

Framework for Setting up and operating International Trade Finance Services platform ('ITFS') for providing Trade Finance Services at International Financial Services Centres ('IFSCs')

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The International Financial Services Centres Authority (IFSCA) has been set up vide IFSCA Act, 2019 to develop and regulate the financial products, financial services and financial institutions in the International Financial Services Centres (IFSCs). Towards this end, IFSCA has issued a framework for Setting up and operating International Trade Finance Services Platform ('ITFS') for providing Trade Finance Services at International Financial Services Centres ('IFSCs').

The framework will enable Exporters and Importers to avail various types of trade finance facilities at competitive terms, for their international trade transactions through a dedicated electronic platform viz, ITFS. This will help in their ability to convert their trade receivables into liquid funds and to obtain short term funding.

This framework will provide an opportunity to the participants to avail trade finance facilities for trade transactions such as Export Invoice Trade Financing, Reverse Trade Financing, Bill discounting under Letter of Credit, Supply Chain Finance for Exporters, Export Credit (Packing Credit), Insurance/ Credit Guarantee, Factoring and any other eligible product, on the ITFS platform.

The complete text of the Circular is available on the IFSC website at <https://ifsc.gov.in/Circular>