

Hyperledger Trade Finance Special Interest Group Meeting

28th April 2020



HYPERLEDGER

Trade Finance Special Interest Group



HYPERLEDGER
BLOCKCHAIN TECHNOLOGIES FOR BUSINESS

28th April 2020, 3.30pm SG/HK Time

DIGITIZING TRADE FINANCE

DIGITISING THE RETURN TO HEALTH FOR TRADE

Mark Cudden - we.trade

In this session Mark Cudden from we.trade would share about his perspective on digitisation of trade finance

Daniel Kok - ICC Academy

In this session Daniel Kok from ICC Academy would share about his perspective on how to get one ready for POST- COVID era





Housekeeping before the presentation, panel & discussion

- 1) The Linux Foundation antitrust policy
- 2) What is a Hyperledger SIG?
- 3) Who are the chairs of the TF SIG?
- 4) Any new members and how to get involved

The Linux Foundation antitrust policy

Linux Foundation meetings involve participation by industry competitors, and it is the intention of the Linux Foundation to conduct all of its activities in accordance with applicable antitrust and competition laws. It is therefore extremely important that attendees adhere to meeting agendas, and be aware of, and not participate in, any activities that are prohibited under applicable US state, federal or foreign antitrust and competition laws. Examples of types of actions that are prohibited at Linux Foundation meetings and in connection with Linux Foundation activities are described in the Linux Foundation Antitrust Policy available at <http://www.linuxfoundation.org/antitrust-policy>. If you have questions about these matters, please contact your company counsel, or if you are a member of the Linux Foundation, feel free to contact Andrew Updegrave of the firm of Gesmer Updegrave LLP, which provides legal counsel to the Linux Foundation.

Hyperledger is committed to creating a safe and welcoming community for all. For more information please visit our Hyperledger Code of Conduct.



Special Interest Groups gather the community that works on a domain specific problem and aims to create an environment for open discussion, document co-creation and solution proposals. Technical Working Groups focus on technical aspects of blockchain and Hyperledger. TWG gathers community of various environments to work on global, technical solutions. SIG cuts through a vertical trying to address problems specific to that particular community.

Meet the Hyperledger *Trade Finance* SIG Chairs



Chair:
Andrea Frosinini

**Independent Trade
Finance Consultant**

Senior Trade Finance professional with a passion for innovation. Recently, I joined the Hyperledger community with the goal to offer my contribution in order to modernize the industry and develop new products by exploiting blockchain and DLTs.



Vice-Chair:
Atul Patel

Co-founder at Dltledgers

Atul Patel is associated with HLP since 2017, has co-founded the largest trade finance digitisation dltledgers platform on HLP and is one of the most passionate supporter of HLP and key tenets around how Linux Foundation is operating the HLP. I would be looking at strengthening and revitalising the TF community to drive forward with innovation that's happening around the world blending core research with itrade finance use cases.



New members & how to get involved

How to get connected and involved:

1. Visit the Wiki and join the mailing list

<https://wiki.hyperledger.org/display/TFSIG/Trade+Finance+SIG>

2. Put your name on the Member Directory on the Wiki

<https://wiki.hyperledger.org/display/TFSIG/Membership+Directory>

3. Get on Rocket Chat

<https://chat.hyperledger.org/channel/trade-finance-sig>

4. Attend Meetings, reach out, everyone is welcome!

Any new members please introduce yourself :) All volunteers



Linux Foundation ID (LFID)

Linux Foundation ID (LFID) is a free account that identifies you and securely provides access to web sites of The Linux Foundation, our projects, and our service providers.

In order to participate in the [Hyperledger Chat](#) rooms (powered by Rocket chat) or edit the [Hyperledger Wiki](#) (powered by Confluence), all community members need to have a LFID. See [instructions](#) and video on [How to Setup a LFID](#).

Expert Panel to be moderated by Julian Gordon

28^h April 2020, 330pm SG/HK Time



Mark Cudden



Atul Patel



Daniel Kok



Andrea Frosinini

+ all you attendees :)



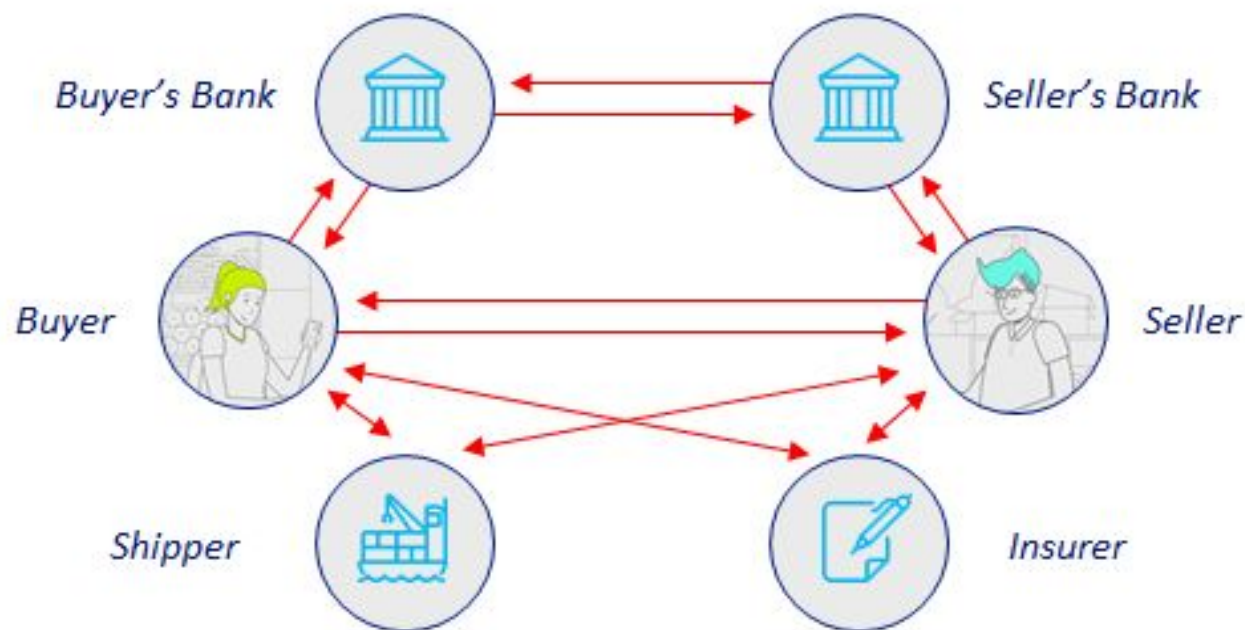
A perspective in Digitisation of Trade Finance





8 Main Challenges of Existing Ecosystem

Lack of trust and no single source of the truth



All Parties

1. Lack of easy & efficient access to finance, insurance & logistics
2. No visibility of end to end transaction
3. Lack of trust
4. Paper based process
5. Cyber fraud risk (e.g. IBAN phishing email scams)

Seller

6. Risk of non-payment & impact on liquidity

Buyer

7. Need for prepayment

Both Buyer & Seller

8. Risk of disagreeing on payment terms



we.trade Ecosystem Solution

Trust and a single source of the truth



1. Parties can mutually agree with **Smart Contracts** on the specific conditions that trigger automatic payments
2. Counter-parties are all **KYC'ed** and **credit rating** services available
3. Rulebook governs behavior of all parties
4. Faster trade cycles with increased **speed of reconciliation**
5. Single digital **platform** simplifying & standardising the trade chain
6. Adding credit & transport insurance and shipping is like adding travel insurance and an extra bag to your airline ticket purchase
7. End to end **tracking of goods** in transit (with IoT) based incoterms



Smart Contracts Vision

Generic end-to-end trade flow | 3rd party integration | event based triggers





Network of Networks | Global Context

Regional we.trade networks, platform integrations, we.trade partners





Barriers to Digitisation

- Fear
- Job protection
- Market protection
- Transparency it creates
- Unions
- Capabilities to digitise
- Non-ubiquitous technological infrastructure
- Local, Cross-Border, regulatory and other laws
- Adversity to change



Accelerated digitisation (esp. times of crisis)

- Forces new ways of working
- Forcing contactless and paperless engagements
- Organisations and government reacting with momentum
- Stimulus efforts become available
- Supply-chain disruptions
- Economic uncertainty

How can we make crisis “work-arounds” and build upon them to make them permanent?



ICC INTERNATIONAL
CHAMBER
OF COMMERCE

ACADEMY

Daniel Kok

Managing Director, ICC Academy - International
Chambers of Commerce

- 3 broad areas to focus on
 - Health
 - Economy
 - Recovery
- Health: Mitigating the Crisis
 - Personal Health
 - Company (Business Continuity Guide)
 - Availability of Trade Finance

HOW TO GET ONE READY FOR POST- COVID ERA

- MAS Scheme for Financial Industry
- ICC Academy in Collobration with IMDA to help SME start their invocing Journey
- Understand Trade ageement to reduce business cost - How do you do that ?
- Store wide discount on our certificate programmes to support the learning

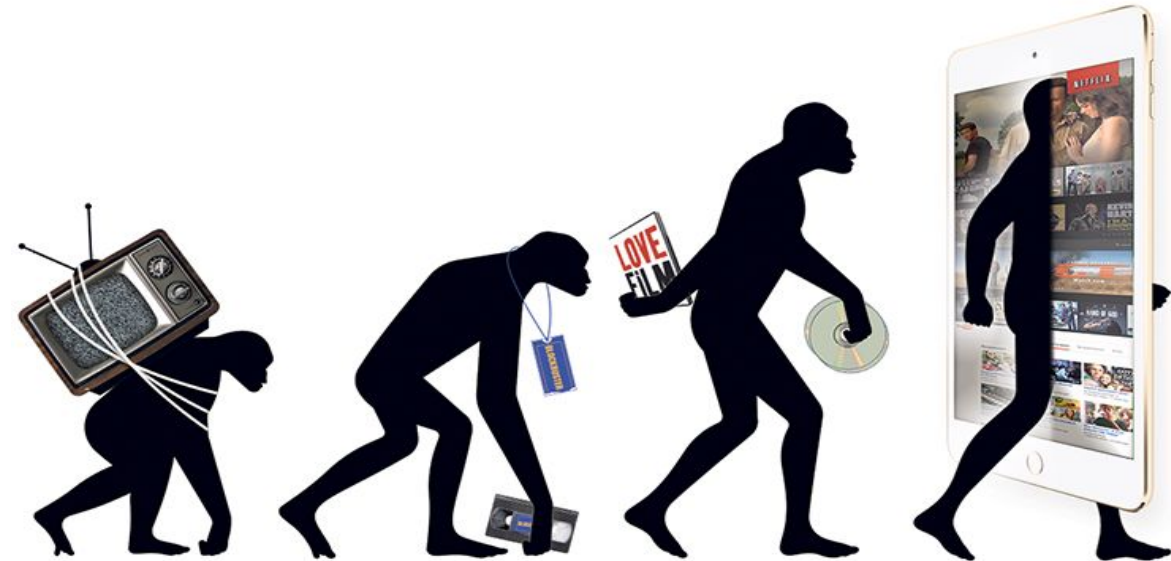
USEFUL LINKS

- ICC Academy: www.icc.academy
- ICC Academy Covid 19 resource hub: <https://icc.academy/covid-19-resource-hub/>
- Business Continuity Plan: <https://iccwbo.org/publication/covid-19-business-continuity-guide/>
- Two guidance publications to help governments and regulators deal with trade finance market disruptions caused by COVID-19: <https://iccwbo.org/media-wall/news-speeches/icc-provides-guidance-to-the-trade-finance-market-to-address-covid-19-disruptions/>
- ICC Global Survey of Business for WHO in the Fight Against COVID-19: <https://survey3.medallia.com/?icc-who-covid-19>

- Economy: Avoid further disruption
 - Disseminating knowledge
 - Inputs from the community
- Recovery: Shaping the reBuild
 - Skills upgrading
 - Capacity building with partners
 - SDG's goals – ensured equal opportunity for education

Initiatives and resources out there today

□ Please the Wiki



Please ask questions, voice opinions, suggest ideas!

- What can we as a SIG to help address/document this?

Thank you!