

MonetaGo: Leveraging Standardised Data Points To Alert Financiers Of Potential Fraud Page

Introducing MonetaGo

[MonetaGo](#) empowers finance and trade industries to solve for systemic risks through privacy preserving digitization and fraud mitigation at scale. Its Secure Financing system, built to scale at the global level to support multiple use cases, positions MonetaGo as one of the leading providers of fraud prevention technology. By reducing fraud in trade finance, MonetaGo's business activities align with worldwide political and regulatory mandates that empower institutions to sustain supply chains and extend their books of business into new markets and underserved sectors, all while maintaining the privacy and enabling critical real-time decision-making.

The Challenge

Delivering tech-enabled, privacy-respecting data sharing to prevent trade finance fraud

On a global scale, cases of fraud in trade finance are increasing, while limited solutions and technologies exist to mitigate the risks in the early stages. In 2020 alone, reported trade finance losses exceeded \$10 billion due to fraudulent documents, collateral fraud, and duplicate financing. Most efforts to tackle fraud have not been tailored to international, crossborder risks but were designed for closed ecosystems that could only mitigate risk within narrowly defined digital islands or domestic boundaries.

At the micro level, several challenges exacerbate the issue. First, data privacy restrictions prevent financiers from legally sharing customer-related information, which complicates the detection of duplicate financing fraud. Additionally, regulatory differences, internal practices, and system capability disparities create fragmentation in document information capture and processing. Because of the lack of standardisation, it is difficult for financial institutions to agree on the metadata schematics associated with trade documents, leading to inaccuracies and inefficiencies. Therefore, complex ecosystems and interbank systems require an interoperable solution that can function with minimal user disruption.

The Solution

Combining data standards with API connectivity and digital identities

MonetaGo developed the first in-production utility for lenders to de-risk global trade finance by leveraging these components:

- **Transforming data:** Leveraged KTDDE digital standards, UN/CEFACT and DCSA standards for trade document schematics.
- **Setting up for interoperability:** Utilised OpenAPI 3.0 for efficient API connectivity, enabling vast networks to understand and interact with each other.

[ICC -DSI: Key Trade Documents and Data Elements on the Frontlines](#)

- **Standardised identity:** Advocated for LEI and invested in W3C decentralised identifiers specifications for future-proofing identity validation across regions.
- **Build partnerships with lender networks:** Partnered with organisations like SWIFT, enabling the solution to reach over 11,000 financial institutions worldwide.

The Impact

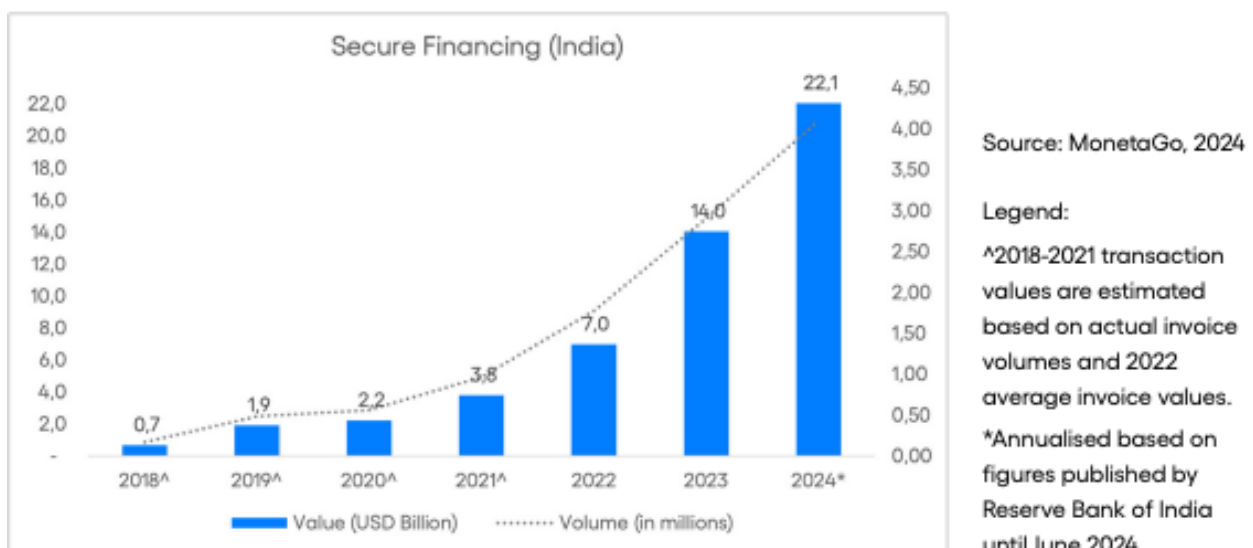
Accelerated transaction time through streamlined data exchange on top of enhanced risk mitigation

Encryption, hashing, and confidential computing solutions have significantly mitigated financing fraud. By facilitating ecosystem-level metadata comparison, MonetaGo has increased transparency and trust in the financing process:

- The improved interoperability drastically reduces costs and streamlines data exchange. Internal data negotiation time has been cut from six months to one week.
- Accurate fraud detection leads to better risk management, allowing financial institutions to extend more credit and confidently enter new markets.

For example, India’s TReDS platform has achieved a 78%, as of June, Compound Annual Growth Rate in financing value since 2018. Growing interest from ASEAN, FCI, Afreximbank, and ADB will introduce digitised solutions into new markets, providing SMEs with greater access to financing.

Figure 12: Secure financing transaction value in India during 2018 to 2024



“There is substantial opportunity in the Indian trade and receivables market, and the expanded, global connectivity and capability with MonetaGo’s Secure Financing system will ensure the opportunity is not lost to fraudsters. The trade community has worked hard to reduce risk, and this has allowed greater access to funding by MSME’s, a vital part of the economic ecosystem, and critical to maintaining the ongoing expansion of the trade and receivables market and year-on-year growth.” - **Sundeep Mohindru, Promoter and Director, M1Xchange**

“The proactive engagement of regulatory authorities in usage of MonetaGo’s interoperable infrastructure will ensure trust among lenders and help promote a thriving invoice finance (e.g. factoring, supply chain finance, asset-based lending) market locally. By mitigating fraud risks whilst preserving confidentiality and privacy, and fostering confidence among lenders, the proposed registry holds the promise of unlocking new avenues of financing for SMEs and fuelling economic growth.” - **Neal Harm, Secretary General, FCI Source: MonetaGo**

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