

**CASE STUDY**

# **Carrefour and BNP Paribas Drive Efficiency in Global Trade**

“

The solution has brought us the enhanced visibility of the entire supply chain that we were looking for.”

**François Bouche**

Head of Finance and Administration  
for the Merchandise Group, Carrefour

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FINANCE IS OPEN**



## At a Glance

### Products

- Fusion Corporate Channels: Trade Services and Financial Supply Chain Management

### Partner

- BNP Paribas



**BNP PARIBAS**

[bnpparibas.com](https://www.bnpparibas.com)



**This is the first time that a bank and client have worked so closely together in the trade arena.”**

### Alain Biscaye

Head of Global Trade Services,  
BNP Paribas

### About Carrefour

Carrefour S.A. is a French multinational retailer that operates one of the largest international hypermarket chains. The fourth largest retail group in the world in terms of revenue, Carrefour maintains a presence countries across Europe, Asia, Africa and the Americas.

### The Challenge

Carrefour's success depends on the smooth operation of its supply chain. With Carrefour regularly interacting with several thousand suppliers across the globe, its executive team decided to evaluate its banking relationships with a focus on improving supplier relationship management.

### The Solution

Carrefour selected BNP Paribas to provide in-depth knowledge of finance and trading, as well as access to one of the leading trade services electronic banking solution on the market, powered by the trade and financial supply chain management modules of Fusion Corporate Channels. The Finastra solution provides a robust trade interface between BNP Paribas, Carrefour and the retailer's suppliers.

### The Result

Carrefour benefits from a consolidated view of all trade transactions and flow of goods throughout its supply chain, with dynamic status reports on credit engagements with the thousands of businesses that supply the retail group. Improved interaction with suppliers has resulted in a faster delivery of goods globally and efficiency enhancements in Carrefour's trade operations, including significant cost reductions.

[carrefour.com](https://www.carrefour.com)



We have reduced the number of administrative tasks involved in issuing orders and increased the productivity of all our administrative and accounting functions.”

**François Bouche**

Head of Finance and Administration for the Merchandise Group, Carrefour

**With more than 11,000 stores in 30 countries and nearly half a million employees, the supply chain is one of the most important functions within Carrefour’s trade business**

### **The Challenge**

With Carrefour regularly interacting with several thousand suppliers across the globe, its executive team decided to evaluate its banking relationships with a focus on improving the management of its vast supply chain.

Carrefour’s global sourcing department relies heavily on the Letter of Credit (LC) as a means of securing its international trade transactions. As one of the world’s major importers and exporters of goods, it processes approximately 5,000 LCs each year with its many suppliers and partners around the globe, which puts a strain on internal resources at Carrefour.

One particular challenge was that the issuance of orders and related payments were seldom completed on the same day. This introduced delays and inefficiencies into the supply chain that threatened to dull Carrefour’s competitive edge.

The team at Carrefour wanted to find a bank that could cope with the typically high trade volumes found throughout the retailer’s international network.

It was vital that the chosen bank would speed up the trade process and be able to match the flow of goods more closely with payments and invoices.

### **BNP Paribas as Trade Bank of Choice**

After an extensive tender process, Carrefour selected BNP Paribas, one of the world’s leading banks, to support its plans. One of Carrefour’s key reasons for choosing BNP Paribas was the bank’s electronic banking solution, developed by Finastra, which provides the interface between Carrefour, the bank and the retailer’s suppliers.

Carrefour recognized that BNP Paribas had the capabilities to provide the detailed understanding of trading, the financing that was needed to support the new initiative, plus access to one of the best electronic banking solutions on the market, powered by Fusion Corporate Channels.

The bank processes Carrefour’s international payments and securitisation, including LCs and recurrent fund transfers.

Alain Biscay, Head of Global Trade Services at BNP Paribas, comments: “Our strong international network of offices in 85 countries and the synergy it has with Carrefour’s trade centers in France and Asia were key to the success of this deal. When you add the access to an innovative and high-performance online tool, we were able to offer Carrefour the best solution.”

### **Streamlining the Supply Chain**

BNP Paribas delivers its trade services through the Finastra portal application, Fusion Corporate Channels.

The powerful electronic banking solution consolidates the view of all trade transactions and flow of goods throughout the supply chain for Carrefour, and provides dynamic status reports on all credit engagements with the thousands of businesses that supply the retail group.

The detailed trade finance functionality in the portal solution allows Carrefour to raise LCs automatically as soon as purchase orders arrive, removing the need for significant manual intervention.

The solution also improves the way in which Carrefour interacts with BNP Paribas on one side and its suppliers on the other. This has resulted in a faster delivery of goods globally and efficiency enhancements in Carrefour’s trade operations, including significant cost reductions.

# Fusion Corporate Channels brings benefits to all Carrefour's stakeholders, including an improvement in the relationship with its suppliers.

## Integration with Existing Systems

Using its Local Service module, Fusion Corporate Channels was able to link and integrate the online service offered by BNP Paribas to Carrefour's internal information system.

This function has been designed to help organizations like Carrefour to achieve straight-through processing of trade transactions by avoiding re-keying of data already available in the information system.

Used as a standalone programme installed on site at Carrefour, the Local Service module accesses Carrefour's information system and retrieves the relevant data for BNP Paribas. It communicates through a secured SSL channel using the SOAP protocol.

The resulting transactions are then available in the web-based front end until they are validated or amended according to the trade information.

Fusion Corporate Channels provides an interface for all Carrefour users so that LCs are initiated automatically when ordering goods against a purchase order prepared in the retail group's ERP system.

The solution is transparently fed with the order details and an Import Letter of Credit is prepared accordingly.

## The Results

Carrefour saw immediate and significant cost savings by automating the management of LCs. It brings Carrefour and its importers improved task management capabilities as each user has a personal customized task list which is directly linked to Carrefour's business priorities.

Using the portal technology from Finastra, Carrefour has strengthened the commercial relationship with its suppliers and has ensured the total involvement of BNP Paribas throughout the flow of trade through the supply chain. Carrefour is able to draw on the bank's services and expertise in trade finance to improve efficiencies.

Ultimately, Fusion Corporate Channels improves the shared view of the supply chain for BNP Paribas, Carrefour and its suppliers. It brings them an open, transparent and effective management tool while enhancing reconciliation between the physical flow of goods and finances.

François Bouche, Head of Finance and Administration for the Carrefour Merchandise Group, says: "Together with our own internal systems, Fusion Trade Innovation has harmonized the processes within our trade operations and improved the suppliers.

We have reduced the number of administrative tasks involved in issuing orders and increased the productivity of all our administrative and accounting functions. We look forward to improving the efficiency and the relationships we have with our suppliers still further."

Alain Biscaye, BNP Paribas, adds: "This is the first time that a bank and client have worked so closely together in the trade arena. We are helping the Carrefour team to provide the services and tools the group needs to achieve its goals."

David Hennah, Head of Product Management, Finastra Trade Services, sums up: "We are seeing more and more banks provide the value-add our portal delivers, going over and above pure financing arrangements. This is a truly collaborative venture as we have been able to help the team at BNP Paribas develop a solution that closely matches Carrefour's trading needs.

"We have built a very strong knowledge of the trade services industry and have strengthened our relationships with some of the leading trade banks, such as BNP Paribas, over the last few years. We are well placed to continue to provide organizations like Carrefour with the best available tools to help them improve efficiency and the relationships it has with suppliers."

## About Finastra

Finastra unlocks the potential of people and businesses in finance, creating a platform for open innovation. Formed in 2017 by the combination of Misys and D+H, we provide the broadest portfolio of financial services software in the world today – spanning retail banking, transaction banking, lending, and treasury and capital markets. Our solutions enable customers to deploy mission critical technology on premises or in the cloud. Our scale and geographical reach means that we can serve customers effectively, regardless of their size or geographic location – from global financial institutions, to community banks and credit unions. Through our open, secure and reliable solutions, customers are empowered to accelerate growth, optimize cost, mitigate risk and continually evolve to meet the changing needs of their customers. 48 of the world's top 50 banks use Finastra technology. Please visit [finastra.com](http://finastra.com)

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## Corporate Headquarters

4 Kingdom Street  
Paddington  
London W2 6BD  
United Kingdom  
T: +44 20 3320 5000

