhi Road, Kala Ghoda, Fort, Mumbai 400 001, Mumbai, Maharashtra 400001, India
W: www.hsbc.co.in | E: info@hsbc.co.in | T: +91 1860 266 2667

ICICI Bank Ltd.
Corporate Office, ICICI Bank Towers, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051, Maharashtra, India
W: www.icicibank.com | E: ecosystem@icicibank.com

India Factoring and Finance Solutions Pvt. Ltd.
401, Windsor House, Kalina, Santacruz (E), Mumbai 400098, India
W: www.indiafactoring.in | E: info@indiafactoring.in | T: +91 22 44125555

Standard Chartered Bank
Crescenzo C-38/39 G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051, India
W: www.sc.com/in | E: Customer.care@sc.com | T: +91 22 6115 7000

INDONESIA

Commonwealth Bank of Australia
Treasury Tower, 65th floor, Lot. 28 SCBD,Jl. Jenderal Sudirman, Kav 52-54, Jakarta 12920, Indonesia
W: www.commbank.co.id | E: enquiries@commbank.co.id | T: +62 21 5096 0000

HSBC
World Trade Centre1, Level 1, Jl. Jendral Sudirnam Kav. 29-31, Jakarta 12920, Indonesia
W: www.hsbc.co.id | T: +62 21 5291 4722

IRELAND

Bibby Financial Services (Ireland) Ltd
Heather House, 4 Heather Road, Sandyford, Dublin18, Ireland
W: www.bibbyfinancialservices.ie | T: +353 1 297 4911

ITALY

BBVA Factoring & Confirming
Corso Giacomo Matteotti, 10 20121 Milan, Italy
W: www.bbva.it | T: +39 0276 2961

SG Factoring SpA
Via Antonio Tolomeo Trivulzio, 7, 20146 Milan, Italy
W: www.factoring.societegenerale.it | T: +39 0246 7751

UniCredit S.p.A
Piazza Gae Aulenti 3 – Tower A, 20154 Milan, Italy
W: www.unicredit.it | E: info.ucfactoring.it@unicreditegroup.eu | T: +39 02 8681 6401

KAZAKHSTAN

ATF Bank JSC
100 Furmanov Str, 050000 Almaty, Kazakhstan
W: www.atfbank.kz | E: info@atfbank.kz | T: +7 727 258 3000

JSC Bank CenterCredit
38 Al-Farabi Avenue, A25D5G0, Almaty, Kazakhstan
W: www.bcc.kz | E: info@bcc.kz | T: +7 727 244 3030

KOREA

Standard Chartered First Bank Korea Ltd
47, Jong-ro, Jongno-gu, Seoul, Korea
W: www.standardchartered.co.kr | T: +82 2 3702 3114

LUXEMBOURG

Tawreeq Holdings
#14 Rue de Strassen, L-2555 Luxembourg-Merl, Grand Duchy of Luxembourg
W: www.tawreeqholdings.com | T: +352 262 650

MALAYSIA

HSBC
Menara IQ, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur, Malaysia
W: www.hsbc.com.my | T: +603 2075 3000

Standard Chartered Bank Malaysia
Level 25, Equatorial Plaza, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia
W: www.sc.com/my | E: Malaysia.feedback@sc.com | T: +603 7682 9000

MALTA

FIMBank Plc
Mercury Tower, The Exchange Financial & Business Centre, Elia Zammit Street, St Julian's STJ 3155, Malta
W: www.fimbank.com | E: info@fimbank.com | T: +356 2132 2100

MEXICO

Citibanamex
Act. Roberto Medellin 800, P.B. Sur, Col. Santa Fe, Mexico City CP 01219, Mexico
W: www.banamex.com | T: +52 55 1226 4002

HSBC
HSBC Tower, Paseo de la Reforma 347, 2nd floor Col Cuauhtémoc, Mexico City CP 06500, Mexico
W: www.hsbc.com.mx | E: Mexico_une@hsbc.com.mx | T: +52 55 5721 2033

NETHERLANDS

FCI
Keizersgracht 559, 1017 DR Amsterdam, The Netherlands
W: www.fci.nl | E: fci@fci.nl | T: +31 20 627 0306

GarantiBank International NV
Keizersgracht 569-575, 1017 DR Amsterdam, The Netherlands
W: www.garantibank.eu | E: info@garantibank.eu | T: +31 20 553 9700

ING Wholesale Banking
Cedar, Bijlmerdreef 106, 1102 CT Amsterdam, The Netherlands
W: www.ingwb.com | T: + 31 20 563 9111

NEW ZEALAND

ASB Bank Limited
ASB North Wharf, 12 Jellicoe Street, Auckland CBD, Auckland 1010, New Zealand
W: www.asb.co.nz | T: +64 9 337 2892

PERU

BBVA
Av. Republica de Panama 3055, San Isidro, Lima, Peru
W: www.bbva.pe | T: +51 1 209 1000

ROMANIA

BRD - Groupe Société Générale
BRD Tower – 1-7 Ion Mihalache Blvd., 011171 Bucharest 1, Romania
W: www.brd.ro | E: comercial.factoring@brd.ro | T: +40 213 026 161

ING Bank N.V. Amsterdam, Sucursala Bucuresti
Expo Business Park, Strada Aviator Popișteanu 54A, București 012244, Romania
W: www.ing.ro | E: factoringmcb@ing.com | T: +40 314 062 464

UniCredit Bank
1F Expozitiei Bvd, 012101 Bucharest 1, Romania
W: www.unicredit.ro | E: factoring@unicredit.ro | T: +40 212 002 020

SAUDI ARABIA

International Islamic Trade Finance Corporation (ITFC)
P.O. Box 55335, Jeddah 21534, Saudi Arabia
W: www.itfc-idb.org | E: ITFC@itfc-idb.org | T: +966 12 646 8337

SERBIA

UniCredit Bank
Rajiceva 27-29, Belgrade 11000, Serbia
W: www.unicreditbank.rs | E: office@unicreditbank.rs | T: +381 11 3777 888

SINGAPORE

Bibby Financial Services (Singapore) Pte Ltd
6 Shenton Way #18-08A, OUE, Downtown 2, Singapore 068809, Singapore
W: www.bibbyfinancialservices.sg | E: singapore@bibbyfinancialservices.com | T: +65 6922 5030

Commonwealth Bank of Australia
38 Beach Road, #07-11, South Beach Tower, Singapore 189767, Singapore
W: www.commbank.com.au | T: +65 6349 7000

Convergence Capital Group
10 Anson Road, 22-02, International Plaza, Singapore 079903, Singapore
W: www.convergence-tfs.com | E: info@convergence-tfs.com | T: +852 8192 6982

DBS Bank
12 Marina Boulevard, Marina Bay Financial Centre Tower 3, Singapore 018982, Singapore
W: www.dbs.com.sg | T: +65 6327 2265

Deutsche Bank AG
One Raffles Quay, South Tower Level 17, Singapore 048583, Singapore
W: country.db.com/singapore | T: +65 6423 8001

HSBC Asset Management (Singapore) Limited
10 Marina Boulevard, Marina Bay Financial Centre, Tower 2 Level 46-01, Singapore 018983, Singapore
W: www.assetmanagement.hsbc.com.sg | E: assetmanagement@hsbc.com.sg | T: +65 6658 2900

HSBC Capital (Asia) Pte Ltd
HSBC Building, 21, #02-01, Collyer Quay, Singapore 049320, Singapore
W: www.hsbc.com.sg | E: direct@hsbc.com.sg | T: +65 6536 6830

ICICI Bank (Singapore)
6 Raffles Quay, Singapore - 048580, Singapore
W: www.icicibank.com.sg

Mizuho Bank Ltd.
12 Marina View, #08–01 Asia Square Tower 2, Singapore 018961, Singapore
W: www.mizuhogroup.com/asia-pacific/singapore | T: +65 6805 2000

NatWest Markets
One Raffles Quay, #23-10, South Tower, Singapore, 048583, Singapore
W: www.natwestgroup.com | T: +65 6518 8888

Standard Chartered Bank
Marina Bay Financial Centre Tower 1, Level 22, 8 Marina Boulevard, Singapore 018981, Singapore
W: www.sc.com/sg | T: +65 6747 7000

SLOVAKIA

Bibby Factoring Slovakia, a.s.
Prievozská 4D, Block E, 821 09 Bratislava, Slovakia
W: www.bibbyfinancialservices.sk | E: slovakia@bibbyfinancialservices.com | T: + 421 02/32 780 056

UniCredit Bank Czech Republic and Slovakia a.s
Šancová 7131/1A, 813 33 Bratislava, Slovakia
W: www.unicreditbank.sk | E: kontakt@unicreditgroup.sk | T: +421 2 6920 2096

SLOVENIA

UniCredit Banka Slovenija d.d.
Ameriška ulica 2, SI - 1000 Ljubljana, Slovenia
W: www.unicreditbank.si | E: info@unicreditgroup.si | T: +386 1 5876 600

SOUTH AFRICA

Absa Bank Ltd.
7th Floor, Absa Towers West, 15 Troye Street, Johannesburg 2001, South Africa
W: www.absa.africa | E: absa@absa.co.za | T: +27 (0) 11 350 4000

ICICI Bank (South Africa)
3rd Floor, West Building, Sandown Mews, 88 Stella Street, Sandton, 2196, Johannesburg, South Africa
W: www.icicibank.com

Standard Chartered Bank
2nd Floor, 115 West Street Sandton, 2196 Gauteng, South Africa
W: www.sc.com/za | E: Info.SouthAfrica@sc.com | T: +27 (0) 11 217 6600

SPAIN

Banco Santander SA
Avda de Cantabria s/n, 28660 Boadilla del Monte, Madrid, Spain
W: www.santander.com | E: comunicacion@gruposantander.com | T: +34 91 2890 000

BBVA Factoring
Paseo de Recoletos, 10 - 28001 Madrid, Spain
W: www.bbva.es | T: +34 91 5377 000

Caixabank SA
Avda Diagonal, 621 – 629, 08028 Barcelona, Spain
W: www.caixabank.com | E: accionista@caixabank.com | T: +34 938 56 24 93

Twinco Capital
Avenida de Europa 12, 28108 Alcobendas, Madrid, Spain
W: www.twincocapital.com | E: info@twincocapital.com | T: + 34 915 141 965

SWEDEN

SEB
Kungsträdgårdsg 8, Stockholm 11147, Sweden
W: www.sebgroup.com | T: +46 77 162 1000

TAIWAN

DBS Bank (Taiwan) Ltd.
17/F, No. 36, Songren Rd, Xinyi Dist, Taipei City 110, Taiwan
W: www.dbs.com/taiwan | T: +886 2 6612 9888

Deutsche Bank AG
13/F & 10/F, 296 Jen Ai Road, Sec. 4, Cathay Life Insurance Building, Taipei 106, Taiwan
W: country.db.com/taiwan | T: +886 2 2192 4666

Standard Chartered Bank (Taiwan) Ltd
No. 168, Dunhua North Road, Songshan District, Taipei, Taiwan
W: www.sc.com/tw | T: +886 2 2716 6261

TURKEY

Garanti BBVA Factoring
Çamçeşme, Tersane Cd No:15, 34899 Pendik, Istanbul, Turkey
W: www.garantibbvafactoring.com | E: info@garantibbvafactoring.com | T: +90 216 625 4000

HSBC A.S.
Esentepe Mah. Büyükdere Cad. No:128, 34394 Şişli, Istanbul, Turkey
W: www.hsbc.com.tr | T: +90 212 376 4000

Yapi Kredi Bankasi A.S.
Yapi Kredi Plaza, D block, Levent, 34330, Besiktas, Istanbul, Turkey
W: www.yapikredi.com.tr | T: +90 212 339 6366

UNITED ARAB EMIRATES

Commercial Bank of Dubai
CBD Head Office, Al Ittihad Street, PO Box 2668, Dubai, UAE
W: www.cbd.ae | T: +971 4211 2888

DP World Trade Finance
Unit 811, Level 8, Burj Daman, PO Box 507209, DIFC, Dubai, UAE
W: www.dpworld.com/trade-finance | T: +971 4808 0800

Habib Bank AG Zurich
Sheikh Zayed Road, 4th Interchange, Umm Al Sheif, Dubai, UAE
W: www.habibbank.com/uae/home/uaeHome.html | E: csd@habibbank.com | T: +971 4373 5200

HSBC Bank Middle East Ltd.
HSBC Tower, Ground floor, Emaar square, Downtown, Dubai, UAE
W: www.hsbc.ae | T: +971 600 554722

International Islamic Trade Finance Corporation (ITFC)
58 Al Maktoum Rd, Port Saeed, Dubai, UAE
W: www.itfc-idb.org | E: ITFC@itfc-idb.org | T: +971 4255 5934

ICICI Bank (DIFC)
Central Park Building, Office Tower 27-33, Level 27, Dubai International Financial Centre, Dubai, UAE
W: www.icicibank.ae

Tawreeq Holdings
1303, 13th floor, South Wing, Emirates Financial Towers, DIFC, Dubai, UAE
W: www.tawreeqholdings.com | T: +971 4 3863 700

UNITED KINGDOM

Bank of America
Financial Centre, 2 King Edward Street, London EC1A 1HQ, UK
W: www.bankofamerica.com | T: +44 20 7628 1000

Bank of China (London Branch)
1 Lothbury, London EC2R 7DB, UK
W: www.bankofchina.com/uk | E: service.uk@bankofchina.com | T: +44 20 7282 8926

Barclays Bank
1 Churchill Place, Canary Wharf, London E14 5HP, UK
W: www.barclays.co.uk | T: +44 20 7623 2323

BBVA SCF and Receivables Finance
1 Canada Square, 44th Floor, Canary Wharf, London E14 5AA, UK
W: www.bbvauk.com | E: corporatebankinguk@bbva.com | T: +44 20 7623 3060

Bibby Financial Services
Pembroke House, Banbury Business Park, Anyho Road, Adderbury, Oxfordshire OX17 3NS, UK
W: www.bibbyfinancialservices.com | T: +44 (0) 808 501 6462

BNY Mellon
160 Queen Victoria Street, London EC4V 4LA, UK
W: www.bnymellon.com | T: +44 20 3322 4806

Carr Lyons Search & Selection
34 Lime Street, London EC3M 7AT, UK
W: www.carrlyons.com | E: info@carrlyons.com | T: +44 20 7588 3322

Citibank
Citigroup Centre, 33 Canada Square, Canary Wharf, London E14 5LB, UK
W: www.citibank.co.uk | T: +44 20 7500 5500

Commonwealth Bank of Australia
60 Ludgate Hill, London, EC4M 7AW, UK
W: www.commbank.com.au | T: +44 20 7710 3999

Crossflow Payment Solutions
Blackwell House, Guildhall Yard, London EC2V 5AE, UK
W: www.crossflowpayments.co.uk | E: sales@crossflowpayments.co.uk | T: +44 20 3475 9060

Deutsche Bank
1 Great Winchester Street, London EC2N 2DB, UK
W: country.db.com/uk/ | T: +44 20 7545 8000

Drum Risk Ltd.
39 Eastcheap, London EC3M 1DT, UK
W: www.drum-risk-advisory.com | E: info@drumrisk.com | T: +44 20 7929 2473

HSBC Bank Plc
8 Canada Square, Canary Wharf, London E14 5HQ, UK
W: www.hsbc.co.uk | E: customerrelations@hsbc.com | T: +44 20 7991 8888

ICICI Bank (UK)
One Thomas More Square, London E1W 1YN, UK
W: www.icicibank.co.uk

Lloyds Bank Corporate Markets
25 Gresham Street, London EC2V 7HN, UK
W: www.lloydsbankinggroup.com | T: +44 20 7626 1500

UKRAINE

Alfa-Bank Ukraine (Sense Bank)
100 Velyka Vasylkivska St., Kyiv 03150, Ukraine
W: www.sensebank.ua | E: ir@alfabank.kiev.ua | T: +380 44 4904 600

USA

BBVA SCF and Receivables Finance
44th Floor, 1345 Avenue of the Americas, New York, NY 10105, USA
W: www.bbvacib.com | T: +1 212 728 1511

Deutsche Bank AG
1 Columbus Circle, New York, NY 10019-8735, USA
W: country.db.com/usa | T: +1 212 250 2500

eCapital
Suite 203, 20807 Biscayne Blvd, Aventura, FL 33180, Florida, USA
W: www.ecapital.com | T: +1 786 279 2900

HSBC USA
452, 5th Avenue, New York, NY 10018, USA
W: www.us.hsbc.com | T: +1 212 525 4955

ICICI Bank (USA)
New York Branch, 575 Fifth Ave, 26th Floor, New York, NY 10017, USA
W: www.icicibankusa.com

JPMorgan Chase
270 Park Avenue, New York, NY 10017, USA
W: www.jpmorganchase.com | T: +1 212 270 6000

Monterey Bay International Trade Association (MBITA)
200 Washington St, Suite 207, Santa Cruz, CA 95060, USA
W: www.globalmbita.com | E: tlivoti@mbita.org | T: 1 831 334 2218

Wells Fargo Capital Finance
420 Montgomery Street, San Francisco, CA 94104, USA
W: www.wellsfargo.com | T: +1 888 652 4942

VIETNAM

Standard Chartered Bank (Vietnam)
Capital Place Building, No. 29 Lieu Giai, Ngoc Khanh Ward, Ba Dinh District, Hanoi, Vietnam
W: www.sc.com/vn | E: Straight2bank.vn@sc.com | T: +84 2439 368 222

Vietnam International Bank
Corner Stone Building, No. 16, Phan Chu Trinh Street, Hoan Kiem District, Hanoi, Vietnam
W: www.vib.com.vn | T: +84 2473 013 638

IT

Directory of Suppliers

alvantia

HEADQUARTERS
Tel: (+34) 91 786 83 94
sales@alvantia.com
Av. Albufera 321, Madrid, Spain
www.alvantia.com

What are we?

At Alvantia, we are recognised experts in solutions for Corporate Banking. Our highly-qualified multidisciplinary team includes business logic technicians and specialists in the latest technology with in-depth knowledge of system integration.

What do we do?

We are trusted partners in defining, building and delivering commercial financing solutions. We provide customised development and easily integrated software.

Why us?

Our experience and expertise enable us to provide forward-looking solutions which deliver results and exceed expectations, due to:

1. **Our past experience.** Over one million hours successfully designing, building and integrating commercial financing solutions for the largest and most prestigious financial entities, becoming proved business prescribers.

2. **Our present activity.** Definition and development of products with optimum operational and management processes based on market understanding, a global vision and a deep functional knowledge.

3. **Our future vision.** Alvantia is already ahead of the curve and bringing the future forward. Using cutting-edge technology, Alvantia develops products that work in tomorrow's world today.

What differentiates our software solutions?

Cutting-edge, customisable and user-friendly solutions which fully integrate with our clients' systems, our Commercial Financing Software Solutions are highly innovative and based on the latest state of the art technology. They incorporate the most advanced commercial modalities in factoring and other supply chain finance services at both local and international levels.

Our software solutions have been created and designed in order to satisfy the user's needs. This is why they are highly customisable and guarantee a real-time and automated treatment of huge volumes of information. In addition, choosing our solutions guarantees both reducing deployment times and achieving a complete integration with your entity's structural systems.

We guarantee quality in our solutions by combining the paradigm of continuous integration with an advanced methodology and strict compliance with our quality standards, conforming to the international standards ISO 9001, 14001 and 27001.

CODIX
Immeuble Le Carat 200
Rue du Vallon
Sophia-Antipolis 06560
Valbonne, France

Phone: +33(4)89 87 77 77
Email: info@codix.eu
www.codix.eu

Contact:
Ilia Kirilov
CEO of CODIX Group
ikirilov@codix.eu

Laurent Tabouelle
COO of CODIX Group
LTabouelle@codix.eu

About CODIX

Imagine there is a software solution covering all aspects of Commercial Finance activities, allowing the financial institutions to shape and enrich their offerings without disturbing the internal users, nor their customers! A system which includes the most advanced business features, enabling all the business processes to be managed within a single technical structure that can easily be parameterised to meet each company's specific needs.

CODIX provides such an all-in-one software package which ensures a complete life-cycle support of all products under the Commercial Finance umbrella:

- Factoring (recourse, non-recourse, confidential, bulk, shadow ledgering)
- Invoice Discounting
- Asset-Based Lending
- Supply Chain Finance (reverse factoring, PO/shipment/inventory finance)
- Leasing

Multi-lingual, multi-currency, multi-country, iMX is a powerful and flexible IT solution for small and large businesses with native integration of all the tools needed to improve global productivity: Extranet, Automatic Dialer, Document Management and Business Intelligence tool.

The Expert System of iMX – Integrated Business Process Modelling tool and Workflow Execution Engine – automates even the most complex business processes. iMX also offers a fully featured web-based front-end for clients, front offices and external partners, while offering all possible productivity and communication instruments at the fingertips of the operations users, and opens to the outside world through a constantly growing catalog of APIs.

Our top-level multidisciplinary team is dedicated to the constant evolution of iMX. CODIX unrivaled software is currently used in 28 languages by more than 50,000 users in 50 countries.

Delivered in both SaaS/Cloud or On-premise model, with various levels of customization adapted to our clients' context and needs, iMX is designed to further enhance your business efficiency!

Reach us: **www.codix.eu**

efcom gmbh
Martin-Behaim-Straße 20
63263 Neu-Isenburg, Germany
Tel.: +49 (0) 61 02 - 8 83 50 0
Fax: +49 (0) 61 02 - 8 83 50 22
www.efcom.de/en
www.linkedin.com/company/efcom-gmbh

Federico Avellán Borgmeyer
Chief Partner Officer
sales@efcom.de
Tel.: +49 (0) 61 02 - 8 83 50 0

A reliable solution provider in VUCA times

Do you want to ensure that your factoring solution grows with you? Do you want your customers to be able to operate internationally, at any time, from anywhere and from any device? Are security and the use of cutting-edge technologies important to you?

efcom offers you exactly that: scalable software packages from the cloud, with innovative features made in Germany. With us, you can always count on more flexibility and professionalism – just like our 50 customers in 13 countries. Rely on efficient management of your entire factoring processes with a maximum degree of automation.

Your benefits from this:

- Scalability of the application according to your business growth
- Secure cloud solution for use at any time, from anywhere and on any device
- Use of cutting-edge technologies such as artificial intelligence, machine learning and blockchain
- High reliability "Made in Germany"
- Best performance due to high data volume throughput
- Highest precision, as processing takes place at individual document level
- Many more leverage effects and advantages

Please visit us at: **www.efcom.de/en**

Finventory
Rietschotten 1
4751XN Oud Gastel
The Netherlands

Phone: +31(0)85 303 7 300
Email: info@finventory21.com
www.finventory21.com

Contact
Ferdinand Royackers
Head of Business Development
ferdinand.royackers@finventory21.com

About FINVENTORY

Finventory is the first European company to offer a front-to-back outsourcing solution to banks and finance companies to manage its inventory-based working capital finance activities to SME's and corporate clients.

Our platform and related services encompass flexible and secure asset-based lending (borrowing base) as well as credit risk monitoring on working capital asset classes, covering both inventory and accounts receivable.

Finventory's mission is to enable lenders to support their clients growth opportunities through asset-based lending with a fully automated solution offering more insight, less risk and more efficiency.

Reach us: **www.finventory21.com**

3i Infotech Inc.
450 Raritan Center Parkway, Suite B, Edison, NJ 08837-3944, USA
W: www.3i-infotech.com | **E:** marketing@@3i-infotech.com | **T:** +1 732 710 4444

3i Infotech (India) Ltd
Tower#5, International Infotech Park, Vashi, Navi Mumbai, 400 703, Maharashtra, India
W: www.3i-infotech.com | **E:** marketing@3i-infotech.com | **T:** +91 22 7123 8000 / 6792 8000

3i Infotech (UK) Ltd
404, Irongate House, 22-30 Dukes Pl, London EC3A 7LP, UK
W: www.3i-infotech.com | **E:** marketing@3i-infotech.com | **T:** +44 020 4519 5011

40Seas
488 Madison Ave, New York, NY 10022, USA
W: www.40seas.com | **T** +1 332 733 8726

Alida
365 Bloor St. E, 5th Floor, Toronto, ON, M4W 3L4, Canada
W: www.alida.com | **T:** +1 604 647 1980

Alvantia
Avenida de la Albufera, 321, Floor 3, Office 8, 28031, Madrid, Spain
W: www.alvantia.com | **E:** sales@alvantia.com | **T:** +34 91 786 83 94

Aptic AB
Torsgatan 22, 113 21 Stockholm, Sweden
W: www.aptic.net | **E:** hello@aptic.net | **T:** +46 10 101 2000

Arcares (Lutech Group)
Via Massimo Gorki 30/32C, 20092 Cinisello Balsamo, Milan, Italy
W: www.lutech.group | **E:** info@lutech.it | **T:** +39 02 2542 7011

Aronova Inc
3600 Route 66, Suite 150, Neptune, NJ 07753, USA
W: www.aronova.com | **E:** enquiries@aronova.com | **T:** +1 (848) 466 5288

Aronova Interactive Ltd.
Fetcham Park House, Lower Road, Fetcham, Leatherhead, Surrey, KT22 9HD, UK
W: www.aronova.com | **E:** info@aronova.com | **T:** +44 (0) 1372 371 080

Arqit
11 Bressenden Pl, London SW1E 5BY, UK
W: www.arqit.uk | **E:** contactus@arqit.uk

Blackline
21300 Victory Blvd 12th Floor, Woodland Hills, CA 91367, USA
W: www.blackline.com | **E:** sales@blackline.com | **T:** +1 877 777 7750

Blackline (UK)
33 Charlotte Street, 1st Floor, London W1T 1RR, UK
W: www.blackline.com | **E:** sales@blackline.com | **T:** +44 20 3318 5941

Bolero International Ltd
WiseTech Global, YoooServ, Building 5, The Heights, Weybridge, Surrey, KT13 0NY, UK
W: www.bolero.net | **E:** support@bolero.net | **T:** +44 20 8432 5318

Channel Capital Advisors LLP
44 Whitfield Street, Bloomsbury, London, W1T 2RH, UK
W: www.channelcapital.io | **E:** enquiries@channelcapital.io | **T:** +44 20 7291 5160

Channel Capital Advisors LLP
Togather Finance BV, Cloud 9 BV, Kabelweg 57, 1014, Amsterdam, The Netherlands
W: www.channelcapital.io | **E:** enquiries@channelcapital.io

China Systems
5th Floor, Building No.3, 699-8 Xuan Wu Avenue, Xuan Wu District, Nanjing City, Jiangsu, 210042, China
W: www.chinasystems.com | **E:** cs@chinasystems.com | **T:** +86 25 8558 2112

China Systems Middle East
303, Dubai Real Estate Building, Al Mina Road, Port Rashid, Satwa, Dubai, UAE
W: www.chinasystems.com | **E:** csmea@chinasystems.com | **T:** +971 4312 1500

China Systems USA and Canada
125 Maiden Lane, #509 New York, NY 10038, USA
W: www.chinasystems.com | **E:** csamerica@chinasystems.com | **T:** +1 212 349 2565

CGI
33 Whitehall St, 15th Floor, New York, NY 10004, USA
W: www.cgi.com | **E:** banking.solutions@cgi.com | **T:** +1 212 612 3600

CGI (Canada)
1350 René-Lévesque, Boulevard West, 15th Floor, Montréal, Quebec, H3G 1T4, Canada
W: www.cgi.com | **E:** banking.solutions@cgi.com | **T:** +1 514 841 3200

CGI (UK)
14F, 20 Fenchurch Street, London EC3M 3BY, UK
W: www.cgi.com | **T:** +44 20 7637 9111

Coastline Solutions
8A, The Appian Way, Ranelagh, Dublin 6, Ireland
W: www.coastlinesolutions.com | **E:** info@coastlinesolutions.com | **T:** +353 1 235 2166

CODIX (Bulgaria)
Business park Sofia, building 2, 1766 Sofia, Bulgaria
W: www.codix.eu | **E:** info@codix.eu | **T:** +33 4 89 87 77 77

CODIX (Colombia)
Calle 25 Sur 45 71 CA 122, Envigado, Antioquia, Colombia
W: www.codix.eu | **E:** info@codix.eu | **T:** +57 3107 857 852

CODIX (France)
Immeuble Le Carat, 200 Rue du Vallon, Sophia-Antipolis, 06560 Valbonne, France
W: www.codix.eu | **E:** info@codix.eu | **T:** +33 4 89 87 77 77

CODIX (Mexico)
Av- Amsterdam 255-505 Colonia Hipódromo Condesa, 06100 Cuauhtémoc Mexico City, Mexico
W: www.codix.eu | **E:** info@codix.eu | **T:** +33 4 89 87 77 77

CODIX (Morocco)
374, Bd. Abdelmoumen Immeuble ATRIUM 5ème étage, Casablanca, Maroc
W: www.codix.eu | **E:** info@codix.eu | **T:** +212 7 08 00 66 30

CODIX (Spain)
Paseo de la Castellana 153 BJ 28046- Madrid, Spain
W: www.codix.eu | **E:** info@codix.eu | **T:** +34 654 469 227

CODIX (Tunisia)
Bloc 10B, 10ieme étage, Immeuble Lloyd croisement Avenue Tahar Gharsa et Rue Ahmed Hamza Centre Urbain Nord, 1003, Tunis, Tunisia
W: www.codix.eu | **E:** info@codix.eu | **T:** +33 4 89 87 77 77

CODIX (USA)
1230 Peachtree Street NE Suite 1900 – PMB 208 Atlanta, Ga 30309 USA
W: www.codix.eu | **E:** info@codix.eu | **T:** +1 404 790 0998

CODIX (Vietnam)
Etown 3, 4th floor, Unit 4.1 & 4.7, 364 Cong Hoa, Ward 13, Tan Binh district, Hochiminh City, Vietnam
W: www.codix.eu | **E:** info@codix.eu | **T:** +33 4 89 87 77 77

Comarch
al. Jana Pawła II 39 A, 31-864 Kraków, Poland
W: www.comarch.com | **E:** info@comarch.com | **T:** +48 12 646 1000

Comarch (UK)
Terminal House, 52 Grosvenor Gardens, London SW1W 0AU, UK
W: www.comarch.com | **E:** info@comarch.com | **T:** +44 20 7467 8700

Complex Systems Inc.
3553 31 St NW #111, Calgary, Alberta, T2L 2K7, Canada
W: www.complexsysteminc.com | **E:** CS@complexSysteminc.com | **T:** +1 403 452 4312

Covisian
Via dei Valtorta, 47 - 20127 Milan (MI), Italy
W: www.covisian.com | **E:** info@covisian.com | **T:** +39 2 9281 6801

Crossflow Payments Ltd
Blackwell House, Guildhall Yard, London EC2V 5AE, UK
W: www.crossflowpayments.co.uk | **E:** sales@crossflowpayments.co.uk | **T:** +44 20 3475 9060

CRX Markets
Landsberger Str. 93, 80339 München, Germany
W: www.crxmarkets.com | **E:** sales@crxmarkets.com | **T:** +49 892 5552 4680

Dancerace plc (Australia)
W: www.dancerace.com | **E:** info@dancerace.com.au | **T:** +61 2 8520 3831

Dancerace plc
Ground Floor, Riverside South Building, Walcot Yard, Bath, BA1 5BG, UK
W: www.dancerace.com | **E:** info@dancerace.com | **T:** +44 870 777 3033

Demica
Bow Bells House, 1 Bread Street, London EC4M 9BE, UK
W: www.demica.com | **E:** advisory@@demica.com | **T:** +44 20 7450 2500

Efcom GmbH
Martin-Behaim-Strasse 20, 63263, Neu-Isenburg, Germany
W: www.efcom.de | **E:** sales@efcom.de | **T:** +49 6102 883500

Enigio AB
Drottningholmsv. 10, 5 tr, 112 42 Stockholm, Sweden
W: www.enigio.com | **E:** gunnar.collin@enigio.com

Finastra
4 Kingdom Street, Paddington, London W2 6BD, UK
W: www.finastra.com | **T:** +44 20 3320 5023

Finastra (Canada)
5995 Avebury Road, 2/F, Mississauga, ON L5R 3P9, Canada
W: www.finastra.com | **T:** +1 905 267 5000

Finastra (Singapore)
5 Shenton Way #12-01/04, UIC Building, 068808, Singapore
W: www.finastra.com | **T:** + 65 6416 4047

Finastra (UAE)
11/F, Arenco Tower, Media City, PO Box 29561, UAE
W: www.finastra.com | **T:** +971 4433 1320

Finastra (USA)
744 Primera Blvd, Suite 2000, Lake Mary, FL 32746, USA
W: www.finastra.com | **T:** +1 407 829 6326

Finventory
Rietschotten 1, PB 203, 4751 XN Oud Gastel, Netherlands
W: www.finventory21.com | **E:** info@finventory21.com | **T:** +31 853 037 300

Finverity
The Harley Building, 77 New Cavendish Street, London W1W 6XB, UK
W: www.finverity.com | **E:** info@finverity.com

Genpact (India)
12A, G/F, Prakash Deep Building, 7 Tolstoy Marg, New Delhi 110001, India
W: www.genpact.com | **E:** hr.helpdeskexit@genpact.com | **T:** +91 80 4198 2000

Genpact (UK)
5th Floor, 5 Merchant Square, Paddington, London W2 1AY, UK
W: www.genpact.com | **E:** hr.helpdeskexit@genpact.com | **T:** +44 20 7227 5200

Global Supply Chain Finance Ltd.
Gotthardstrasse 2, 6300 Zug, Switzerland
W: www.gscf.com | **E:** info@gscf.com | **T:** +41 41 922 2200

Global Supply Chain Finance Ltd.
Zonamerica Celebra Building, Office 701 Ruta 8 -Km 17.500 Montevideo, Uruguay
W: www.gscf.com | **E:** info@gscf.com

IFG
7910 Woodmont Avenue, Suite 1050, Bethesda, MD 20814, USA
W: www.interfacefinancial.com | **E:** dscf@interfacefinancial.com | **T:** +1 877 210 9748

IFG (UK)
Riverside Business Centre, Riverside House, River Lawn Road, Tonbridge TN9 1EP, UK
W: www.interfacefinancial.co.uk | **E:** uk@interfacefinancial.com | **T:** +44 (0) 800 014 8626

IMS Enterprise Solutions S.A.
7 Nik. Vrettakou Street, 17455 Alimos, Greece
W: www.imsgr.com | **E:** info@imsgr.com | **T:** +30 210 980 1110

Infor Nexus
641 Avenue of the Americas, New York, NY 10011, USA
W: www.infor.com | **E:** service@infor.com | **T:** +1 646 336 1700

Info Nexus (UK)
11th Floor, 123 Victoria Street, London, SW1E 6DE, UK
W: www.infor.com | **T:** +44 20 7861 5700

Infinity Business Solutions
IBS, Jdeideh, Lebanon
W: www.ibsleb.com | **E:** info@ibsleb.com | **T:** +961 1 893 971 | +961 76 888 002

Jack Henry & Associates
663 W Hwy 60. Monett, MO 65708, USA
W: www.jackhenry.com | **T:** +1 417 235 6652

Kyriba
4435 Eastgate Mall, Suite 200, San Diego, CA92121-1980, USA
W: www.kyriba.com | **E:** info-usa@kyriba.com | **T:** +1 858 210 3560

Kyriba (France)
247 Bureaux de la Colline, Bâtiment C, 5ème étage, 92213 Saint-Cloud Cedex, France
W: www.kyriba.com | **T:** +33 (0)1 7792 1717

Kyriba (Germany)
Am Kronberger Hang 2, 65824 Schwalbach, Frankfurt, Germany
W: www.kyriba.com | **T:** +49 (6196) 9348 380

Kyriba (Italy)
Via Filippo Turati, 4, 20121 Milan MI, Italy
W: www.kyriba.com | **T:** +390 (23) 859 27 82

Kyriba (Japan)
Kamiyacho Trust Tower 23F, 4-1-1 Toranomon, Minato-ku, Tokyo 105-6923, Japan
W: www.kyriba.com | **T:** +81 50 1741 7069

Kyriba (Poland)
Astoria Premium Offices, ul., Przeskok 2, 00-032, Warsaw, Poland
W: www.kyriba.com | **T:** +48 22 331 78 00

Kyriba (Shanghai)
Room 4225, CITIC Square, 1168 Nanjing West Road, Shanghai 200041, China
W: www.kyriba.com | **T:** +86 21 6062 6277

Kyriba (Singapore)
8 Temasek Boulevard, #14-04 Suntec Tower Three, Singapore 038988, Singapore
W: www.kyriba.com | **T:** +65 6804 5180

Lendscape
22 Worple Rd, Wimbledon, London SW19 4DD, UK
W: www.lendscape.com | **E:** contact@lendscape.com | **T:** +44 20 8780 6800

Lendscape (Americas)
735 Tank Farm Road, Suite 185, San Luis Obispo, CA 934017074, USA
W: www.lendscape.com | **E:** contact@lendscape.com

Lendscape (Singapore)
Level 11, Marina Bay Financial Centre, Tower 1, 8 Marina Blvd, 018981, Singapore
W: www.lendscape.com | **E:** contact@lendscape.com | **T:** +65 6653 4688

Lenvi
Victoria House, Lawnswood Business Park, Redvers Cl, Leeds LS16 6QY, UK
W: www.lenvi.com | **E:** lenvi@thefolkgroup.com | **T:** +44 (0) 844 811 8039

NAVAX
Landsberger Strasse 350, 80687 Munich, Germany
W: www.navax-software.com | **E:** kontakt@navax.com | **T:** +49 89 78 000 0

Novabase
Av. D. Joao II, 34, Parque das Nacoes, 1998-031 Lisboa, Portugal
W: www.novabase.pt | **E:** info@novabase.pt | **T:** +351 213 836 300

Orbian
2175 Salk Ave, Suite 160, Carlsbad, CA 92008, USA
W: www.orbian.com | **E:** service@orbian.com | **T:** +1 760 891 2300

Orbian (UK)
2nd Floor, 34-37 Liverpool Street, London EC2M 7PP, UK
W: www.orbian.com | **E:** service@orbian.com | **T:** +44 (0) 208 051 8890

OSMO Data Technology
Gostrey House, Union Road, Farnham, Surrey, GU9 7PT, UK
T: +44 (0) 125 272 8184

Premium Technology
111 Town Square Pl, Suite 1510, Jersey City, NJ 07310, USA
W: www.premiumit.com | **E:** info@premiumit.com | **T:** +1 212 855 5511

PrimaDollar
3 Onslow St, Guildford GU1 4SY, UK
W: www.primadollar.com | **T:** +44 01483 568040

PrimeRevenue Inc.
600 Peachtree St NE, Suite 4400, Atlanta, GA 30308, USA
W: www.primerevenue.com | **E:** support@primerevenue.com | **T:** +1 678 904 7100

ProfitStars
1025 Central Expressway South, Allen, TX 75013-2790, USA
W: www.profitstars.com | **T:** +1 972 359 5500

Qualco S.A.
66 Kifisias Ave. 15125, Maroussi, Athens, Greece
W: www.qualco.eu | **E:** info@qualco.eu | **T:** +30 210 619 8903

SasiaNet
24 Torrington Avenue, Colombo 00700, Sri Lanka
W: www.sasianet.com | **E:** contactus@sasianet.com | **T:** +94 11 2553560

SCHUMANN
Weender Landstrasse 23, 37073 Göttingen, Germany
W: www.prof-schumann.com | **E:** info@prof-schumann.de | **T:** +49 551 383 15 0

SCHUMANN (UK)
138 Houndsditch, London EC3A 7AR, UK
W: www.prof-schumann.com | **E:** info@prof-schumann.de

Settlemint
7 eventuinen, Arnould Nobelstraat 30, 3000 Leuven, Belgium
W: www.console.settlemint.com

Silcube Financial Systems Oy
Wonderland Work, Linnoitustie 6, 02600 Espoo, Finland
W: www.silcube.com | **E:** sales@silcube.com | **T** +358 50 341 48 87

SmartStream Technologies
St Helen's, 1 Undershaft, London, EC3A 8EE, UK
W: www.smartstream-stp.com | **E:** info@smartstream-stp.com | **T:** +44 (0)20 7898 0600

Solifi (UK)
13 Hanover Square, London, W1S 1HN, UK
W: www.solifi.com | **E:** marketing@solifi.com | **T:** +44 (0) 1908 576 699

Solifi (US)
TractorWorks Building, 800 Washington Avenue North, Suite 901, Minneapolis, Minnesota 55401, USA
W: www.solifi.com | **E:** marketing@solifi.com | **T:** +1 612 851 3200

Surecomp Business Solutions
1 Yorkdale Road, Suite 602, Toronto, ON M6A3A1, Canada
W: www.surecomp.com | **E:** marketing@surecomp.com | **T:** +1 416 781 5545

Surecomp Business Solutions (UK)
Matrix House, Basing View, Basingstoke RG21 4FF, UK
W: www.surecomp.com | **E:** marketing@surecomp.com | **T:** +44 125 636 5400

Swift
Avenue Adèle 1, B-1310 La Hulpe, Belgium
W: www.swift.com/corporates | **T:** +32 2 655 3111

Swift (UK)
6th floor, The Corn Exchange, 55 Mark Lane, London, EC3R 7NE UK
W: www.swift.com | **E:** info@swift.co.uk | **T:** +44 20 7762 2000

Taulia
95 Third Street #284, San Francisco, CA 94103, USA
W: www.taulia.com | **E:** info@taulia.com | **T:** +1 415 376 8280

Taulia (UK)
Office 3.13, Liberty House, 222 Regent Street, London W1B 5TR, UK
W: www.taulia.com | **E:** info@taulia.com

Tinubu
86 Rue Henry Farman, 92130 Issy-les-Moulineaux, France
W: www.tinubu.com | **E:** contact@tinubu.com | **T:** +33 1 5595 8585

Tinubu (UK)
6 Bevis Marks, London EC3A 7BA, UK
W: www.tinubu.com | **E:** uk@tinubu.com | **T:** +44 20 7469 2577

Tinubu (USA)
575 Madison Ave, New York, NY 10022, USA
W: www.tinubu.com | **E:** americas@tinubu.com | **T:** +1 212 605 0444

Tradeshift Inc.
221 Main Street, Suite 250, San Francisco, CA 94105, USA
W: www.tradeshift.com | **T:** +1 800 381 3585 +1 650 303 0649

Validis
71-73 Carter Ln, London EC4V 5EQ, UK
W: www.validis.com | **E:** datashare-support@validis.com | **T:** +44 20 3435 6484

Veefin Solutions
601, Neelkanth Corporate Park, Near Vidyavihar Station, Vidyavihar West, Mumbai 400086, India
W: www.veefin.com | **E:** sales@veefin.com | **T:** +91 932 393 3093

VTXRM
Tagus Park – Edifícios Qualidade, Av. Prof. Dr. Cavaco Silva, Bloco B 3 – 1º e 2º Andar, 2740-296 Porto Salvo, Lisbon, Portugal
W: www.vtxrm.com | **E:** geral@vtxrm.com | **T:** +351 210 497 779

Zenfact Solutions PVT Ltd.
Millenium Business Park, Unit No. 317, Building 2, Sector 1, Mahape, Navi Mumbai.- 400-701, India
W: www.zenfact.com | **E:** sales@zenfact.com | **T:** +91 022 656 424 00