TRADETRUST NEWSLETTER ISSUE 06
JUL - SEP 2021

TRADE DIGITAL

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INFOCOMM MEDIA DEVELOPMENT AUTHORITY

AUSTRALIA AND SINGAPORE COMPLETE BLOCKCHAIN-BASED TRIAL OF CROSS-BORDER TRADE DOCS

Australian Border Force (ABF), Infocomm Media Development Authority of Singapore (IMDA), and Singapore Customs, along with industry participants, have announced the completion of a trial that tested the interoperability of two digital verification systems based on blockchain tech.

The trial was initiated as part of the Singapore-Australia Digital Economy Agreement to make cross-border trade simpler between the two countries.

The trial successfully demonstrated the interoperability of two digital verification systems -- the ABF's Intergovernmental Ledger (IGL) and IMDA's TradeTrust reference implementation.

Currently at the proof-of-concept stage, the IGL is a digital verification project developed by the ABF to facilitate cross-border trade and improve paperless trading, using certificates of origin (COO), as a first test case.

QR-codes embedded with unique proofs are inserted into digital COOs enables immediate verification for authenticity and integrity of the document when scanned or machine-read.

TradeTrust's approach to verification provides flexibility to allow documents to be verified not only in digital format but also when the documents are converted into a paper document at any point of the transaction. Both IGL and the TradeTrust reference implementation use the TradeTrust framework as the key underlying technology to allow interoperability, so the document can be verified by both systems.

In using this blockchain-based, decentralised approach, transactions can become more cost effective and offers scalability without the need for expensive data exchange infrastructure, lowering barriers to the adoption of paperless cross-border trade.

https://www.imda.gov.sg/news-and-events/Media-Room/Media-Releases/2021/Australia-and-Singapores-blockchain-trial-shows-promising-results-for-reducing-transaction-costs

GUEST ARTICLE

SIMPLIFYING CROSS-BORDER TRADE FINANCE THROUGH EFFECTIVE DIGITALISATION

Digitalisation has been a buzzword in the past few years, but industry adoption has been slow. With the onset of COVID-19, more companies have realized the benefits of going digital, and this has helped accelerate digital tool adoption rates greatly.
At GUUD, we have been promoting the adoption of trade technology for the past decade and driving digitalization initiatives that help improve accuracy, speed, and productivity, as well as to optimize workflows.

As part of our initiatives to simplify global trade processes, we introduced RYTETFAP (formerly known as CamelONE™ Trade Finance) in 2019. We have seen how multi-bank trade finance application portals can help ease trade finance application processes for both large corporates and banks, reducing the time and resources required, especially since they deal with a huge amount of documentation daily.

RYTETFAP is connected to the Networked Trade Platform's (NTP) secure repository, where all trade-related documents can be safely stored, including Bill of Lading ("BL"). This enables easy and secure data reusability for the filling of form fields on multiple applications, creating greater convenience for users and freeing up their time, to work on other tasks.

Other than convenience, data security and integrity of trade documentation remains a key concern for businesses, governments, and users. Paper documents continue to be in use due to the varying standards for the electronic format of trade documents, with no easy way to verify the provenance and authenticity of e-documents that are presented to the authorities.

With the latest implementation of TradeTrust by the Singapore government to ensure that documents used are aligned to international standards developed for international trade and logistics and their interoperability, platforms such as RYTETFAP can now utilise TradeTrust to facilitate the verification of the chain of endorsements and title transfer functionalities for documents such as eBLs to the banks and the clients.

This will alleviate the challenges surrounding traditional BLs, helping digitally recreate their functions as documents of title, passing rights and

obligations along a trade chain, ensuring the integrity of the documents, assuring users of the authenticity and origin of the files as well as assuring the users of the authenticity and origin of the files.

With these clear benefits in mind, GUUD Finance has been working on a project (initiated by IMDA as part of the Singapore-Shenzhen Smart City Initiative) to build a platform integrating the TradeTrust utility for the endorsement of eBL and verification of documents. The aim of the platform is to facilitate the transmission of document exchange between importers and exporters in Shenzhen and Singapore. UOB Singapore and UOB China, together with their clients have since successfully conducted two technical pilots (fully paperless L/C involving e-presentation of trade documents & eBLs across two platforms).

With proven smoother and faster workflows as well as trusted e-documentation in cross-border trade transactions, GUUD will continue to support the use of TradeTrust for secure document exchanges.

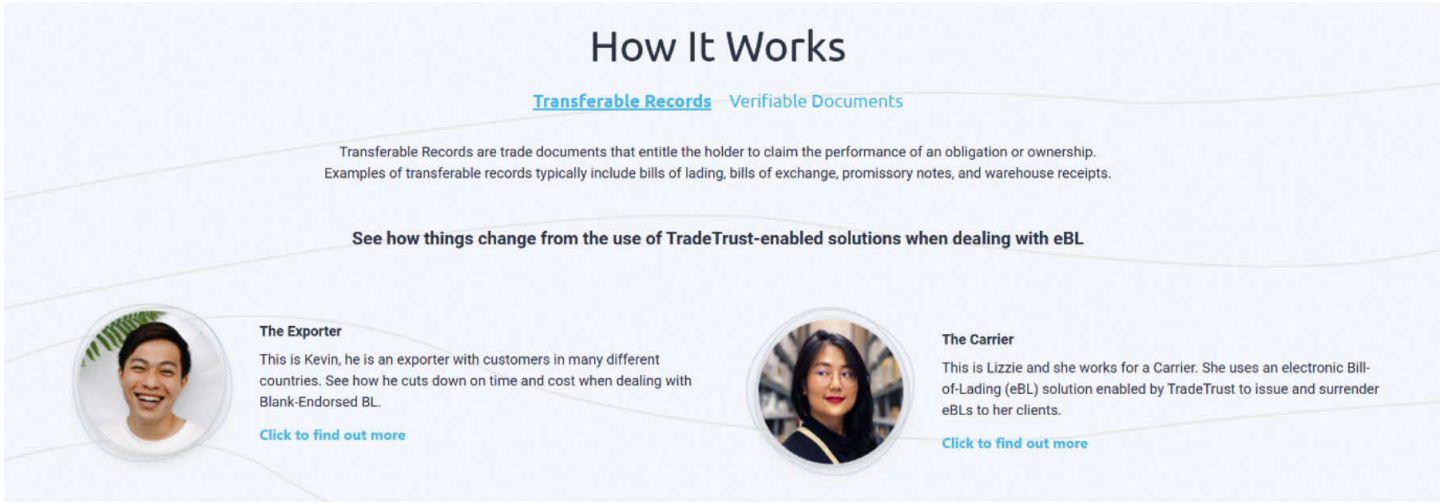
We believe such initiatives will definitely help enable a more seamless flow of goods between trading nations and reduce the inefficiencies and complexities which are endemic with the use of paper-based documentations, making both cross-border trade and cross-border trade finance simpler, more efficient and secure.

Article by Desmond Loh, Head of Pay Pillar at GUUD Company

PRODUCT DEVELOPMENT

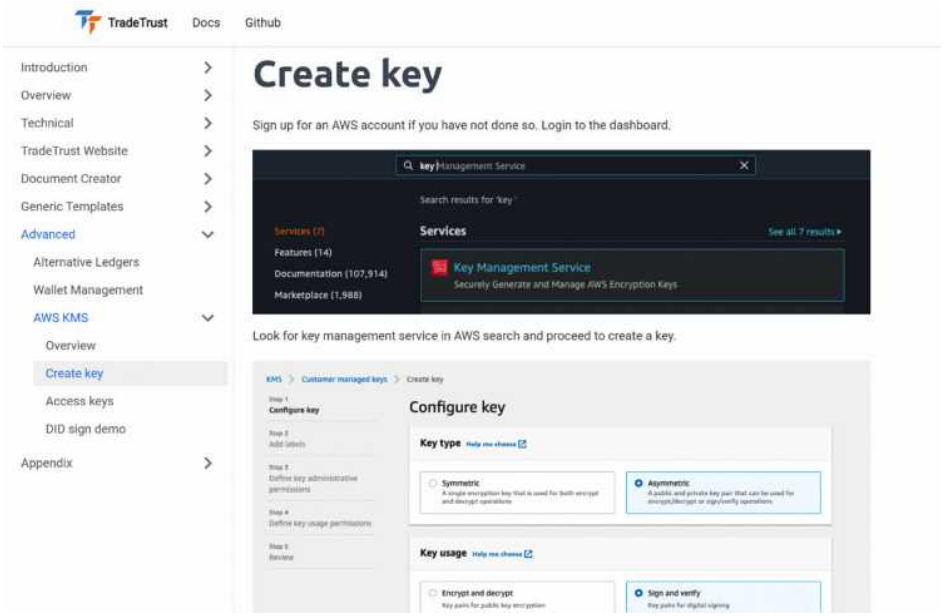
A REVISED PERSONA JOURNEY

A renewed look on the TradeTrust website has included different personas to provide understanding of the different needs and expectations to reach a different set of target audience. The improved user journey allows for better interaction for the users thus making it easy and effective for them.



INTRODUCING AWS KEY MANAGEMENT SERVICE (KMS)

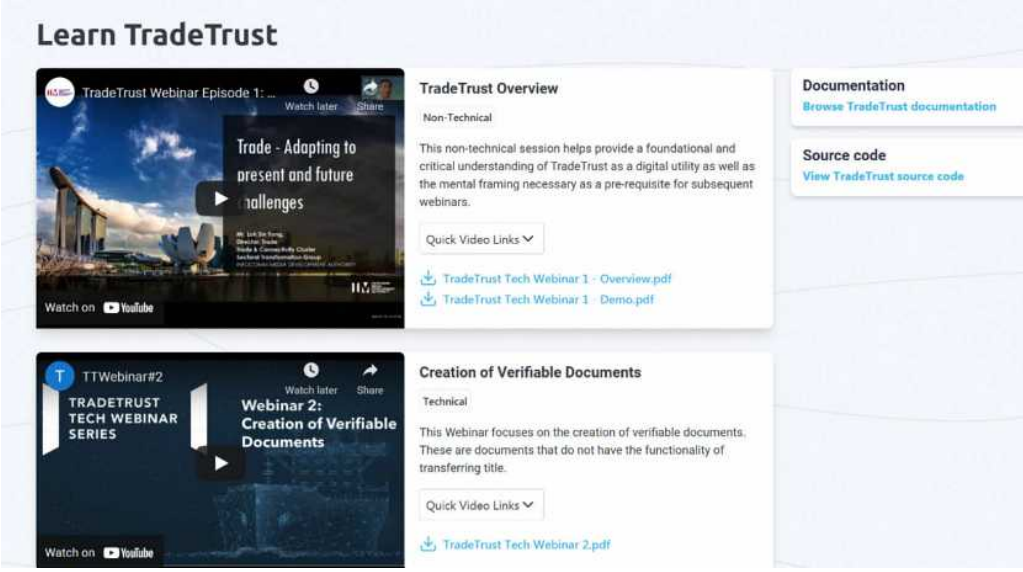
Amazon's key management services (AWS KMS) provides an additional key management solution that companies may wish to use aside from the current solution such as Encrypted Ethereum keystore JSON wallet and Metamask browser extension. Therefore, companies can now use AWS KMS to centrally manage and secure the wallet keys. Tutorial on how to use AWS KMS to sign DID documents can be found on https://docs.tradetrust.io.



PRODUCT DEVELOPMENT

LEARN TRADETRUST

A renewed look on TradeTrust Webinars have been uploaded to enhance user experience. For more information, refer to https://docs.tradetrust.io.



GLOBAL ENGAGEMENTS

ASIA-PACIFIC ECONOMIC COOPERATION

3 August 2021

TradeTrust was presented at the APEC workshop titled "Utilizing Digital Technology in the Field of Trade Facilitation Under the Current COVID-19 Pandemic and Beyond: Best-Practices Sharing Workshop - Interoperability and Data Security for Single Windows 2021" which focused on interoperability and data security for single windows.

16TH PACER DIALOGUE:

DIGITIZING TRADE IN THE NEW NORMAL

3 August 2021

The Policy Actions for COVID-19 Economic Recovery (PACER) Dialogues explored measures that can help economies "bounce back" from the COVID-19 pandemic and accelerate economic recovery, health trends to enhance economic responses; and developing effective social protection measures.

https://development.asia/policy-brief/enabling-digital-transformation-global-trade-new-normal

GLOBAL ENGAGEMENTS

UNESCAP: WEBINAR ON BLOCKCHAIN TECHNOLOGY FOR CROSS BORDER TRADE
16 August 2021

First webinar brought together ITFA DNI and IMDA TradeTrust to provide insight into how their new modern approaches leverage the unique properties of blockchain to digitize trade and supply chain content in a decentralized, interoperable, trusted manner.

https://www.unescap.org/events/2021/webinar-blockchain-technology-cross-border-trade

CHINA-SINGAPORE (CHONGQING) INTERNATIONAL DEDICATED CONNECTIVITY (IDC) FORUM
23 August 2021

Sharing of TradeTrust initiative at the China-Singapore (Chongqing) International Dedicated Connectivity Forum.

WTO & WEF: TRADETECH FOR INCLUSIVE AND SUSTAINABLE TRADE
28 September 2021

The next generation of trade growth will come from integrating new technologies into trade – both in supply chains and in trade facilitation. Under the auspices of the WEF, business leaders and public stakeholders came together last year to kick off the conversation on TradeTech globally. This session will present insights on TradeTech and present options for a cutting-edge trade agenda.

https://www.youtube.com/watch?v=haYxijQd84w

CORDACON 2021: HARMONIZING DIGITAL TRADE: EBL INTEROPERABILITY FOR TRADE NETWORKS
30 September 2021

CordaCon 2021 focused on the benefits of trust technology, and approaches to connecting networks and ecosystems in regulated markets.

https://www.cordacon.com/agenda/session/637532

SG:DIGITAL
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Electronic Transactions Act Amendments

ENABLING DIGITALISATION OF TRADE DOCUMENTS: CONVENIENCE & SAVINGS FOR BUSINESSES

WHAT IS THE ETA?

The Electronic Transactions Act (ETA) facilitates the use of e-commerce and e-transactions by giving e-contracts and e-signatures the same status as written contracts and signatures

ETA amendments enable the creation and use of Electronic Transferable Records (ETRs), such as electronic Bills of Lading (eBLs)

WHAT IS A BILL OF LADING?

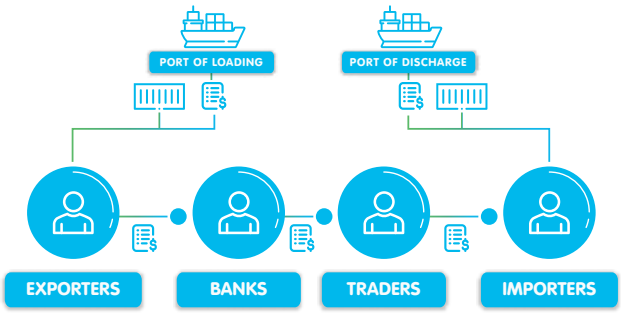
A BILL OF LADING IS A TRANSPORT DOCUMENT AND A DOCUMENT OF TITLE OVER GOODS IN TRANSIT

THE PROCESS

1. Seller engages Carrier to deliver cargo and will receive a Bill of Lading (BL)
2. Seller releases BL to Buyer upon payment
3. Buyer can only collect the goods when they produce the original BL

- Possession of the original BL is of crucial importance
- Previously, usage of electronic versions of BLs had been difficult due to technological and legal challenges in establishing what is the "original document" and "who possesses it"

A BILL OF LADING IS A KEY DOCUMENT FOR INTERNATIONAL TRADE



THE ETA AMENDMENTS SUPPORT AND COMPLEMENT THE GOVERNMENT'S TRADE DIGITALISATION INITIATIVES

TradeTrust

- comprises set of globally-accepted standards and frameworks
- enables trusted interoperability of digital trade documents
- provides proof of authenticity and provenance of documents and offers title transfer through open-source software

WHY DO WE NEED eBLs?

1. FASTER PROCESSING
2. LOWERED FRAUD RISKS
3. COST SAVINGS
4. INNOVATIVE BUSINESS MODELS

- No additional costs to hold cargo as goods are less likely to arrive at their port of destination before document processing is complete
- **US$4 billion** estimated savings a year if 50% of the container shipping industry adopts eBLs, according to Digital Container Shipping Association
- Trade financing banks can obtain collateral security over the eBL, allowing them to obtain regulatory capital relief and pass on cost savings to clients

JOIN US

- In digitalising your business processes
- By incorporating TradeTrust code into your applications
  Visit https://tradetrust.io

www.imda.gov.sg
/IMDAsg
#SGDIGITAL

About TradeTrust

TradeTrust comprises a set of globally-accepted trade process standards and frameworks, that connects governments and businesses to a public blockchain. In doing so, it enables interoperability across different platforms so that electronic trade documents can be exchanged in a trusted fashion across these digital platforms.

4 Key Components of TradeTrust

1 Legal Harmonisation
Provide legal validity for electronic negotiable documents

2 Standards Development
Develop international standards that TradeTrust complies to

3 Accreditation Structure
Certify technical solutions that meet the requirements of the law

4 Open Source Software
Develop a set of open-source codes that can easily integrate backend solutions to TradeTrust network

TradeTrust documentation:
docs.tradetrust.io

TradeTrust Software:
github.com/TradeTrust

TradeTrust tech webinar videos:
tradetrust.io/learn

Find out more at
TradeTrust.io

For more enquiries, email us at
tradetrust@imda.gov.sg