1. **Mission**: You are a C-Suite advisor at a major E.U. financial institution or organization of your choice. Your challenge is to assess a potential acquisition of, or a partnership with, BanQu, a blockchain-baised supply chain compliance software, to augment your institution’s supply chain financing offerings and to convince your institution’s leadership of your proposed recommendation.
2. **Guiding questions for research**:
   1. What are the commonalities and differences between supply chain financing, sustainable supply chain financing, and supply chain compliance?
      1. supply chain financing (<https://www.investopedia.com/terms/s/supply-chain-finance.asp>):
         1. Supply chain finance is a set of tech-based business and financing processes that lower costs and improve efficiency for the parties involved in a transaction.
         2. Supply chain finance works best when the buyer has a better credit rating than the seller and can thus access capital at a lower cost.
         3. Supply chain finance provides short-term credit that optimizes working capital for both the buyers and the sellers.
      2. sustainable supply chain financing (<https://www.sustainability.com/thinking/sustainable-supply-chain-finance-qa-with-charlotte-bancilhon-manager-bsr/>):
         1. Sustainable supply chain finance is an important opportunity that we hope more companies will implement, so to learn more, we conducted an interview with Charlotte Bancilhon, lead author of the report.
         2. It’s a financing technique that’s used to bridge the payment gap between global buyers and their suppliers. Both parties want to optimize their own cash flow in opposing directions: Buyers want to pay as late as possible, and suppliers want to get paid as early as possible. Banks can provide a solution platform. Through payables finance, the global buyer can put in place a platform – via a bank or a fintech – where their suppliers discount their receivables at a small fee. The supplier benefits from the global buyer’s credit rating and can borrow money at a lower cost. Suppliers using this platform can get paid early (e.g., 10 days vs. 60 or 90 days) against a small fee.
         3. It’s a win for buyers, suppliers and banks. It’s a win for buyers because they maximize their working capital while incentivizing sustainability practices in their supply chain. In fact, according to brands that have implemented such programs, it’s the only way to positively incentivize, rather than punish, your suppliers to use sustainable practices.
      3. supply chain compliance (<https://reciprocity.com/resources/what-is-supply-chain-compliance/>):
         1. Supplier compliance management eases the burdens of mandatory supplier risk assessments and due diligence questionnaires. Through these assessments, you can consider risks associated with vendors’ corporate governance, safe working conditions, cyber security, sustainability and environmental concerns.
         2. Supplier management is about the performance of your suppliers, and implementing initiatives to streamline communications and drive efficiencies with those suppliers. It encompasses the entire lifecycle, to assure high performance and a mutually beneficial relationship.
         3. On the other hand, supplier compliance is related to regulatory compliance and assuring that your suppliers meet the same standards that your business does. It protects your business from compliance issues and cybersecurity risks that your supply chain and service providers could cause.
   2. Why should blockchain and distributed ledger technology be applied to both supply chain financing and supply chain compliance? Is this just a gimmick, or is there a real value in applying the technology to either use case or (both)?
      1. blockchain and distributed ledger technology applied to supply chain financing (<https://www.go-yubi.com/blog/supply-chain-finance-and-blockchain-technology/>):
         1. Supply chain finance (SCF) helps optimize working capital needs where buyers can pay their suppliers early and lengthen their payment terms at the same time. Blockchain is a digital ledger that records every transaction in the network, making the process incredibly transparent. It helps bring inclusivity in the supply chain finance ecosystem (by funding small suppliers as well), increasing transparency and authenticity of information throughout the network and allow financiers (other than banks) to join the SCF ecosystem by removing information inaccuracy.
         2. Supply chain finance is a massive web involving many stakeholders. From buyers to suppliers and intermediaries, there are many interested parties, and the exchange of information is not always transparent. Each stakeholder may prioritize their needs over others, triggering delays in the supply chain. Blockchain can solve this problem. Copies of the same digital ledger, which keeps the records in the network, are distributed among the stakeholders, who have access to the same information. The immutability of blockchain prevents confusion and ensures transparency and authenticity in the network. It can enhance supply chain management and smoothen the supply chain.
         3. The existing supply chain finance ecosystem has shortfalls, especially regarding financial inclusion. Supply chain financiers usually offer to fund buyers’ top 10 to 50 suppliers, leaving behind many small and medium-sized enterprises. This is unfair, as smaller suppliers can benefit more from early payments through buyer-led supply chain finance than larger counterparts. Blockchain technology has the potential to address this issue and make supply chain finance available to everyone. The nature of the blockchain network can allow supply chain finance providers to fund invoices sent by all the suppliers. Every transaction and information exchange is recorded on the ledger, so finance providers do not have any reason to limit financing to only the top suppliers.
         4. Financial institutions are generally the financers in buyer-led supply chain finance. They are the ones that make the invoice payments to the suppliers. Buyers pay them back through a repayment plan consisting of the borrowed sum along with a small fee and interest. While financial institutions will remain relevant in buyer-led supply chain finance, blockchain could open up the system to other stakeholders in the ecosystem. Corporate foundations and individual investors could also participate in supply chain finance and earn returns on their investment. Platforms like YubiFlow are already using blockchain to allow different financiers to leverage supply chain finance to earn returns.
         5. Information exchange is always an issue when there are many parties involved. Supply chain finance has suffered from the same ailment. Information inaccuracy is, in fact, one of the significant reasons why supply chain finance has struggled to solve the age-old issues in the supply chain. However, using blockchain technology in supply chain finance might be the answer. The digital, immutable ledger can keep track of information exchange, asset transfer, product quality, and timelines to smoothen the supply chain. It can reduce lags in the system, saving money and time for all the stakeholders.
         6. While blockchain technology hasn’t been around for that long, it has already shown its worth in different applications. Entertainment, banking, and payments have benefited from blockchain’s immense value and could be further transformed in the coming years. Hence, it is only a matter of time before supply chain finance and blockchain technology merge and improve supply chain finance for good.
      2. blockchain and distributed ledger technology applied to supply chain compliance (<https://www.linkedin.com/pulse/benefits-using-blockchain-supply-chain-compliance-larry-sherrod/>):
         1. As global supply chains become increasingly complex and interconnected, ensuring compliance with various regulations and standards has become a major challenge for businesses. To address these issues, many organizations are turning to blockchain technology as a way to improve supply chain compliance. This article explores the benefits of using blockchain for supply chain compliance, highlighting its potential to revolutionize the way businesses manage their supply chains.
         2. One of the major advantages of using blockchain technology in supply chain management is the ability to trace goods and materials from their point of origin to the end consumer. Each transaction is recorded on the blockchain, creating a verifiable and transparent record of the product's journey through the supply chain. This helps businesses ensure that their products are sourced ethically and sustainably, and also helps them comply with various industry regulations and standards.
         3. Data stored on a blockchain is cryptographically secure, which means that it is resistant to tampering, hacking, or unauthorized access. This provides a significant advantage in managing supply chain compliance, as businesses can trust that the information they receive is accurate, up-to-date, and has not been manipulated. Additionally, the decentralized nature of blockchain technology eliminates the risk of a single point of failure, enhancing overall data security.
         4. Blockchain's immutable nature and transparent record-keeping can significantly simplify the auditing and reporting process for businesses. Auditors can easily verify the authenticity of transactions and trace the movement of goods through the supply chain, making it easier to identify potential compliance issues. As all relevant information is stored in a single, accessible location, businesses can also generate accurate reports more efficiently, reducing the time and effort required for compliance-related tasks.
         5. Counterfeit products and fraud are major challenges for businesses operating in global supply chains. Blockchain technology can help mitigate these risks by providing a secure and traceable record of each product's journey through the supply chain. This makes it much more difficult for bad actors to introduce counterfeit goods or manipulate data, as any discrepancies would be immediately apparent to all parties on the network.
         6. Blockchain technology facilitates greater collaboration and trust between supply chain partners, as it provides a secure and transparent platform for sharing information. This can help businesses build stronger relationships with their suppliers and customers, leading to improved compliance and more efficient supply chain operations. By fostering trust and collaboration, blockchain technology can help businesses better navigate the complexities of supply chain compliance.
         7. In summary, blockchain technology offers a wide range of benefits for supply chain compliance, including enhanced traceability and transparency, improved data integrity and security, streamlined auditing and reporting, reduced fraud and counterfeiting, and increased collaboration and trust. By leveraging these benefits, businesses can better manage their supply chains and ensure compliance with various regulations and standards. As blockchain technology continues to mature, it is poised to play an increasingly important role in supply chain management, helping businesses navigate the complexities of global supply chains with greater efficiency and confidence.
   3. What is “greenwashing”, and why is it a problem? What are blockchain’s advantages and limitations in helping to tackle this problem in supply chains?
      1. Greenwashing (<https://www.techtarget.com/whatis/definition/greenwashing>):
         1. Greenwashing is a term used to describe a false, misleading or untrue action or set of claims made by an organization about the positive impact that a company, product or service has on the environment.
         2. In an era where increasing numbers of consumers as well as governments are interested in taking environmentally responsible actions, there has been a growing emphasis on environmental, social and governance (ESG) initiatives in companies. The need to demonstrate ESG efforts has led to many organizations making environmental claims that have turned out to be greenwashing. Greenwashing isn't always an overtly false claim; it can be a claim that isn't entirely accurate or is in some way deceptive or misleading.
         3. Greenwashing happens when a company makes an environmental claim about something the organization is doing that is intended to promote a sense of environmental impact that doesn't exist. The green claim is typically about some form of positive effect on the environment. It could have some elements of truth but fails to consider the total impact. For example, a car vendor claims that a vehicle is eco-friendly because it is more fuel-efficient, while failing to mention or consider the larger industrial impact of vehicle manufacturing on the environment. Companies can also greenwash initiatives with vague claims that don't provide real data or scientific validation for the claims. Using terms such as sustainable, green or eco-friendly -- or just claiming to be "good for the planet" or "better for the environment" -- can help organizations appear to be greener. However, the reality of such nonspecific terms is that they can be -- and often are -- used without supporting evidence or facts that could be easily relayed to the consumer. As such, an organization is simply labeling or promoting a product or service as being green, when in fact there is no undeniable, verifiable evidence that it is more environmentally sustainable. From an ESG perspective, greenwashing also occurs when a company has stated corporate policies about being green that don't match what the company has publicly implemented.
         4. There are several general greenwashing techniques that organizations use today to help make a product or service appear to be more sustainable for the environment than it might be. Less is more. This is perhaps the most common greenwashing example and is rooted in the genesis of the term greenwashing itself. When hotel chains advise guests that towels will not be washed daily to be greener, the idea is that less washing is better for the environment. Efficiency claims. Another common example is claiming to be more efficient with energy consumption. By being more energy-efficient, the idea is that less energy needs to be produced, leading to less environmental impact. Automobile manufacturer Volkswagen was caught greenwashing with its diesel emissions scandal in 2015. In that incident, the company had fraudulently reported that its diesel engine vehicles were more fuel-efficient than they really were. The diesel-fuel vehicles were marketed as being a more environmentally sustainable type of vehicle when, in fact, that was not the truth. "Recycle this" approach. Greenwashing also occurs when an organization claims that one approach is better for the environment than another by implying that the new approach is somehow recyclable. For example, McDonald's began to replace its plastic straws in 2019 with paper straws that the company described as being eco-friendly. It turned out that the paper straws were not recyclable and were not necessarily better than the alternative. Green targets. Organizations and governments can come up with targets for sustainability that are publicly declared to make it appear as though they are doing the right thing for the environment. Targets on their own are nice goals to strive for, but they are little more than wishful thinking if they aren't achieved.
         5. Greenwashing has numerous effects on consumers, companies, green industries and the planet itself. For consumers, there is a growing body of evidence that shows consumer sentiment is slanted toward being green and environmentally sustainable. Individuals want to do the right thing and want to help mitigate the continued effects of climate change. When a company, product or service is caught or discovered to be greenwashing, there is a general sense of distrust that occurs. Consumers will no longer trust the brand or product in question and might also begin to question other claims. For companies engaged in greenwashing, consumers will choose other organizations that are more ethical. Greenwashing can degrade customer satisfaction, erode brand loyalty and potentially affect repeat purchases. Consumers will put their money in products and services that are not attempting to deceive them with greenwashing. Companies also run the risk of fines from government and regulatory agencies around the world. For green industries, the risk of greenwashing is a lack of trust from consumers. If there is a lot of greenwashing, then consumers will simply not trust green claims from anyone -- including legitimately green industries -- as they will not know who to trust. The biggest effect of greenwashing is existential. Each act that an organization or individual doesn't take with real green initiatives has a potential negative effect on the planet. Greenwashing masks the inaction of not taking steps to reduce environmental impact. With the effects of climate change continuing to imperil humanity, there is no time to waste in taking steps to help improve sustainability so that humanity and Earth itself will continue to survive.
      2. Blockchain advantage in greenwashing (<https://cointelegraph.com/news/how-blockchains-can-solve-greenwashing-and-contribute-to-climate-action>; <https://medium.com/@designsprintstudio/the-end-of-greenwashing-how-blockchain-is-driving-certification-of-sustainable-practices-6bae6a1d4e17>)
         1. In an era where information is abundant and easily accessible, distinguishing fact from fiction has become an increasingly complex challenge. This article explores how blockchain technology can revolutionize the transparency and trust in Carbon Credits and BCorp Certifications, making it a must-read for those interested in sustainable business practices and their digital verification.
         2. We all want to make the world a better place. And Carbon Credits seem like a viable way to support that goal. Let’s find out how blockchain can be a driver for positive climate impact. In short: Carbon (offset) credits are transferable financial instruments representing a reduction or removal of greenhouse gas emissions, traded in a market-based system to incentivize companies to offset their emissions by purchasing credits from projects that have successfully reduced or removed greenhouse gases (e.g., through land restoration or the planting of trees). They are certified by governments or independent certification bodies.
      3. Blockchain limitations in greenwashing (<https://www.natlawreview.com/article/esg-blockchain-and-ai-oh-my>)
   4. With no set industry standard to measure ESG, harmonizing between existing ESG metrics remains a challenge for financial institutions and companies alike. How could BanQu’s provenance tracking be extended or built upon? What are its’s limitations?
3. **Task**: Create a slide deck presentation and accompanying write-up, which includes the following information:
   1. Your recommendation and factual rationale as to whether your financial institution or organization should:
      1. Acquire BanQu and why;
      2. Partner with BanQu and why; or
      3. Build its own system, and why?

Be sure to include what aspects of supply chain financing – and what customer segments – BanQu’s innovative application of blockchain technology would help at your institution or organization and which it will have no (or limited) impact on

* 1. If recommending an acquisition or partnership, identify one opportunity and one challenge to BanQu’s continued development and growth, and suggest one proposed course of action each that your financial institution or organization can take to address the opportunity and challenge. Briefly outline your proposed terms of the acquisition or partnership deal (within no more than 3 sentences)
  2. If recommending building your own system, identify at least one feature necessary for fulfilling the E.U.’s compliance mandate that BanQu does NOT offer and that your system should contain. Assess the benefits and limitations of blockchain technology in constructing this feature. Briefly outline the necessary costs and other requirements of building your own system (with no more than 3 sentences)
  3. Address whether you believe the BanQu’s platform – and blockchain technology more generally – can achieve harmonization across ESG objectives in supply chain financing and how these platforms can adequately minimize greenwashing

1. **Company Choice**: Nestle SA (<https://www.globaldata.com/company-profile/nestle-sa/>, accessed on the 15th July 2023)
   1. Head Office: Switzerland
   2. Number of Employees: 275,000
   3. Revenue: $98.9 B in 2022 (+8.4% 2022 vs 2021)
   4. Stated purpose (<https://www.se.com/ww/en/about-us/company-profile/>, accessed on the 8th July 2023): “Schneider Electric’s purpose is to empower all to make the most of our energy and resources, bridging progress and sustainability for all.”
   5. Stated mission (<https://www.se.com/ww/en/about-us/company-profile/>, accessed on the 8th July 2023): “Our mission is to be your digital partner for Sustainability and Efficiency”
2. **Banqu**
   1. Ddd
3. **Germany’s 2023 LkSG law** (<https://www.csr-in-deutschland.de/EN/Business-Human-Rights/Supply-Chain-Act/supply-chain-act.html>, accessed on the 8th July 2023)
4. **European Supply Chain Law** (<https://www.eqs.com/compliance-blog/eu-supply-chain-law/>, accessed on the 8th July 2023): Scope/Requirements:
   1. Identify actual and potential human rights and environmental problems within their supply chains and take appropriate measures to prevent, mitigate, and remedy the problems
   2. EU companies and foreign companies operating within the EU with more than 500 employees or with a turnover of at least 150 millions euros
   3. EU companies and foreign companies operating within the EU operating in high risk sectors, such as the textile and leather industries, agriculture, forestry, fisheries, and mining that have at least 250 employees or a turnover of 40 million euros
   4. Indirectly: small-and-medium size enterprises that supply target companies
   5. All EU countries have to adopt the law within 2 years either through modification of existing laws or adoption of new laws
5. **Provenance in Transparent Supply** (<https://www.ibm.com/docs/en/transparent-supply?topic=started-basic-provenance-concepts#:%7E:text=With%20respect%20to%20the%20world,than%20one%20product%20as%20well>, accessed on the 8th July 2023)
6. **Response Plan**

###### Introduction:

###### European Law and Supply Chain Financing in Europe

###### DZ Bank’s Supply Chain Challenges, and possibly, other challenges

###### Specific DZ Bank Supply Challenge(s) I am tackling, my analysis, and proposed solution

###### Proposed plan of action:

###### What your proposed solution is;

###### What evidence or thought logic supports your proposal; and

###### What challenges, side effects, shortcomings, and disadvantages your proposal may have, and why you still think your proposal is a good one.

###### Conclusion:

###### Brief recap of the problem (key aspects)

###### Summary of proposed solution (key aspects)

<https://www.unlock-bc.com/86388/banqu-blockchain-supply-chain-platform-raises-7-million-usd/>

<https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en>

<https://single-market-economy.ec.europa.eu/industry/sustainability/net-zero-industry-act_en>

<https://environment.ec.europa.eu/strategy/environment-action-programme-2030_en>

<https://ec.europa.eu/social/main.jsp?catId=1607&langId=en>

<https://sdgs.un.org/partnerships/european-commission-initiative-sustainable-finance>

<https://ellenmacarthurfoundation.org/circular-examples/the-eus-circular-economy-action-plan#>

<https://www.circularise.com/blogs/the-eu-conflict-minerals-regulation-for-responsible-sourcing#>

<https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm>

<https://www.eqs.com/compliance-blog/eu-supply-chain-law/>

<https://www.unicredit.it/it/corporate/estero/prodotti-e-servizi-internazionalizzazione/supply-chain-finance.html>

<https://www.unicreditgroup.eu/en.html>

<https://www.unicreditgroup.eu/en/press-media/press-releases/2019/unicredit-esegue-con-successo-la-prima-transazione-commerciale-s.html>

<https://www.unicreditgroup.eu/en/press-media/news/2020/unicredit-named-best-bank-for-supply-chain-finance-in-the-banker.html>

<https://www.unicreditgroup.eu/en/press-media/news/2021/unicredit-wins-both-global-finance-s-trade-finance-and-supply-ch.html>

<https://www.forbes.com/sites/loracecere/2022/12/05/tradelens-discontinues-operations-why-you-should-care/>

<https://techmonitor.ai/technology/emerging-technology/ibm-backed-blockchain-platform-we-trade-shutting-down>

<https://www.tradefinanceglobal.com/posts/we-trade-enters-the-trough-of-disillusionment-what-this-means-for-the-digitalisation-of-trade-finance/>

<https://www.hyperledger.org/learn/publications/wetrade-case-study>

<https://www.banqu.co/about>

<https://www.youtube.com/watch?v=tW-YAy-IJ1M>

<https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy_en>

<https://www.banqu.co/>

<https://www.banqu.co/case-study/banqu-tracks-donor-funding-for-covid-19-relief>

<https://www.banqu.co/case-study/coca-cola>

<https://www.banqu.co/case-study/blockchain-can-be-used-to-enable-equitable-transparent-and-trackable-supply-chain-development-funding>

<https://www.unicreditgroup.eu/en/esg-and-sustainability/our-sustainability-strategy.html>

<https://www.unicreditgroup.eu/en/esg-and-sustainability/sustainability-governance.html>

<https://www.unicreditgroup.eu/en/esg-and-sustainability/stakeholder-engagement-for-social-and-environmental-sustainability.html>

<https://www.unicreditgroup.eu/en/esg-and-sustainability/esg-sustainability-policies-and-ratings.html>

<https://www.unicreditgroup.eu/en/esg-and-sustainability/value-creation-for-a-sustainable-business.html>

<https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/banking-group/at-a-glance/UniCreditGroupCompanyProfile.pdf>

###### The European Union has demonstrably contributed to sustainable development goals (SDG), Corporate Social Responsibility (CSR), and Environmental, Social, and Governance (ESG) investing initiatives over the years. The OECD Due Diligence Guidance for Responsible Business Conduct, the EU’s Circular Economy Action Plan, the EU Conflict Minerals Regulation for responsible sourcing, the European Green Deal, the Net-Zero Industry Act, the Environment action program to 2030, the European Pillar of Social Rights Action Plan, and the European Commission initiative on sustainable finance are concrete examples of the Union’s sustainability leadership. The EU Supply Chain Law proposed by the European Commission in February 2022, reinforced by the EU Parliament in June 2023, and awaiting enactment pending agreement between the European Parliament and the Council of Ministers, is a recent demonstration of the Union’s commitment to sustainability.

###### Unicredit, a pan-European Commercial Bank, has reached out to my consulting firm to evaluate the services of BanQu, a blockchain-based supply chain traceability platform, and to advise on the strategic opportunity of either acquiring or partnering with the FinTech company to boost the bank’s supply chain financing offerings, with emphasis on compliance and ESG, and on anticipating the enactment of the EU Supply Chain Law. After careful analysis of Banqu’s platform, Unicredit’s compliance commitment, technological capability, and business situation, we concluded that a partnership with BanQu would be in line and apprised our client, Unicredit, accordingly.

###### UniCredit won both “Global Finance's Trade Finance” and “Supply Chain Finance CEE” Awards in December 2022 thanks to the assessment of several supply chain and trade finance parameters by industry analysts, corporate executives, and technology experts. In September 2020, Unicredit was granted the prestigious award “Best Bank for Supply Chain Finance” in recognition of its contribution to streamlined supply chain finance innovation and agile management of supply chain during the COVID-19 pandemic with a robust plethora of digital tools. The bank adopted a multidimensional approach to supply management with focus on working capital efficiency, reverse factoring, and dynamic discounting. Unicredit has also actively engaged in enriching its offering by partnering with FinTech companies such as Taulia and FinDynamic. Earlier on in July of the same year, during the Euromoney Awards for Excellence, Unicredit collected six accolades, including “Best Bank for Transaction Services in Central and Eastern Europe.”

###### The track record of Unicredit’s innovation leadership extends as far back as 2017 and, perhaps, earlier. In March 2019, the bank reported a successful trial launch of blockchain-enabled trade via the we.trade platform whose efficiency was acclaimed by two of Unicredit’s clients: Gruppo ASA and Steelforce Group. The project, whose main objective was to simplify international trade for SMEs, was initiated in 2017 by Unicredit and six other banks, and later on joined by four more banks. By 2019, the consortium consisted of 13 banks and was present in 14 European countries.

###### IBM’s we.trade platform, described by the Hyperledger Foundation as “the world’s first enterprise-grade, blockchain-enabled trade finance platform,” had a similar fate as Tradelens, another IBM blockchain project: It failed. Meanwhile the former’s plight was purportedly due to dwindling cashflow, Tradelens suffered from lack of commercial viability because Maersk, IBM’s logistics and funding partner for the project, was unwilling to continue funding the project, visibly more interested in maintaining a competitive edge than facilitating collaboration between shipping trade partners, and because IBM clearly could not pursue the project otherwise. These failures illustrate the challenges associated with a cutting-edge innovation such as applying the blockchain to supply chain management and, specifically, supply chain financing. We determined, after an extensive assessment of the different facets of the problem submitted to us by Unicredit, including the above-discussed failures, that their best bet would be to negotiate a good partnership with an experienced and successful player in the nascent field.

###### BanQu was borne of a need to help global brands track and control their whole supply chain from “farm to fork,” inspired by BanQu’s co-founder and CEO, Ashish Gadnis’ experience with a farmer in Congo who had trouble opening a bank account because she couldn’t prove her contribution to the supply chain. The European Supply Chain Law requires target companies to identify actual and potential human rights and environmental problems within their supply chains and to take appropriate measures to prevent, mitigate, and remedy the problems. These objectives are largely catered for by the BanQu platform. The platform proffers source-level data, is completely accessible and device agnostic, creates real-time reports, improves raw material predictability, and ensures compliance with relevant regulations and standards. BanQu’s success stories include tracking donor funding for COVID-19 relief, supporting Coca-Cola’s contribution to the Circular Economy by tracking and tracing recycled material across the value chain, helping JTI (Japan Tobacco International) fight child labor by implementing transparent communication and collaboration among subcontractors in the tobacco community, and eliminating supply chain blindspots in Zimbabwe’s Brewery industry by helping farmers build a permanent history of their harvest, streamlining the buying process, facilitating the audit of the supply chain, and creating long-term farmer development plans. Unicredit’s determination to continuous innovation leadership in supply chain financing and commitment to sustainability and compliance as demonstrated by the company’s Sustainability Strategy and ESG goals, Sustainability Governance, Stakeholder Engagement in Sustainable Development Goals, ESG Sustainability Policies and Ratings, Value Creation Over Time, and Path towards Net Zero, will undoubtedly fit in with the unique offerings of BanQu.

The BanQu platform provides sophisticated information tracking and smart contracts for automatic transaction management based on pre-established rules. However, the platform will need to be upgraded to integrate specifics of the EU Supply Chain Law such as verifying that company policies and management systems include appropriate due diligence and assessing a company’s commitment to emission reduction targets as spelled out in the Paris Climate Agreement. We suggested that Unicredit include these considerations in the negotiation with BanQu discussed below.

We proposed a revenue-sharing partnership between Unicredit and BanQu. Unicredit will provide BanQu access to its extensive network (13 subsidiary banks in 4 core European regions, 15 million clients across Europe, and several strategic partners and their clients). BanQu, in turn, will provide experience and expertise on effective blockchain-based finance applied to supply chain management. The parties will then agree on the percentage split of ensuing profits as well as operational and administrative specifics related to the proposed partnership.

In this paper, we discussed Unicredit’s ambition to maintain leadership in innovation within supply chain financing and, specifically, the request to assess and advise about partnering with or acquiring BanQu submitted to my consulting firm. We presented the respective strengths, shortcomings, and experiences of Unicredit and BanQu relative to the project. From our assessment, we determined that it would be most appropriate for the two companies to negotiate a partnership, owing, in part, to lessons learned from previous unsuccessful ventures in a similar context, and to BanQu’s comparable success. We then moved on to propose a revenue-sharing model, suggesting, that specifics of the EU Supply Chain Law be discussed during the negotiation.

###### Introduction:

###### My consulting firm was recruited by DZ Bank to evaluate the services of BanQu, a blockchain-based supply chain traceability platform, and to advise on the strategic opportunity of either acquiring or partnering with the FinTech company to boost the bank’s supply chain financing offerings, with emphasis on compliance and ESG, and on anticipating the enactment of the EU Supply Chain Law. After careful analysis of Banqu’s platform, DZ Bank’s compliance commitment, technological capability, and business situation, we concluded that … and apprised our client, DZ Bank, accordingly.

###### You are a C-Suite advisor at a major E.U. financial institution or organization of your choice. Your challenge is to assess a potential acquisition of, or a partnership with, BanQu, a blockchain-baised supply chain compliance software, to augment your institution’s supply chain financing offerings and to convince your institution’s leadership of your proposed recommendation.

###### Proposed plan of action:

###### Conclusion:

###### Introduction:

Write a succinct paragraph in which you articulate the challenges faced by the company. You may consider the following aspects:

* Big picture (the background landscape of the industry or sector)
* Small picture (the situation that the company faces)
* Specific issues that you are targeting.

Your introductory paragraph should have your bottom-line up front (BLUF). This should be 1-2 sentences summarizing your analyzed challenge and your recommended solution.(max. 150 words)

###### Proposed plan of action:

Outline your proposed solution to the problem. You should include the following aspects:

* What your proposed solution is;
* What evidence or thought logic supports your proposal; and
* What challenges, side effects, shortcomings, and disadvantages your proposal may have, and why you still think your proposal is a good one.

(max. 700 words)

###### Conclusion:

Write a conclusion that sums up the key aspects of the problem and your solution.

(max. 150 words)