

# DO YOU KNOW?

## TRADETRUST: HOW IT WILL ENABLE WIDER ADOPTION OF ELECTRONIC BILLS OF LADING

The Infocomm Media Development Authority (IMDA) is developing TradeTrust, which comprises a set of globally-accepted trade process standards and frameworks, that connects governments and businesses to a public blockchain. This will enable interoperability across different platforms so that electronic trade documents can be exchanged in a trusted fashion across these digital platforms by validating the authenticity of these documents.

### 4 Key Components of TradeTrust



### ④ APPLICATION OF TRADETRUST IN THE MARITIME TRADE INDUSTRY

IMDA has partnered the Maritime and Port Authority of Singapore to utilise TradeTrust to facilitate the title transfers and authentication of electronic Bills of Lading, with support from Singapore Customs and the Singapore Shipping Association. All four parties signed a Memorandum of Understanding in January 2019 to affirm their support for the initiative.

### ④ WHY IS THE BL SO IMPORTANT IN TRADE?

The bill of lading (BL) facilitates key processes in international sea borne trade such as the sale, financing and shipment of goods. It is issued by the carrier to the shipper, and functions as a receipt of the shipped goods as well as a contract of carriage of the goods. More importantly, the BL serves as a document of title, and allows the transfer of ownership of the underlying goods through the act of handing over the BL document to the new endorsed owner. The holder of the BL holds the rights and obligations over the goods being traded.

### ④ CHALLENGES IN DIGITALISING BL

The BL is traditionally a hardcopy document that accompanies the underlying goods, and there are corresponding inefficiencies and challenges in utilising a document that is physical in nature. For example, costs and time are required to courier the physical BL document to the destination port of discharge, and there are risks of the BL getting lost in transit and thereby potentially incurring demurrage costs to the traders.

Despite these challenges, electronic BLs (eBL) are still not widely used in the international trade ecosystem, largely due to the lack of clarity with regard to legal recognition of eBL in different jurisdictions, as well as the lack of implementation standards for the eBL, which give rise to non-interoperability issues across ecosystems and solutions.

### ④ HOW WILL TRADETRUST FACILITATE THE ADOPTION OF EBL?

TradeTrust aims to address the current gaps of digitalising hardcopy BL, and it shall be supported by a set of governance and legal frameworks, standards and future-ready technology, all working in concert to facilitate the interoperability and exchange of electronic trade documents such as the BL, between different digital platforms and ecosystems.

IMDA is currently working with Singapore Customs to offer TradeTrust on Singapore Customs' Networked Trade Platform to enhance the exchange of electronic trade documents, including eBL, between business entities or digital platforms.

### ④ WHEN CAN WE START USING TRADETRUST SOFTWARE?

The TradeTrust digital utility is slated for release by early 2022.

The initial software releases are for the industry to conduct Proofs of Concept and trials to verify its use and viability. All industry members are welcome to continue using the software to conduct their trade transactions digitally.

You may download the latest release at <https://github.com/TradeTrust>.

### For more information

- a) Find out more: <https://tradetrust.io/>
- b) TradeTrust documentation: <https://docs.tradetrust.io/>
- c) TradeTrust tech training webinar recordings: <https://dev.tradetrust.io/training-videos>
- d) For more enquiries, please email [tradetrust@imda.gov.sg](mailto:tradetrust@imda.gov.sg).