

Bunge Selects Quantifi's Credit and Counterparty Risk Management Solution

Bunge is a leading agribusiness and food company with integrated operations that circle the globe, covering over 40 countries with approximately 35,000 employees. Bunge buys, sells, stores and transports oilseeds and grains to serve customers worldwide; processes oilseeds to make protein meal for animal feed and edible oil products for commercial customers and consumers; produces sugar and ethanol from sugarcane; mills wheat, corn and rice to make ingredients used by food companies; and sells fertilizer in South America.



"We evaluated a number of commodity risk specialist technology providers and decided on Quantifi, given their expertise and capabilities in this space. They have also proven to be skilled collaborators, able to closely coordinate with our team."

Rick Bernstein, Senior Director
Global Credit Risk & Insurance

Background

Global commodity trading firms must manage an array of counterparty risks. Historically, firms have relied on multiple tools for Counterparty Credit Risk management, including excel spreadsheets for exposure calculations and reporting and email to communicate credit decisions. To enhance efficiency, firms are exploring new integrated risk management tools that automate processes, simplify data management, and provide advanced analysis.

Selection Process

Bunge conducted a rigorous process to select the right system. The process involved evaluating specialist commodity risk systems, capital markets risk systems, leading credit rating agencies and internal build options. The selection process, which involved a proof-of-concept, resulted in Bunge choosing Quantifi for its expertise in quantitative analysis and system development, along with the ability to collaborate to develop a solution addressing Bunge's specific business needs.

Requirements

In 2012, to further enhance its counterparty risk management capabilities, Bunge's credit risk group began an initiative to implement an enterprise-wide approach to credit risk management. The group's goal was to enhance their credit and counterparty risk decision-making and risk management processes. Bunge was looking for an enterprise-wide credit and counterparty risk management solution to support their business across 40 countries globally.

Deployment

From the beginning, the two teams have worked well together, with coordination across multiple business and technical functions, multiple interfaces and data integration. Quantifi's multi-tier architecture has been a key touchstone throughout the project, allowing use of the latest technology best practices and high performance computing techniques, all while offering a uniquely scalable and extendible infrastructure that can seamlessly fuse with existing systems and processes.