

IN-SIGHT

Connecting and Supporting the Open Account Receivables Finance Industry Worldwide

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EXECUTIVE SUMMARY



TANYA NAYSMITH
Marketing Officer

Dear Reader,

Welcome to the latest edition of In-Sight!

In this issue, we hear from FCI's Chair, Ms Daniela Bonzanini, as she shares the updates that have taken place within FCI, highlighting the Secretary General transition period, the 55th Annual Meeting and the new memberships. FCI's Secretary General, Mr Peter Mulroy, explores the ESG Impact on Receivables Finance and asks the question where are we heading?.

In the Connect section of this edition, Mr Nassourou Aminou, Regional Manager for Africa, shares highlights from the Afreximbank, EFF and FCI workshop on promotion of factoring in Africa. Mr Thompson Lui, Regional Managers for the South and Southeast Asia, shares the South and South Asia Insights from 2022. Ms Betül Kurtulus, Regional Director CEE and SEE and the Middle East, shares an update on the Resilience and developments of Factoring in CEE & SEE regions conference that took place this past quarter. Ms Betül Kurtulus and Ms Aysen Çetintas, FCI Education Director, shared their views and experience from the recent event FCI hosted with EBRD on Regional Trade Finance and Factoring Conference for Banks and Corporates. Mr Lin Hui, Regional Director for North East Asia explains the "Middle-Income Trap" of Movable Asset-based Finance. And Mr Alberto Wyderka, Regional Director for the Americas shares his views on when needs and opportunities meet.

In a follow on from the 'Meet the Directors' segment, we have interviewed our staff and Secretariat so you can get to know them a little more. Read the article and get to know, Ms Gwendoline de Viron (Head of Marketing & Communication) and Ms Teresa van de Putte (Administrative Assistant). In this edition, we welcome and introduce our new Partner Member; LedgerFunding Inc., our new Affiliate Member; State Bank of India (SBI), New York and our new Associate Member, Banco Unión S.A.. We get to know each of the FCI Technical Committees and their members, in this issue we introduce the Education Committee, otherwise known as 'EdCom'.

In the Education section of this issue, Ms Aysen Çetintas, shares news about Afreximbank and FCI's Factoring Workshop in Kampala, Uganda. FCI Deputy Education Director, Mr Spyros Tsohis, shares highlights from the Legal Webinar for the Americas as they explored "Contract & Rules: The Key Elements for correct Factoring & Supply Chain Finance Transactions".

In the Influence section of this edition, Mr Yüce Uyanik, Legal Committee Member, shares the latest developments on the AAOIFI's Shari'ah Standard 59, the sale of debts and factoring. We reflect back on the life of Mr Roberto Weckop as we hear from various FCI colleagues on their times with him. Mr Stephen Bohner, from Crédit Agricole Leasing & Factoring S.A. - Niederlassung Deutschland, shares the exciting news on how the latest Merger leads to new heights for German Factoring Industry. Mr Roger Vincent, from Trade Ledger, shares 6 reasons why lenders need to embrace next-gen working capital now. Finally, we finish off with the 'FCI Spreading its wings' segment, highlighting what the FCI staff have been up to over the last quarter including participation in other organisations' events.

We hope you enjoy the reading!

Tanya



DANIELA BONZANINI
Chairman of FCI

WELCOME FROM DANIELA BONZANINI

Chairman of FCI

Dear Friends and Colleagues,

Welcome to the FCI In-Sight November 2022 edition. On October 17 and 18, the Executive Committee met in Amsterdam. We had a two full-day agenda, and some of the topics we discussed are critical to the future of FCI.

Extensive discussions took place on the global economic environment. After Covid-19 hit the world economy in 2020 and 2021, we are now facing the effects of the war in Ukraine, which have exacerbated the problems which had already arisen during the pandemic: lack of raw materials, higher energy costs, and inflation rates with a consequent increase in prices of goods and commodities. The factoring industry once again has proved its resilience. In many markets, pre-pandemic levels have been reached, and we expect 2022 to record strong factoring performance. Nevertheless, the macroeconomic situation and the high uncertainty are expected to lower the growth in 2023 and increase the portfolio credit risk.

Such an environment has resulted in a general cost-cutting policy that has impacted our organization too.

Financials were reviewed during the meeting, and four major issues were highlighted:

1. The attendance at the Annual Meeting was good but lower than expected due to Covid19 restrictions, cost-cutting, and difficulties in getting the entry Visa.
2. The impact of the pandemic on membership significantly affecting NBFI members, the war in Ukraine causing the suspension of the sanctioned members, and some past dues are all still unresolved.
3. Higher costs in general due to inflation and also stemming from edifactoring project.
4. Need to emphasize the importance of education in particular under the current environment and attract more students.

Measures were introduced immediately to contrast the situation: deeper dive into expenses in the last quarter, prioritization of the investments, and changes in the strategies will be analyzed.

Secretary General - Transition period

As announced in Washington DC, Peter Mulroy will step down as Secretary General at the end of February 2024. Although we have plenty of time to find his successor, we have already initiated the process. To guarantee transparent and objective selection, an Executive Search Firm that will assist us in identifying the best candidate has been chosen, and details will be circulated shortly.

The ideal candidate will have high-profile leadership and a strong international mindset to support members and the industry to the benefit of each country, as well as a firm commitment to international factoring and supply chain finance. Because of the many challenges and changes we will have to face in the coming years, FCI is looking for someone with a transparent, direct style, able to build consensus and guarantees the retention of current members and the onboarding of new ones to grow the network. Someone who will inspire confidence and trust based on the person's behavior.

Annual Meeting

The Secretariat and the Subcommittee are actively working on the structure of the FCI meeting, which will be organized in Morocco next year in September. This year, in Washington DC, we introduced some changes that were highly appreciated. We also received your valuable input, which will be considered to deliver a program better responding to the new environment. Very soon, details will be circulated, including the registration fee so that you can include the event in your 2023 budget. I hope many of you will be able to attend next year.

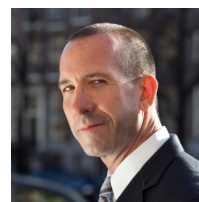
New Membership

After two challenging years stemming from the pandemic, we are pleased to see a surge in new members in 2022. We have already signed YTD 30 new memberships and have an additional 29 that are likely to close in the next 90 days. They are being onboarded from the following regions: South/SE Asia 37%, Africa 22%, America 7%, CEE/SEE/ME 20%, Western Europe 10%, and NE Asia 4%. This bodes well for the association as we enter 2023!

The factoring industry endured the global financial crises much better than many other providers in the financial and insurance sectors. The growth in factoring in 2021 is witnessed by nearly 14%. The EUF reported figures for factoring within the EU for the first half of 2022 of 20%, and the EDI international factoring figures reported by FCI through September 2022 of 33%, which paints a very strong picture of massive growth this year, certainly partially influenced by this inflation cycle. But for FCI, which has been adversely impacted by the external environment, mainly stemming from the war in Europe and the impact of the pandemic in Asia, it paints a different story. The 2022 financial performance of FCI will be challenged due to this environment, and the Executive Committee has prepared contingency budgets for 2022 and 2023 based on this new reality that shows a harsher impact on our association. However, as stated above, we are taking all precautionary measures, including cost-cutting, to ensure we minimize the impact. We view this as a short-term phenomenon and expect to return to a more normalized environment by 2024. We have much change in front of us due to the transition in leadership in FCI, but we also view this as an opportunity to set the stage for FCI for a strong future.

Kind regards,
Daniela





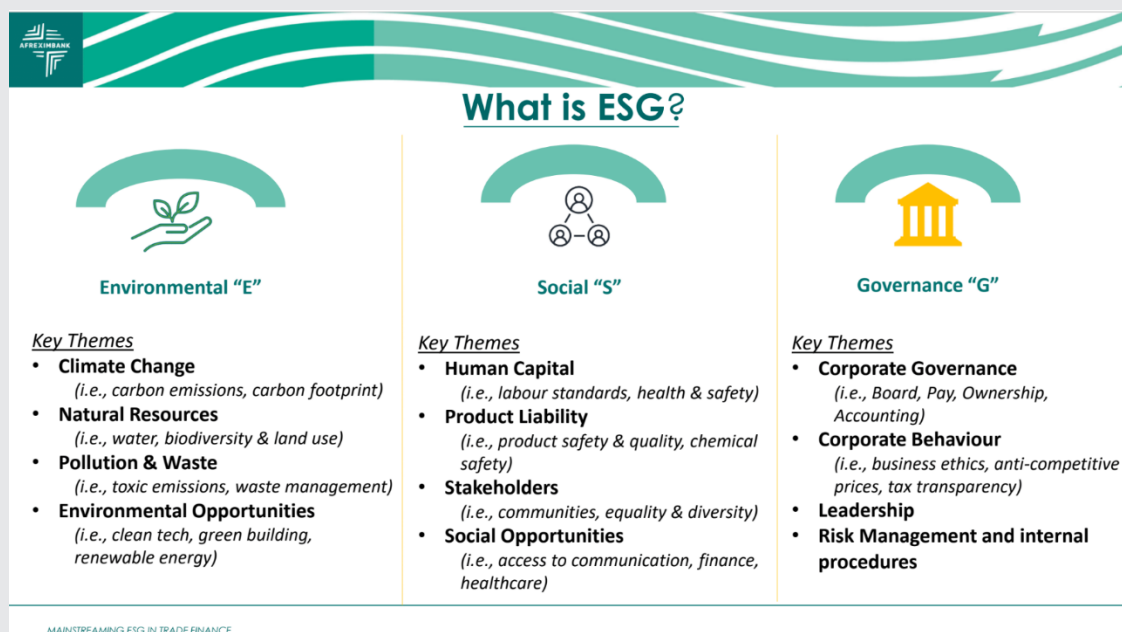
PETER MULROY
Secretary General

A WORD FROM THE SG

ESG IMPACT ON RECEIVABLES FINANCE: WHERE ARE WE HEADING?

As part of the two-year strategic plan our Chairman Daniela Bonzanini introduced in September 2021, the FCI Executive Committee has been contemplating how FCI can introduce the adoption of an Environmental, Social, and Governance (ESG) plan. We have been listening to our members about how ESG has impacted their businesses and have asked what FCI should do.

In general, Receivables Finance (RF), and our members in particular, have an essential role in developing a more sustainable world. In an ever-degrading environment, the kind of world we leave to future generations will depend partly on the incorporation of ESG. Population growth has had a profound impact on sustainability. As we all know population has doubled in the past 50 years to over 7.8 billion people and is estimated to grow to over 10 billion by 2050. And although the world has made great strides in social advances like human rights, the chill of human trafficking, child labour, and other social ills like racism, sexism, antisemitism, and homophobia gives rise to the necessity of ESG in our lives.



ESG refers to the three central factors (ESG Factors) used to measure an investment's sustainability and ethical impact. The data collected can be integrated into the investment decision-making process. In its earliest forms, ESG typically used exclusionary criteria. For example, they avoided controversial industries such as tobacco, heavy carbon industries like coal, and weapons. In the receivables finance sector, we have heard from members who initially took this approach by terminating contracts with clients who worked in specific industries like coal, tobacco, defense, etc. But it is important to understand what other steps FCI members can take and what role FCI should play. ESG is more than just about the avoidance of specific industries. However, that certainly remains a common approach. However, it should focus more on engaging with its clients to ensure they conduct their business sustainably and responsibly.

One success story can be shared relating to the positive impact reverse factoring programs have on changing mindsets by tackling the entire supply chain ecosystem through an ESG incentive-based approach, setting specific KPIs targeting large anchor buyers and their global network of suppliers. FIs will then monitor the progress of these KPIs, and if on target, the anchor buyer will receive a reduced financing cost. On the other hand, if the anchor buyer does not meet the KPIs, they will see an interest rate increase.

So we have to ask ourselves some questions. FCI is a non-profit industry association; we are not a regulatory body or have any specific oversight powers. However, we have a voice and should play our part in supporting and encouraging our members to do the same. So what are some of the areas FCI could support?

- **Educate Members:** We have an obligation as an industry body to educate our members on the importance ESG plays and the urgency of its implementation. FCI should first develop a White Paper on the inclusion of ESG Strategy in RF. This can include the essential motivators for its adoption, how to build ESG strategies at the member level, and the overall role FCI can play.
- **Monitor Evolution:** Outline mechanisms whereby members provide annually specific inputs and disclosures to show ESG strategies' impact in their respective institutions. As we advance, we could publish conclusions from such data in the FCI Annual Review each year.
- **Benchmarking:** Besides the regulations from the EU, there is also significant scope for factoring companies to help achieve sustainability targets, such as the UN's Sustainable Development Goals (SDGs). So should FCI require some form of benchmarking to help guide our members and set expectations?
- **Invest Properly:** The association itself must integrate ESG factors into our own investment decisions at home, whether it be related to environmental, social, or governance matters.
- **Industry Bans:** Identify targeted sectors that should be considered off-limits to the RF industry, like those with a significant carbon footprint. As we advance, we can also highlight these and the actions the members took as a centerpiece during our annual meetings.
- **Implement a Rating System:** Partner with an ESG rating company and potentially rate our members based on specific criteria set by FCI. Make such rating data available to the membership and outside the world to ensure accountability.

The project could be guided in part by the EU action plan on sustainable finance, an ESG regulation on the banking industry that was first raised in 2018, which is divided into three sub-parts 1) climate benchmarking using metrics to measure impact 2) sustainable finance disclosures and 3) the creation of an EU based ESG Taxonomy. EU taxonomy is a classification system establishing a list of environmentally sustainable economic activities, which can play an essential role in helping

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the EU scale up sustainable investment. Regulated banks in the EU will be responsible for adopting such ESG policies within the next few years. The European Union Federation (EUF) is investigating the impact this will have on the factoring industry within the EU, which FCI fully supports. It is of concern that most of the factoring companies operating within the EU are subsidiaries of banks and, as such, may not set to a different standard than the regulated banks themselves (the concern that these subsidiaries could be required to employ quite restrictive tactics lumped together with other commercial entities in the EU who will be soon be required to do deep dive analysis on their entire ecosystem,

not just knowing who they are financing but also knowing where their entire supply chain infrastructure comes from, i.e., office supplies, furniture, computers, etc. And FCI as a Dutch non-profit association, could be subjected to this scrutiny soon.

As I write this article, I am sitting on a commercial flight, somewhere over the Gulf of Mexico, flying into Central America to attend an international banking conference called the FELABAN, one of the largest in the world, expecting well over 3,000 in attendance. But as I travel, I am deeply conscious of my carbon footprint and that which we all have as individuals. I recall one of the members of our Executive Committee stating that if FCI were ever to be “rated” by an external party, we would most likely fail, in part due to our sizeable carbon footprint (the number of flight hours by the FCI Secretariat, consultants, executive and technical committee members, plus just the environmental inadequacies of our headquarters in Amsterdam, which is severely out of date. So there is an old saying, “the buck starts here” as we need first to get our house in order.

THE ESG
MOVEMENT IS
DRIVEN MAINLY BY
MILLENNIALS TODAY, THE
NEXT GENERATION OF
INVESTORS, EMPLOYEES,
CLIENTS, AND THEIR
CUSTOMERS

The ESG movement is driven mainly by millennials today, the next generation of investors, employees, clients, and their customers. This generation’s environment, social mindsets, and priorities are much higher than our own. But we have our challenges in meeting these expectations. First, receivables as an asset class have no benchmark index, capital markets play a minimal role in our sector, and our market is fragmented, incorporating many smaller NBFIs. But due to the pressure from consumers, investors, and stakeholders within our industry and amplified by governments and multi-lateral organizations, our members’ shareholders will ultimately require that the industry addresses these sustainability demands.

A recent report by GIB Asset Management states, “Trade in the emerging markets involves the highest usage of trade finance. African and Asian countries also have the highest need for ESG investment. Trade finance practitioners are in a prime position to provide funding where it is most needed. They can influence corporate governance and transparency, help eradicate child and slave labour, and improve gender equality. Trade finance can be a significant contributor towards meeting the UN goals on ESG!”

How can ESG be implemented in RF? It starts with the direct engagement of our members. Hence we appreciate any of you interested in this subject reaching out to us and letting us know your thoughts. FCI will one day establish a working committee on ESG, so your input would be invaluable. Our industry plays an essential role in financing trade globally, especially in supporting SMEs. However, we also must control the negative impact these companies have on the environment, or at the least be very mindful of our support of them. FCI and our members need to play their part in helping shape the future for a sustainable world.



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AFREXIMBANK, EFF AND FCI CO-HOST WORKSHOP ON PROMOTION OF FACTORING IN AFRICA



NASSOUROU AMINOU
Regional Manager Africa

African Export-Import Bank (Afreximbank), Egyptian Factoring Federation (EFF) and FCI co-hosted a regional promotion workshop in Cairo, Egypt on 24 October 2022 on factoring and receivables finance in partnership with the Financial Regulatory Authority (FRA).

The workshop was themed “Empowering Sustainable Trade Flows with Factoring – Facilitation of Egyptian Trade in Difficult Times”.

The event was attended by over 150 participants, including factors, commercial banks and other government officials. Gracing the occasion was Mr. Gamal Moharam, Chairman of the EFF; Dr. Islam Azzam, Vice Chairman of FRA; and Mr. Peter Mulroy, Secretary General of FCI. Also in attendance was a 9-member delegation from Nigeria Export-Import Bank (NEXIM) and Central Bank of Nigeria (CBN) who were on a study tour in Egypt to learn how the authorities developed facilitative regulatory environment and policy interventions that have ensured the growth of factoring in Egypt.

In her welcome remarks, delivered on her behalf by Mr. Enga Kameni, Senior Manager, Legal at Afreximbank, Mrs. Kanayo Awani, Afreximbank’s Executive Vice President, Intra-African Trade Bank, commented that whilst Afreximbank and other key stakeholders continue to promote factoring as a viable financing option for SMEs in the continent, it remains relatively low in Africa compared to other regions. Indeed, the continent accounted for about one per cent of a US\$ 3.5 trillion market in 2021. Supporting capacity building in factoring, providing financing to emerging and established factors as well as establishing and leveraging partnerships were key to the development and growth of factoring. Such support, which the Bank is championing will invariably lead to access of much needed financing by SMEs.

Also speaking, Mr. Mulroy, in his opening remarks, endorsed this view saying that factoring is one of the most important financial tools that can be deployed in any market because it has a direct correlation to supporting SMEs who are the engines of growth in every economy. Factoring also provides the necessary liquidity to SMEs by enabling the liquidation of their receivables which today averages about 40% of the total assets of any seller’s balance sheet.

Dr. Azzam spoke about some of FRA’s initiatives around factoring, including the amendment of the banking law that allows factoring companies to deal with government agencies; Green Factoring which helps finance receivables from companies in environmental and sustainability

sectors; and the creation of a subsidiary, whose role is to help finance non-banking activities such as factoring, leasing and mortgages. These initiatives have been key to the growth of factoring volumes in Egypt, making Egypt one of the market leaders in factoring in Africa.

This article has been taken from the Afreximbank, EFF and FCI press release



FCI 55TH ANNUAL MEETING

marrakesh 2023



SAVE THE DATE

17TH - 21ST SEPTEMBER 2023

MÖVENPICK HOTEL MANSOUR EDDAHBI
PALAIS DES CONGRÈS | MARRAKESH

The Annual Meeting is a great opportunity to network and discuss current issues within the Factoring, Supply Chain Finance and Receivables Finance Industry.

The Meeting will feature insightful presentations by international industry pioneers, in-depth panel discussions on a range of topics by leading industry professionals, and both global & regional statistic updates.



FCI

Facilitating Open Account – Receivables Finance

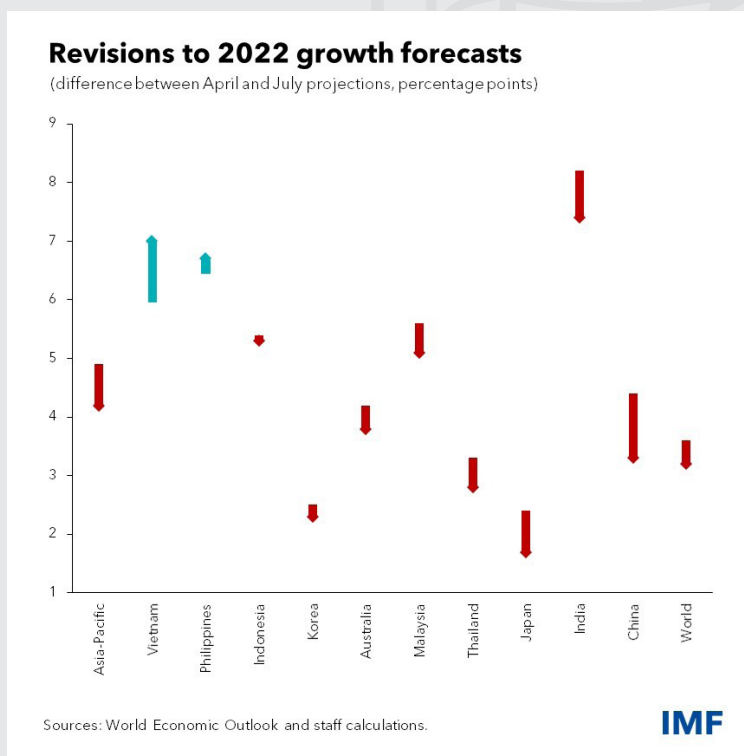
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SOUTH AND SOUTH ASIA INSIGHTS 2022



THOMPSON LUI
Regional Manager SSEA

We only have less than 60 days left in 2022, and 2023 is already around the corner; many regions have stepped out of the shadows of COVID, marching towards or on their way to recovery, for a majority of nations have lifted their quarantine restrictions including traveling limitations with only a few exceptions. Based on the fact that the world just survived three years of pandemic and several breakdowns of the international supply chain, we should have expected prudent growth figures everywhere, at least the emerging markets, to cope with surging consumers' demand worldwide compared to the previous years', correct? Unfortunately, we still have an ongoing war in Europe-the war in Ukraine started in Feb this year. The immediate effects are an energy crisis affecting the whole world, but mainly Europe, plus a surge in global inflation the world witnessed decades ago.



Please look at the above chart¹ by IMF, which is worth a thousand words but presents hundreds of questions. IMF categorizes world nations into six ranks in terms of GDP growth in 2022. This chart shows only some countries from SSEA benchmarking some meaningful ones and certainly excluded the extremes like Guyana +57.8% and Ukraine -35%. I like to highlight the top three from this chart: India, Vietnam, and the Philippines. All three are forecasted to have growth exceeding 6%, which is also the IMF's top category. The other star we have from the region is Bangladesh which is expected to grow at eyes popping 7.2%. I plan to focus on the Philippines and Bangladesh in 2023, so I can wrap up the India/Vietnam series.

India and Vietnam are the top two contenders in winning a seat or two as the top manufacturing nations in the Asia Pacific area. I have covered the movement (Tech giants settling and establishing more footprints in these two countries) before but this article will help you put things into

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perspective with numbers by JPM2. Many business insights compare India and Vietnam competing for the throne. Please extend your read to article 3, where three factors were used to give readers a macro view comparing these two heavyweights. I regard these two as apple and orange. One man's meat is another man's poison. At the same time, Vietnam enjoys proximity to the North Asian market, lower inflation, and a relatively more stable currency. India has the largest domestic market with rising consumer demand, higher growth rates, and actionable governmental items like PM Gati Shakti⁴ (an initiative announced by PM Modi to raise efficiency and cut red tape by combining 16 governmental agencies by 2025) and already in place determination like IFSCA and GIFT.

In fact, not only do India and Vietnam compete to become more efficient and win investments from abroad, but data shows also that their economic ties are tighter than ever! According to the DIPLOMAT⁵, bilateral trade between the two nations grew 27% during the last fiscal year, which was only two hundred million in 2000. It went up to almost USD 15 billion in 2021-2022. No one should expect growth to continue in the high double-digit zone year after year, but there is undoubtedly an opportunity for FCI members to explore and ride on this wave.

"Rome was not built in one day" both nations mentioned above are expediting their steps to adding necessary infrastructure, reforming their education systems to supply matching talents and labor, and reinventing the "administrative" wheels to accommodate and woo foreign entrepreneurs and investments. I cannot tell what others will do, but I think it is time for me to learn their languages!

I wish you all Merry Christmas and a Happy New Year 2023 in advance.

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RESILIENCE AND DEVELOPMENTS OF FACTORING IN CEE & SEE REGIONS



BETÜL KURTULUS
Regional Director CEE, SEE
& the Middle East

Friday, 23 September 2022, FCI, in partnership with the EBRD, held the latest conference on the resilience and development of Factoring in CEE and SEE regions. The event was hosted at The Ritz-Carlton in Istanbul, Turkey, the day after the 2022 EBRD TFP Trade Finance Forum.

This event offered EBRD TFP members, local FCI members, and targeted industry professionals the opportunity to meet, network, and discuss the latest developments in the region. Over 100 industry professionals from the region attended and heard about the latest updates and trends for the region from leading industry trailblazers. FCI Regional Director CEE, SEE, and the Middle East, Ms Betül Kurtulus, moderated the conference.

FCI's Secretary General, Mr Peter Mulroy, welcomed participants to the event with his opening remarks and moved on to a presentation on Global Factoring Industry Trends with insightful and in-depth statistics on global volumes, market shares, a breakdown of products, and the comparison to other forms of trade finance. Mr Mulroy highlighted FCI's activities, public policy, and industry advocacy.

Ms Irina Tyan, Principal Banker at EBRD Trade Finance Programme (TFP) Business Leader for Factoring, presented on the EBRD & FCI Collaboration in CEE & SEE region. In her presentation, she highlighted TFP Statistics, how it works, TFP Factoring, and how EBRD plays a part. She finished with insightful case studies and other products that the EBRD TFP offers, including training and events.

Before the coffee break, event participants listened to a Panel Discussion on Export resilience in an Environment of heightened Geopolitical Risk, The success story of Turkey. The panel included the likes of Mr Çagatay Baydar, Chairman of TEB Faktoring & Vice-Chairman of FCI, Mr Ahmet Albayrak, Deputy CEO of Treasury & International Banking at Kuveyt Türk Katılım Bankası, and Ms Nana Khurodze, Associate Director, Senior Banker at EBRD TFP. Mr Michael Bickers, Managing Director of BCR Publishing, moderated it. After a panel introduction, Çagatay took a few minutes to lay some ground understanding for the panel with industry statistics, highlighting Turkey's positions. Following this, the panel answered various questions from Michael.



After this, all the participants returned to the event hall for an in-depth Panel Discussion on Digital Transformation in Receivables finance. Ms Filiz Unal, Deputy Secretary General – Factoring at The Financial Institutions Association. Mr Koray Kaya - Deputy General Manager at KKB and Findeks, Business Management Department, and Ms Ana Kavtaradze, Strategic Business Development



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Advisor at BasisBank, participated alongside moderator Mr Deepesh Patel, Director of Partnership and Marketing at Trade Finance Global (TFG). Ms Filiz prepared the panel with a short presentation on the digital transformation of the Finance sector in Turkey, highlighting regulatory updates, plans, and new technologies available.

Mr William Brydie-Watson, Senior Legal Officer at UNIDROIT, addressed attendees on the Factoring Model Law (FML). The FML was first initiated in 2018 by the World Bank representatives

who recognized the importance of a standalone Model Law on Factoring, especially for those emerging markets considering factoring in their countries. William shared updates on where the project is currently, highlighting that it is currently under review by industry players, including FCI members.

Mr Tim Moran, CME Term SOFR Consultant at CME Group, spoke about the Libor Transition. In a video presentation, Tim shared an update on the USD market and new developments in Trade Finance. He explained the IBOR transition in the Eurozone. Next, the event sponsor, CODIX, introduced themselves to participants and shared their offerings.



FCI's Education Director, Ms Aysen Çetintas, shared information on the FCI Academy and its work. Participants watched a short clip to understand more. Following this, Peter Mulroy closed the event with his closing remarks. After a networking lunch, where attendees got to chat with speakers and fellow attendees, CODIX held a session with updates from Codix on software capabilities for the factoring / SCF Industry. This session was hosted in Turkish by CODIX's Business Analyst, Ms Sibila Ivanova.

Ms Betül Kurtulus, FCI's Regional Director for the CEE, SEE and the Middle East, had this to say: "After the two-day EBRD TPF conference, we hosted EBRD TFP participants, FCI Turkish members, the BRSA, the Financial Institutions Association, and our business partners in İstanbul. We shared the latest developments in CEE and SEE countries, which have a significant place in FCI with their export-based growth model as a region. It was great to see and host old and new friends."

FCI would like to thank all who were involved in preparing this event and all those who attended. This event was the perfect display of the three major areas of activities that FCI focus on; connect, educate and influence. FCI looks forward to future events within the region as we bring awareness

to the industry and share updates with those already in it.



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REGIONAL TRADE FINANCE AND FACTORING CONFERENCE FOR BANKS AND CORPORATES



AYŞEN ÇETİNTAS
Education Director



BETÜL KURTULUS
Regional Director CEE, SEE
& the Middle East

FCI, in partnership with the International Chamber of Commerce in Georgia, EBRD Trade Facilitation Program, ICC UAE and FCI held the latest conference on Tbilisi Georgia on the 20-21 of October. Over 100 leading industry players congregated to discuss the latest developments in Demand Guarantees, Trade Disputes, SWIFT Standards, Factoring and Supply Chain Finance for banks and businesses.

The regional conference in Tbilisi, Georgia was held as the first event of a series of conferences to be delivered in Moldova, Uzbekistan and Jordan over the course of 2022-2023. The conferences will be tailored to the demand of attendees in order to support them in building up their factoring operations as well as to promote the product in the regional markets.

The EBRD's Trade Facilitation Programme ("TFP") aims to organise training events and conferences, focusing on a regional view on factoring, offering attendees a unique opportunity, not only to discuss the current state of the industry, new challenges and products and markets development, but also to network with players from the same region.

The event in Tbilisi offered the members of all the associations, targeted industry professionals and their clients the opportunity to meet, network and discuss the latest developments in the region. The content of the first day was aimed for Bankers, helping them to understand the industry, its potential and where it is headed, while the second was aimed at both bankers and corporates, giving them a overview of how the industry works using case studies and panel discussions. FCI Regional Director for the CEE, SEE and Middle East region, Ms Betül Kurtulus, moderated the conference.



Mr Papuna Lezhava, Member of the board and Vice Governor of the National Bank of Georgia, welcomed participants to the event with his opening remarks. He highlighted how the

banking sector in Georgia has developed in the last 20 years, focussed mainly on traditional banking products, such as mortgages, and loans. He mentioned the importance of the financing of SMEs and the importance of SMEs in the country's economy. He stated that SME financing is usually collateralized by real estate, but that these assets are limited especially for SMEs, and that currently there is a bottleneck for SME financing. Sometimes this is also a problem for corporates, so diversifying the types of products is very important for both SME and mid to large corporates. The ICC, EBRD and FCI would like to thank Mr Papuna for his participation and speech expressing the government's support for the Receivables Finance Industry. Ms Catarina Bjorlin Hansen, Director - Regional Head Caucasus at the EBRD; Ms Daniela Bonzanini, Chairwoman of



FCI and Mr Fady Asly, Chairman of ICC Georgia and Special representative of the ICC Global Secretary-General in Caucasus and Central Asia, shared their opening remarks and mentioned the importance of the factoring operations not only in Georgia but also for the region, in countries like Azerbaijan and Armenia. Mr Fady Asly also mentioned that ICC Georgia are planning an organisation in the CIS countries, will be up and running by the end of 2023.



During the morning part of day one, Mr Vincent O'Brien, Director of the ICC UAE, shared an in-depth and informative presentation on Traditional Trade Finance, trends and recent cases, the impact of the lockdowns on Trade Finance and International Standard Demand Guarantee Practice (ISDGP). Mr O'Brien brought the spotlight to legal cases on documentary credits, legal cases on guarantees and standbys, while sharing his highly valuable insights on the digitalization of trade in practice and a review of Category 7 SWIFT formats. Mr Peter Mulroy, Secretary General of FCI, presented on Global Factoring Industry Trends with insightful and in-depth statistics on global volumes, market shares, a breakdown of products, and the comparison to other forms of trade finance. Mr Mulroy also highlighted FCI's activities, public policy and industry advocacy.



Ms Aysen Çetintas, Education Director at FCI, shared an educational and informative presentation on what Factoring is. She highlighted why O/A receivables finance solutions are becoming more important, and shared Factoring & Invoice Finance Variations with the audience. Ms Çetintas also shared insights on Factoring, Loans and Capital requirements for factoring operations, using different country examples. Following Ms Çetintas, Ms Betül Kurtulus, shared her expertise on the Factoring organisation structure of banks and non-bank financial institutions using best practice examples. She explained what the market share of non-bank financial institutions is and why these companies substitute the banks.

After the coffee break, delegates watched a video presentation on the case for Factoring as an alternative tool for financing by Mr Çagatay Baydar, Vice Chairman of FCI and Chairman of the Board of Directors at TEB Faktoring in Turkey. In this presentation, Mr Baydar dissected and explained the business model of a factoring company with a bank partnership. Mr Baydar enlightened attendees on the pricing structure, perception of pricing, sample market example of Turkey on factoring Industry, various Factoring products, Turnover growth and the dynamics behind it, increase on Factoring receivables as well as the profitability with a comparison of banks and NBFI, ROE, ROA, NPL and Leverage.

During the final sessions of day one, we shared the risk aspects. Ms Aysen Çetintas illustrated how to analyse credit risk on factoring transactions, why we need a different perspective of risk analysis from the other types of credits, the management of seller risk, KYC, Seller Selection and Practical Issues as well as Frauds Detection & Prevention. Sharing her insights from the buyer's perspective, Ms Alecsandra Valasuteanu, Head of Factoring Department at UniCredit Bank Romania, expanded on the management and assessment of buyer risk as well as dispute prevention and handling. Closing off day one, Ms Afroditi Stavraki, Senior Risk Officer at Hellenic Bank Cyprus, gave a presentation on a Factoring risk assessment in practice with explanations of any risk that may occur in a factoring transaction. Finally, Ms Kurtulus took questions from the audience.

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The second day of the event opened by welcome remarks by FCI and EBRD followed by a presentation on the mechanics of domestic and international Factoring, the Two-Factor System, payable finance products and FCI reverse by Ms Aysen Çetintas. Afterwards, Ms Betül Kurtulus and Ms Aysen Çetintas jointly presented on Factoring as an alternative solution for the SMEs, the advantages of Factoring and the comparison to other types of loans, the benefits of factoring to MSMEs, large corporates and financial institutions as well as what the Benefits are to the buyers and Sellers (SME &

Corporates).

After a coffee break, the participants listened to a panel discussion on Factoring in different client segments. Mr Mete Onol, CFO & Deputy CEO of Tam Faktoring, opened the discussion with a presentation on the business model of Tam Finans, a Leading non-bank SME lending factoring company with a unique business model & expertise in receivable financing. Sharing how their business model is an inclusive organization with physical & digital capabilities to reach more SMEs in every region of Turkey. He explained that they are working with a niche SME segment that cannot find answers to their needs from the banking and factoring industry in Turkey, as usually, their clients are newly-established, have no financial history and/or a poor financial history, lack a strong balance sheet & without any collateral to provide. Then Ms Nana Khurodze, Associate Director and Senior Banker at EBRD, posed questions to the panel, including Ms Rada Savic, Commercial Manager GTB at OTP Banka Srbija and Ms Deniz Kizilkaya, Executive Vice President of Bien Trading AS & Qua Trading AS. Ms Savic spoke about the product's advantages for working capital improvement for clients and suppliers and mentioned the balance sheet effect of factoring on the buyer and the supplier side. Ms Kizilkaya, shared her experiences as a seller and as an ex-factoring senior-level manager. She talked about how they benefit from factoring as an exporter exporting to hundreds of countries, and why factoring is an indispensable product for them.

Ms Nana Khurodze then presented the panel on the case study of the ArmSwissBank and TBC bank Cross-border Factoring Transaction with the support of EBRD highlighting the importance of EBRD in this deal. Ms Tamar Gugusvili, Head of Trade Finance and Documentary Operations Unit at TBC Bank Georgia and Ms Anzhela Barseghayn, Head of Corporate Service Department at ArmSwissBank Armenia presented the case with all details.



After lunch, Ms Tamara Khizanishvili, Head of the Factoring Department at TBC Bank Georgia, presented and moderated the panel on Client Experiences with panelists Ms Sibel Binici, CFO at Döktaş Dökümcülük Ticaret ve San. A.Ş. and Mr Harris Saridis, Director of Business Development, Ethniki Factors. Ms Binici shared her experiences from the last 25 years of her factoring journey. Döktaş is a leading company in Turkey specializing in manufacturing pig, ductile, and aluminium castings supplied to the automotive, heavy commercial vehicles, construction, and agricultural machinery industry. They are doing factoring as a seller and buyer, and she shared her experiences as a seller and buyer of Factoring transactions. Mr Saridis shared his experiences on the buyer side about the difficulties faced and how to overcome these difficulties on the factoring transaction.

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Ms Betül Kurtulus moderated the panel discussion about the road map to develop a factoring market in an emerging country. Panellist, Ms Nana Khurodze, presented on the EBRD & FCI Collaboration in the region. In her presentation, she highlighted TFP Statistics, how it works, TFP Factoring, and how EBRD plays a part. She finished with EBRD TFP activities, including training and events. Fellow panellist, Mr Giorgi Cherkezishvili, Chair of the Investor's Council of Georgia, explained the Investors Council (IC). He mentioned

that the IC is an independent advisory platform established in 2015 with the joint memorandum between the Georgian Government and EBRD. The main objective of the IC is to promote dialogue between the business, IFIs, donors, and the Government of Georgia. He mentioned that the Investor's council is currently trying to coordinate the process between the government agencies, banks, National Bank, and consultants for building factoring infrastructure. Mr Cherkezishvili gave detailed information about the preparation of factoring law and digital solutions supported by the government.



The last session was a panel discussion on digitalization in business development and was moderated by Ms Pikria Kekelia, Head of the Trade and Structured Finance Department at the Bank of Georgia. Panellists including, Mr Simon Peterman, CEE Factoring Coordinator at Raiffeisen Factor Bank, Mr Federico Avellan Borgmeyer, Chief Partner Officer at Ecom and Mr Karol Leszczynski, Factoring Product Development Manager at Comarch, shared their experiences on new developments on the factoring software solutions and new technologies. Ms Jenny Stephensen, Principal Banker at EBRD TFP, concluded day two and the event with her closing remarks.

ICC, EBRD and FCI would like to thank all who were involved in the preparation of the event and all those who attended. The conference was the perfect display of education and connection, giving attendees the insight and knowledge from highly regarded and experienced professionals from the industry all while being able to create everlasting business connections. ICC, EBRD and FCI look forward to future events within the region as they bring awareness to the industry and share updates with those already in it.



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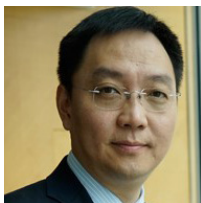
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LIN HUI
Regional Director North East
Asia

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THE “MIDDLE-INCOME TRAP” OF MOVABLE ASSET-BASED FINANCE

Last month, I participated online in a group discussion on Warehouse Financing organized by the IFC of the World Bank Group in Ulaanbaatar, Mongolia. This is part of their efforts to promote secured financing infrastructure in Mongolia. Mineral and livestock industries significantly share Mongolia's economy and foreign trade. The promotion of Warehouse Financing and Inventory Financing and the development of the relative financial infrastructure will be of profound significance to improving the SME financing environment and developing the Mongolian economy.

WBG has long promoted movable asset-based financing and related institutional development in emerging markets. With their impetus, China has established the framework for movable asset-based financing from scratch during the past two decades, which opens a door for the SME financing market and serves as a driving force for the factoring market development in China.

MANY FINANCIAL
INSTITUTIONS IN
EMERGING MARKETS
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PERIOD OF GROWTH ONLY
TO LOSE MOMENTUM
AND FALL BACK TO
THEIR OLD PATHS

However, many financial institutions in emerging markets often experience a period of growth only to lose momentum and fall back to their old paths. This phenomenon is akin to the middle-income trap referred to in development economics.

This may be related to the mindset. The mindset of credit people in emerging markets is still heavily influenced by the traditional credit model. It makes them tend to habitually view movable asset-based financing in a static and isolated manner. As a result, a number of practical misconceptions emerged.

The first misconception in practice can be seen in inventory financing. It is the over-pursuit of controlling and disposing of the inventory through valuation and security pledges of title documents. What needs to be noticed is the need to build such a structure and the ability to effectively control borrowers' cash flow by implementing dynamic monitoring of inventory and receivables around the business's cash cycle. A sound inventory financing program should be based on a sound receivable financing structure. But in emerging markets, inventory financing is often fragmented from receivables financing. This makes it difficult for the financial institution to acquire a holistic view to gain insight into whether a company's actual operating behavior is in line with its business cycle.

The second misconception in practice, reflected in receivables financing, is the overemphasis on accounts receivable as collateral. This legally viable path is a muddy one, considering the ability of most companies in emerging markets to manage their trade credit and accounts receivable. Rushing into receivable financing in emerging markets has not been a good idea. Instead, factoring should be promoted as the preferred way to finance receivables in emerging markets because it will help financial institutions build up the capacity to manage receivables holistically and dynamically in the first place, which is the basis for an orderly market for receivables financing in emerging markets.

The third misconception is reflected in the practice of factoring. For example, in China, many factoring companies always mistake the buyer's acknowledgement of its debt as the most critical

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measure for risk control. They usually send two staff to visit the buyer company and ask a buyer representative to confirm the payables in person and stamp a document. In most cases, the two

staffs were completely unknown to the buyer and were led by the seller to visit the buyer for the first time. As a result, numerous dramatic counterfeiting scenes were created there. Many factoring companies felt the seller-oriented method was unsuitable and began rushing to the buyer-oriented reverse factoring.

FCI AND THE
TWO-FACTOR
MECHANISM PROVIDE THE
PLATFORM FOR FINANCIAL
INSTITUTIONS AND
PRACTITIONERS FROM
EMERGING MARKETS TO LEARN,
EXCHANGE, COLLABORATE,
AND IMPROVE THEMSELVES
WITH EACH OTHER ON A
GLOBAL LEVEL

Some may argue that emerging markets must go through this natural course of development and that it takes time. However, we can learn from the globalization process in the past decades and from the successful examples of those emerging market countries that have crossed the middle-income trap that emerging markets have a latecomer advantage and can be surpassed through learning and absorption. To avoid falling into the middle-income trap, it is necessary to break through the inherent barriers of mindset.

FCI and the two-factor mechanism provide the platform for financial institutions and practitioners from emerging markets to learn, exchange, collaborate, and improve themselves with each other on a global level. The knowledge, know-how, mindset, and experience of the factoring industry are not learned through words alone. They must be genuinely acquired through practice. The success of emerging markets requires everyone to be open and integrate with FCI global network, to strengthen business relations with the best factors around the world, and to foster the mindsets and competencies necessary for this disruptive financing model through extensive two-factor business practices.



FCI Membership – Build your cross-border business with confidence

#DISCOVERFACTORIZING



FCI facilitates safe and crisis-proven receivables finance solutions. Unique common rules, a modern communication platform, as well as education and advocacy solutions are supporting our large network of 400 members in 90 countries to conduct their international business.

Join our global community and take advantage of all the benefits.

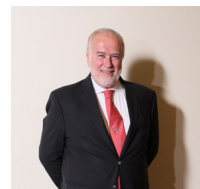
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WHEN NEEDS AND OPPORTUNITIES MEET



ALBERTO WYDERKA
Regional Director Americas

We are seeing an abundance of money and future uncertainty in investing it. Inflation and the increase in rates generate doubts that affect the use of this funding. On the one hand, the banks, as expected, become very cautious, and on the other, the uncertainty generates doubts in those who must borrow to invest those funds.

In our Americas Region, an apparent convergence of oceans is perceived. While the northern cone has an excess supply of capital to place, the southern cone generally has a strong need and consequently becomes a strong demander of funds.

We are participating in the FELABAN Assembly in beautiful and fascinating Guatemala, and the more than 1,800 participating bankers hold countless meetings to harmonize the correct use of those who want to invest and those who need those investments to carry out their businesses in their countries.

We can extrapolate this confluence of forces to our industry, more precisely to international factoring. And here, I want to focus on factoring between correspondents whose characteristics allow controlling and mitigating the risk of financing the exporter more than any other type of bank facility that can be provided.

We know that for financing to exporters through this system to grow and flow, it is essential that the counterparty, the import factor, find interest in this dynamic. Without an import factor, how would the export factor generate volumes of financing for exporters, especially SMEs, through our system? A quick answer would be impossible! Yeah, they couldn't. We always talk about factoring between correspondents.

So the business opportunity and the opportunity to generate transactional income, such as fees for risk coverage and collection management, for the import factor is enormous. However, these fees often discourage an import factor from acting as such.

While the export factor generates fees and financial income, the import factor keeps a part of the commissions generated by the export factor.

It is true that the flow generated by the principle of the global assignment, a principle that many export factors neglect, makes the operation for the import factor profitable. But even so, it is not enough.

On the other hand, many export factors are conditioned to finance their export clients because they are still looking for quick and positive responses from their import counterparts, which I have just mentioned.

Several influential community members have a strong import factor profile with very large volumes. Whether or not they cover their risk with credit insurance, they overcame this situation. One of the reasons is that they could generate financial income by providing financing to their counterparty for the operation for which they were covering the importer's risk.

And this is logical; if the import factor assumes the importer's credit risk and payment risk, why not monetize that risk and make the business more profitable?

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By financing their counterparty, i.e., the export factor, to finance exporters, they have achieved a greater incentive. Again, look at their volumes.

And with this, I am not saying that the export factor stops having a financial income, but instead, part of the financial income will go to the import factor and the export factor retains its spread that the market allows.

Of course, the funding cost offered by the import factor must be adequate to allow the operation to be carried out; otherwise, they will have to negotiate.

Hasn't the time come when the export factor proposes a transaction to an import factor, and he also proposes the possibility of financing it?

It is very likely that some believe me to be naive, perhaps I am. Who in this world gives up their income? It is not about giving in; it is about giving participation, participation that will ultimately generate more business, and consequently, the export factor earns more because of the increase in volumes. The import factor becomes more enthusiastic in approving risks.

In addition, it has to be emphasized that export factors need hard currency to finance their clients, so they have a new source to approach, namely the import factor!

Is it possible for needs and opportunities to be met? Or what is more, is it not possible that with this encounter, the import and export factor will grow in volume and earn more? Is it worth trying a different way of thinking about a business? The question remains open; some banks have answered it.



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MEET THE FCI STAFF

In this series of Staffs Interviews, we have asked our colleagues to answer a few questions so you can get to know them a little better. In this newsletter, we speak with Ms. Gwendoline de Viron and Ms Teresa van de Putte.

Ms Gwendoline de Viron, FCI's Head of Marketing & Communication

What got you started in the industry?

I was working in the field of marketing. One of my previous colleagues' husbands was looking for a Head of Operation for IFG (now integrated into FCI), and she told her husband I was the perfect match with the profile. He contacted me, and 3 months later, I started at IFG. It was a different environment as I worked more in the food and commodities market and B2C. It was the right time for me to change after 7 years in the same company I felt I had touched every part of the business there. When I started, my first task was to follow the foundation course to understand the factoring industry.

How do you help FCI make an impact in the industry?

As Head of Marketing and Communication, I am in the first line to promote to the outside world FCI. In the department, we are in charge of the website, social media (LinkedIn, Twitter and Facebook), FCI App, every mailing, brochures, newsletter... So we have to make sure that what is created for FCI has an impact on the industry with three aims:

- Helping members to get the right information, elevate their membership and create more business. If we can reach this, members will have high satisfaction with their membership and stay in the Chain.
- Getting FCI known globally to gain new members. It's linked to the above as if we have more members, members have more business opportunities. We know actors in the factoring industry evolve; some leave the business, so we must gain new members.
- Promoting the factoring industry. It will help my colleagues have more tools to lobby for the industry (for example, in emerging markets) and our members to develop more business as factoring can help many companies, especially SMEs. Knowledge of our industry is a key point for this. This also includes education as knowledge is key.

The three points mentioned above impact all FCI's departments, so we are collaborating a lot with our colleagues to find the best way to impact FCI and its industry.

What does your day look like generally?

After breakfast, I start my day by reading my emails; as we are a global association, even at the beginning of the day, we always have many emails. I am trying to be always up-to-date with an email that is handled quickly. I try to overview the tasks that need to be done. After this, I either have an online meeting or start working on projects. The type of projects are diversified in my position, it includes creation/review of brochures, event preparation (from the practical organisation of hotel until speakers contacts and promotion), designing publications, discussing what else can be done to promote more FCI and factoring with my colleague Tanya, etc. I try to have time to be aware of what is happening in the industry through LinkedIn and google alerts. It's difficult to know how the day will take place; as I mentioned in the previous question, my position has to be in contact with all the departments of FCI, so there might be requests or questions from my colleagues that need my direct attention to help them to gain time, and I am always happy to respond. Before closing my day, I try to take some distance and have an overview of pending actions for myself and the marketing department to be sure we don't forget anything.



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What keeps you motivated?

I am the kind of person that always needs a project, an aim, and a vision. If I don't have any, motivation goes down. Sometimes my family and partner think I do too much, but I need this to keep me motivated and positive. When I get stuck on something (privately or professionally), I like to speak with someone to get the solution. Funny enough, you can ask some colleagues I call them to discuss, and I come up with the solution speaking nearly on my own. I believe the fact to speak out to someone helped me to get the solution.

What is your favourite cuisine?

I like Asian food. I always said I should have some Asian roots because if I feel sick, I would eat Chinese, Thai or Japanese food and feel better. I don't like spicy food so I won't take that kind of food from them, but the fact that most of their food is based on rice fits my stomach very well.

What was your first car?

My first car was a Citroën AX flashy green. It was my grandmother's old car; my older brother could use it when I needed a car to go to the university, it was decided my brother would have a new, used car, and I would get it. It was green so nobody could avoid me and it was easy to find in a big car parking.

Ms Teresa van de Putte, FCI's Administrative Assistant

What got you started in the industry?

34 years ago, I saw a job opening in the newspaper (well before we all had personal computers :))

What did you like the most at the FCI 54th Annual Meeting, and what do you look forward to most at next year's Annual Meeting in Marrakesh?

The camaraderie of the factoring industry. If you have ever attended any annual meeting, you will see that people, despite cultural differences, are genuinely glad to see one another meet & discuss the industry. You can see the passion everyone has for the industry. It is truly the FCI Family. For next year, I will look forward to seeing the culture of Morocco & of course, tasting the wonderful food!

How long have you worked for FCI, and what do you love the most about your job?

I have worked for FCI since 1988 and have seen technological breakthroughs firsthand. We started with a binder of Standard Interfactor Procedures and later the CHIEF system and FACT system. Education Courses were sent in a binder by mail. Our communication was done with the old Teletext system ... imagine that! What I love the most is the international flavour of the work and assisting newcomers to FCI to navigate the FCI world.

Do you have any pets? If so, what and what is/are their name/s

We have a White Swiss Shepherd named Cloud. He is 5 years old & such a goofball that he is nicknamed Clown. We also have a tortoiseshell calico cat named Fara, 6 years old, and she is the boss of the house. We are just staff & Cloud is her guard dog

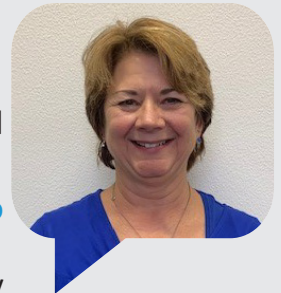
Do you have any hobbies?

We do tracking training with the dog on Sundays. Other hobbies are running & reading.

Who is your hero?

My hero was my mother. She was the type who always loved having kids running around the house. We were 5, but our friends were also welcome so it could be a house-full. When my uncle's wife left, and he was in the Navy stationed at the South Pole, his 2 children lived with us for 3 years. This is in addition to the 4 kids in the house. My Mom taught me the value of truthfulness & honesty. She could be counted on to help anyone in trouble.

We want to thank Gwendoline and Teresa for letting us get to know them a little more.



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NEW MEMBERS

One of the key reasons we exist is to connect people in the Industry – creating opportunities for business, networking, creating relationships that last.

Since the last newsletter, the FCI family grew with the following Members. Today FCI counts 394 members! We still have a lot of prospects that will soon join FCI.



LedgerFunding, Inc. provides a marketplace for working capital and import-export financing for business networks.

Built with enterprise Distributed Ledger Technology, its patented system assures the integrity of funding data and processes with transparency in a privacy-preserving way.

As a non-lender, we look forward to working with financing providers to help businesses grow.

To find out more about LedgerFunding Inc., visit www.ledgerfunding.com



State Bank of India (SBI), a Fortune 500 company, is an Indian Multinational, Public Sector Banking and Financial services statutory body headquartered in Mumbai. The rich heritage and legacy of over 200 years accredit SBI as the most trusted Bank by Indians through generations.

SBI, the largest Indian Bank with 1/4th market share, serves over 45 crore customers through its vast network of over 22,000 branches and more than 60000 ATMs/ADWMs, with an undeterred focus on innovation, and customer centricity, which stems from the core values of the Bank - Service, Transparency, Ethics, Politeness, and Sustainability.

The Bank has successfully diversified businesses through its various subsidiaries, i.e., SBI General Insurance, SBI Life Insurance, SBI Mutual Fund, SBI Card, etc. It has spread its presence globally and operates across time zones through 227 offices in 30 foreign countries.

SBI holds about a \$21 billion balance sheet in the USA with 2 states chartered, FDIC-insured branches in New York & Chicago, a wholesale banking branch in Los Angeles, and a representative office in Washington DC apart from a representative office in Sao Paulo, Brazil. Our New York Branch was established in the year 1971 and celebrated 50 years of existence in New York in 2021. SBI also has a subsidiary in the USA, SBI California, which has 7 branches in California.

To find out more about the State Bank of India, visit www.sbinewyork.statebank



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Banco Unión S.A., a financial entity with the largest assets in the Bolivian Financial System, is the Bank of Bolivians with the most significant influence.

The role of the Public Banking Entity, assigned by Law 331 of December 27, 2012, has as its primary objective to provide financial services in an inclusive, agile, and flexible manner to the productive economic sectors of the state, to the public administration in all its levels of government and the general public, without any exclusions.

Our main guideline is to prioritize allocating economic resources to all sectors of the Plurinational State of Bolivia, considering the important impact on growth and its expansive effect on the national economy. With National and International Factoring, we seek to generate the following:

- Financial inclusion and democratization of financial services
- Financing for the productive and exporting sector of our country
- Making working capital financing a dynamic operation
- Innovation of financial services in Bolivia looking for the promotion and development of our Industry.

To find out more about Banco Union S.A., visit www.bancounion.com.bo

We wish all three of our new members lots of success!

Other Members who joined more recently will be included in the next issue of In-Sight.

BECOME A MEMBER

Banks and Factoring companies offering receivables finance to their clients should consider the advantages of an FCI Membership



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EDUCATE



INFLUENCE



To find out more, visit fci.nl/become-member or scan the QR code

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MEET WITH FCI'S TECHNICAL COMMITTEES

The FCI Executive Committee has appointed Technical Committees to work on specific topics. The Technical Committees are composed of a chairman who reports to the Executive Committee and 3 to 5 members. The members of the Committees represent their companies, which are members of FCI. In this edition of this series, we will highlight the Education Committee members and thank them for all the work they do for FCI.

Education Committee (EdCom)



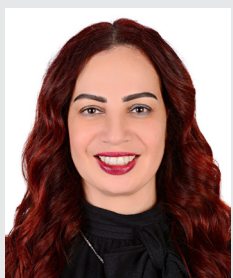
Mr Panos PAPATHEODOROU, Chairman
Real Economy Fund, Cyprus

Over 25 years of experience at the top management level in the factoring industry. Investment Committee Chairman at Real Economy Fund. Previously CEO at Optima Factors SA. He also served as CEO (2007-2019) at Laiki Factors & Forfaiters (ex Marfin Factors & Forfaiters SA), as CEO at EFG Eurobank Factors (1999-2007), and as set up a team member and Marketing Manager at Ethnofact SA (1995- 1999)Led the set-up of four factoring entities (Eurobank Factors Greece, EFG Factors Bulgaria and Marfin Factors in Greece and Serbia)Key positions in the Executive Committee of the global association for factoring, FCI, since 2010Involved in the set-up of factoring market frameworks in the region and advised governmental and financial institutions towards the adoption of the appropriate legislative frameworks and functional factoring structures.



Ms Marina AZZARA
Banco Supervielle, Argentina

Marina Azzara is the Product Leader of International Trade at Banco Supervielle, Argentina, and International Factoring is within her scope of responsibilities. The Bank joined FCI in 2007, and Marina oversaw implementing the product and conducting marketing and sales programs. Previously, she worked as a Senior Foreign Trade Officer and Export Finance Officer in the Capital Markets division. In addition, today, she belongs to the Trade Commission of ADEBA (Asociación de Bancos Argentinos) and the Finance and Blockchain Commissions of ICC Argentina (International Chamber of Commerce, Argentina).



Ms Doaa HAFEZ
Egypt Factors, Egypt

Worked in the Finance and Management fields with more than 23 years of experience, where 9 years at IBM Egypt with specialized knowledge of Project Finance, Corporate Finance, and Receivable Management with an extended responsibility to support the MENA region. For the last 14+ years till present, she has been working with Egypt Factors, a member of the Fimbank group. Egypt Factors is the first unique Trade Finance company in Egypt with a specialized focus on Commercial Finance Products. The company is a key player in the Egyptian market, which

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provides unique and advanced Trade Finance solutions—representing FCI as an Executive Committee member, Education committee member, and Ambassador for Africa and the Middle East. Responsible for managing relationships with existing clients, operational aspects, product structure and development, and operational risk. Has a proven track record driving business controls and procedures through the proper execution of the business plan and the full implementation of business processes and strategies.



Ms Vivid LIU

China Construction Bank, China

As head of the ICC China Factoring and Forfeiting expert team, Ms. Liu has worked as an international trade finance professional for over 10 years, specialising in factoring, forfeiting, and supply chain finance. Ms. Liu has served as a committee member of the FCI education committee since 2015. She actively promoted communication and collaboration among the Factoring Committee of the China Banking Association, the Commercial Factoring Expertise Committee, and international organizations. Also, she advocates the development of Factoring in China and meanwhile dedicated to raising the voice of Chinese factoring peers in international communities.

The principal task of the Education Committee is developing and implementing FCI's educational policy. Working closely with the Education Director and Deputy Education Director, the Education Committee supervises all FCI courses, decides on the modification of existing or the release of new courses, and decides on the development of new education manuals. The Education Committee is responsible for coordinating, developing, and organizing educational seminars, workshops, and webinars, dedicated to helping you achieve your education goals at a time and place that suits you.

In the next edition of In-Sight, we will present the members of another Technical Committee, so stay tuned!



INTRODUCING THE FIRST ON-DEMAND COURSE...

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Introduction to Factoring & Receivables Finance Course

This course will enhance your skills and enrich your knowledge on this form of finance which has shown significant growth during the last several decades and that supports the physical Supply Chain and economic development (FCI & WTO data).

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-  Non-Members Only
-  4-5 Learning Hours
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EDUCATE



AYŞEN ÇETINTAS
Education Director

AFREXIMBANK AND FCI HOLD FACTORING WORKSHOP IN KAMPALA, UGANDA

FACTORING, THE LIQUIDITY SOLUTION FOR SMEs AS A CATALYST OF INTRA-AFRICAN TRADE

Over 150 participants attended the African Export-Import Bank (Afreximbank) Factoring Workshop 2022, organized in collaboration with FCI in Kampala, Uganda, on October 6. Held alongside the Afreximbank Trade Finance Seminar, the theme of the conference was "Factoring, the liquidity solution for SMEs".

In her statement at the opening of the conference, Mrs Kanayo Awani, Afreximbank Executive Vice president, Intra-African Trade Bank, welcomed the encouraging level of growth in factoring in Africa.

"As a result of combined efforts of all stakeholders – factors, SMEs, Governments, Central Banks, and the dogged resolve of Afreximbank, new factoring businesses are emerging in Africa and financing to SMEs is increasing. Factoring volumes in Africa continue to grow increasing from EUR 25 billion in 2020 to over EUR 32 billion in 2021, representing 28.1% growth," she said.

To provide liquidity in support of SMEs, Afreximbank offers factoring credit lines to African factors through banks and independent factors and also issues guarantee in favour of African factors in instances where the factors are seeking funding from local banks and other financiers.



Afreximbank has provided over US\$100 million in direct liquidity support to factoring since 2017.

Mr Peter Mulroy, Secretary General of FCI, said that "receivables are a very strong reliable asset class that are self-liquidating, can be controlled, and through factoring is a means by which SMEs can generate the necessary working capital to allow them to survive and flourish."

"FCI travels around the world to spread the word about factoring and receivables finance in general, influencing governments, and promoting the concept of financing against receivables, something new in most of the emerging markets we visit, who are accustomed to financing only against real estate or fixed assets," added Mulroy.

Also speaking, Mr Richard Mayebo, Executive Director, Information Technology at Bank of Uganda, representing Dr Michael Atingi-Ego, Deputy Governor of the Bank of Uganda, said that "SMEs are the main drivers of economic growth and employment in many countries and Uganda is certainly no exception. They account for over 90% of private sector production and are also the main source of employment. However, SMEs continue to face barriers in accessing strategic resources such as finance, skills, and technology. I commend Afreximbank for championing efforts to promote factoring on the continent. I hope that this workshop will provide solutions that will see factoring adopted as a viable financing option for SMEs in Uganda," concluded Mr Richard Mayebo.

ENHANCE YOUR SKILLS IN THE RECEIVABLES FINANCE INDUSTRY

On behalf of the FCI Education Committee, we are pleased to announce the release of the First Term 2023 series of FCI Academy Online Courses & Certificate Programmes, starting in January 2023. Courses open for registration include:



FCI CAREER PATH

FCI Members only



INTRODUCTION & FOUNDATION LEVEL COURSES

Open-to-all | 2-3 Months



SPECIALISED COURSES

Open-to-all | 2-3 Months



CERTIFICATE PROGRAMMES

Open-to-all | 6-8 Months



SUPPLY CHAIN FINANCE & REVERSE FACTORING COURSE

Open-to-all | 3-4 Months



Look out for the "Year End Sale" icon on the website for discounts on selected courses!



EDUCATE

FCI ACADEMY WEBINAR FOR THE AMERICAS

“Contract & Rules: the Key Elements for correct Factoring & Supply Chain Finance Transactions”

28-29 September 2022



SPYROS TSOLIS

Deputy Education Director

FCI Academy's webinars are characterised by their high quality of deliverables being supported by industry experts in specific fields.

For the 3rd consecutive year FCI Academy, under the leadership of FCI's America Regional Director, Mr Alberto Wyderka, organised a 2-day Legal webinar for the region. The webinar topic was new, addressing the key legal issues in Factoring & Supply Chain Finance, covering important matters that are present during the process of initiating & monitoring a factoring and/or a reverse factoring transaction.

More than 300 professionals attended the event, most coming from FCI members but also from banks & financial institutions that intend to engage in Factoring. To overcome the language barrier, most parts of the programme were held in Spanish, that being a very important element for the great participation.

It has been a very interactive event, offering the participant the opportunity to directly engage with all presenters and share views on this very important topic. Moreover, a panel discussion, moderated by Mr Wyderka, created awareness for the main legal challenges faced in the Latin America & Caribbean region.

FCI Academy is grateful to all distinguished speakers that valuably contributed to the success of this event, namely:

- Mrs Marina Azzara, Banco Supervielle & FCI Education Committee member, Argentina
- Mr Victor Portillo, Banco Monex, Mexico
- Mr Richard Stehl, Otterbourg SA, FCI Legal Committee member, USA
- Ms Monica Marting Blanco, FCI SCF Consultant
- Mr Joaquin Durany, FCI Executive Committee Vice Chairman
- Mr Joao Costa Pereira, International Business Advisor, Ourinvest & FCI Marketing Committee Member, Brazil

The feedback received after the event confirmed our expectations for the very positive impact of the training, verifying the initial learning objectives of it, specifically to:

- Understand the various components of a factoring agreement
- Learn about the FCI 2-Factor legal framework (GRIF), a secure operations environment for cross-border factoring transactions.
- Understand the legal challenges in Supply Chain Finance and learn how FCIreverse, FCI's new business line, can support you!

America, especially Latin America & the Caribbean region, constitutes a very promising market for FCI, ranked high in FCI Academy's agenda to provide focused & tailor-made training programme to support Factoring & other Supply Chain Finance products growth.

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YÜCE UYANIK

Legal Committee Member and
Consultant

INFLUENCE

AAOIFI'S SHARI'AH STANDARD 59

SALE OF DEBTS & FACTORING

Although the history of factoring goes back to 1750s B.C., two-factor international factoring transactions started with the colonisation. Old factors were middlemen in trade and used to buy and sell products.

After the Great Depression in USA, early 1900s, factoring became an industry where receivables were bought and sold to be paid by the factors to the suppliers on an agreed earlier date than the due date or on the maturity, generally when the amounts were received. In most of the cases del credere agreements were made and factors paid the purchase price of the unpaid receivable to the supplier under approval. Despite the fact that there are many different types of factoring, this is how two-factor international full-service factoring operates now.

Due to its different applications, factoring has different definitions all around the world.

FCI, the Global Representative Body for Factoring and Financing of Open Account Domestic and International Trade Receivables, defines factoring contract in its General Rules for International Factoring (GRIF) Article 1 as follows:

" A factoring contract means a contract pursuant to which a supplier may or will assign accounts receivable (referred to in these Rules as "receivables" which expression, where the context allows, also includes parts of receivables) to a factor, whether or not for the purpose of finance, for at least one of the following functions:

- *Receivables ledgering*
- *Collection of receivables*
- *Protection against bad debts"*

In accordance with this definition, factoring is collection and/or bookkeeping and/or protection against bad debts of the assigned receivables whether or not for the purpose of financing. Indeed, in international factoring rules, there is no reference to financing. An export factor assigns a receivable to an Import Factor transferring the full ownership and the import factor undertakes to pay the full amount of the receivable whenever it collects, or on the 90th day after the due date under approval, if any, when the debtor fails to pay, against a commission for its functions. A discount is never a subject between the factors in international two-factor system unless they have a separate agreement.

Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), based in Bahrain, is the leading international not-for-profit organization primarily responsible for development and issuance of standards for the global Islamic finance industry. One of AAOIFI's latest standards is about "Sale of Debts" (Standard No:59). In article 9/6/1 of the standard factoring is defined as:

"Factoring is a contract whereby an institution assigns its trade receivables, which are invoiced in whole or only in specific types thereof, on a frequent basis to a factor, [a party] that takes the place of the creditor-institution with regards to the debts it assumes and stands obliged to pay its amounts to the institution immediately on the spot or upon maturity, regardless of whether these debts were recovered or not, and [this shall be] in return for a pre-agreed monetary amount."

INFLUENCE

This definition explains factoring as we know it. There is an assignment. The ownership of trade receivable is transferred to the factor. The factor becomes the creditor against the debtor. The purchase price of the receivable has to be paid to the original supplier, immediately or at maturity, for a pre-agreed amount of money (discounted or in full depending on the date of payment) with or without recourse.

Riba (interest) is totally forbidden in accordance with the Verse 2/275 of the Holy Kuran. Although an occasional discount, rebate is permissible for early payments in Sharia¹, a pre-agreed continuous discounting is considered as riba in some Islamic jurisdictions.

Therefore, we understand from the definition and the Islamic rules that unless there is a pre-agreed discount or rebate, as long as 100 percent of the amount of receivable is paid on maturity or on a pre-agreed date by the import factor to the export factor, factoring is permissible.

When we read the next paragraph in the Standard 59, it says:

"9/6/2 As per Shari'ah, it is not permitted to deal in a contract of purchasing the invoices on a discount (factoring), unless their purchase was for a commodity, or a usufruct or a service wherein the subject-delivery is ascertained, according to Item No. (5/2) of this Standard."

Here we clearly see that, as we mentioned above, a contract of purchasing the invoices (receivables) on a discount against a monetary amount is not permitted. There is not a problem so far. However, here, there is a parenthesis (the word "factoring") that leads the reader to understand that factoring is discounting only. This brings an inconsistency with the definition above. As it is mentioned in the definition of AAOIFI, factoring can be done with 100 percent payment of the purchase price and this application is compliant with the rules.

Many of the people who read this paragraph 9/6/2 who do not know the exact meaning of factoring and its various types, may easily interpret that factoring is fully impermissible in Islam, that is totally wrong, as financing/discounting is a secondary function of factoring (see FCI's definition).

Factoring is basically collecting, book-keeping and protection against bad debts of the assigned trade receivables. Financing is an optional service to be agreed on by the parties, never affecting its definition.

The parentheses in 9/6/2 above is misleading and in not in consistence with AAOIFI's definition. When it is crossed out, the meaning will be much clearer and readers will be able to understand better that only factoring transactions with payment on maturity or a pre-agreed date with 100 percent of the amount are permissible, in Islam.

¹ "The basis for the permissibility of discount or rebate for earlier payment is because discount for early payment is a form of settlement between the creditor and the debtor to pay less than the amount of the debt. This is among the settlement that are endorsed by Shari'ah as stated in the case of Ubay Ibn Ka'b (may Allah be pleased with him) and his debtor where the Prophet (peace be upon him) suggested to him in words: "write off a portion of your debt." The International Islamic Fiqh Academy has issued a resolution in support of this rule." (AAOIFI, Shari'ah Standards, Standard:8 Murabaha, Appendix D, p. 229)



Discover FCI's solution for Members who are interested in Islamic International Factoring by visiting www.fci.nl/solutions/Islamic_factoring



INFLUENCE IN MEMORIAM OF ROBERTO WECKOP

It is with great regret to announce the passing of Mr Roberto Weckop, Director/Head of International Business, Deutsche Factoring Bank, Germany, and member of the FCI Marketing & Communication Committee (MARCOM). Roberto passed away at his home in Bremen on Monday, 24 October. He is survived by his wife, Ellsa Hsu, from Taiwan, and his mother, Käthe Weckop, from Germany.

Roberto led a very adventurous and successful career. Born in Munich, Germany, in 1961 to an Italian father and a German mother, Roberto was raised in Duesseldorf and graduated in Economics from the Open University in Passau. Roberto's involvement in the factoring industry began in 1984, working for Disko and Kredit AG, a subsidiary of Dresdner Bank, and was later transferred to Disko Factoring GmbH as Director of Sales. Before his role at Deutsche Factoring, he was Chief Representative and Director of International Factoring at Eurofactor GmbH; Managing Director of GE Capital Commercial Finance GmbH, and Managing Director of Atradius Factoring. Roberto served 12 years as a member of the FCI MARCOM from 2010-2022 and was promoted to Chairman of the Marketing Committee in 2018.



Mrs Daniela Bonzanini, Banca IFIS Head of International and FCI Chairman, stated, "I was completely shocked by this unfortunate news. Roberto gave so much of his life to our industry and especially to FCI over the years, was appreciated by all who knew him, and until the end, remained committed to his work, family, and our association. Roberto was an exemplary citizen of FCI, and we are all mourning his passing. On behalf of the FCI membership globally, we express our deepest condolences to Roberto's family."



Mr Çagatay Baydar, Chairman of TEB Faktoring, Turkey, and Vice Chairman of the FCI Executive Committee, who served with Roberto for some years as past MARCOM Chairman, stated, "It's my deep sadness to lose such a great colleague from the Factoring industry. Roberto was a great friend and a true example of professionalism and devotion to the FCI community. My friendship with him was old and strong, and I will deeply miss him. We all lost a good friend. We all shared many moments,

meetings, feelings, and experiences with him and had excellent memories. We will never forget him and keep his memories in our hearts. With my condolences."

Mr Joaquin Durany, Business Development Director, EMEA Region/Spain, Summa Factoring Uruguay, and FCI Vice Chairman said, "Words seem so feeble in moments like this. My friend, Roberto's death is such a thief in the night that it steals a part of our lives but can never take away the feeling of friendship and good memories we will always carry in our hearts."

INFLUENCE

CONTINUES ON PAGE 36...

Ms Sarah Pon, International Relationship Manager, UniCredit Italy and Chairman, FCI MARCOM, stated, "He was a very kind human being, like a brother, a friend, and sometimes a strong competitor to me. I will miss him so much!"



On a personal note, I had the opportunity to work closely with Roberto over the past two decades. Anyone who knew Roberto appreciated his dedication as a factoring professional, a global citizen, a very kind and caring person, and beloved by his fellow work colleagues, his fellow committee members, staff of the FCI Secretariat, and his family of factoring friends globally. With over 30 years of experience, Roberto helped members worldwide to better understand the complexities of receivables finance



in general and international cross-border factoring in particular, with a special bond and passion for the people from the greater China region. He was an instrumental contributor to FCI and a personal confidante, someone I frequently consulted for guidance over the years. I had also known Roberto and his wife Ellsa personally, had attended their wedding in Taiwan in 2014, and found them to be such a loving and fun couple.

Ellsa asked that Roberto be remembered as someone who worked passionately for the industry, for his clients and partners, and did so always with a smile and with a great sense of humour. I know how much Ellsa is suffering, and I ask you to keep her and the family in your prayers. Roberto will be greatly missed.

With condolences,
Peter Mulroy & The FCI Secretariat





STEPHEN BHONER
Head of Marketing & Communication
Crédit Agricole Leasing & Factoring
S.A. - Niederlassung Deutschland

INFLUENCE

MERGER LEADS TO NEW HEIGHTS FOR GERMAN FACTORING INDUSTRY

On September 1, 2022, Eurofactor GmbH was merged with the Crédit Agricole Leasing German Branch, which was newly founded in 2021, and is now a branch of its parent company, Crédit Agricole Leasing & Factoring S.A., Paris (CAL&F S.A.). Eurofactor and CA Leasing jointly sign under the new name "Crédit Agricole Leasing & Factoring S.A. – Niederlassung Deutschland".

For our CoFactoring partners all over the world nothing changes apart from our new company name, VAT ID and commercial registration number. Our existing contractual relationships are automatically transferred to the new branch and do not have to be changed. And our direct shareholder, as we are a branch of Crédit Agricole Leasing & Factoring S.A., remains the very solvent French bank Crédit Agricole S.A.

We now offer leasing and factoring from a single source, thereby significantly expanding our product portfolio in Germany for corporate financing. Both types of financing are now an integral part of the financing mix for medium-sized and large companies and have experienced a continuous upswing, as their off-balance advantages are highly valued and they can be used very flexibly. The CAL&F Group is thus strengthening its range in Germany, increasing internal synergies through the merger and expanding its business in all company segments, from small and medium-sized companies to listed companies.

Find out more by clicking [here](#).

WE OFFER NOW
LEASING AND
FACTORING FROM A
SINGLE SOURCE,
THEREBY SIGNIFICANTLY
EXPANDING OUR
PRODUCT PORTFOLIO
IN GERMANY



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INFLUENCE

6 REASONS WHY LENDERS NEED TO EMBRACE NEXT-GEN WORKING CAPITAL NOW



ROGER VINCENT
Global VP of Sales, Trade
Ledger

"IT ISN'T A CASE OF CAN YOU OR CAN'T YOU – IT'S THE CASE THAT YOU ABSOLUTELY HAVE TO DO IT."

Matthew Perry, Business Design Lead with Lloyds Banking Group, says [it's essential for banks to get digital transformation done](#).

Business lenders who aren't already acting are getting left behind – they should act now. Here are 6 reasons why.

1. Technology adoption is mainstream. Open finance, mobile banking, APIs, cloud ecosystems are the norm.

Business lending has been left behind. Consumers expect to be able to manage their finances on their phone, whenever they want. The technology to bring working capital finance up to date is here.

2. Backward-looking risk assessments are no longer viable.

The pandemic, and now inflation, have disrupted business finances significantly. Annual reports, once key to a risk assessment, are of diminishing value for assessing the health of a business – and how likely you are to get your money back. Lenders can now use forward-looking risk indicators. We are entering a [golden age of invoice and receivables finance](#).

3. Obsolete = expensive. Don't shore it up. License best-in-class services.

'Sweating the assets' may now be more expensive than replacing the technology. And why take the risk of building when you can licence best-in-class technology that's available now? [Composable lending](#) lets you provide adaptable, flexible, scalable lending products, built from the best-in-class supplier for each component.

4. Competition is ramping up. Business borrowers have more choice.

No explanation needed here! Business borrowers have more choice through better use of data, technology and business models. Read more about [responding to Big Tech and how to improve business models](#).

5. Win the popularity contest. Embedded finance, personalised offers, BNPS and green lending have arrived.

New products and channels will dominate over the coming years. You need a platform that can launch and update products rapidly, and take advantage of the latest technology as it emerges. The economy needs medium and small businesses. And SMEs need working capital finance.

SMEs are crucial to any economy: for jobs, growth and innovation. For an economy to grow and for a society to benefit, SMEs need lending products to support their ambitions and to protect them during tougher times.

INFLUENCE

A FRAMEWORK FOR DELIVERING NEXT-GENERATION WORKING CAPITAL FINANCE

Trade Ledger is a core service provider to a number of global multinational banks and specialised alternative lenders who have successfully transformed their working capital finance offering. We've learned many lessons along the way and have developed a framework for other lenders looking to do the same.

We've distilled it into a report, [Next-generation working capital – the \\$ multi-trillion opportunity](#). It'll give you more detail – but every business lender's needs are different, so why not [contact us](#) to see how we can work together to deliver the best working capital finance for your customers.



6 reasons why lenders need to embrace next-gen working capital now



FCI SPREADING ITS WINGS:

MEETING BOTH ONLINE AND IN-PERSON WITH PARTNERS,
PROSPECTS, ORGANISATIONS

More than ever, FCI has been partnering with organisations to promote factoring and boost the industry. FCI Directors were invited to speak at other organisations' events. Below is what has happened over the past three months.

SEPTEMBER 2022

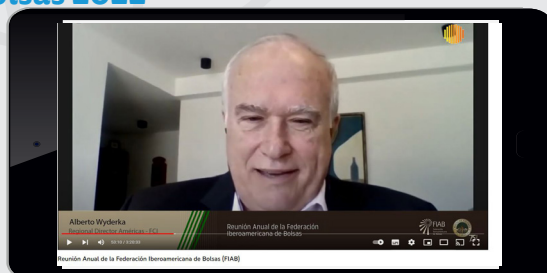
EDIFI 2022



FCI's Regional Director for the Americas, Mr Alberto Wyderka spoke at the first Digital Financial Summit, EDIFI 2022, on 9 September in Peru. Mr Wyderka presented and shared his knowledge and expertise with a presentation on Factoring facilities for the exporter. While in Peru, Alberto took the chance to visit various members and potential members.

Reunión Anual de la Federación Iberoamericana de Bolsas 2022

On 15 and 16 September, Mr Alberto Wyderka, attended the FIAB Reunión Anual Hybrid event which took place in Caracas, Venezuela. This year's event was organised by the Caracas Stock Exchange, in commemoration of its 75th anniversary and welcomed representatives of the 24 most important stock exchanges from 17 Latin American countries and Spain. Mr Alberto Wyderka participated in the event with an insightful and in-depth presentation on International Factoring and the industry within the region.



2022 EBRD TFP Trade Finance Forum

On 21-22 September, Ms Betül Kurtulus, FCI Regional Director for the CEE, SEE and Middle East, Ms Aysen Çetintas, FCI Education Director, and Mr Peter Mulroy, FCI Secretary General, attended the EBRD TFP Trade Finance Forum. The event was hosted by The European Bank for Reconstruction and Development (EBRD). Mr. Peter Mulroy shared his knowledge and participated in the Main panel discussion focussing on Challenges for Trade

Finance in Turbulent Times. He was joined by moderator Rudolf Putz (EBRD TFP) and fellow panellists, Clarine Stenfert (MIGA), Karin Oszuszy (OPEC Fund), Marc Auboin (WTO), Marck Wengrzik (AKA Ausfuhrkredit-Gesellschaft mbH) and Sean Edwards (ITFA).

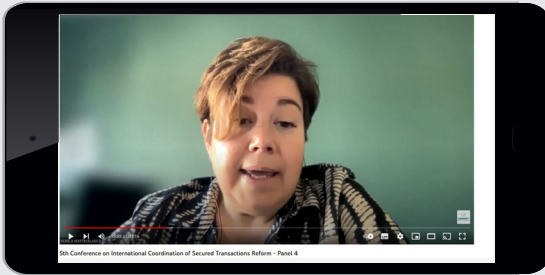


INFLUENCE

ICISA - International Credit Insurance & Surety Association Trade Credit Insurance Week

Mr Peter Mulroy, participated in day 2 of the ICISA - International Credit Insurance & Surety Association Trade Credit Insurance Week on 28 September. He partook in the "The changing nature of trade" panel discussion alongside Moderator André Düsing from Atradius, and fellow panellists Stefaan Van Boxstael from Credendo, John Cooke from LOTIS Committee and Jonny Carruthers from Berry Palmer & Lyle Ltd. (BPL Global) as they shared their thoughts on the impact of changes of trade on our industry.

OCTOBER 2022



5th Secured Transactions Coordination Conference

On 4-5 October, Ms Monica Martin Blanco, FCI's SCF Consultant, participated in the 5th Conference on International Coordination Conference which took place in Rome, Italy as well as online. Monica joined panel discussion 4 on - Coordinating secured transactions reforms with the private sector and non-governmental organisations, moderated by Spyridon Bazinas from NatLaw. The panel, including Monica, Bob Trojan (World

of Open Account), Richard Kohn (Secured Finance Network) and Chris Wohler (APFF-FIND) examined how private sector and non-governmental entities participate in the design and implementation of secured transactions reforms and consider how such arrangements could be improved.

BAFT/ITFA panel on fraud prevention

BAFT & Monetago hosted the 'Shining a spotlight on fraud in Trade' Interactive Industry Forum, online on 4 October. Peter Mulroy, participated in the panel discussion alongside leading industry professionals.

Sibos 2022

On 10 – 13 October, Peter Mulroy, attended the SIBOS conference hosted in Amsterdam. On the evening of 11 October, FCI hosted a private Member dinner on a cruise along the river, allowing those members in attendance of Sibos, a chance to network.



efcom Factoring Symposium 2022

Peter Mulroy, participated in the 2022 efcom Factoring Symposium which took place on 13 and 14 October in Frankfurt. Peter shared an insightful and in-depth presentation on the uncertainty in a post-pandemic era, highlighting the evolution from real to financial asset financing.

44th BACEE Banking Conference

Ms Betül Kurtulus, participated in the Banking Association for Central and Eastern Europe (BACEE)'s 44th Banking Conference which took place on 21 October. Betül shared her insights and expertise on 'Global Factoring – Industry Trends'. Session 3 of the conference included four presentations by Rudolf Putz, Sean Edwards, Betül and Jeremy Cross, as they share various perspectives of International Trade and Trade Finance in 2022.

INFLUENCE

#TradeFinanceTalks with TFG

Peter Mulroy, participated in an interview with Trade Finance Global (TFG)'s Editorial Director, Mr Deepesh Patel. On 25 October, Peter spoke on the prosperity of Turkey's trade and factoring industry. Watch the interview by clicking [here](#).



NOVEMBER 2022

WWC UZBEKISTAN: TRADE FINANCE 2022



Ms Betül Kurtulus participated in the 5th Annual International Conference, Uzbekistan: Trade Finance 2022. The event was hosted by WORLDWIDE EXPERT CONFERENCES LIMITED in Tashkent, Uzbekistan. FCI was an official supporting partner of this event.

56th FELABAN Annual Assembly

Mr Peter Mulroy and Mr Alberto Wyderka attended the Federación Latinoamericana de Bancos (FELABAN) Annual Assembly in Guatemala on 11-16 November. FCI hosted a networking table for attendees to visit and find out more about FCI and for Members to meet and chat with our Regional Director for Americas and Secretary General.

ADB Trade and Supply Chain Finance Program

Ms Betül Kurtulus and Aysen Çetintas attended the ADB Trade and Supply Chain Finance Program which took place on 15-17 November at the Grand Hyatt Istanbul in Turkey. Ms Aysen Cetintas, FCI Education Director shared her expertise with all in attendance as she presented on International Factoring and the industry. Mr Çagatay Baydar, FCI Vice chairman, participated in a panel discussion alongside Funda Uzun (Citibank), Pikria Kekelia (Bank of Georgia), Ana Kavtaradze (Basis Bank) and Aparna Soni Bhalla (ADB). The discussion was moderated by Can Sutken (ADB) and the panellists shared their thoughts and experiences on the current developments on SCF in Western and Central Asia, challenges and the way forward.



Bridging the supply chain financing gap Webinar

On 25 November, Mónica Martín Blanco participated in the webinar on Bridging the supply chain financing gap, hosted by Trium Limited via Zoom. This Virtual webinar was created to elaborate on how the supply chain financing gap can be bridged by addressing key challenges and opportunities using an ecosystem approach.

BCR MENA Supply chain Finance



On 28-29 November, FCI's Executive Committee Member, Ms Doaa Hafez participated in the BCR MENA Supply Chain Finance Summit. This event was organised by BCR, in cooperation with ICC UAE and hosted by Dubai Chamber in Dubai. The event examined the background to current and future growth as the market quickens its development. Ms Hafez's presentation highlighted the opportunities and challenges that present themselves to establish a regional factoring service and how it can be applied in other markets.



FCI

Facilitating Open Account – Receivables Finance

UPCOMING EVENTS



FCI

Facilitating Open Account – Receivables Finance

REGIONAL CONFERENCE ON FACTORING IN CEE



Zagreb, Croatia



7-8 March 2023



EUFederation
Factoring & Commercial Finance



FCI

Facilitating Open Account – Receivables Finance

8TH EU FACTORING SUMMIT



Cologne, Germany



20-21 April 2023



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