



# Bank Payment Obligation (BPO)

*A new era in Trade Finance*

Global Trade  
Facilitation Conference

Franck de Praetere

*Head of Payments and Trade, SWIFT*



# Agenda

Trade Traffic Trends

ICC and SWIFT

BPO-based services

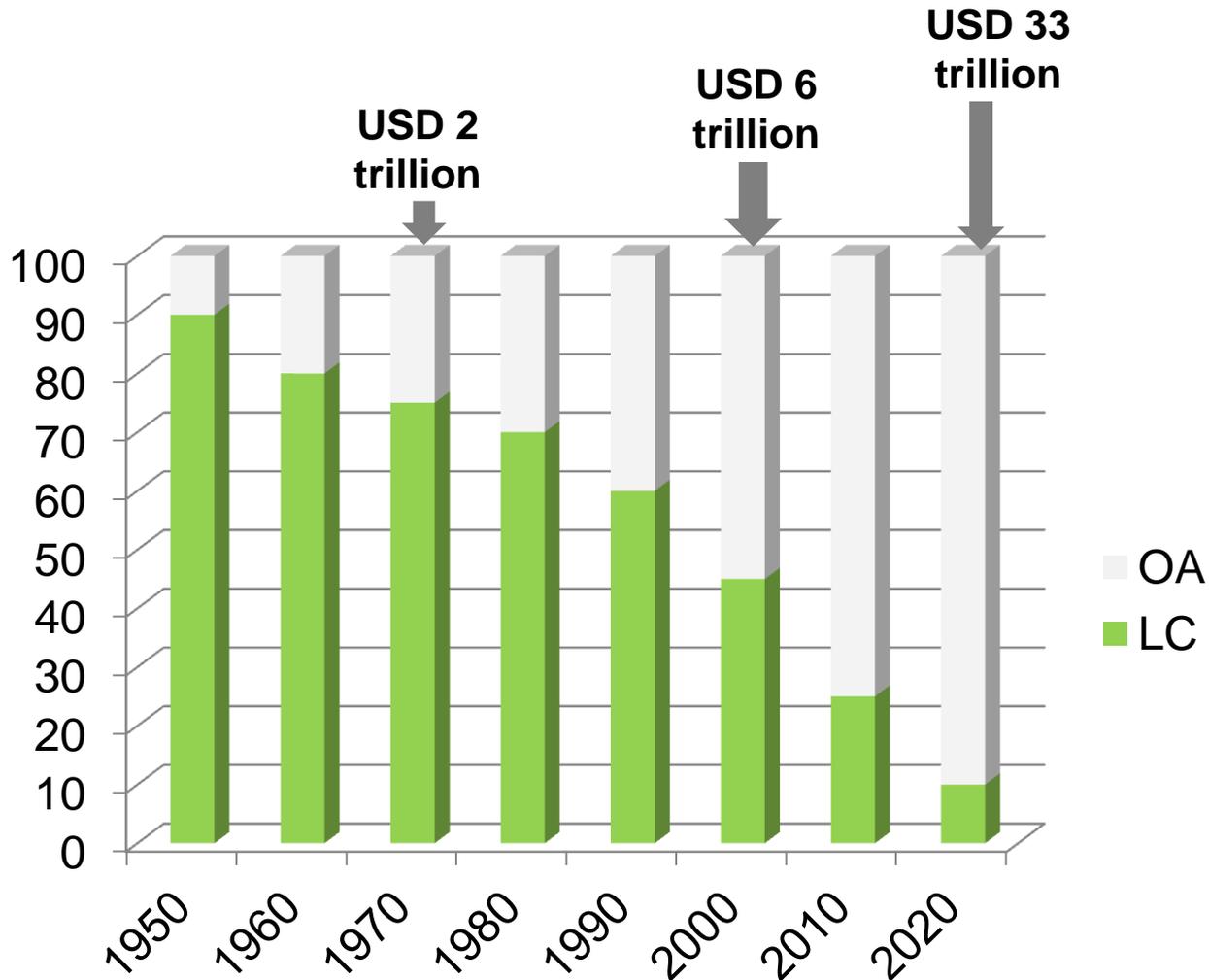
BPO market adoption

Way forward



# Merchandise trade volumes growth forecast

*....increasing the demand for SCF*



# Roles of ICC and SWIFT



- International financial standards (ISO)
- Global and secure messaging platform (99.999%)
- Community of 9,000 financial institutions in 212 countries
- Technology and Rules (Trade Service Utility)



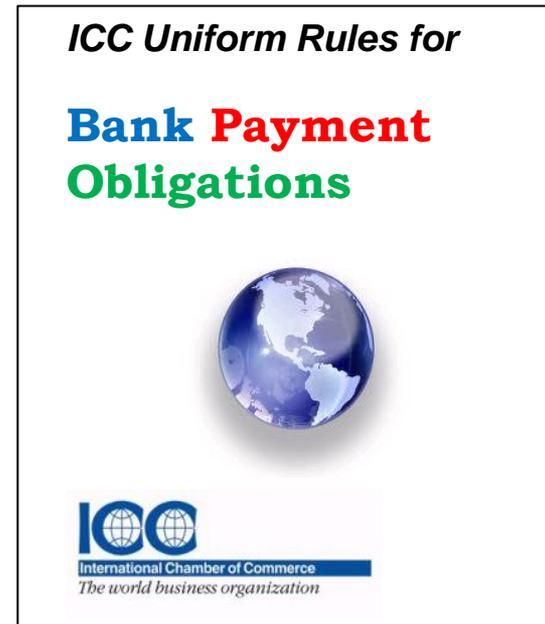
The ICC Banking Commission is a leading global rule-making body for the banking industry, producing universally accepted rules and guidelines for international banking practice, notably letters of credit, demand guarantees and bank-to-bank reimbursement. Over 500 members in 85 countries.



# The Bank Payment Obligation (BPO)

*A new alternative instrument for trade settlement*

A **BPO** is an **irrevocable undertaking** given by one **bank** to another **bank** that **payment** will be made on a specified date after a successful **electronic matching** of data according to an industry-wide set of rules.



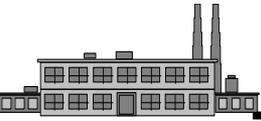
Designed to complement and not to replace existing solutions

# The BPO relies upon ISO 20022 messaging and trade utility

Industry standards

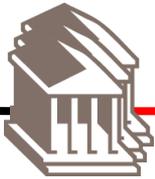


**URBPO**

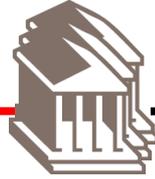


Buyer

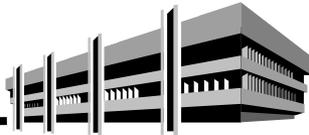
1



2



3



Seller

Commercial solutions

Any channel / any format / any solution

- Bank portal
- SWIFT's SCORE
- Paper

Trade Matching Application

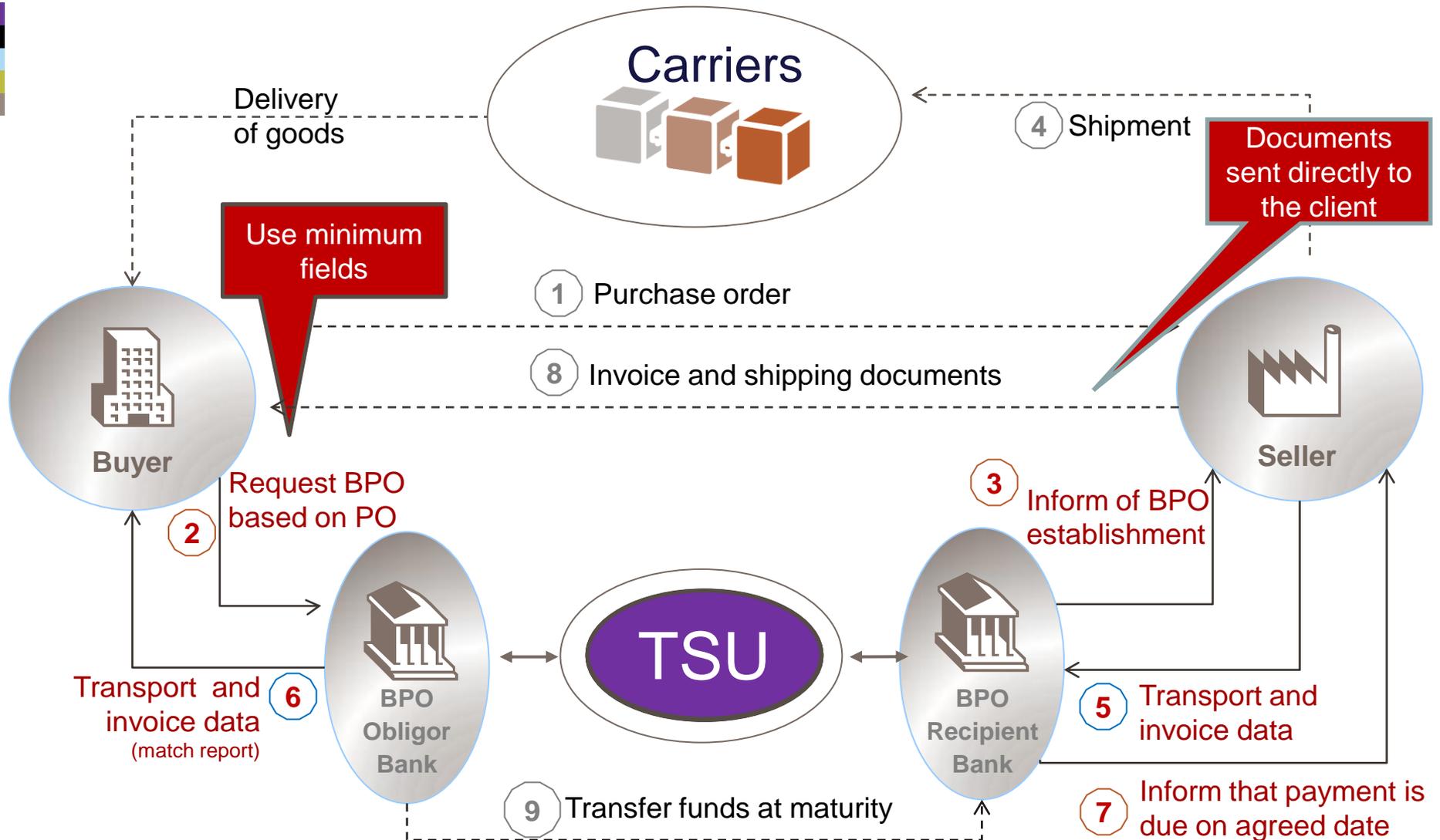
- SWIFT's Trade Services Utility (TSU)

Any channel / any format / any solution

- Bank portal
- SWIFT's SCORE
- Paper



# BPO flows for data, documents and goods



# The BPO enables SCF to start when it should

|   |              |                     |                       |                     |                     |
|---|--------------|---------------------|-----------------------|---------------------|---------------------|
| Ordering  | Production   | Delivery            | Invoicing             | Goods Acceptance    | Payment & cash mgmt |
| Purchase Order (PO)                             | Certificates | Transport Documents | Invoice Issuance      | Invoice Approval    | Payment             |
| Payment risk mitigation<br>Pre-shipment finance |              |                     | Post-shipment finance | Receivables Finance | Payment Processing  |



预览已结束，完整报告链接和二维码如下：

[https://www.yunbaogao.cn/report/index/report?reportId=5\\_6399](https://www.yunbaogao.cn/report/index/report?reportId=5_6399)



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