



Industry association ITFA partners with TFD Initiative to support secondary trade finance market

04 March 2020 – The International Trade and Forfeiting Association (ITFA), the worldwide trade association for companies, financial institutions and intermediaries engaged in trade and forfeiting, has established a formal association with the Trade Finance Distribution Initiative (TFD Initiative).

The TFD Initiative was established in 2019 and is an industry-wide effort to use technology and standardise the market to support the wider distribution of trade finance assets, and create a secondary trade finance marketplace with greater non-bank participation. It gained significant momentum and support from across the industry, with the number of members doubling from 14 at launch to more than 30 in January 2020.

The partnership will give all ITFA members full access to the TFD Initiative's workstreams and enable them to participate in live projects and proof of concepts. This will allow them to collaborate with a broad section of the industry, network with a community of trade financiers, buy-side institutions and technology partners and attend a series of events and industry workshops.

TFD Initiative will also seek to create utilities, standards and protocols for the distribution of trade assets by bringing together representatives from all interested groups in working groups.

As institutional investors are growing increasingly interested in trade finance as an alternative investment class, these new market participants represent the future of funding for those in the sector.

ITFA's recognised role as convenor for the trade industry allows it to support and provide the necessary education needed to establish the industry as a viable asset class. Through cooperating with other institutions in developing consistent standards and rules, ITFA aims to help trade originators produce higher balance sheet velocity and increased origination.

Sean Edwards, Chairman of ITFA, comments: "The distribution of trade finance is a vital step for the industry as it navigates a series of structural and regulatory challenges and seeks to close the USD1.5 trillion trade finance gap. ITFA is proud to partner with the TFD Initiative and support the industry's push towards establishing a secondary market.

"We believe this will provide crucial benefits for our members and the wider industry by making trade finance an easily accessible and distributable asset class, improving access to financing for corporates and SMEs, and mitigating the capital requirements for banks under the incoming Basel IV framework."

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Media contacts

Chatsworth Communications

+44 (0)20 7440 9780

contact@chatsworthcommunications.com

About the Trade Finance Distribution Initiative

The [Trade Finance Distribution Initiative](#) (TFD Initiative) is an industry-backed drive to create the blueprint for global trade finance distribution. It addresses the business and regulatory issues impacting banks and non-bank financial institutions when distributing or investing in trade finance.

TFD Initiative seeks to develop standardised best practices for the wider distribution of trade finance assets. This includes common data standards and definitions to address operational inefficiencies, transparency issues, and risks.



TFD Initiative relies on the insights of its members, which includes banks, institutional investors and trade associations and [Tradeteq](#), the global trade finance distribution platform.

For more information, please visit www.tradefinancedistribution.com.

Tradeteq, amongst other ITFA members, is aiding the new collaboration by providing a trading architecture for the distribution of trade finance assets. Tradeteq's platform offers an end-to-end solution for banks and non-bank institutions covering three essential components: portfolio management and trading automation, AI-driven risk analytics, and securitisation-as-a-service.

About ITFA:

The International Trade & Forfeiting Association, ITFA, is the global market association for financial institutions, credit insurers and brokers, law firms and consultants, non-bank trade originators, institutional investors and asset managers as well as technology providers engaged in trade finance and risk / asset distribution.

Founded in 1999 and with more than 300 members, the ITFA aims to foster business relationships and to continuously improve governance and best practice by shaping rules, laws and documentation that affect its members and the trade finance industry. Learn more at <https://itfa.org>.