



SWIFT supporting Supply Chain Financing

ESCAP - ARTNet Research Workshop

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FIN - Average daily volumes

Actual growth October YTD 2013 versus October YTD 2012

	EMEA	Americas	Asia Pacific	Total
Payments	+8.5%	+11.0%	+10.2%	+9.3%
Securities	+11.6%	+10.6%	+16.3%	+11.9%
Treasury	+11.8%	+9.5%	+13.2%	+11.6%
Trade	-0.5%	-5.7%	+2.6%	+0.0%
Total	+10.0%	+10.6%	+12.3%	+10.4%

Adoption of Trade Documentation



Trade Finance - MT700 - Year 2012 - Key Asian Market

Countries	LC Export (MT700 received)	LC Import (MT 700 Sent)	Ratio Import/Export
Singapore	387508	132,029.00	294%
China	1,300,704.00	564,335.00	230%
Bhutan	572.00	256.00	223%
Indonesia	181373	94966	191%
India	550,414.00	306,080.00	180%
Bangladesh	222,794.00	412,316.00	54%
Cambodia	1,237.00	2,979.00	42%
Laos	145.00	913.00	16%
Nepal	1,520.00	29,220.00	5%
Myanmar	122	38936	0%



Focus on RMB currency

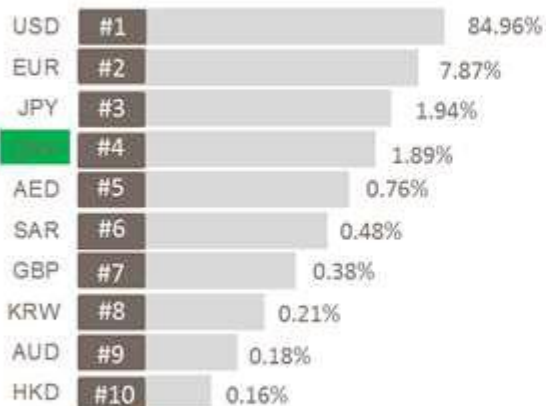


By analyzing the RMB business flows:

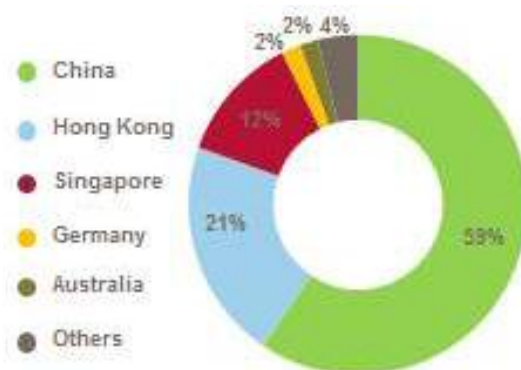
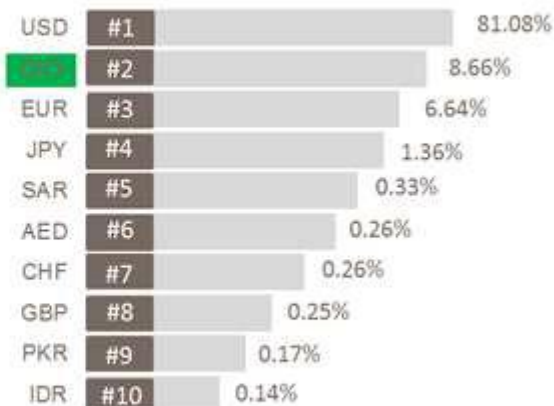
- RMB now 2nd most used currency in trade finance, overtaking the Euro
- RMB Letters of Credit and Collections grew from an activity share of 1.89% in January 2012 to 8.66% in October 2013

RMB as world trade finance currency in value

Jan 2012

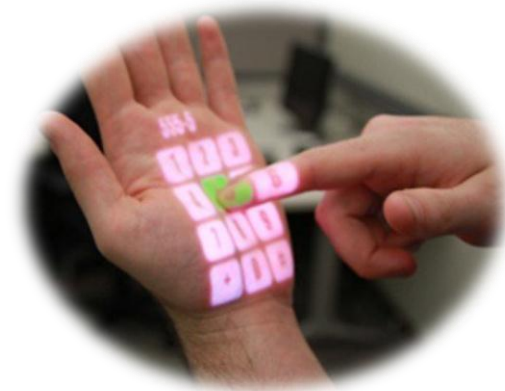


Oct 2013

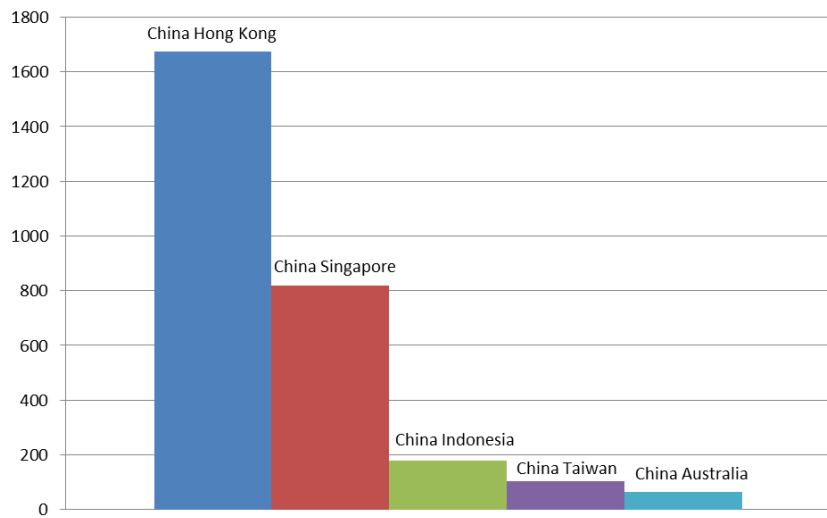


Top 5 countries using RMB for trade finance in October 2013
Value sent and received with the rest of the world

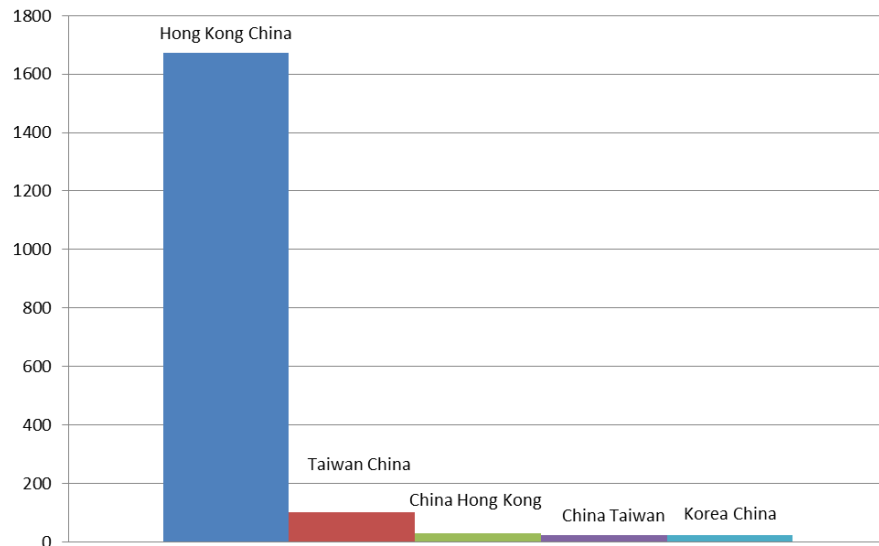
RMB Trade Finance— Main Corridors - LC



RMB Global Trade Finance - Main Corridors - Letters of Credit SENT (Volume)



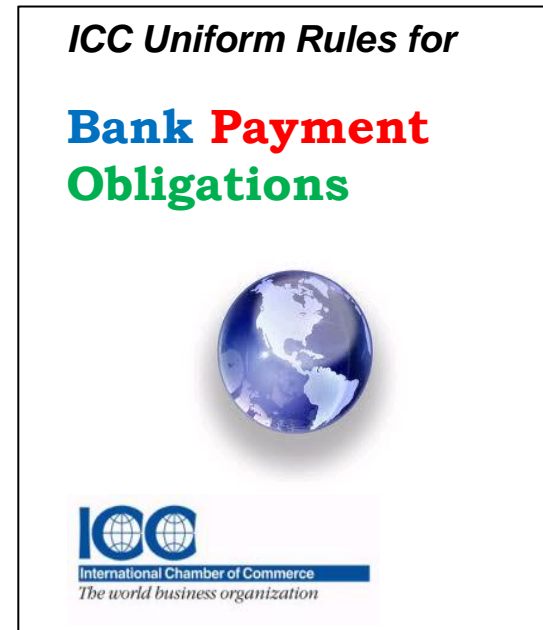
RMB Global Trade Finance - Main Corridors - Letters of Credit RECEIVED (Volume)



The Bank Payment Obligation (BPO)

A new alternative instrument for trade settlement

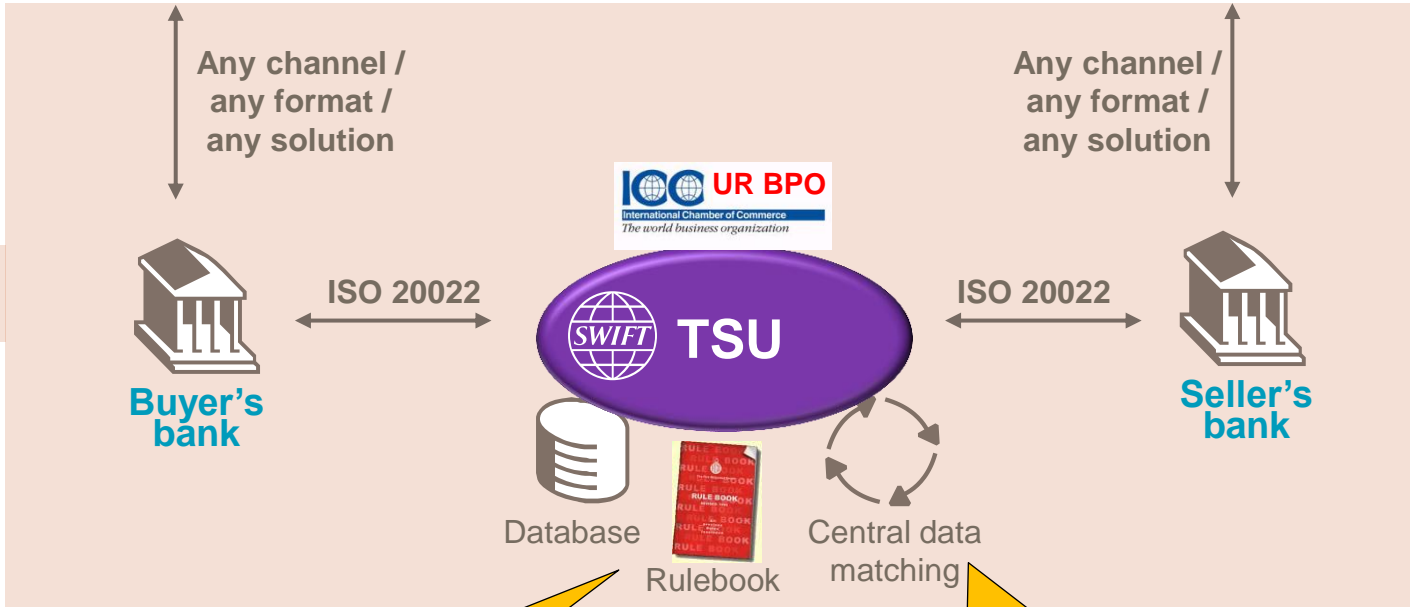
A **BPO** is an **irrevocable undertaking** given by one **bank** to another **bank** that **payment** will be made on a specified date after a successful **electronic matching** of data according to an industry-wide set of rules.



Trade Services Utility

Banks addressing corporate needs

BPO: a commercial agreement between buyer and seller



Dematerialised flows

A legally binding rulebook owned by the ICC and based on ISO 2022 standards

An industry-wide messaging and matching platform that implements the BPO in a multi-bank environment



The BPO enables SCF to start when it should

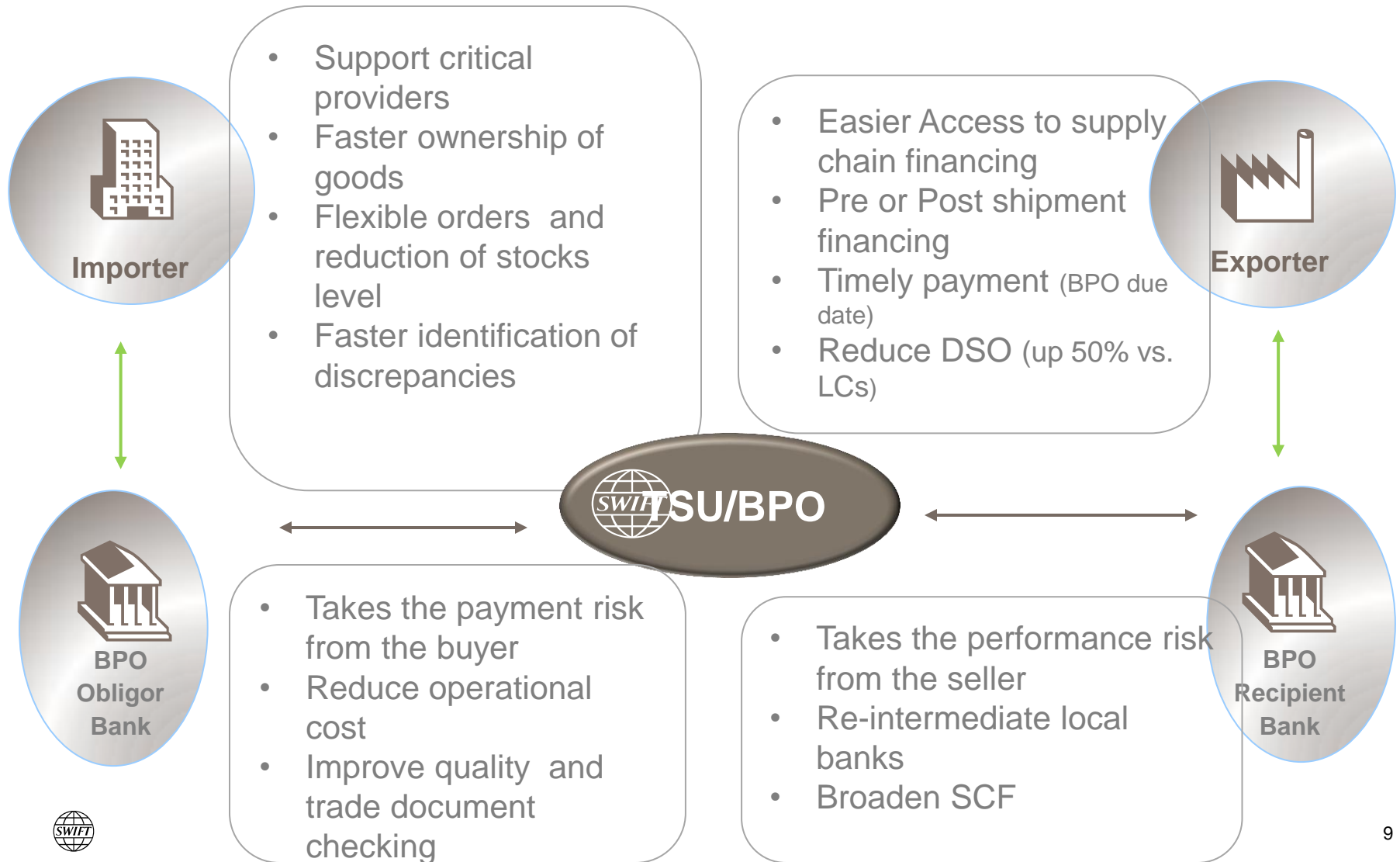
Ordering	Production	Delivery	Invoicing	Goods Acceptance	Payment & cash mgmt
Purchase Order (PO)	Certificates	Transport Documents	Invoice Issuance	Invoice Approval	Payment
Payment risk mitigation Pre-shipment finance			Post-shipment finance	Receivables Finance	Payment Processing



The UR BPO and ISO 20022 industry standards will allow banks to extend their SCF offerings to risk mitigation and post-shipment financing services

BPO meets the 4 pillars of trade finance

Payment certainty, Financing, Information flow & Risk mitigation





Thank you

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