

# Canada's GTC Announces New Trade Finance Exchange (TFX) Platform



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Canadian software developer and application service provider Global Trade Corporation (GTC) announced today that it is in the process of developing the Trade Finance Exchange (TFX) Platform to simplify trade. As everyone knows, global trade can be made far more efficient if the basic functions are performed more speedily, and that is what the platform seeks to accomplish. The platform is going to help companies and financial institutions with price discovery. In addition to that, the platform will also provide its users with a fully digital marketplace meant for trade assets.

It is a highly ambitious project, but at the same time, it should be noted that GTC has been in this line of work for many years now. The company's popular GlobalTrade Multi-bank Trade Finance Management Platform, used for payment instruments management by global corporations since 2004, is going to be integrated into the platform. Also, it is important to keep in mind that GTC is going to collaborate with some of the biggest names in the global business including, Baker Hughes, Siemens AG, and Lindner Group, and banking giants like HSBC, CA CIB, and Standard Chartered to build the TFX Platform.

The company has decided to go for this initiative since its clients have asked for such a platform, according to the Founder and Chairman of GTC Jacob Katsman. He went on to say that the kernel of the idea had been in place for many years, and it had been back in 2002 when a company had first come up with such a marketplace meant for trade finance instruments. Since then, many such marketplaces have emerged, but Katsman asserted that the TFX platform is going to be different. He said,

**In recent years, several trade finance marketplaces emerged with a similar idea. The problem for corporates using these marketplaces is that they are stand alone and are not integrated with a trade finance management system. This is where the GTC solution will be different.**

The involvement of Siemens AG in the whole project is certainly making a lot of sense because the company has worked extensively on the intricacies of RFQ (Request for Quotation). Gerhard Heubeck, Head of Trade Finance Advisory at Siemens AG, stated that the coming together of a range of companies is essential to the success of such a platform. It should be noted that three large banks and other companies are going to be participants in this project. Heubeck said, "At its core, of course, an RFQ platform must be driven by corporations with a large volume of transactions and should contribute to internal and external process optimizations, as well as provide a system-integrated audit trail."

On the other hand, Head of Group Treasury at Lindner Group, Sven Matzelsberger, also spoke about the fact that a solution of this nature for the trade finance space had been in demand for quite some time. He went on to state that a platform of this nature is going to enhance transparency and also lead to far greater levels of efficiency in the business. Vinay Mendoca, MD & Global Head Product, Propositions & Structuring, Trade, and Receivables Finance at HSBC spoke about the project as well. He said,

**We are firm believers in the simplification and digitisation of trade and anticipate that initiatives such as TFX will improve the transparency and efficiency of the trade finance eco system.**

It is an ambitious project from GTC for sure, but it could have far-reaching ramifications in the years to come.