

# IDC MarketScape: Worldwide AI-Enabled Embedded Trade Financing Applications 2025–2026 Vendor Assessment

Jordan Steele

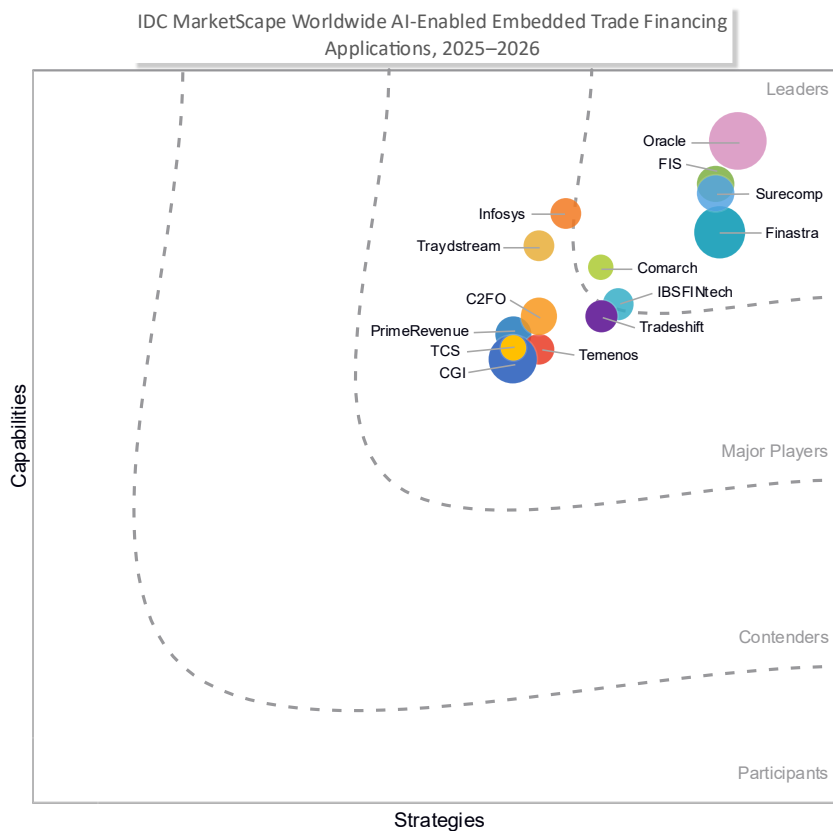
Kevin Permenter

**THIS EXCERPT FEATURES FINASTRA AS A LEADER**

## IDC MARKETSCAPE FIGURE

**FIGURE 1**

### IDC MarketScape Worldwide AI-Enabled Embedded Trade Financing Applications Vendor Assessment



Source: IDC, 2025

See the Appendix for detailed methodology, market definition, and scoring criteria.

## ABOUT THIS EXCERPT

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The content for this excerpt was taken directly from IDC MarketScape: Worldwide AI-Enabled Embedded Trade Financing Applications 2025–2026 Vendor Assessment (Doc # US52980825).

## IDC OPINION

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For trade finance software users, day-to-day experience truly matters. Intuitive interfaces, quick access to transaction data, and reliable automation features help make complex workflows easier and allow teams to focus on high-value tasks instead of manual paperwork. Prioritizing platforms that offer strong user support, streamlined integration, and ongoing updates fosters productivity and confidence for everyone using the system. The process of selecting such a system is increasingly challenging, as organizations must navigate a rapidly expanding trade finance software market.

The mounting complexities of the global economic environment and the accelerated pace of digital transformation across the financial sector drive the trade finance software market's current period of rapid evolution. While the core needs of trade finance have remained constant, significant factors such as ecosystem participation, evolving regulatory frameworks, and risk propagation in uncertain times are reshaping technological priorities for banks and their clients. Vendors' ability to support risk management; environmental, social, and governance (ESG) evaluation; and compliance has become as important as their capacity to deliver operational efficiency and customer centricity.

Sustained geopolitical turbulence, inflationary pressures, supply chain disruptions, and rising interest rates shape the current macroeconomic environment. This landscape has led finance leaders to prioritize efficient working capital management and seek flexible, technology-driven solutions that can accelerate cash conversion cycles while ensuring regulatory compliance. The treasury function is central to navigating economic volatility because organizations aim to reduce reliance on external funding and leverage sophisticated trade finance technologies to optimize operations.

The global move toward digitalization (which the integration of analytics, artificial intelligence (AI), and cloud computing in trade finance platforms demonstrates) is redefining the competitive landscape. Today's solutions are expected to provide seamless integration with enterprise resource planning (ERP) and treasury management systems (TMSs), facilitate real-time insight generation, and meet escalating demands for transparency, automation, and secure data handling. In addition, ESG requirements have

gained momentum worldwide, compelling banks and corporates alike to adopt technology systems that support comprehensive reporting on sustainability and regulatory compliance. Regulatory bodies across major jurisdictions are imposing stricter guidelines for anti-money laundering (AML), risk management, and ESG measurement, further increasing the stakes for robust, adaptable software solutions.

This assessment is especially relevant now as financial institutions and corporates are pressed to align with new global regulatory standards, address supply chain vulnerabilities, and meet stakeholder expectations for sustainable and resilient trade practices. According to *IDC FutureScape: Worldwide Corporate Banking 2024 Predictions* report, by 2028, 40% of corporate banks are expected to adopt trade finance solutions with advanced counterparty risk evaluation and ESG scoring capabilities. This demonstrates the market's clear trend toward holistic, compliance-oriented systems that can adapt to a rapidly changing risk landscape.

## IDC MARKETSCOPE VENDOR INCLUSION CRITERIA

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The vendor inclusion list for this document was selected to accurately depict the vendors that are most representative of any given software application on the buyer's selection list based on the following:

- **Core functionality:** Must natively support the full life cycle of letters of credit, bank guarantees, documentary collections, and at least one supply chain finance product
- **Market traction:** Deployed live with a minimum of five banks or 10 corporate treasury clients for at least one year
- **Financial viability:** Public vendors — ≥US\$10 million annual trade finance revenue; private vendors — ≥US\$10 million total funding and/or 50+ employees
- **Technology and integration:** Provides open APIs or prebuilt connectors for SWIFT (gpi/EBICS), major ERPs, and know your customer (KYC)/AML services; GA-ed product ≥24 months
- **Compliance and risk:** Built-in AML/KYC screening, sanctions-list checks, and automated credit/exposure controls
- **Geographic coverage:** Active in at least two global regions (e.g., EMEA, APAC, the Americas) with local support or partners

## ADVICE FOR TECHNOLOGY BUYERS

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Choosing the right trade finance software is a strategic decision that goes far beyond checking off a feature list. Today's buyers need to consider integration, compliance,

scalability, risk management, and user experience to ensure the platform can keep pace with evolving business needs and the complexity of the global market. Consider the following when determining the best fit.

## **Verify the Platform's Regulatory Agility and Configuration Options**

Leading systems are engineered to adapt quickly to new and evolving regulations, such as AML and KYC. For buyers in regions with shifting compliance frameworks, ensure the software offers configurable rules engines, regulatory update feeds, and tools to manage multi-jurisdictional compliance without heavy IT intervention.

## **Evaluate Cloud Architecture for Embedded Analytics and Integration**

With the market rapidly adopting cloud-based deployments, look for evidence that vendors not only offer scalable, secure hosting but also embedded analytics and direct API connectivity. This is crucial for generating predictive insights, ensuring interoperability across banking and enterprise systems, and supporting deep digital transformation, rather than just software migration.

## **Investigate Embedded Agentic AI for Autonomous Workflows**

Agentic artificial intelligence, particularly in the form of digital assistants or "co-pilots," is now being incorporated into advanced trade finance platforms. These systems can independently summarize, validate, and reconcile financial documents, trigger exception-handling processes, and surface compliance anomalies to human supervisors. Prioritize solutions that not only offer generative AI features but also demonstrate secure, explainable agentic AI in actual production, as these will set the standard for future efficiency and risk controls in financial operations.

## **Prioritize Financial Platforms That Support Real-Time Cross-Border Settlement**

In today's market, best-in-class solutions are architected to support real-time, cross-border payments, leveraging standardized messaging frameworks such as ISO 20022. Ensure the software can handle both domestic and international settlements with minimal latency — this capability is becoming increasingly critical for organizations managing global supply chains and will support instant reconciliation, fraud reduction, and regulatory alignment across jurisdictions.

## Demand ESG-Driven Trade and Counterparty Risk Scoring

New regulations and growing stakeholder demands have made trade and counterparty ESG scoring a must-have in modern platforms. Evaluate vendors on their ability to automate the aggregation and analysis of environmental and social metrics for all parties and shipments in a transaction. The most advanced systems now integrate frameworks from global standards bodies to ensure auditability, risk reduction, and competitive access to green financing.

### VENDOR SUMMARY PROFILE

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This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

#### Finastra

After a thorough evaluation of Finastra's strategies and capabilities, IDC has positioned the company in the Leaders category in this 2025–2026 IDC MarketScape for worldwide AI-enabled embedded trade financing applications vendor assessment.

Finastra is a global financial technology company serving over 8,000 financial institutions worldwide, including major international banks. With expertise in lending, payments, universal banking, and treasury and capital markets, the company delivers reliable, scalable, mission-critical solutions such as Loan IQ, LaserPro, Trade Innovation, Essence, Global PAYplus, Payments To Go, and Financial Messaging. Backed by Vista Equity Partners, it co-innovates with customers to build modern technology that helps financial institutions grow with confidence.

Finastra's trade finance product suite centers on Trade Innovation, a booking and workflow engine that manages working capital finance. The platform supports automation, integration with digital channels, and broad trade finance functionality, including letters of credit, collections, guarantees, and supply chain finance, with APIs and cloud-ready options for scalability and interoperability.

#### Strengths

- **Seamless integration capabilities** — Finastra's Trade Innovation platform offers robust API and cloud integration tools, supporting flexible data flows with both Finastra and third-party systems for easier onboarding and scalable operations.

- **Comprehensive trade finance functionality** — The solution provides broad coverage for various trade and supply finance instruments and workflows, including straight-through processing, automation, and regulatory compliance, making it suitable for global banks with diverse needs.
- **Efficiency and customization** — Clients benefit from operational efficiency improvements through digitalization and automation, as well as the ability to customize workflows and interfaces without disrupting core system code.

## Challenges

- **Governance and control** — Managing complex programs at scale requires strong governance to avoid fragmentation and maintain consistency in execution.
- **Customer collaboration** — Continuous engagement with the customer community is critical to validate priorities and ensure that solutions meet evolving market needs.
- **Global operations** — Balancing global consistency with local adaptability is essential, especially under economic uncertainty and inflationary pressures.

## Consider Finastra When

Consider Finastra when your organization is seeking flexible, scalable, and API-driven trade finance solutions that will support digitization, automation, and future integration needs across global banking operations.

## APPENDIX

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### Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

## IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior and capability.

## Market Definition

The trade finance management software market centers on software tools that help banks, corporations, and traders efficiently manage the complexities of international trade, handling everything from supply chain finance to compliance checks, invoice processing, and credit risk. With global trade becoming more intricate and digitized, more companies are turning to these programs to cut down on paperwork, speed up operations, and keep up with evolving regulations. Financial institutions and corporates rely on this technology to simplify workflows, improve accuracy, and make cross-border deals safer and faster in a fast-moving global economy.

## LEARN MORE

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### Related Research

- *Generative AI Use Case Taxonomy, 2025: The Finance Function 2025* (IDC #US53807325, September 2025)
- *Worldwide Finance Applications Market Shares, 2024: Capital Flows, Innovation Cycles, and Policy Changes Defined the Landscape* (IDC #US52177325, June 2025)
- *IDC FutureScape: Worldwide Corporate Banking 2025 Predictions* (IDC #US51442424, October 2024)
- *IDC FutureScape: Worldwide Corporate Banking 2024 Predictions* (IDC #US50795823, October 2023)
- *IDC MarketScape: Worldwide Trade Finance Systems 2023 Vendor Assessment* (IDC #US49436622, June 2023)

## Synopsis

This IDC study aims to provide guidance for organizations seeking to select the most effective trade finance software vendors in a rapidly evolving financial landscape. Buyers must navigate new demands for digitalization, operational efficiency, and compliance amid economic complexity and regulatory change. Modern solutions are expected to offer integrated risk management, ESG reporting, and real-time, automated processes, supporting secure, cross-border, and transparent trade. The criteria for vendor selection include regulatory agility, integration capability, configurability, and support for innovation and sustainability objectives. Focusing on these priorities helps organizations manage risks, keep pace with global standards, and ensure resilient, efficient trade finance operations.

"Trade finance is at a pivotal moment, with technology-driven innovation now essential for managing risk, ensuring compliance, and supporting resilient, sustainable global commerce in today's complex economic environment," says Jordan Steele, research manager, Worldwide Financial Applications Support at IDC. "With AI now handling the heavy lifting, like checking documents, spotting risks, and flagging compliance issues, trade finance operations can move faster, smarter, and with far less hassle for everyone involved."



## ABOUT IDC

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International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

### Global Headquarters

140 Kendrick Street  
Building B  
Needham, MA 02494  
USA  
508.872.8200  
Twitter: @IDC  
blogs.idc.com  
www.idc.com

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