



Advisory Services
International Inc.

Trade and Supply Chain Finance:

Selected Observations

Asia Pacific Trade Facilitation Forum

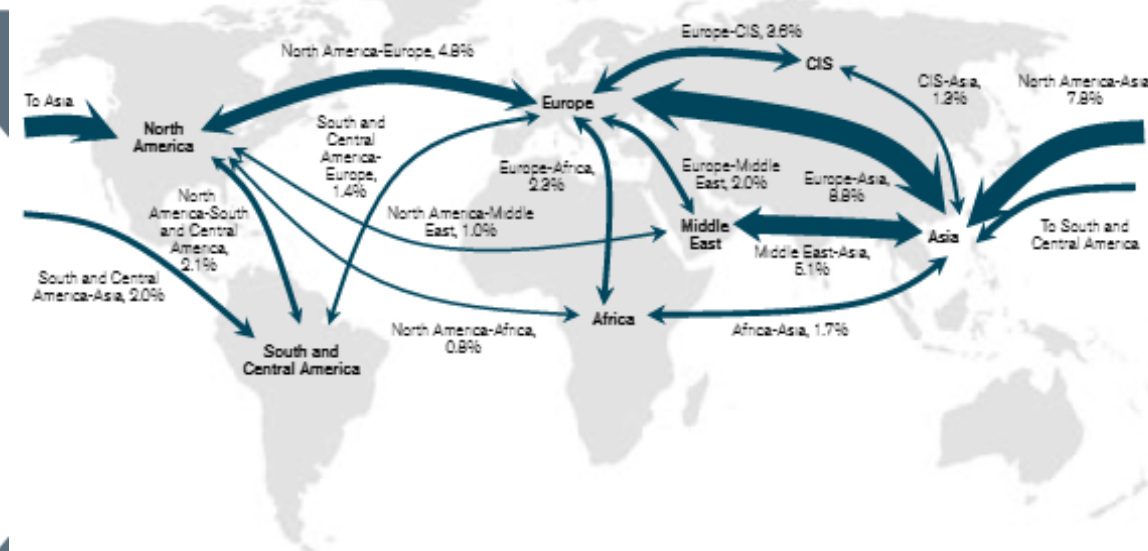
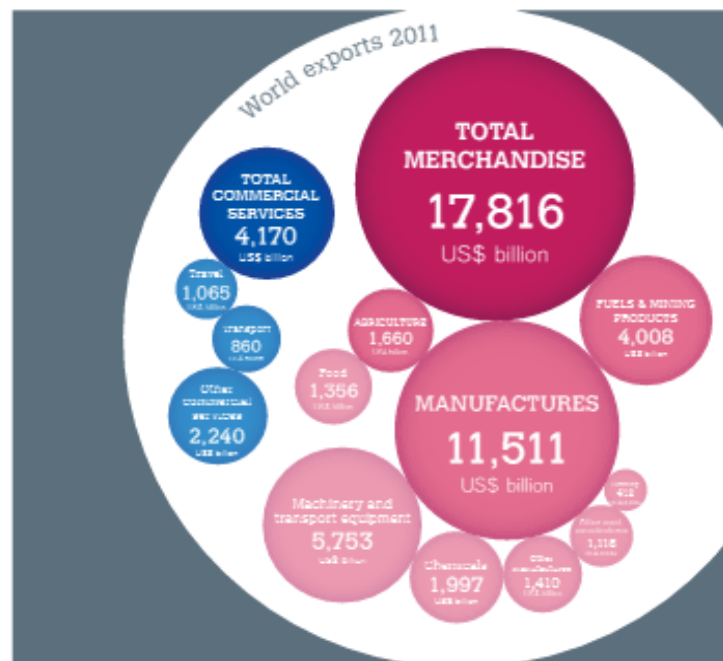
Beijing, China

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OPUS Advisory Services International Inc.*

Key Messages

- Trade is critical to the APAC Region, and trade finance enables up to 90% of global import and export flows
- Trade and supply chain finance can be very effective in supporting trade-based development, and the engagement of Small and Medium-sized Enterprises (SME's) in trade activity
- Crisis-based and post-crisis dynamics around trade finance have helped raise the profile of an under-appreciated discipline, one with negligible loan loss history
- Innovations like the Bank Payment Obligation can become very effective in enabling access to trade finance for SME's and developing economies

International Trade Statistics 2012



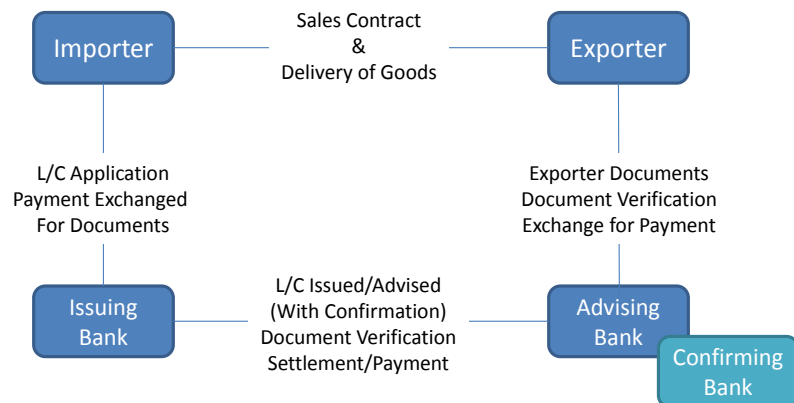
Source: WTO Secretariat estimates.

Note: World trade includes intra-EU trade. Arrow weights based on shares in 2011. Trade within regions and with unspecified destinations represented 54% of world trade in 2011.

- Industry metrics suggest 80-90% of global trade is supported by some form of trade finance. Export Credit Agencies (ECA's) alone support about 10% of global trade
- Emerging sourcing patterns and trade flows, including flows to and from Asia, are likewise dependent on financing. Extended global supply chains and regional trade flows alike require liquidity and risk mitigation solutions available through trade finance
- The link between trade finance and the creation of economic value has only recently been the focus of serious analysis; An Asian Development Bank (ADB) Survey suggests a 10% increase in trade finance can translate to a 5% increase in business activity and demand for human resources

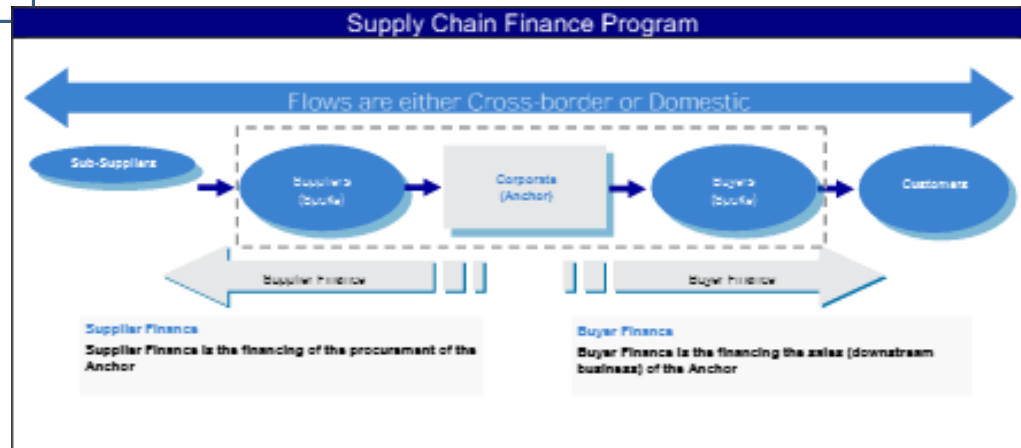
Traditional & Supply Chain Finance

Payment <ul style="list-style-type: none"> Secure Timely & Prompt Global Low-cost All leading currencies 	Financing <ul style="list-style-type: none"> Available to importer or exporter Several stages in the transaction No impact in Operating Line for exporters 	Risk Mitigation <ul style="list-style-type: none"> Risk Transfer Country, Bank and Commercial Risk Transport Insurance Export Credit Insurance 	Information <ul style="list-style-type: none"> Financial flows Shipment Status Quality of Shipment L/C systems include web & desktop solutions
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- Long-established, familiar instruments supported by global rules and practices
- Effective in high-risk and developing markets
- SME's underserved by banks but supported by IFI's and ECA's
- Use of "Traditional Trade" globally is flat and trending down

- Evolving proposition around global supply chains
- Strong potential for SME Suppliers based in Emerging and Developing Markets
- International Financial Institutions (IFI's) contributing significantly to evolution of SCF Proposition
- Rapid growth and utilization of SCF facilities
- Cross-border factoring growth 36% in 2012



Notable Trends & Developments

1



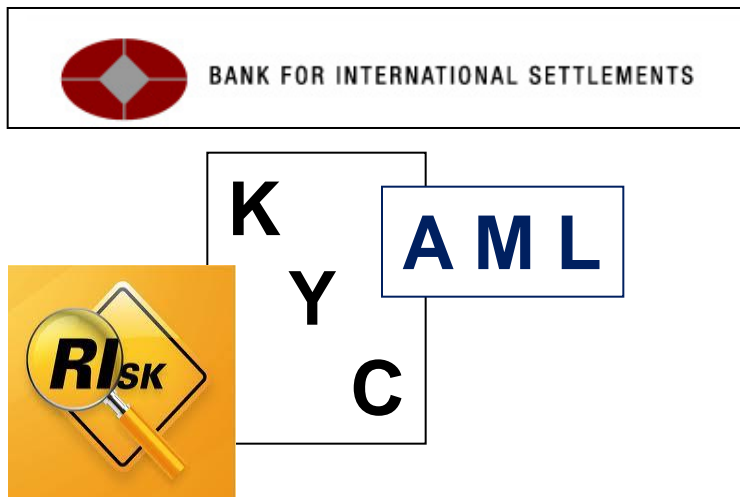
Analysis Matures, Gains Robustness

2



An Industry Finds its Voice(s)

3



Risk and Regulation at Forefront

1

The crisis motivated an unprecedented level of analysis around trade finance

2

Industry stakeholders have taken a complementary and integrated approach, trade finance enjoys significant profile

3

Risk management and regulatory considerations take centre-stage

TOTAL 2008-11	TRANSACTION DEFAULT RATE	DEFAULTED TRANSACTION LOSS RATE	M (IMPLIED, DAYS)	SPECIFIC TXN- LEVEL LOSS RATE
Import L/Cs	0.020%	42%	80	0.008%
Export Confirmed L/Cs	0.016%	68%	70	0.011%
Loans for Import	0.016%	64%	110	0.010%
Loans for Export: Bank risk	0.029%	73%	140	0.021%
Loans for Export: Corporate risk	0.021%	57%	70	0.012%
Performance Guarantees	0.034%	85%	110	0.029%
Total	0.021%	57%	90	0.012%

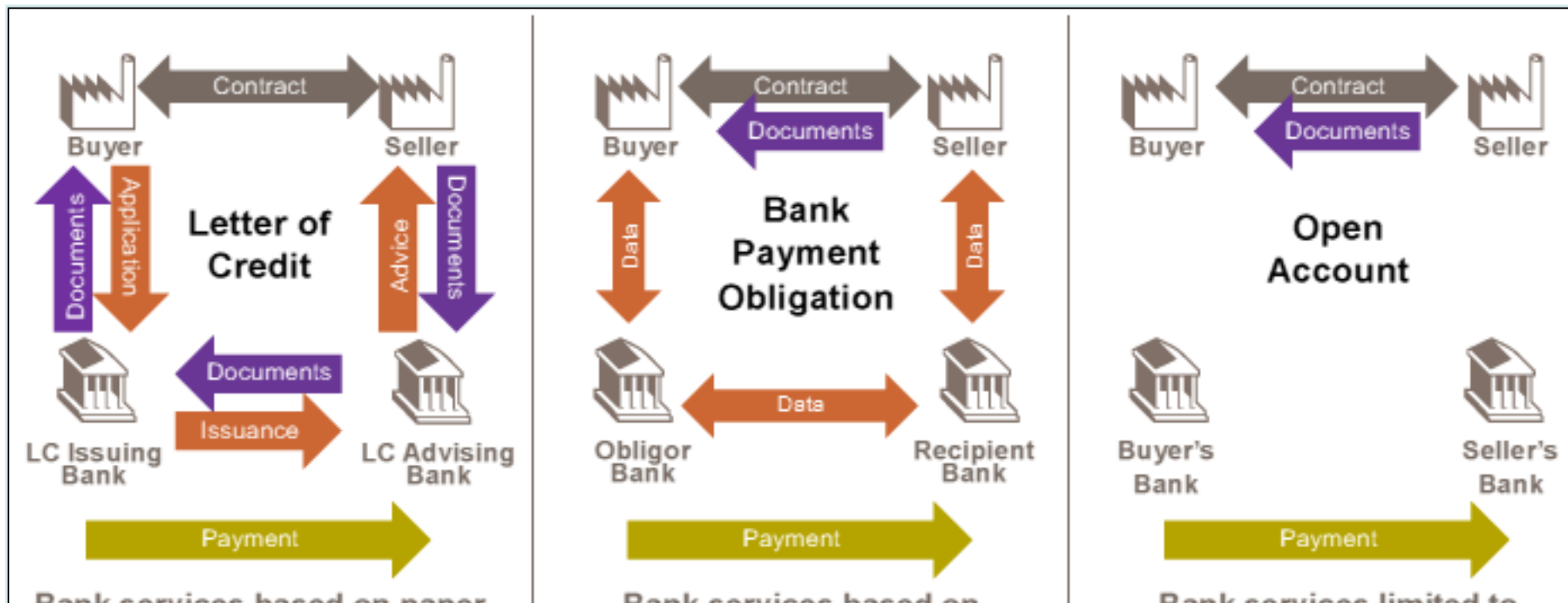
	EBRD	IFC	IDB	ADB
Program Title	TFP	GTFP	TFFP	TFP
Number of Countries of Operation	20	94	21	18 (soon to be 19 with expansion to Myanmar)
Program Commencement	1999	2005	2005	2004
Number of Transactions since Commencement (year end 31 Dec 2012)	13,504	25,000	1,079	6,295
Value of Transactions since Commencement	EUR8.8 bn	USD21.8 bn	USD2.62 bn	USD12.6 bn
Number of Confirming Banks	800	1,050	224	120
Claims to Date	2 No losses	0	0	0



- Default and loss rates in trade finance, including programs supported by IFI's, are less than negligible
- Does this present an opportunity to advocate at the policy level, for wider-ranging programs and solutions?
- Can we use this data in the context of international development, to argue that trade finance is very well risk-mitigated, and should be more easily accessible to SME'



Major Innovation: The Bank Payment Obligation (BPO)



预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_6748

