

How electronic invoicing can support supply chain finance: Market practices in supply chain finance

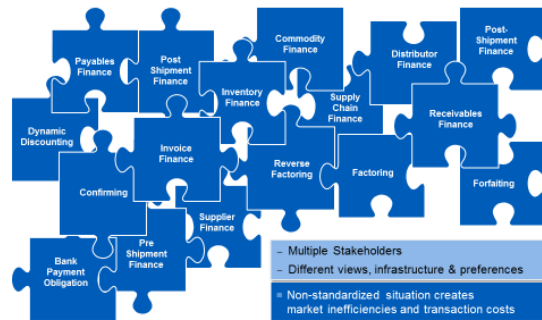
October 2019



Global Supply Chain Finance Forum – where are we coming from?

Why a common terminology?

Plethora of SCF-related market definitions



Source: <http://supplychainfinanceforum.org/>

2014 / 2015

4 years later...:



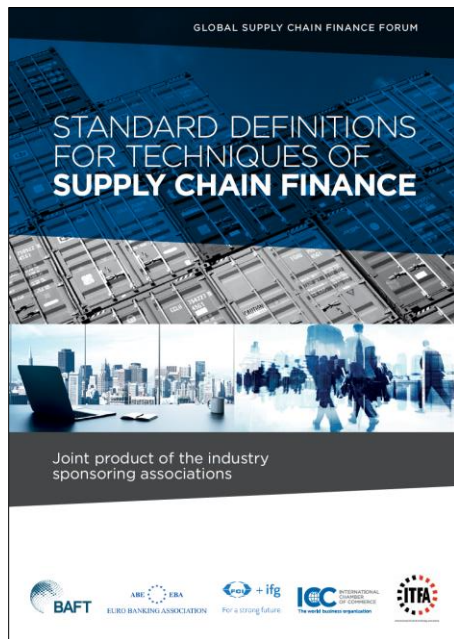
GSCFF



2018 / 2019



SCF Standard Definitions: from confusion to clarity



- 3/2016:** Publication of global standard definitions for Supply Chain Finance
- Intent:** (...) consistent and common understanding about SCF (...) global adoption of the definitions (...)
- Audience:** Finance Providers, Clients, Investors, Regulators, Legal Practitioners, Infrastructure Providers
- Expectation:** Further work based on the definitional framework (...) likely to follow:
www.supplychainfinanceforum.org



Global Supply Chain Finance Forum – Governance

Global Supply Chain Finance Forum

Steering Board: Representatives from 5 member organizations
BAFT (Tod Burwell), **EBA** (Jose Vicente), **FCI** (Peter Mulroy), **ICC** (Olivier Paul), **ITFA** (Sean Edwards)

Chairman of the Forum: Christian Hausherr

Working Group: Selected Subject Matter Experts upon invitation / nomination

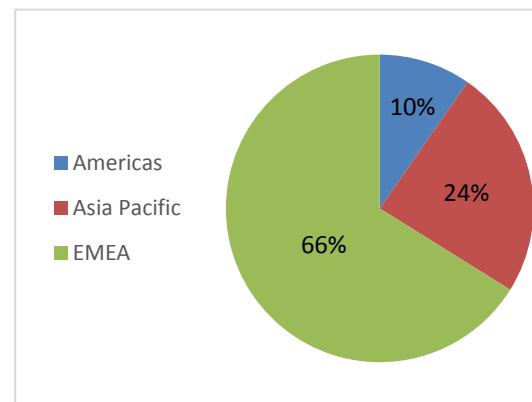
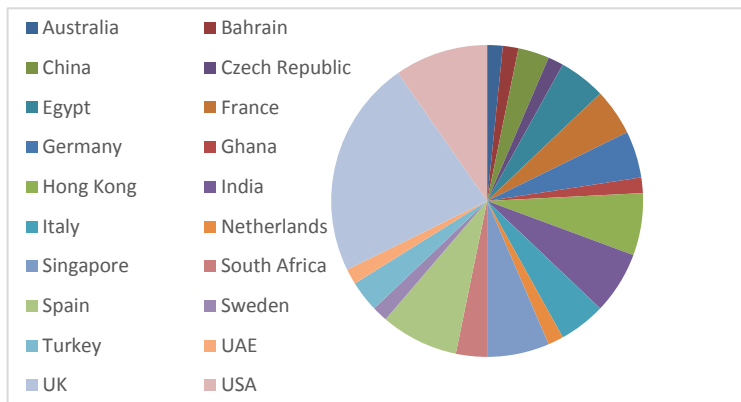
- Delegates from participating organizations
- Subject Matter Experts from further organizations

Areas of work: Activities and initiatives as agreed with the Steering board

- Create additional guidance on SCF
- Prepare the ground for Rules
- Market Engagement on SCF-related matters



Global Supply Chain Finance Forum – Participant base



- 62 participants (from 43 banks and 17 non-banks)
- 20 countries across 3 regions

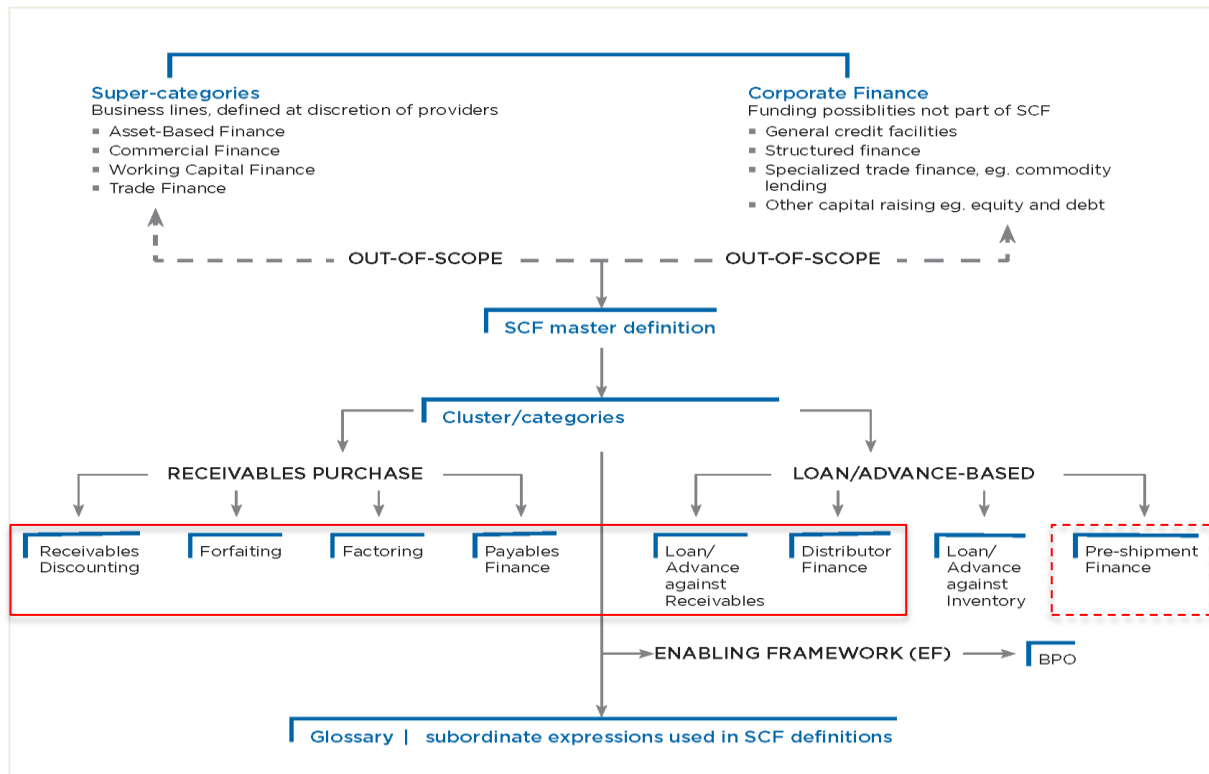


Global Supply Chain Finance Forum – what is going on?

- SCF Standard Definitions available in Chinese language (January 2019)
- ICC / BAFT / Wolfsberg Trade Finance Principles (March 2019)
- ICC Trade Register enhanced with a new category for Payables Finance (June 2019)
- Guidance on Receivables Discounting (published June 2019)
- Guidance on Payables Finance
- Translation of Guidance on Receivables Discounting into Chinese language
- Position Paper on Rules for SCF
- Maintenance of SCF Definitions

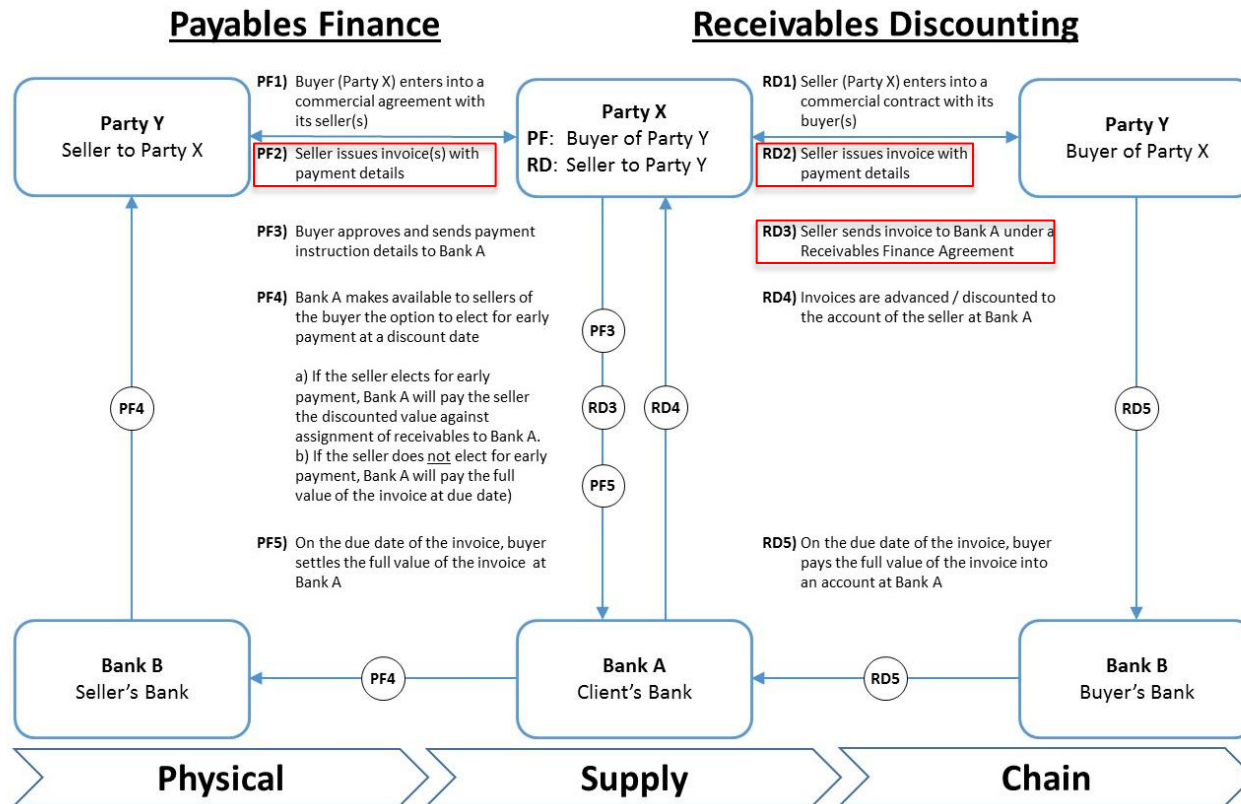


SCF Techniques – where can e-invoicing help?



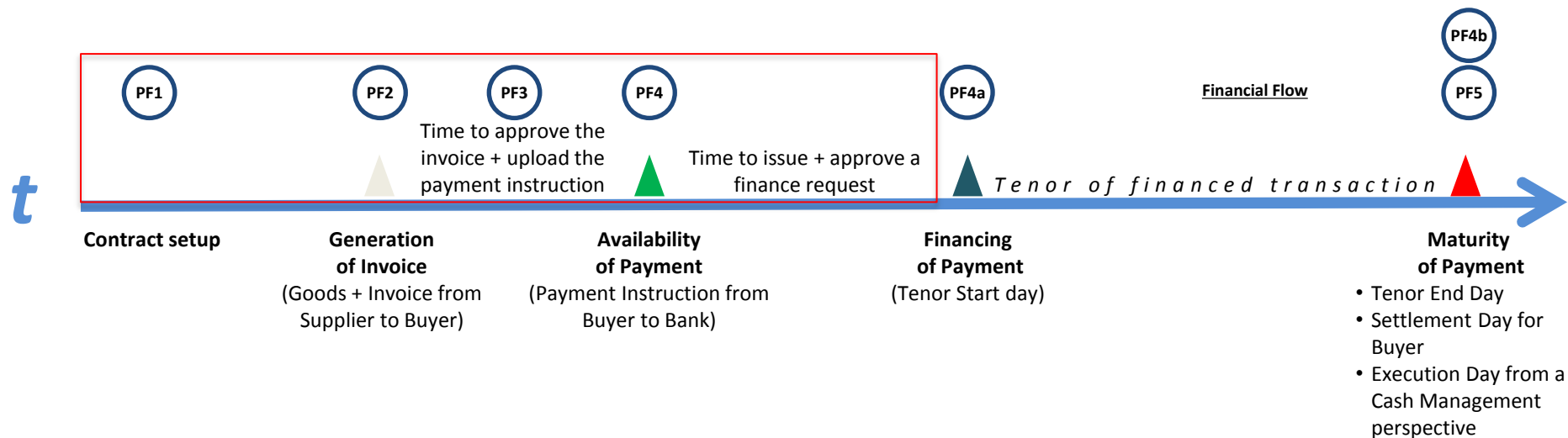


SCF and e-invoicing where are the opportunities?





SCF and e-invoicing where are the opportunities?





SCF and e-invoicing - conclusions

- SCF can help buyers and sellers to optimize their working capital
- Standards for SCF are available through the Global Supply Chain Finance Forum
- Ample opportunities to streamline the invoicing and subsequent SCF process
- SCF Providers welcome any automated approach on invoice automation
- Industry is working on solutions to collaborate and develop the future landscape