



# TRADE FINANCE

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## The new centre for global trade



**CGI**

# Setting a truly global standard

CGI Trade360 offers a truly global solution for banks to manage their trade finance operations. Frank Tezzi and Kitt Carswell of CGI join client banks ANZ and Scotiabank to share their experiences.



**Frank Tezzi, vice president, trade & supply chain solutions at CGI**

For banks, the holy grail of trade finance functionality, given the increasingly diverse and extensive reach of supply chains and trade flows, is to have a trade platform that provides a global perspective. Sadly this is often not the reality. However, clients of trade technology provider CGI have a different experience and are enthusiastic to share the impact of CGI's Trade360® product on their businesses.

Frank Tezzi, vice president, trade & supply chain solutions at CGI, explains the advantages of Trade360: "Banks want to escape from a reality where they are running multiple systems or multiple versions of the same system. We once spoke with a bank that had 64 instances of the same system running across their network, which made it very difficult to synchronise functionality and service offering. Trade360 allows you to do that – you can run a truly global network under one single solution that enables you to get global synergies from real-time data and manage that data to provide a consistent customer service on a global basis. That's how we distinguish ourselves from our competitors."



**Kitt Carswell, senior offering manager & executive consultant, trade & supply chain solutions at CGI**

Trade360 is not a one-size-fits-all solution. In running a trade business globally you need to be able to both set policies for how things should function across the globe, while still allowing for differentiation between regions and localities. Trade360 allows for both consistency and differentiation.

From an operational efficiency point of view, Trade360 benefits banks that have previously operated a module of a core system or are using a separate system in each locale for trade. In those cases, trade data that can be used to better service customers is fragmented and trapped in each location.

Kitt Carswell, senior offering manager & executive consultant, trade & supply chain solutions at CGI, notes: "Real-time data gives you insight into what is happening not just across your own business, but also allows you to see what is happening with each of your customers on a global basis. This allows you to grow your business with them from multiple points of contact – everywhere that they walk through the door or connect to you, they can have the same level of service."

Having visibility of data globally also allows banks to manage

risk and capital globally across all their locations. Clients can also manage their credit risk within their group through central or regional monitoring of credit requests, with the option of tracking limits against the banks central limits system, against the Trade360 limits system or a combination of both.

Adds Tezzi: "Corporates are getting more global and they expect their banks to follow suit."

In addition, banks experience difficulties in rolling out new functionality for an upgrade to their systems, they are time consuming and not at all cost effective. With a global system like Trade360 you can roll out new functionality instantly at all locations.

Compliance is perhaps one of the most important issues in contemporary trade finance, and Trade360 comes equipped with a compliance engine that is updated on a daily basis. Says Tezzi: "Customers can tailor how those lists are used by location, and we also have the ability for banks to put in their own custom lists, which almost all do. We also made it interoperable to include third party solutions for maximum flexibility – a new feature for the solution."

2013 has seen new functionality and a new user interface rolled out for Trade360. Says Carswell: "The customer portal has been redesigned with a personalised landing page for the user that is fully customisable to maximise efficiency and usability for the client. All of the transaction screens and navigation has been rebuilt and the feedback has been excellent."

He adds: "We have been working in the approved payables

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finance reverse factoring area for some time now, but one of the things we were missing was the actual supplier portal to offer invoices for purchase, so we added that in. Invoices can now be uploaded host to host or through the portal which goes into our approved payables finance capability which integrates bank purchase of supplier invoices automatically or through the new Supplier Portal on-demand, and processes the payment of those invoices at the due date."

But what about the customer perspective? ANZ is a longstanding client of CGI, and as Phil Cubbin, Global Head, Trade & Supply Chain Operations at ANZ,

explains, Trade360 has been a vital part of the bank's expansion: "As we have developed our business across the Asia Pacific region, the system has allowed us to have a global view in a consistent manner. The key for us is that as our business has grown and the environment in which we operate has changed, our capability has remained consistent and global, allowing us to have the visibility, support and operational efficiency we need across all the markets that we operate in."

One area of particular satisfaction for CGI's clients is the constant interaction that occurs in the relationship to meet the way the industry is constantly evolving as banks look to meet new opportunities head on. Says Cubbin: "We operate on a hub and spoke model, so the way the interaction leads to the roll out of new functionality when we need it at each spoke is very important to us. The dialogue tends to be around enhancements, and as the market becomes increasingly open account, so the product develops in that area."

The ability to deploy CGI with such ease was also a major attraction for ANZ. Says Cubbin: "The key for us in the context of opening in new markets or establishing hubs in new countries for regulatory reasons is that we can take the model we already have and shift it to the new market. At the moment we are going through this process and our biggest challenge is hiring and training people, and this platform allows us to do that remotely and track their progress through the available data. Given the global nature of Trade360 we do not have to worry about system deployment"

Scotiabank is one of CGI's newest clients having recently rolled out Trade360 in Canada. The Canadian conversion phase includes the implementation of centralised processing in Toronto, with customer service positions across Canada. The Toronto hub has a capacity to eventually serve clients in the U.S., the Caribbean, Mexico and England. Future phases may also reach out to Scotiabank operations in Latin America and Asia. Paul LeBlanc, Senior Vice President, Trade Services and Financial Institutions, Global Transaction Banking, at Scotiabank, recalls what led the bank to select CGI: "In 2007 we decided it was time to evaluate our trade operations across our global network.

"We operate in 55 countries and opted for a total overhaul of our operational capabilities."

For Scotiabank, the pace and scope of global events have served



**Phil Cubbin, Global Head, Trade & Supply Chain Operations at ANZ**

as a reminder that in-country visibility is vital. The bank is now establishing processes based on English and Spanish speaking markets, as well as in the Asia Pacific region, with each region backing up the other.

Says LeBlanc: "We have deployed and implemented in Canada with one processing site. Scotiabank has set up four different levels of service delivery based on turn-around times of three hours, six hours, 24 hours and 48 hours, allowing us to track the Bank's performance against those

standards. The next step for us in the coming months is to deploy in New York, London, Mexico and the Caribbean. In 2014 Scotiabank hopes to deploy in Latin America, with Asia Pacific following in 2015."

"CGI's Trade360 platform supports Scotiabank's commitment to providing clients with high quality, innovative offerings and services that meet their needs wherever they do business," said LeBlanc. "Scotiabank is in a prime position to help facilitate business for our clients across regions and borders."

Behind the technology and the service at CGI is an invaluable network of contacts and expertise. LeBlanc notes: "We have worked with talented people at CGI. They understand trade and they bring the added value of their network of clients. The conversation starts out with the product and implementation, but expanded beyond that into technical elements of trade. Scotiabank has been able to establish a dialogue with some of CGI's other clients. We learn from each other and share best practices. That's a real bonus."

With such enthusiasm from clients, Tezzi admits: "I'd like to think that our bank clients are now operating on a higher level of efficiency on a global scale that lets them drive their business to the next level."

Cubbin confirms: "Without a global platform we could not operate in the way that we do. We can operate locally to serve customers that may not be global but have requirements in other markets, as well as support global customers in a consistent and responsive way. However we also have the consistency and risk management oversight that we need and desire, along with the flexibility to deploy global processes and practices."

Summing up CGI's standing in the trade technology market, Carswell concludes: "We consider ourselves a truly global trade system. We think that we truly set the standard for how to operate in a global system. And there is more to come from Trade360." ■

