TRADE DIGITAL

Brought to you by

IIM INFOCOMM
MEDIA
DEVELOPMENT
AUTHORITY

COLLABORATION WITH SHENZHEN FOR PAPERLESS CROSS BORDER TRADE

IMDA is continuing our efforts to bring in more partners to join our effort in trade digitalisation. IMDA and the Commerce Bureau of Shenzhen Municipality signed a Memorandum of Understanding (MOU) to strengthen cooperation in the area of paperless cross-border trade and trade financing. The Singapore-China (Shenzhen) Smart City Initiative aims to provide legal certainty for negotiable electronic trade documents used for trade financing purposes, which in turn facilitates the digitalisation of their processes.

Through the use of policy and regulatory sandboxes, we are able to provide legal recognition to digital trade documentations such as electronic Bills of Lading (eBLs) and Letters of Credit (LCs). Commercial entities operating within these 2 territories can benefit from seamless trade transactions with the streamlining of electronic trade documentation as both parties work towards the mutual recognition of these documents. This will enable greater connectivity and opportunities in Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and Southeast Asia (SEA).

For a start, we will be working with participating commercial entities in the coming months to conduct pilots to demonstrate the possibility of a fully paperless LC process with eBL and other digital trade documents.

Editor's Note

COVID-19 continues to affect millions globally. Until we can find a way to effectively treat this pandemic, telecommuting and contactless interactions will remain the primary way of conducting business.

Digitalisation can no longer be seen as an option, but as a necessity to adapting to this changing environment and safeguarding processes for the future. Long standing processes such as those found in trade are being disrupted by these norms and economies have suffered because of it.

The nature of trade and its digitalisation requires that countries collaborate to adopt robust, common standards and legally recognise such digital documentation before they can be effectively used. Once this is accomplished, transactions become instantaneous, and can translate to cost savings and quicker turnaround of document processing. Moreover, it's digital nature also will continue to provide an additional layer of protection against similar crises in the future.

The future remains uncertain in these difficult times, but if industry and governments can come together to collaborate and address these digitalisation challenges, we can at least build a better path for tomorrow.

Our doors remain open for opportunities in collaboration, so please speak to us on how your organisation can be part of this future.

In the meantime, keep vigilant and stay healthy.

- **Sin Yong Loh**
Director, Trade, IMDA

TRADETRUST CHALLENGE

The TradeTrust Challenge called for industry partners to submit proposals addressing real-life issues facing the industry on cross-border trade and trade financing. Blockchain and technology enthusiasts who are passionate about designing the future of Trade submitted their proposals, along with Minimum Viable Product (MVPs) solutions. IMDA is pleased to have announced the winners of the TradeTrust Challenge:

- **Ernst & Young Advisory Pte Ltd (EY)**
  TradeTrust and Nightfall
  EY is accelerating the evolution of modern trade through the secure transfer of digital documentation and alleviating the manual burden associated with the current process as part of the Private electronic Bill of Lading (eBL) featuring Nightfall & TradeTrust. This proposal addresses the key challenge of transferring ownership of trade documents by allowing assigned access to the payload but limited to singular ownership of the document title.

- **HKDAG (Singapore) Pte Ltd (HashKey Group)**
  Cross-Borders Trade and Supply Chain Finance Platform
  HashKey currently operates one of Mainland China's largest blockchain-based supply chain finance platforms within the automotive logistics supply chain. The key business value of HashKey's platform is allowing companies to better utilise the value of assets like inventory, accounts receivables or others where the secured digitalisation of these assets will be recorded into the blockchain giving lenders greater confidence in the authenticity of these assets, and hence lowering the cost of capital for companies.

- **JEDTrade Pte Ltd**
  Managing Business Process across Enterprises with TradeTrust
  JEDTrade's proposal for Managing Business Process across Enterprises with TradeTrust is to establish documentation provenance and record the status of the business process from the point of quotation, invoicing, delivery and payment of goods. The proposed intention of this submission is to allow every stakeholder in the network to have the appropriate visibility on the status of the trade at different stages of the process. Financial institutions will have greater visibility of the status of the transaction and will be able to finance transactions based on trusted documentation and goods flow. This will help to minimise documentation fraud and reduce the risk of trade financing.

- **Trade Window Pte Ltd**
  Trade Window Business Network (TWBN)
  TradeWindow proposed TWBN with integration to TradeTrust is envisioned to provide a new innovative, secure and efficient means to share trade data or documents with cross border trading partners and to enable the transfer of title of the electronic Bill of Lading (eBL). Interoperability will also be developed in TWBN to connect with other networks like Bolero, essDocs, Global Shipping Business Network (GSBN), Mastercard, TradeVan and Wave, among other partner networks.

- **Tramés Pte Ltd**
  International Freight Orchestration (IFO)
  Tramés' platform, the IFO has four key components. They are Concise Milestones, Document Sharing, Proactive Shipping Management and Collaboration Tools. With the adoption of TradeTrust, anticipated benefits for participants on the Trames platform include Digital Equivalence, Authenticity, Provenance and Auditability providing full transparency of actions across all stakeholders with all transactions and documents exchanged on the Tramés network immutably recorded on the blockchain.

- **VeriTAG Pte Ltd**
  Digitise and Legalize ACRA documents in China
  veriTAG's project aims to digitalise ACRA documents and other required documents such as passport photocopies and bank letters to streamline the business registration process in China. The new process which seeks to shorten the lead time and lower costs for business registrations in China, will track the entire digital document flow under blockchain through TradeTrust. veriTAG will also demonstrate the integration of multiple blockchains as TradeTrust is connected to Ethereum while veriTAG is on NULS platform, and the China Certificate Authority (CA) is on their proprietary blockchain. Documents issued by the authorities will be protected, digitally signed and acknowledged by the key parties including CA.

For more information about TradeTrust Challenge, please check it out at
https://www.imda.gov.sg/programme-listing/blockchain-challenge

TRADETRUST SOFTWARE - LATEST RELEASE (V3)

The TradeTrust software will be released in different phases, to enable the industry to conduct Proofs of Concept and trials. We encourage industry members to continue using the software for their digital trade transactions. Keep a lookout for updates on the full-suite of the production version set to be released in 2022.

V1 - Proof of Authenticity and Provenance

Allows users to verify the authenticity and provenance of a digital document.

V2 - Title Transfer

Allows users to transfer the title of transferable documents that are designed to be compliant to the Model Law on Electronic Transferable Records.

V3 - Identity Resolver

The latest release, V3, is a follow-up from the first two versions. Currently, the wallet ID format in alphanumeric characters is difficult to read, making it challenging to identify the wallet owner. V3 resolves alphanumeric characters in a current wallet identifier to named strings for easier identification.

The modules in TradeTrust leverage on different types of identity resolver methods. They are:

a) Flat file to map the identifiers that users trust
b) Third-party REST APIs that allow third-party identifier resolvers to be added to the Stack.

By using these features, it is able to map the long character string in a wallet ID to a more readable format. Example:

"12345678-xxxx....xxx789"	→	"ABC Shipping Line Pte Ltd"

Users of TradeTrust can configure their local address book from a list of wallet IDs to readable names. Business users are then able to easily search for partner companies or individuals by names instead.

You may download the latest software at **github.com/TradeTrust**

TRADETRUST OUTREACH
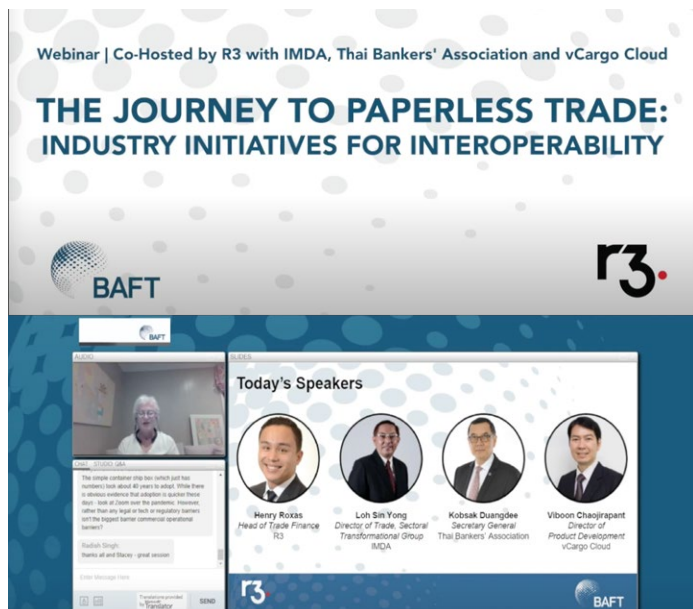
TradeTrust Tech Webinar Series

A series of tech talks organised by the Infocomm Media Development Authority of Singapore (IMDA) and GovTech Singapore aims to provide software developers with knowledge on TradeTrust as a digital utility for cross border trade.

1 TradeTrust Overview

INTRO — 15 JUL 2020 10:00 - 11:00 AM

This non-technical session helps provide a foundational and critical understanding of TradeTrust as a digital utility as well as the mental framing necessary as a pre-requsite for subsequent webinars.

2 Creation of Verifiable Documents

TECH SESSION — 22 JUL 2020 10:00 - 11:30 AM

This session will take participants through the process of creating and rendering a verifiable document.

3 Creation of Transferable Documents

TECH SESSION — 29 JUL 2020 10:00 - 11:00 AM

This segment will focus on the creation of transferable documents. Join this session to learn how to create a transferable document and how to perform a title transfer.

4 Critical Functions of TradeTrust

TECH SESSION — 5 AUG 2020 10:00 - 11:00 AM

In this session we will cover critical functions such as reading and verifying a TradeTrust file through two types of approaches:
a) front-end; and
b) programmatically

5 Set Up and Change Templates

TECH SESSION — 12 AUG 2020 10:00 - 11:00 AM

Building on sessions 2 and 3, this session will walk you through the steps on how to:
a) configure documents;
b) set up schema in a configuration file; and
c) change document templates

6 Identity Resolution Services

TECH SESSION — 19 AUG 2020 10:00 - 11:00 AM

Identity Resolution in Tradetrust involves the ability to map non-readable identification of issuers to a readable form. This segment will cover the methods and the steps on building APIs for identity resolution.

Please check out the recorded webinars *here*.

Other TradeTrust Outreach

Many outreach activities have shifted to the online space due to current global physical distancing restrictions. Here are some of the virtual events that have contributed to fruitful discussions with the industry.

Source: Webinar | The Journey of Paperless Trade: Industry Initiatives for Interoperability

1. **ICC: E-documents: Ramifications of COVID-19**
   7 May 2020 | 2-3.30pm CEST
   This virtual panel discussion by the ICC delved into the realities of paperless trading in the current COVID-19 context and beyond.

2. **The Journey to Paperless Trade: Industry Initiatives for Interoperability**
   2 July | 9-10pm SGT
   This event by BAFT and R3 explored different blockchain-based digital trade solutions and how global trade participants can use these solutions towards challenges in the global trade ecosystem.

3. **Rethink, Retell and Restart**
   2 July | 3.30-5pm SGT
   RosettaNet Singapore and Global CIO Forum, GCF, hosted a webinar that offered insights across industries and countries, for CIOs to think of post-lockdown strategies in different markets.

4. **SBF Digital Economy Series: Trade Digitalisation - Lowering costs & improving efficiency through paperless trade**
   3 July | 3-4pm SGT
   This programme by SBF called on experts from IMDA and existing TradeTrust users to explain how businesses can benefit from TradeTrust.

Source: Global CIO Forum (globalcioforum.com)

5. **Maritime Perspective Series: Digital Connectivity and Data Standards**
   28 July | 4pm-5pm SGT
   Organised by the Maritime Port Authority of Singapore (MPA), the panel discussed about what the future of global trade with common data standards will look like and what we need to do to get there.

Source: Maritime Perspectives (mpa.gov.sg)

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 Trade Trust

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 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:
dev.tradetrust.io/training-videos

Find out more at
TradeTrust.io

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