



Q&A: MEET ITFA'S NEW BOARD MEMBERS, July 2024

By Editorial Consultant, Rebecca Spong

ITFA elected two new board members during its annual general meeting in June. This month *Rebecca Spong* talked to *Sian Aspinall* about her new role, as well as her existing position within ITFA's insurance committee and banking regulation sub-committee.

Later in the year, we will shift the focus to *N.L.N Swaroop*, looking at his work with the ITFA Trade Finance Investment Ecosystem as well as his ambitions as a new board member.

Q: Congratulations on being elected to the ITFA Board. How long have you been associated with ITFA and what do think you will bring to the board in terms of expertise and experience?

Aspinall: BPL has been a member of ITFA for some time before my personal involvement. When Deputy Chairman Anthony Palmer – who was our main representative at ITFA – retired in 2017, I assumed the mantle and was very fortunate to be approached to join the insurance committee. I then became involved in the banking regulation sub-committee in 2019, which was established to examine the impact of the finalised Basel III regulations on the market. ITFA really has been central to coordinating industry efforts to advocate for the market. Basel III continues to be a key focus of the banking regulation sub-committee as we continue to maintain open dialogue with regulators.

Q: Can you outline some of your goals and ambitions in your new role as a board member?

Aspinall: ITFA has done a great job bringing together the wider trade finance community and increasing the flow of funds that support global trade. I think the challenge for me is to increase ITFA's membership on the insurer and broker side, so it is truly representative of the market. I want to really encourage these people in particular to get further involved with the work ITFA is doing.

I'd also like to look at how we can adopt new technologies to support trade flows and how we can continue to be increasingly global in our outlook. We need expertise from all over the world to help us, as an industry, tackle global problems such as the wide gap in trade finance provision.

I think technological innovation will be a huge driver for change in trade finance, as will a push towards greater standardisation so that everyone can use a common trade language regardless of where you are in the world. This will make things operationally cheaper, increase transparency, there will be fewer errors, and it will break down many barriers to trade.

Q: We spoke earlier this year about ITFA's meeting with the European Banking Association (EBA) in Paris about the potentially negative impact of Basel III on the use of credit insurance in trade finance. Given your level of involvement in the lobbying efforts, could you outline the challenges you face and the latest developments?

Aspinall The ITFA-led group of various industry bodies had a successful meeting with the EBA in February. Subsequent to that meeting, the non-profit organisation Global Credit Data (GCD) has also published its research, which has pulled together data on claims collections by banks in order to examine the 'observed Loss Given Default Ratio (LGD)' when insurance is in place. [*Basel III regulations have proposed an LGD that is deemed by the industry to be not reflective of actual observed losses.*]

We are now waiting for the EBA to prepare its report after reviewing the information we have submitted – and this report will be given to the European Commission to assess the evidence.



We are still very much at a pivotal stage in our negotiations with regulators. Yet if we can get the right regulatory recognition for support tools such as credit insurance that underpin bank financing – that has the potential to unlock greater flows of funding for trade. If we can achieve efficient capital treatment for banks, it will ensure banks won't be unnecessarily holding on to capital that can be better used elsewhere.

There are on-going discussions with the European regulators, which will likely continue to the end of the year. We need to maintain momentum in our efforts. But it is encouraging to see that the regulators' doors remain open to us and continue to accept requests for meetings.

ITFA has been really successful in spearheading wider industry efforts to ensure there is a single united voice speaking to the regulators, expressing a consistent message with supportive data.

What has been very rewarding to see is the engagement and increased level of understanding of the credit insurance product at a regulator level. That in itself is a win for us. We know that our points have been recognised, and they have been backed up with data and a narrative that has ensured our message has resonated with regulators. Now all we need to do is to find the energy to keep going and take our efforts over the finishing line!

Q: What do you admire about ITFA and what is exciting you about joining the board?

Aspinall: ITFA is doing more and more in terms of education and focusing on the next generation and bringing up new talent through the industry. While it is great to have the wealth of wisdom and experience within ITFA, it is important to pass that knowledge on.

I have always found ITFA to be a warm and friendly organisation – and hopefully not too intimidating for those new in their career. I am glad to see educational programmes being rolled out within ITFA's regional hubs and I hope there will be a continued effort to ensure there is a cross-fertilisation of talent and expertise between regions.

I am heartened by the high and always increasing attendance levels at ITFA's events. While online webinars and events have their place, there is still a lot of value in meeting people face-to-face – it really helps everyone feel that they belong to a community.

I am impressed by the dedication of ITFA board members who bring their wealth of experience to the role, while maintaining their day jobs. It is a commitment, but it does ensure that what ITFA delivers is by the industry for the industry. If the members are determining what the membership needs, it makes the organisation so much more relevant.