



# TRADETRUST

Spotlight

## FRANCIS CHONG

MTI, Senior Director, South Asia, Middle East and Africa Division

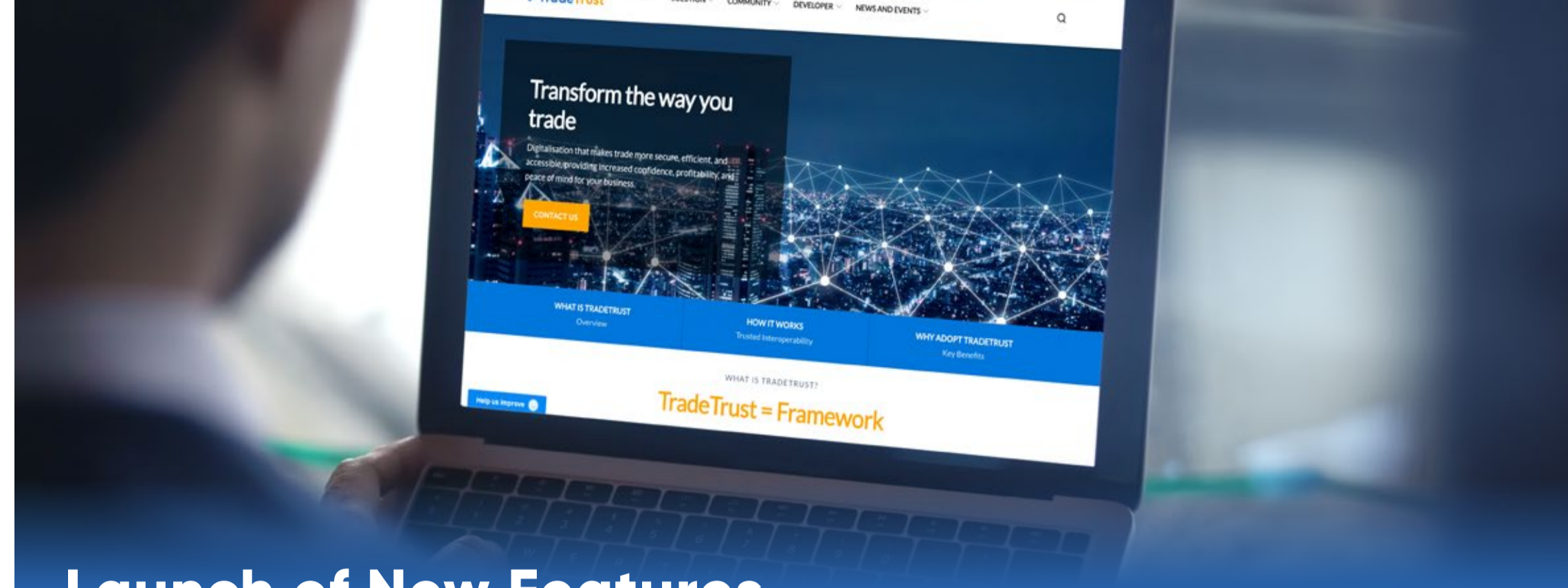


### WHY IS TRADE DIGITALISATION IMPORTANT TO YOU?

Trade is crucial to the survival and prosperity of human societies, especially in Singapore. As trade takes place through a series of transactions between people and institutions, who may be far apart and unfamiliar with each other, the essential element in trade is Trust: no trust, no trade. The TradeTrust framework and trade digitalisation enable all participants in trade – buyers, sellers, logistics providers, financiers and regulators – to trust one another with greater confidence than ever before. This trust dividend speeds up transactions and enhances productivity and competitiveness by avoiding the time wasted in re-work and excessive bureaucratic checks.

### WHAT ARE SOME OF THE WAYS THAT THE INDUSTRY CAN BE INVOLVED IN TRADE DIGITALISATION?

Other than the usual exhortations to send staff for training, investing in systems and transforming processes, the most important choice for industry involved in trade digitalisation is between proprietary systems and open frameworks, such as TradeTrust. While proprietary systems may be alluring in the short-term, trade ultimately thrives on openness to any participant who agrees to abide by common principles and rules that are universally accessible. I believe that the gains from trade digitalisation will be greater and more fairly distributed if industry makes the correct choice in favour of open frameworks.



## Launch of New Features

We are excited to announce this release as part of our ongoing commitment to serving the cross-border trade industry.

**Introduction of TradeTrust core library**  
Consolidating functions into a single standardised resource, streamlining developers' workflow, and reducing room for errors.

**Introduction of STABILITY**  
By utilising the Global Trust Network from Stability Protocol, users can benefit from their open-source blockchain technology with no cryptocurrency dependencies that is tailored for global collaboration, commerce, and trade. To find out more, visit <https://stabilityprotocol.com>.

### New Beta Feature: Identity Verifiable Credential (ID-VC)

We are excited to announce an additional issuers' method (on top of DNS-TXT, DNS-DID) which is based on Identity Verifiable Credential (ID-VC). ID-VC is aimed at addressing the critical issue of dependency on DNS-TXT method for TradeTrust documents in multi-tenant environments.

**What are Verifiable Credentials (VCs)?**  
Verifiable Credentials (VCs) are digital credentials that can be cryptographically verified for authenticity and integrity. They are designed to be secure, tamper-proof, and easily shareable, allowing individuals to present credentials such as identity, qualifications, or other personal details to organisations that need to verify them. Unlike physical documents, VCs streamline the verification process and enhance security by eliminating the need for physical handling, reducing the risk of forgery, and ensuring that the credentials can be trusted and authenticated digitally. VCs are standardised by organisations like the W3C and can be presented to verify information about the individual in a decentralised manner.

**Use Case of ID-VC in a Cross Border Electronic Transaction**  
Traditionally, a transaction would require integrating and enhancing multiple systems across these different parties to facilitate trade digitalisation. However, with a decentralised model, there is no need for a central registry or a single administrative platform. Instead, the decentralised system allows all parties to participate and maintain a shared, tamper-proof record, simplifying the process and improving efficiency.

In cross-border use cases, a decentralised model offers a robust solution by eliminating the need for a central authority. Unlike traditional centralised systems that depend on a single registry, using Identity Verifiable Credentials (ID-VC) within the TradeTrust framework enables any recipient to reliably identify the issuer of a TradeTrust document and the endorser/endorsee of a transferable document, in a decentralised manner. This approach enables seamless cross-border transactions and interactions by involving all participants using the TradeTrust framework, thereby enhancing trust, reducing fraud, and streamlining processes.

Interested to find out more? [Sign up](#) here and we will invite you to try out this new feature once it's ready!

Your insights and participation are pivotal as we work towards refining this feature. Together, we can shape a more resilient and efficient issuers' identity method in use for TradeTrust framework.

We would like to hear from you on any feature suggestions, questions or comments. Please feel free to reach out to us at: [TradeTrust@imda.gov.sg](mailto:TradeTrust@imda.gov.sg).



## ATx Enterprise 2024 – TradeTrust: Driving Trade Document Digitalisation

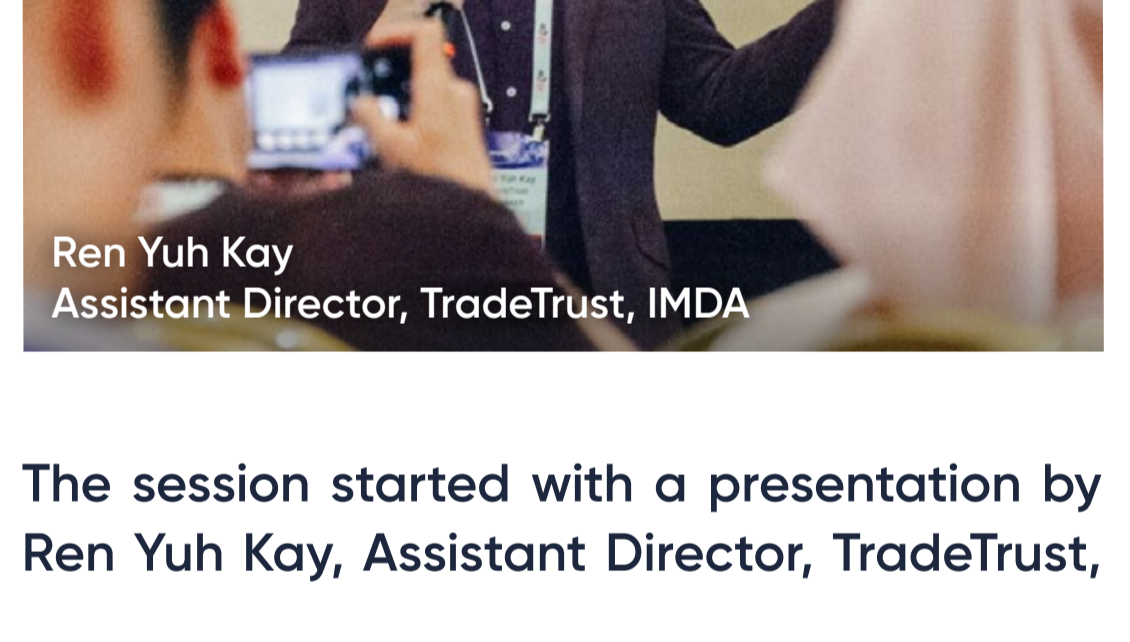
29<sup>th</sup> May 2024 – The inaugural Fintech and Blockchain Track at ATxEnterprise showcased the advancements in leveraging blockchain technology to enable documentation interoperability for efficient cross-border trade.

IMDA, on how Electronic Transferable Records (ETRs) fulfil the requirements of the Model Law on Electronic Transferable Records (MLETR) and the Singapore Electronic Transactions Act (ETA). This is followed by a sharing about the commercial aspects of ETRs for paperless trade by Dennis Yip, Deputy Director, TradeTrust, IMDA.

The event focused on TradeTrust, sharing the impactful use cases of blockchain technology, particularly in reducing inefficiencies and complexities in cross-border trade. TradeTrust has proven to successfully enable seamless exchange of electronic trade documents across various digital platforms.



Dennis Yip, Deputy Director, TradeTrust, IMDA



Ren Yuh Kay, Assistant Director, TradeTrust, IMDA

The session started with a presentation by Ren Yuh Kay, Assistant Director, TradeTrust,



## Focus Group Discussion: Electronic Bill of Lading (eBL)

Together with Singapore Business Federation (SBF), TradeTrust held the Singapore Electronic Bill of Lading (eBL) Focus Group Discussion (FGD) on 19<sup>th</sup> June 2024, bringing together industry leaders, experts, and stakeholders to explore the transformative eBL landscape.

The highlight of the day was the focus group discussion, which spotlighted the importance of the interoperable eBL network amongst the traders, carriers, financial institutions, and platform providers. The key discussion points revolved around the commercial aspects of ETRs for paperless trade by Dennis Yip, Deputy Director, TradeTrust, IMDA.

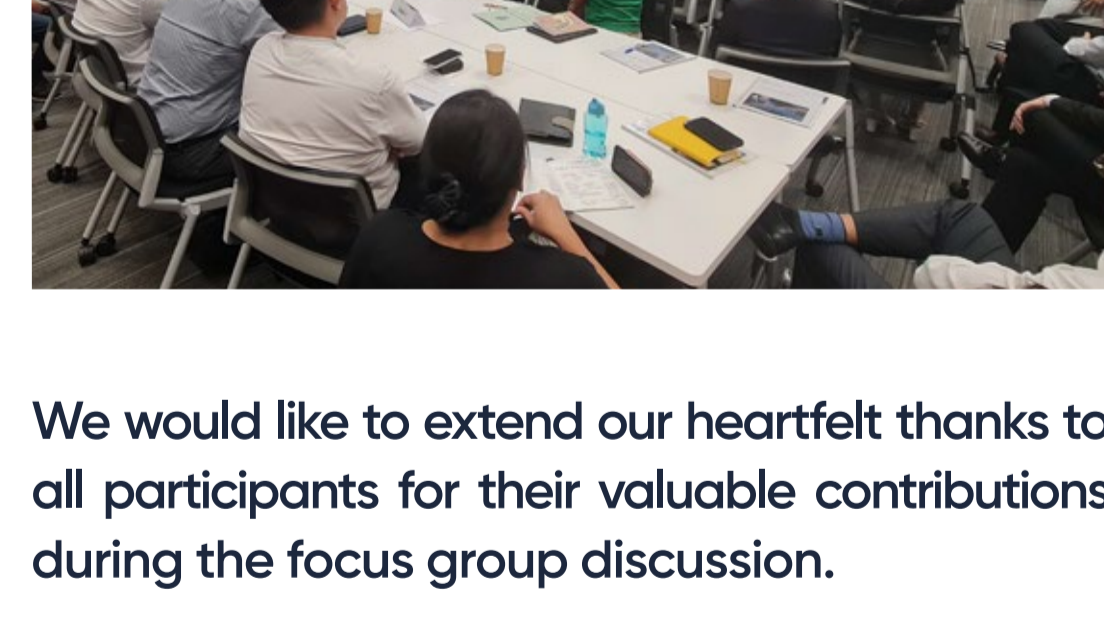


The morning started with Jason Lee, Director, International Policy & Engagement, SBF, delivering the opening remarks. Subsequently, Ren Yuh Kay, Assistant Director, TradeTrust, IMDA delivered an engaging presentation, introducing TradeTrust and its significant impact on revolutionising trade finance. His presentation highlighted the importance of interoperability and digital facilitation.

accentuating the need to onboard more traders, carriers, vessels, and financial institutions to a more efficient workflow. The discussions also emphasised the involvement of all stakeholders, and stressed the need for innovation and change management.

The importance of awareness, education, and clarity for users in the adoption of interoperable eBLs was also underscored, focusing on dispelling misconceptions and streamlining processes for digitalisation. The discussions ended with a call for proactive engagement and adoption across the industry.

Next, was a panel discussion comprising Jesselynn Lai from A.P. Moller-Maersk, Acasius Bao from DBS and Manish Khaitan from Maprasco (a commodities trader) who shared their experiences and insights on the Singapore-India interoperable eBL live transactions which took place in August 2023. The panel touched on the practical application and transformative potential of eBLs with TradeTrust.



We would like to extend our heartfelt thanks to all participants for their valuable contributions during the focus group discussion.

Interested to know more? Drop us an email at [tradetrust@imda.gov.sg](mailto:tradetrust@imda.gov.sg) and share with us topics that you would like us to address in upcoming events!



## Hinrich Foundation - Bringing trade into the Web 3.0

In August 2023, a significant milestone was achieved in the digitalisation of global trade as Singaporean and Indian companies and banks executed the world's first fully paperless cross-border transaction using the TradeTrust framework.

The TradeTrust framework, with its Web 3.0 capabilities, has the potential to revolutionise cross-border commerce by enabling independent verification of ETR authenticity and addressing the challenges hindering the industry's full digitalisation.

This achievement marked a breakthrough in the industry's longstanding journey towards digitalised trade, overcoming challenges such as low adoption rates and lack of interoperability.

The article provides an in-depth exploration of TradeTrust's functionality, its reception among businesses, and its transformative impact on cross-border trade. Read more about it here.

The breakthrough was discussed in the article commissioned by the Hinrich Foundation, which highlights Singapore's leadership in the digitalisation of global trade, particularly through the launch of TradeTrust - a platform-agnostic protocol designed to facilitate secure and efficient exchanges of digital documents, including Electronic Transferable Records (ETRs).

**hinrich foundation**  
advancing sustainable global trade

The Hinrich Foundation is an Asian-based philanthropic organisation that works to advance mutually beneficial and sustainable global trade.

### About TradeTrust

