

Session 4: Facilitating trade finance for inclusive growth: Bridging gaps through technology

Moderator:

- Mr. Jong Woo Kang, Principal Economist, Regional Cooperation and Integration Division, ADB

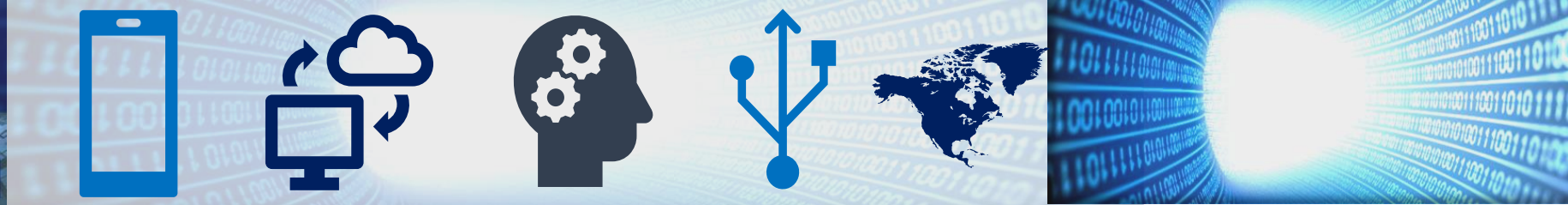
Panelists:

- Mr. Santosh Pokharel, Investment Specialist, Trade Finance Unit, ADB
- Mr. David Rasquinha, Managing Director, EXIM Bank of India
- Mr. Ian Sayers, Head, Access to Finance and Enterprise Sustainability, International Trade Centre (ITC)
- Ms. Urachada Ketprom, Director of Standard Office, Electronic Transaction Development Agency (ETDA), Thailand



Santosh Pokharel, Investment Specialist, Trade Finance Unit, ADB

- ❑ ADB's Trade Finance Program (TFP) provides guarantees and loans to support trade. UN recognizes "trade finance" as essential tools in achieving SDGs.
- ❑ TFP was started in 2004 and has grown exponentially over the last 10 years, especially after global finance crisis of 2008. Currently, TFP works in 21 different countries, with over 240 partner banks, and supported \$6.2 billion in trade in 2018
- ❑ Adoption of new technology is imperative to manage this growth in business and ensure operational efficiency
- ❑ Apart from providing guarantees and loans, TFP is also involved in various knowledge initiatives.
- ❑ ADB's 2019 gap study has cited that 40% of rejected trade finance transactions are for SMEs
- ❑ Promotion of Global Legal Entity Identifier (LEI) , Digital standards for trade etc.



David Rasquinha, Managing Director, EXIM Bank of India

- ❑ Trade Finance essential to harness optimum benefits from trade opportunities offered by shifting patterns of production
- ❑ Technological innovation is changing the future of banking and nature of trade finance
- ❑ Challenges to effective application of technology needs to be addressed
- ❑ Exim Bank, through its flagship programs, provides solution to medium to long-term export finance for exporters
- ❑ Exim Bank, through various initiatives and partnerships, helps MSMEs, drives exports and technological solution
- ❑ Recent trends show slowdown in Export Credit in India which needs to be addressed with pragmatic solution



Mr. Ian Sayers, Head, Access to Finance and Enterprise Sustainability, International Trade Centre (ITC)

- Insight into Trade financing from the perspective of SMEs, Women and Young entrepreneurs
- So why hasn't trade ground to a halt?
- Alternative financing channels come with implications
- What have we learned: Four take aways from ITC's experience



Ms. Urachada Ketprom, Director of Standard Office, Electronic Transaction Development Agency (ETDA), Thailand

- SMEs will benefit greatly from disruptive technology : A: AI, B:Blockchain, C: Cryptocurrency
- Technology Adoption for SMEs NEEDS support not only technically but also trade finance to move forward
- Innovation Sandbox and Regulatory Sandbox are the key factors for CHANGE in Trade Finance
- Cross-Border Procedure NEEDs standardization process based on international standard and procedure
- UN/CEFACT Project on Blockchain is a good step toward technology adoption internationally
- TFA implementation is CRUCIAL for the growth of Asia Pacific Trade especially on Cross-Border e-Commerce