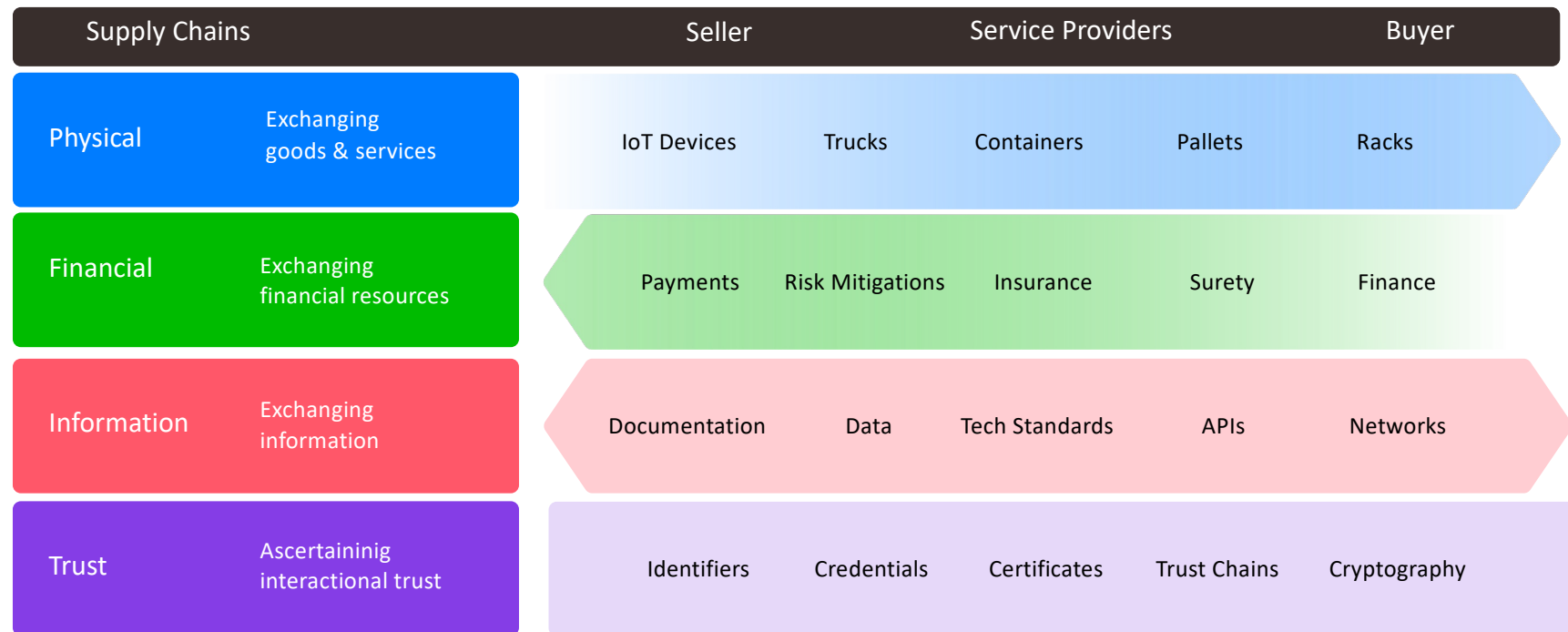


High Level Global Trade Landscape – Supply Chains



High Level Global Trade Landscape - Flows

	Layers	Users & Providers	Multipliers
Financial Flows	Layer 2 a) Settlement/Payments (movement of funds): Initiate and execute payments for the settlement of the commercial contracts, for the physical movement of goods and for the risk mitigation and financing	<ul style="list-style-type: none"> Financial Service Providers (Banks, Insurance Companies, Non-Bank Funders, Payment Companies) Asset Managers Pension Funds Family Offices Buyers & Sellers FinTechs 	<ul style="list-style-type: none"> National & International Payment, Messaging and Clearing systems National Trade Platforms Exchange Operators Money Market Platforms Market Places for debts and digital assets Trade Networks FinTechs
	Layer 2 b) Risk Mitigation / Financing: Provide risk transfer and liquidity solutions to enable the commercial flow		
	Layer 2 c) Management of capital / credit risk / balance sheet: Provide solutions to manage exposure, returns and financial ratios of liquidity providers		
Physical Flows	Layer 1b) Physical movement of goods and clear customs: Arrangement and transportation of goods and data / documents associated with that commercial flow - data (transported via the internet) and paper (transported via people and courier services)	<ul style="list-style-type: none"> Logistics & Third Party Service Providers Customs Authorities, Port Terminals, Warehouse Managers, Inventory Mgmt Companies 	<ul style="list-style-type: none"> Logistics Networks Software providers
Commercial Flows	Layer 1 a) Arrangement of Commercial Contracts: Buyers and Suppliers buying and selling physical goods and services and agreeing/documenting their intentions with commercial contracts, purchase orders, data exchange, data mgmt.	<ul style="list-style-type: none"> Buyers & Sellers Third Party Service Providers Technology companies 	<ul style="list-style-type: none"> ERP's B2B Networks Market Places Software Providers Service providers Document Management companies
	Layer 1c) Capturing data points / documents for financial flow: Recording commercial data points in ERP's, accounting and tracking systems, Collation and presentment of documents and/or matched data points required for risk mitigation, financing and liquidity		

Challenges for Trade Digitalisation

Digital Trade Assets

How can digital trade assets become electronically transferable records?

Digital Trade Assets like **ePayment Undertakings, eNotes, eDocuments, eBLs, eLCs, eWR, eGuarantees** will be built and used as **electronically transferable records** supported by emerging legal frameworks based. The services and service properties around these digital assets do require standardization.

Eco-System Automation

How can parties to be effectively connected to each other?

- Verifiable Trust – Digital identities
- Ability to verify data and trace it back to its originator leveraging cryptography
- Build Network effects

Digital Infrastructure

What infrastructure(s) can provide interconnected processes that are easily accessible for users?

- Interoperability and connectivity of the Physical Supply Chain with the Financial Supply Chain
- Interconnected Processes
- Digital vaults and exchanges
- Leverage existing and emerging technologies
- API standards on service-, application- and infrastructure layers

Trade Digitalisation: Who is leading the challenge and the change?

Banks	Digitalise their trade banking products	<ul style="list-style-type: none"> Offer their trade banking products in open banking and through networks and third parties 	Trusted Third Party required for digitalisation
Corporates	Digitalise their entire trade related processes	<ul style="list-style-type: none"> Process re-engineering for digital 	Ultimate users and beneficiaries for any digital service
Industry Bodies	Technical and Process Standardisation	<ul style="list-style-type: none"> ICC: Uniform Rules for Digital Trade Transactions (URDTT) ICC – Digital Standards Initiative (DSI) ISO – International Standards Organisation 	Guidelines, Rules & Standard setting bodies
LSPs	Data providers to digitally link to the Financial world	<ul style="list-style-type: none"> Offer embedded Trade Finance processes through their existing channels with their clients and create as output digital assets that can be consumed by the financial service providers 	Change Agents Innovators
FinTechs	Solution Innovators / Technology Champions	<ul style="list-style-type: none"> Build interconnected processes and solutions sets Integrate solutions with big organization and multipliers Focus on horizontal integration To achieve security, risk, efficiency, quality, inclusion, time improvements 	Challengers Change Agents Solution Innovators
Governments	Enable legal frameworks MLETR Law adoption	<ul style="list-style-type: none"> Change old and outdated laws, e.g. Electronic Trade Documents Bill for English law as an example 	Law Makers