

March 2011 CEO Update

We recently participated in an excellent Trade Finance conference hosted by SEB in Helsinki. The conference was well attended by a large number of corporate representatives and speakers included Kristian Pullola Vice President and Head of Treasury at Nokia.

During this seminar SWIFT and Bolero shared the stage for a joint presentation on the future of Trade Finance. The theme for this presentation was “Co-Existence and Choice” reflecting the recent announcements from the two companies and the desire to provide real-world solutions to corporate and bank customers in support of Multi-Bank Trade Finance.

With Nokia in the room, it was appropriate to use a mobile phone analogy in support of the concept of ‘co-existence’. The SWIFT network was likened to an established fixed line telephone network where all banks used fixed-line phones to talk with any other bank (or corporate) on the (fixed line) network. In contrast, the Bolero network was likened to a mobile phone network accessible to any user with a mobile phone (over the public internet). For anyone making a telephone call, the co-existence between fixed line and mobile networks ensures that each user can make a call from either a mobile phone or fixed line phone, to any other user, without having to pre-determine whether the person he is calling is using the same type of phone as they are, or whether they are on the same phone network.

Similarly the shared vision for multi-bank trade finance is that corporates and banks should be able to freely make “telephone calls” without having to be involved in decisions about whether they or their counterparties are using the SWIFT network or Bolero network, nor be limited to only talking with users on the same network.

By establishing co-existence between the Bolero network and SWIFT network, the reach for multi-bank trade finance is extended, much of the confusion over formats and standards is sidestepped and corporates and banks can concentrate instead on the delivery of business value.