Frictionless Trade

The next 10 years
Coverage

Why is blockchain so popular in trade?

How far did we get in 2019?

How are platforms engaging with the global trade agenda?
Why is blockchain making so much noise in trade?
How did this happen?

WE KNOW WHAT’S WRONG WITH TRADE…

• Costly, opaque, slow
• Innovations resulted in pockets of success
  • Digitalization
  • TFA

BUT DIDN’T HAVE THE RIGHT TOOLS TO FIX IT...

• Centralized solutions
• Digital silos
• Efficiency gains are sector specific
Blockchain opens up 3 new features

• What you see is what I see
  • Reduce mistakes from re-keying information
  • Reduces corruption from mislabeling

• Verifiable origin
  • Improves existing origin process
  • Documents and products

• Cybersecure digital solutions
  • Until now, digital required a central operator
How far did we get in 2019?
2019 industry trends

1. No single geographic hub for innovation
   - Developing countries involved
   - Interswitch (Nigeria)
   - Procure-to-pay (Thailand)
   - Lack (legal) infrastructure to limit deployment

2. More equal fintech-bank relationship
   - SWIFT gpiLink
   - Financing SMEs

3. Shift in funding sources
   - Innovation department to product line
   - More secure and long term
   - Customer demand
Deployment in 2019

1. Slower move to cloud than expected
   - Most deployments on-premises
   - API infrastructure and open banking

2. Internal and domestic use cases first
   - Outdated regulatory environment
   - Startups don’t have regulatory experience
   - Traditional instruments first, new instruments delayed deployment

3. Large diversified companies moving first
   - Can absorb risk
Rise in consortiums
How are platforms engaging with the global trade agenda?
The trade agenda and blockchain

BUILDING THE GLOBAL DIGITAL INFRASTRUCTURE

• Legal infrastructure
  • ICC digital roadmap
  • eSignatures, eDocs

• Trade standards
  • Digital Trade Standards Initiative (DSI)

• Consortium building
  • Governance
  • Network effects

RESPONDING TO TRADE-SPECIFIC PRODUCT REQUIREMENTS

• Orienting to small suppliers
  • Accounts feature
  • Hosted node services

• Meeting security regulations
  • Architecting for GDPR

• Simplifying deployment
  • Creating replicable templates
  • API stability
  • Better documentation
What will 2025 look like?

- New trade instruments
- Shared compliance
- Invisible blockchain
- New collaborative business models
- Trade facilitation on a global, equitable scale
Thank you

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