

ICC Global Banking Commission

Minutes Annual Meeting 2023

ICC Banking Commission Opinion session on 18 April 2023 at 14:00-16:00 (Paris time – UTC+1) and Plenary meeting on 19 April 2023 at 14:00-16:00 (Paris time - UTC+1).

1. Keynote speech by ICC Banking Commission chair

NG Lynn, Global Head, Commodities, Food & Agri, ING

Intervention by our chair insisting on the transparency of the ICC Global Banking commission work, where mutual consultation, debates and democracy are a norm. Within this positive work environment, it is essential that majority rules prevails. It is also necessary to highlight the quintessential aspect of feedback from all parties involved in the Commission work which makes the ICC Banking Commission the authoritative body in global trade finance. Mistakes can occur; work has been improved all thanks to feedback and open communication. The main aspects of the ICC Banking Commission achievements in the recent months will be highlighted during this plenary session. Close cooperation within ICC is key and a special mention to ICC DSI which had its first Future Trade Forum delivered key publications, issuing two extensive and well-received reports on the matter which can be found on their [dedicated page](#). Trade finance actors need to take the forefront of the digitalisation initiative.

Following stepping down from vice chair Yina FU, a position of steering group vice chair is open. Consequently, a call for candidates will be shared for members' consideration. As a final note, the next annual meeting of the ICC Banking commission will take place in a hybrid version on 24-25 October 2023.

2. Rules Update finalisation ISBP, eUCP, eURC

Updates provided by David Meynell, Senior technical advisor and chair of the ICC eRules and ISBP update Working Group

David Meynell leading the drafting group for rules updates provided an update on the work recently achieved by the drafting groups, starting by emphasizing the current trends of eRules evolutions throughout the world. Taking into consideration the MLETR as a starting base as per the commission members mandate from October 2023. The fundamental aspect of enhanced and clarified definitions of the eRules with the MLETR framework will obtain a more coherent and adapted use of the rules themselves. In this regard, newly aligned versions of the eRules will be published as eUCP Version 2.1 and eURC Version 1.1 soonest and replace the current version available on our [ICC Knowledge2GO platform](#).

The Working group also presented the final draft for the ISBP update aligning with 9 ICC opinions which contain meaningful additions to ISBP. Comments from members helped it finalise it and will be published and available on the ICC Knowledge2GO platform as soon as finalise proofread is achieved.

A special thank you to the drafting group members for their involvement, insights and time in permitting those rules update to be achieved in a record time and in agreement with the members mandate.

In addition to this very important work the drafting group thought it was also the right moment to ask all banking commission members for their feedback on future developments of ISBP a set of 4 entries dedicated to this report will be shared shortly for all members. ICC National committees are invited to provide comment by 30th June 2023.

3. Opinions review:

Opinion TA927 was reintroduced following the January 2023 session. several elements of the document were highlighted as potential threats to a good and reasoned implementation. Consequently, amends have been proposed and accepted although not unanimously agreed. Therefore, in order to obtain a real reflexion of NCs convictions and positions, the NCs will need to express their opinions according to the following answers:

- Acceptation;
- Acceptation *avec reserve*;
- Reaching out to initiator and ask for withdrawal and including the matter in the next update of ISBP.

As it was raised during the session, in case of matters resulting in clear disagreements between NCs, it could be opportune to engage in a clear change of the concerned part of the ISBP. The steering group will take a decision in its next meeting following answers provided.

It will also be put to members' feedback which preferred options for the future of ISBP is most preferred :

- No further work
- Full review of the newly aligned ISBP text retaining the scope as "examination of documents" only
- Scope of ISBP to be extended beyond examination
- Drafting of separate independent guidance publications covering issuance, advising, confirmation, amendment.

The Terms of References of Opinion handling procedure will be updated in order to reflect the changes in practice already in place and put it up to date regarding term mandates.

Next meeting is due to take place in video conference on **11 July 2023**, with deadline for receipt of new queries on 2 May 2023.

4. Update on Financial crimes and risks policy taskforce

Kaushika Ruwangalla, Global Head of Risk & Compliance, HSBC

The taskforce focused specifically on three topics, respectively: Dual use goods, price checking and AML identification. As It is a longstanding work force, explained by the highly concerning and constantly evolving risks afflicting Finance and Bank activities. In this regard, a significant number of consultations were made in order to renew the best practices recommendations. Two main drafts are coming to fruition encompassing the high level complexity: dual use goods and price checking.

Dual use goods on the one hand, requires a certain screening which requires a very high scientific awareness. The need of a unified and common basic check-ups between the different industries appears as key to face the sector's challenges although there is one situation given for every good. On the other hand, finding what a right price appears also challenging. The solution may come from technological improvement, with automatic scanning and merges for instance. The taskforce will provide both draft papers for each of those topics for ICC NCs comments before publication.

5. Update on Framework on Sustainable trade and Trade finance definition

Raelene Martin, Head of Sustainability ICC

This subject has been the keystone of Banking commission cooperation with the Environment & Energy commission. Following the release of the Wave 1 framework during last COP27, a pilot, involving many key banking organizations has been conducted until late April. It has displayed valuable information helping to understand the best way according to businesses to iterate Wave 1 and bring wave 2 during the second part of 2023. The further steps through 2023 encompass a greater emphasis given to the Wave 2 framework to the robustness of the standards and certification validation, the purpose, transportation aspects as well as incorporation of ESG scorers and feedback from pilot members.

6. Updates on Commercialisation Working Group

The Commercialisation Working Group has been focusing on the digitalisation of trade finance through increasing awareness and practice of its eRules: eUCP, eURC, URDTT as well as by cooperation with ICC DSI. The digitalisation process has been speeded up by the Covid-19 crisis, adding to the practice of banks to use email presentation. The Commercialisation Working Group believes it is a need to raise awareness and educate the industry around the risks going along with email presentation. An issue briefing will thus be shared for comments before publication. Members are invited to also provide suggestions for the commercialisation group to reflect on.

The eUCP group has notably created a eUCP directory and has presented it to all ICC National committees during its first banking NC session. The goal raise the attention to banks and corporate clients on the capacities to issue, advise eUCP and facilitate its use since it is still underused due to lack of information about implementation and advantages of such rules. Additionally, the eURC did conduct interviews, ambitioning to understand the industry's thoughts, limitations and possible ways forward. Furthermore, the URDTT Working Group did too measure the Trade and Banking sector regarding the URDTT. It is a recent set of rules, and therefore the challenges are to highlight its advantages for the industry. Finally, the cooperation with ICC DSI is focusing on the newly released [7 KTDDE](#) and promises to become the one "single source of truth" to the industry, enabling safe and sustainable transactions and supply chain. It is now necessary to assess the validity of KTDDE dataset with needs of the data stemming from the trade finance supply chain. In this regard, the Commercialization Working Group has organized 3 workstreams to work on respectively on Collections, Documentary Credits and SCF/Open Account.

Wrap up:

Links for both sessions if you missed it or want to rewatch it :

- [ICC Official Opinion session 18 April 2023](#)
 - o Passcode: **P%X2i1&%**
- [ICC Global Banking Commission plenary session 19 April 2023](#)
 - o Passcode: **uiqKs!E5**

All slides available in attachments to the email

What to expect :

- Survey on TA927
- ISBP survey
- FCRP two guidance papers (dual use goods and price checking) for comments
- APIs Guarantees payload for comments
- Issue briefing commercialisation group on email presentation

- Call for application – vice chair steering group
- Next Opinion session 11 July 2023
- Next Banking Commission meeting on 24-25 October 2023

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