



22st UN/CEFACT FORUM

Supply Chain PDA Finance & Payments Domain

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AGENDA

Thursday 17 October (09:30-12:30)
Supply Chain strategic plan – Payments

- ❖ **Conference call with Eugenio Cavenaghi – Barclays:**
 - Supply Chain Best Practice and EBA Activities
 - Question & Answer

- ❖ **Finance & Payments domain Strategic Plan**
 - F&P Goals: What and How
 - Question & Answer – Feedback



Stream of activities

21th UN/CEFACT
FORUM 15-19
April 2013,
Geneva

Finance/Payments
domain

Supply Chain Finance

New streams of possible activities

- Purchase Order financing (NEW)
- Inventory financing (NEW)
- Shipment document financing (NEW)

Supply Chain B2B (Trade)

- Cross-industry Invoice v3
- Credit Note (NEW)
- Trade Counterparts screening (NEW)

Finance (exTBG5)

- TBG5 (Finance) projects

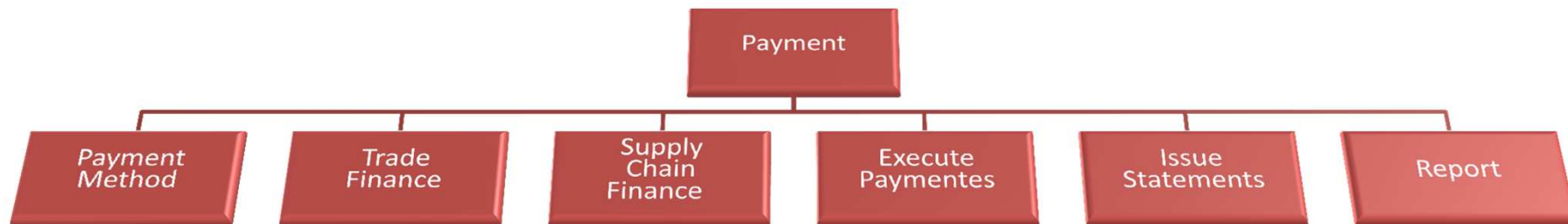
no progress since 2008

Liaison to standards

- Liaison ISO20022 e ISO TC68:
 - Remittance Advice
 - Factoring /reverse factoring
 - Guarantees / collaterals

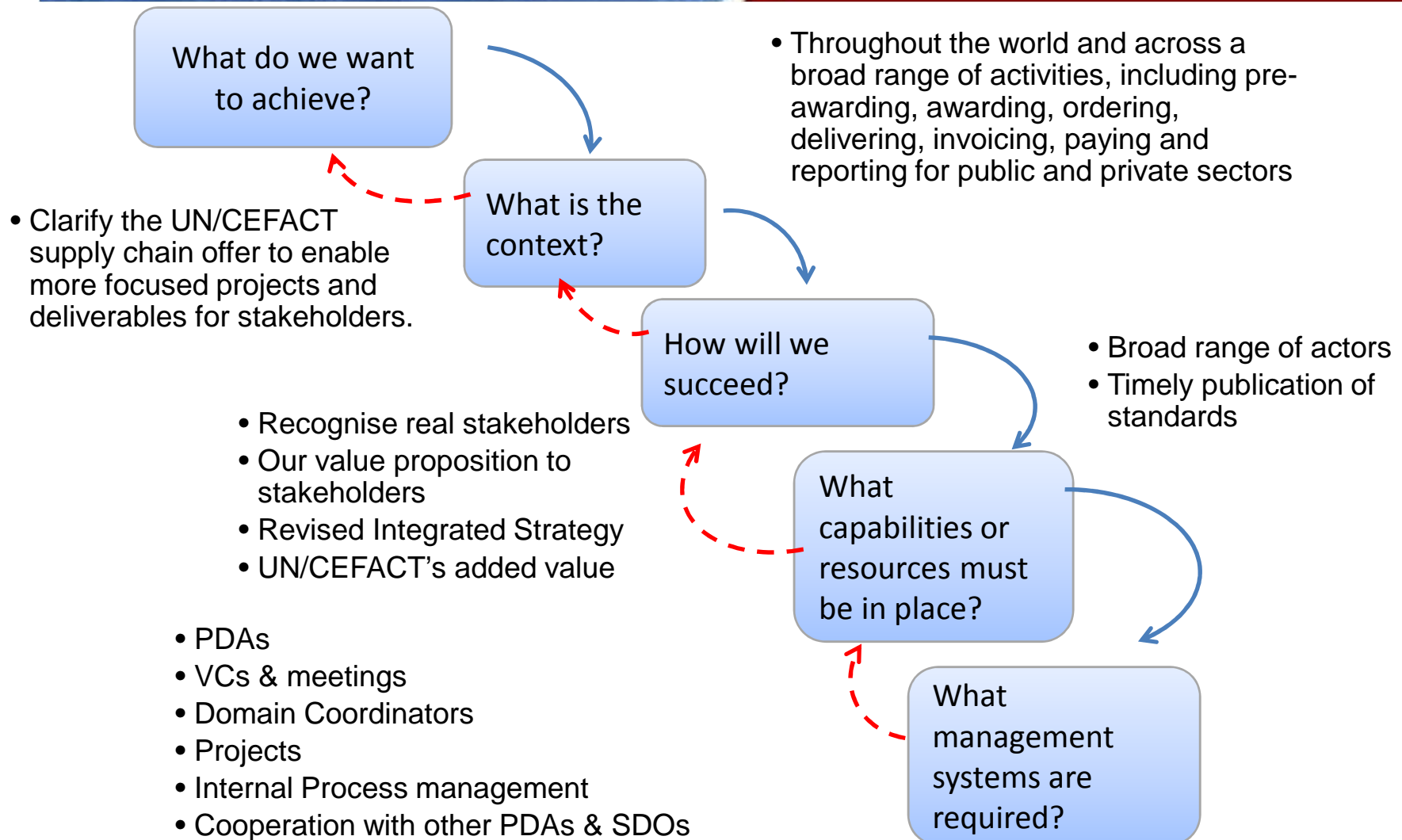


Finance & Payments domain Strategic Plan



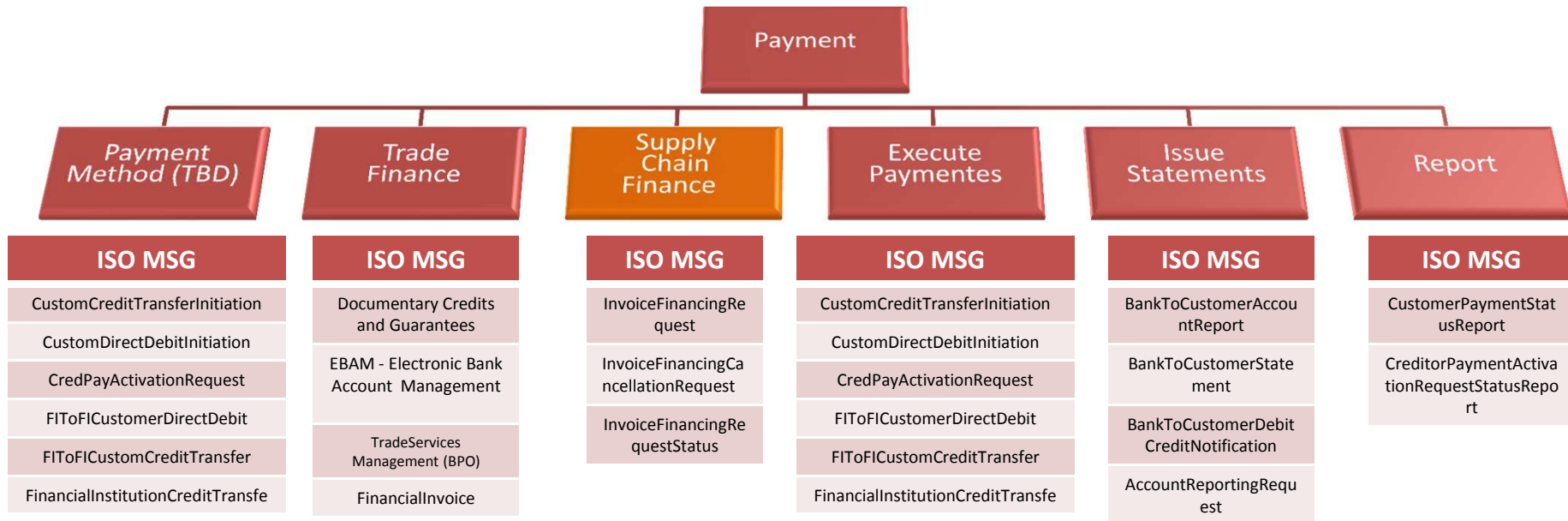
The revised Supply Chain PDA Strategic Plan is attempting to provide a more coherent approach to identifying and launching SC projects in order to:

- ❖ Ensure the UN/CEFACT project responds to market requirements (public and private)
- ❖ Follow the Stakeholders Requirements in terms of cross-border interoperability.
- ❖ “reduce overlap and the duplication of work of other organizations and communities of experts” (source: UN/CEFACT PoW)





Finance & Payments domain Strategic Plan - mapping



- The SC PDA looks at F&P domain as to define and progress Financial and Payment projects in the future.
- The shown F&P headings are greatly covered by ISO (also EDIFACT in some cases) international standards and messages.
- **In order to answer stakeholders req., it would be essential to focus the effort on sparsely standardized activitis (Trade and above all Supply Chain Finance)**



The Liaison Officer to ISO TC68 (Financial services domain of ISO) could ensure a constant dialogue and alignment between UN/CEFACT and ISO in the cross-border standardization of financial domain.

Possible general approach

New project proposals

Before starting a new project endorsed by the SC PDA, it should be checked if any standardization activity has been carried out on the same subject at ISO level.

- Definition of business model
- Uptake of Business requirements Specifications (BRS)
- Submission of ISO 20022 Business Justification (BJ)
- Delivery of ISO 20022 messages (MDR)
- Maintenance of messages

Existing XML messages in the financial domain

When a double ISO-CEFACT syntax already exists, i.e. C.I. Remittance Advice, F&P domain must take in charge a gap analysis with the aim to ensure semantic interoperability on a global scale through official joint “conversion maps”.



Supply Chain Finance

EBA definition

Supply Chain Finance is defined as “the use of financial instruments, practices and technologies to optimize the management of the working capital and liquidity tied up in supply chain processes for collaborating business partners. SCF is largely ‘event-driven’. Each intervention (finance, risk mitigation or payment) in the financial supply chain is driven by an event in the physical supply chain. The development of advanced technologies to track and control events in the physical supply chain creates opportunities to automate the initiation of SCF interventions.” (Source: EBA)



Supply Chain Finance

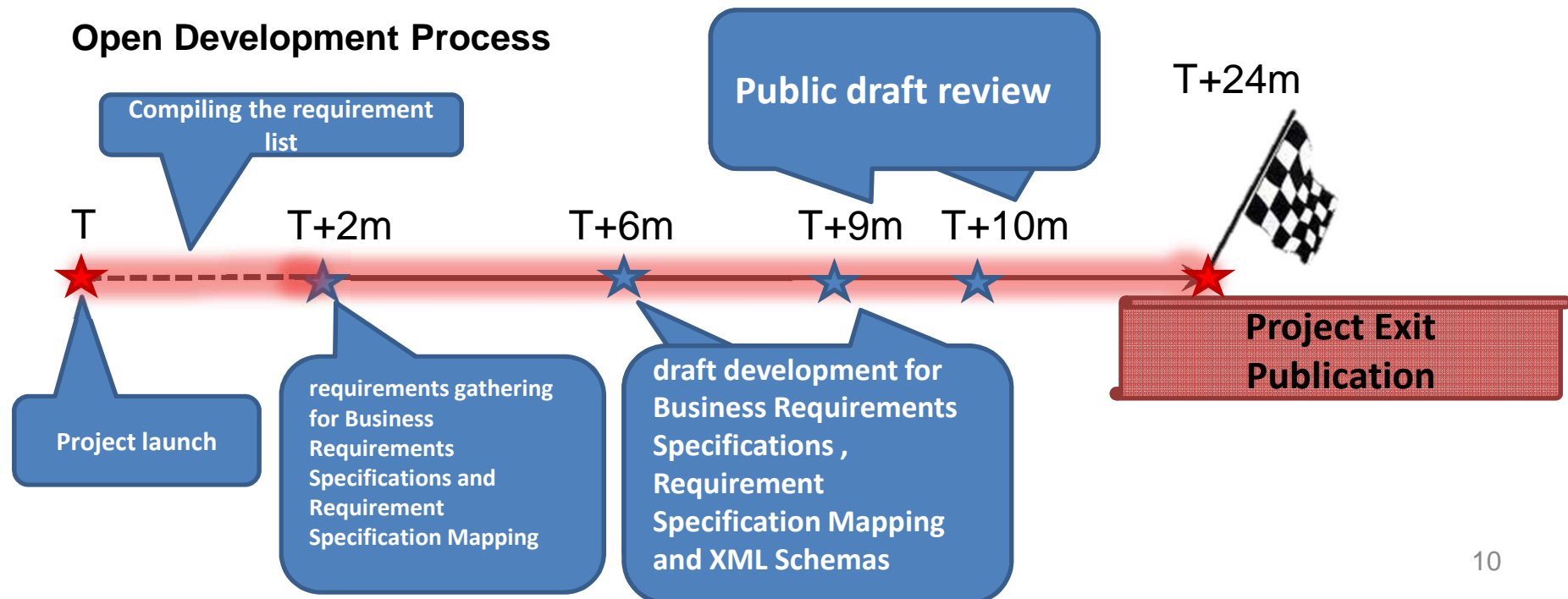
Purchase Order Financing, a first potential project for consideration by the Supply Chain PDA:

- It gives companies a short term solution for funding inventory in order to complete sales transactions.
- PO Financing would consist of three new messages without current ISO overlapping :
 1. PO Financing Request
 2. PO Financing Request Status Report - Technical validation
 3. PO Financing Request Status Report - Business validation



UNCEFACT ODP

- A project plan will be developed and maintained by the project team after the acceptance of the project. A shared time schedule is needed, based on the UN/CEFACT process.





Q&A session

Any question ?



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Thank you

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United Nations Economic Commission for Europe
United Nations Centre for Trade Facilitation and Electronic Business
UN/CEFACT

Annex



Finance & Payments domain ISO mapping Draft

Message Name	ISO Msg ID	Finance & Payments Areas
CustomerCreditTransferInitiationV05	pain.001.001.05	Execute payments
CustomerDirectDebitInitiationV04	pain.008.001.04	Execute payments
CustomerPaymentStatusReportV05	pain.002.001.05	Report (B2C)
CreditorPaymentActivationRequestV03	pain.013.001.03	Execute payments
CreditorPaymentActivationRequestStatusReportV03	pain.014.001.03	Report (B2C)
FinancialInvoiceV01	tsin.004.001.01	Supply Chain Finance



Finance & Payments domain ISO mapping **Draft**

Message Name	ISO Msg ID	Finance & Payments Areas
InvoiceFinancingRequestV01	tsin.001.001.01	Supply Chain Finance
InvoiceFinancingRequestStatusV01	tsin.002.001.01	Supply Chain Finance
InvoiceFinancingCancellationRequestV01	tsin.003.001.01	Supply Chain Finance
BankToCustomerAccountReportV04	camt.052.001.04	Issue Statements
BankToCustomerStatementV04	camt.053.001.04	Issue Statements
BankToCustomerDebitCreditNotificationV04	camt.054.001.04	Issue Statements
AccountReportingRequestV03	camt.060.001.03	Issue Statements



Finance & Payments domain ISO / SWIFT mapping **Draft**

Message Name	ISO / SWIFT Msg ID	Finance & Payments Areas
FItoFIPaymentStatusReportV05	pacs.002.001.05	Execute payments
FItoFICustomerDirectDebitV04	pacs.003.001.04	Execute payments
PaymentReturnV04	pacs.004.001.04	Execute payments
FItoFICustomerCreditTransferV04	pacs.008.001.04	Execute payments
FinancialInstitutionCreditTransferV04	pacs.009.001.04	Execute payments
Documentary Credits and Guarantees	ISO xml	Trade
Documentary Credits and Guarantees	MT 798 <XXX>	Trade
EBAM - Electronic Bank Account Management	ISO xml	Trade