



Euro EXIM Bank: Transforming Smart Banking with Innovative Technology

The 10 Best Fintech Solution Providers 2020



The conventional practices of trade just got better with Euro EXIM Bank, one of the leading smart banks of today. With the rapid progress of technology smart banking is no more a farfetched term. Euro EXIM Bank that has been recognized with myriad awards as one of the best, pivots the importance of technology in day to day banking. While the establishment of banks was mainly for profits and economic development, the banking sector experiences perpetual challenges like capital management, liquidity, asset management, liabilities and more. This is when banks like Euro Exim emerge as leaders finding inventive ways to utilize existing resources and meet the increasing demands of the trade sector. Euro Exim Bank is a global financial institution headquartered in Saint Lucia in the West Indies, holding a Class "A" license, with a representative office in London. They deploy the latest technology to ensure uninterrupted payment processing and issuance of trade finance instruments from a single point within a shorter period. They recently won "The Best Global Trade Services Bank Award", that added another feather to their glorious cap.

Euro EXIM Bank Ltd is headed by a fine group of skilled professionals who are profound in their industrial experience and knowledge. Amongst the leading and innovative minds in the management is Graham Bright, the Head of Compliance and Operations. His exponential success deserves to be recognized as a source of motivation for aspiring minds. He grew up as an ordinary young boy who competitively swam, played local rugby and learned musical instruments. But there was an extraordinary passion in him that urged him to chase his dreams. He wanted to be a doctor, a barrister but above all he desired to have a family, health, stability and a legacy. Ultimately, Graham attained a different goal with passion and perseverance and is still going strong to achieve more as a new dream takes birth each day. A

proficient magistrate, a banking expert and a doting family man, here is an inspirational feature on the growth and presence of Euro EXIM Bank from Graham's perspective who has made an exceptional contribution in shaping the banking and finance sector.

Challenges and Emergence of Euro EXIM

Euro EXIM Bank started out with three staff, a rudimentary system to capture trade instruments and generate drafts and a small customer base. The first challenge was building credibility and trust amongst a few selected customers which was achieved through face to face meetings.

Gradually, as volumes increased, they needed more automated processes and started a search for a commercially available system. In a classic buy vs build choice, they did not want a toolkit, but useable apps able to deliver solutions in short timeframes. As nothing in the market served that purpose, the only route was to create their own unique cloud-based platform which has now evolved into a real-time, blockchain-enabled, AI complemented workflow system, with additional banking, FX and due diligence capabilities.

Another challenge was building external connectivity to other financial institutions. Euro EXIM established many SWIFT relationships enabling them to deliver instruments in over 100 countries. This in turn attracted users wishing to work with a provider with economic rates and fast delivery of drafts. The bank saw immediate demand for Letters of Credit and Standbys from smaller companies locked out of transactions through their primary banks due to excessive demands for cash collateral, time and laborious process to run due diligence and onboard processes.

In terms of challenges, Euro Exim has been fortunate to weather extraneous influences and has been agile and adaptive to regulatory change, mandated requirements and strategically managing their growth, markets, locations and resources.

Services and Growth of Euro EXIM Bank

Euro Exim Bank is built around an experienced team of trade finance experts who have an unrivalled knowledge in financial messaging, trade systems and much more. The bank rapidly generates first drafts, completes complex KYC (Know Your Customer) processes and sends instructions within tight timeframes. The ecosystem comprises many participants from different industry sectors, each with their own standards, systems and processes. Navigating a safe passage through the myriad of players can be challenging for new market entrants, so companies need assistance with simplified processes and guaranteed payment corridors – this is where Euro Exim Bank excels. The bank is actively expanding its operational footprint to enable corporates easier payment terms, paying global suppliers both quickly and seamlessly without the need for complex payments infrastructures or fragmented correspondent bank relationships. They are currently expanding their operations, with affiliate offices being established in Singapore, Chennai and Dubai. This aims to take advantage of the continued rise in

trade between the Middle East and the Far East and build sales resources in Africa and India.

“Our growth is planned, measured and exciting. From 3 staff to over 40 worldwide, high levels of gender diversity, steady revenue increase from targeted services, value of the instruments we have been approached to issue over the years in excess of 3 trillion dollars, geographic expansion, new offices and special projects, we take a pragmatic approach of cautious, careful investment and agile management to ensure healthy revenue and profit growth.”, Graham shares.

Euro EXIM’s goal is to remain a trusted sustainable business and well-established employer, leading the field in their business sector, building their reputation with international recognition, though leadership, a broad skill base, with strong management and financial performance.

Technology is an Excellent Resource

Whilst trade finance still largely relies on paper in multiple formats, standards, volume and variety, the industry has become a magnet for technologists toting blockchain and DLT based development tool solutions. These are expected to enhance customer onboarding, identity verification, sanctions checking, AML investigations and due diligence searches at speeds unachievable in the past.

This has created an appetite for all players in the ecosystem, involving banks, shippers, insurers, customs, buyers and sellers to improve the underlying flow of data, making information more accessible, transparent, immutable and cost effective, across the entire life cycle of transactions. With advances in mobile and smart connectivity, customer expectation is driving demand for more efficient and ever cheaper services from financial institutions, with the promise of greater efficiency, faster resolution and undisputed evidence of transactions.

The application of these technologies will allow firms, with significant investment, to radically enhance their internal processes, but how the end user will benefit is not so clear. Whereas an IT savvy manufacturer with multiple electronic platforms will be able to automate more processes in terms of payments and document distribution. For a remote sole trader/farmer the benefit will be zero, with no economies of scale, improved connectivity or view of trades.

The use-case for using DLT in payments is strong, when assessing the issues and possible solutions to tackling fraud with KYC/AML and compliance. Fortunately, DLT can provide the technology to improve the heavy data bound process. Addressing the fundamental issues of internal, intra and interbank data sharing, DLT will assist submissions and oversight with regulators, and more rapidly identify foreign accounts used for illegal and fraudulent drugs and terrorist financing transactions.

For KYC, AML and due diligence across an enterprise, traditional problems have been the proliferation of paper, false positives, untrusted data integrity, failures in identity assurance and long manual reconciliation times. All these issues may be drastically reduced through efficient verification of KYC data, assisting rapid cost-effective on-

boarding, faster loan servicing and efficiency in creation, communication and one-touch handling of complex trade documents powered and enabled by DLT technology.

Whilst Euro EXIM has not yet had any customers asking for blockchain-enabled transactions, they appreciate the potential benefits that re-engineered and future-readied their trade platform and prepared their operations in advance of the industry and blockchain in general.

Competition Encourages Efficiency

Euro Exim competes primarily in trade finance, in designated markets and geographic areas and to help them compete most effectively, Euro Exim Bank has embraced technology and continues to automate and improve the capabilities of its internal Simplex end-to-end workflow trade finance platform, and API's to external applications.

The barriers for many smaller participants and new entrants in the global trade arena include costly and

uncompetitive access to funds, lack of trust and confidence, and a lack of business appetite. Liquidity in small local banks, corruption, and lack of knowledge in dealing with complex instruments are also common barriers to entry.

One of Euro EXIM's USP's is participation with the Ripple xCurrent service for payments, and ODL for solving liquidity problems, switching from local currency to digital assets (XRP) and paying out in local currency at the receiver end. This not only resolves the time issue of delivery and authenticity, but also solves the issue of switching in and out of expensive USD or EUR. This negates high costs and often wild currency fluctuations for small customers. These services are significant for economies in Africa, as cash challenged companies no longer need to wait days for their money to traverse correspondent banks with associated funding and dispersal costs from local accounts.

Leading the Industry with Innovative Ideas

Graham Bright studied Business and Law at University. While completing his degree, he worked in a Unilever US partner company specializing in computer timesharing applications. Firstly, on medical systems clinical trials analysis (designing and computerizing drug trials and running advanced statistics) and subsequently at SWIFT with real-time payments and trading platforms. His path was aligned to financial services.

When Graham entered the industry in the late 1970's, institutions like the LIFFE exchange were still operating open outcry with traders shouting orders and waiting for offers. Heavy manual processes with extensive paper trails followed. Stockbrokers had elementary non-analytical applications tracking prices direct from exchanges, with detailed company information compiled and delivered on printed Extel cards, with bank messengers pounding the City streets taking instructions and documents between banks.

A new era of automation in banking was emerging. With the advent of Bloomberg financial information, expansion of SWIFT electronic messaging and automation of exchanges, dematerialization of securities through CREST and other industry-wide standardization programs, technology was quickly realized as the mainstay for future successful banking processes. Money and technology were a perfect partnership, and one that he was attracted to follow. Graham has witnessed the progressive growth in the banking and finance sector through all these years.

After three years at Control Data in credit analysis, banking and treasury systems, he worked for 20 years at SWIFT followed by French Bank and hedge funds for 5 years, EMC and now trade finance at Euro Exim Bank. His career has spanned the financial sector from payments, funds, FX, Securities, trade, nostro reconciliation, RTGS, and partner solutions working with and accrediting vendor applications.

As the Head of Compliance and Operations of Euro EXIM Bank Graham's role is to keep the bank safe by negating and mitigating risk in their processes, software and client activity. His role involves meeting with regulators, applying local, national and international rules, mandates and recommendations, ensuring staff adherence to their code of conduct and ethics, and working with sales teams to ensure ethical selling and IT in reviewing KYC, AML, due diligence, KYE software for customer onboarding. Also, Euro EXIM strives to keep themselves current with the implications of sanctions, adverse press PEPs and criminal judgements, looking at identity assurance, financial models, and ever-changing regulatory rules and geopolitical influences across the multiple diverse jurisdictions in which they operate.

"It is a wide ranging and fascinating role, where every day presents challenges, opportunities and requirements to work as a team. While many people view compliance as barriers to business and always saying no, we work collaboratively as partners with other departments across the company, enabling successful business in an ethical, moral, legally acceptable way, ensuring that all parties are protected for every accepted transaction.", Graham asserts.

"I am proud to represent the company, and with our expansion plans feel extremely positive about our roadmap as we navigate complex trades, volume and staff growth.", he adds.

Vision and Motivation

Euro EXIM Bank's vision is clear. With potential from the untapped markets of East Africa, emerging manufacturing hubs and the BRI goods corridors spanning Europe and Africa, the bank's role is clearly defined with their plans to be the pre-eminent issuer of financial instruments driving and facilitating world trade. Their business expansion is witnessed by the creation of a significant sales team in India, and more country specific offices in Africa, Middle East and Asia. These will serve emerging markets and challenge existing areas where major banks are tactically withdrawing through de-risking. With Asia and Africa being the fastest emerging and growing markets for trade, Euro Exim Bank has uniquely positioned itself to serve buyers

across the continents with key distinguishing features of total focus, speed, relationship, rates and experience.

Trade is a dynamic business, with presenting new challenges and opportunities every day. The teams of Euro EXIM are constantly updated, made aware of rules, regulations, international, national and local implications of health issues and impacts on trade (i.e. Covid-19), regulation and sanctions, astute in spotting potential fraud or fake items. This allows them to be ever vigilant in the fight against fraud, double invoicing, scams and money laundering. It is this depth of information, constantly changing requirements and desire to learn that sees every role as vital and keeps the employees motivated. The staff recognizes that they can grow their expertise making their skills transferable and valuable across the various departments of the institution and in their future careers.

Growth of the Financial Industry

Euro EXIM banks is changing. The public demand services on mobile and web platforms outside traditional banking hours, and banks must strive to provide better contact, faster systems, new delivery mechanisms and cheaper access. Banks no longer need expensive branches or excessive paper trails to accompany simple account opening or mortgage application activity.

The key changes seen at Euro EXIM are:

De-risking – banks reducing the number of correspondent relationships and concentrating on fewer core business areas. They already see banks withdrawing from certain jurisdictions viewed as too risky, too costly, too labor intensive and too niche for sustained business.

Mergers – mergers should help create stronger institutions able to better compete globally with efficiencies of scale, stronger balance sheets and realize overall cost savings in people, infrastructure and technology. Whilst the industry is littered with merged organizations seriously challenged by technology mis-match and board mis-alignment, despite any misgivings and problems of cultural fit, retention of talent etc, they will see more as spiraling costs force banks to review their markets and core competencies and how they can grow most effectively.

Emergence of challengers – offering fully regulated digital accessible anytime, anywhere, mobile and smart phone banking, instant payments, with fast client on-boarding, credit card issuance, market leading FX rates and 24×7 service levels. The survivors will be those who fully align services that immediately meet and exceed all-important client expectation.

Technology – The enabling technologies of Blockchain and AI will become a standard in applications as SWIFT in payments, firstly benefitting the financial institution through the rationalization, standardization and re-use of data and then passing these benefits to the clients with reduced cost and higher efficiency.

For Euro Exim Bank their key mission is to prioritize the technology opportunities, aligning the organization with their core competences, building their market share and ensuring sustainability. Euro EXIM is committed and well positioned to achieve this as the pre-eminent provider and facilitator of trade finance services going forward.
