

CBI Safe Trade



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Description



The project initiative presented by CBI aims to mitigate the risk arising from the fraudulent use of invoices aimed at the disbursement of credit implemented to the detriment of Intermediaries and increase stability and efficiency of the financial sector. The service consists of the creation of a Database that collects information related to advanced bills from a multi-bank and multi-channel perspective.

PURPOSE



- **Increasing the performance** of the banking and financial system
- **Improving industry players' processes** aimed at providing credit related to invoice advances
- **Reduction of fraud and credit risk** with benefits for all the banking system
- **Reduction of inefficiencies and costs** related to invoice advance

HOW IT'S WORK?



- **The database will be updated by the participating Intermediaries** with information on advance invoices, indicating for each advance the related invoice, the status of the advance, and the amount advanced, the Intermediaries can consult the database to check whether an invoice has already been advanced by another Intermediary and the amount advanced if any.
- **The database could also be fed through connection with external systems** to retrieve the formal correctness and current status of issued invoices. Such a function would make it possible to verify receivables owed by companies to the public administration and record activities carried out by Intermediaries.

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Business and operational Model



OPEN FINANCE EXPERIENCE



- The **business model** adopted by the project initiative is in line with the most recurrent models in **Open Banking and Open Finance**. The model regarding the current project, which is **B2B2B** in nature, involves **dialogue between Intermediaries** involved in the initiative, CBI and possibly **third parties** for the retrieval, also subject to remuneration, of information aimed at an efficiency enhancement of credit disbursement processes.
- All operations will be carried out in **real-time mode through the use of Rest API interfaces**. Information flows will be exchanged and securely protected with **advanced encryption mechanisms**. The technologies adopted appear to be in use for the provision of services and products in banking, however, no similar uses are noted in support of products, services, and processes aimed at streamlining credit delivery processes.

INTEROPERABILITY



- The initiative has been shared as part of CBI's working groups with Intermediaries concerning the development of **Open Finance services, with the definition of requirements and use cases of interest**.
- The implementation of the **centralized Database** could be done on technologies already used by CBI, to enable where possible **potential synergies with developments already carried out by Intermediaries** adhering to CBI services.
- A duration of at least 12 months is estimated for E2E development and testing activities, onboarding of Intermediaries, and participation of an adequate market share.

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Workflow exemplification



Use case: Invoice advance request by a Corporate and Database consultation by Intermediaries

