Introduction to a Blockchain based trade platform

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What is TradeWaltz?

Cross-Industry consortium (established 2017) for paperless international trade

Participating Companies (as of March 2020)	
Banks	MUFG Bank, Ltd.
	Sumitomo Mitsui Banking Corporation
	Mizuho Bank, Ltd.
Insurance Companies	Tokio Marine & Nichido Fire Insurance Co., Ltd.
	Sompo Japan Nipponkoa Insurance Inc.
	Mitsui Sumitomo Insurance Company, Limited
Cargo Owners	SUMITOMO CORPORATION
	Mitsubishi Corporation
	Sojitz Corporation
	Toyota Tsusho Corporation
	Marubeni Corporation
	ITOCHU Corporation
	KANEMATSU CORPORATION
	MITSUI & CO., LTD.
Carriers / Logistics Companies	Kawasaki Kisen Kaisha, Ltd.
	NIPPON EXPRESS CO., LTD.
	Nippon Yusen Kabushiki Kaisha
	Ocean Network Express Pte. Ltd.
Secretariat	**NTT DATA**

Activities (2017)

- Identification and sharing of cross industrial business issues
- 55 features, 83 API builds
- Proof of concept with NTP Singapore

Activities (2018)

- Research on AI and semantic technology for L/C document check
- Proof of concept in Japan and Thailand
- Research on relevant laws (MLETR (*)) and submission of written request to government agencies

Activities (2019)

- Release of pilot version
- Trial deployment in Thailand involving 24 companies

Activities (2020)

- Exposure at World Economic Forum 2020 sideline event
- Preparation for full commercialization

(*) MLTER（The Model Law on Electronic Transferable Records) is approved as one of the model law for e-commerce by United Nations General Assembly.

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Goals of TradeWaltz : Create an ideal digital trade platform

① Cross Industry Platform

Players:

Exporter
Negotiation Bank
Issuing Bank
Importer

Insurance Company
Forwarder
Carrier
C/O provider

② Wide coverage of documents

Structured documents **(NOT PDF)** on the platform

Letter of Credit
Invoice
Sea Way Bill
Packing list
Shipping Instruction

Export Permit
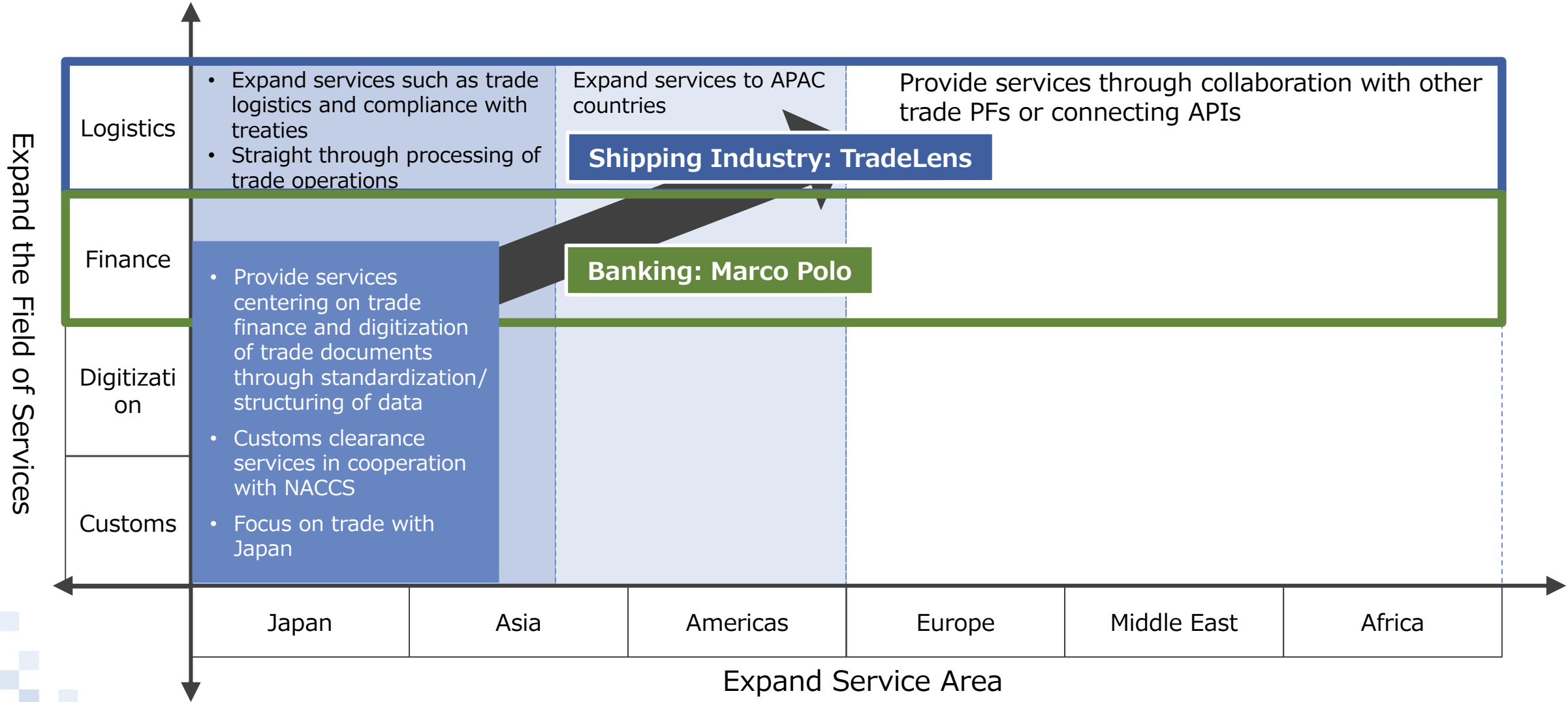Certificate of Origin
Bill of Exchange
Insurance Policy

And attachment files (PDF etc.)

③ Creation of ecosystem

Utilize the accumulated data stored in the trade platform to create new business ecosystem.

TradeWaltz

Positioning of "TradeWaltz™"

- First, focus on trade with Japan to establish a one-stop system as soon as possible.
- Start services in Asia (APAC countries). Alliances with other PFs to expand services in other regions.

Expand the Field of Services (vertical axis)

| Logistics | • Expand services such as trade logistics and compliance with treaties
• Straight through processing of trade operations | Expand services to APAC countries | Provide services through collaboration with other trade PFs or connecting APIs |

Shipping Industry: TradeLens

| Finance | | **Banking: Marco Polo** | |

Digitization
- Provide services centering on trade finance and digitization of trade documents through standardization/ structuring of data

Customs
- Customs clearance services in cooperation with NACCS
- Focus on trade with Japan

| Japan | Asia | Americas | Europe | Middle East | Africa |

Expand Service Area

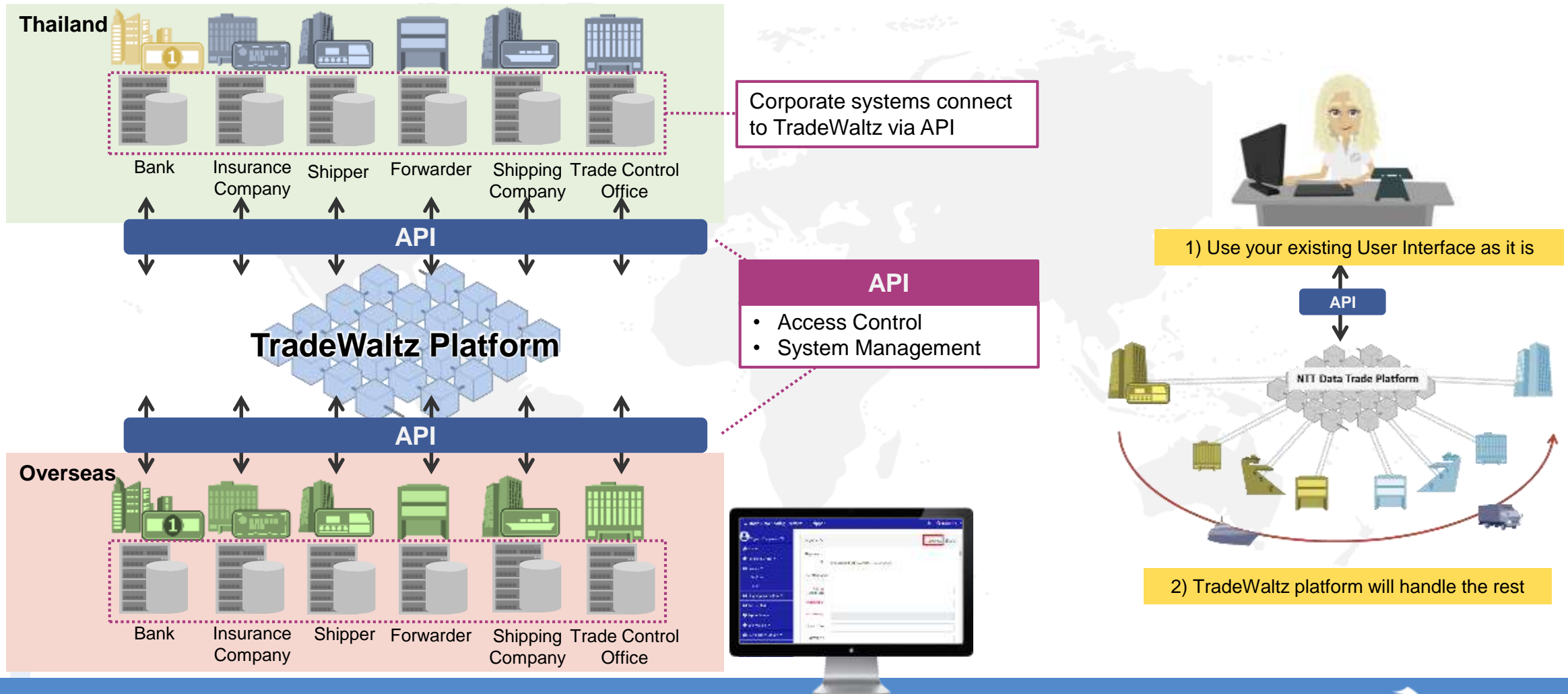**NTT DATA**

Benefits of Trade Digitalization

Based on the result of the cross-industrial POC in Japan, TradeWaltz confirmed that it contributes to the improvement of operational efficiency and cost reduction.

Industries	Procedures	Contribute to Cost Saving
Cargo owners	C/O application	**60+%** **Time saving by creating documents** with I/V data
	Apply for negotiation of documentary bill	**60+%** **Time saving by confirming integrity of documents** with check function
Banks	Negotiate documentary bill	**60+%** **Time saving by confirming integrity of documents** with check function
	Deliver documentary bill	**30 to 60%** **Time saving by delivering documents** to customers
		30 to 60% **Cost saving by managing original documents**
Insurance Companies	Issue insurance policy	**60+%** **Time saving by creating I/P** with L/C data
		60+% **Cost saving by paperless policy delivery/management** and **collection cost saving** when revising I/P
Carriers/ Logistic Companies	Issue SWB (B/L)	**60+%** **Reduction of B/L operation** by paperless SWB(B/L)

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Involvement of Small and Medium-sized Enterprises (SMEs)

TradeWaltz enables API connectivity with the companies' existing system.
Small and medium-sized enterprises can also connect to TradeWaltz through the 3rd party vendor or direct access to web interface.

Thailand

Bank | Insurance Company | Shipper | Forwarder | Shipping Company | Trade Control Office

API

Corporate systems connect to TradeWaltz via API

TradeWaltz Platform

API
- Access Control
- System Management

API

Overseas

Bank | Insurance Company | Shipper | Forwarder | Shipping Company | Trade Control Office

1) Use your existing User Interface as it is

API

NTT Data Trade Platform

2) TradeWaltz platform will handle the rest

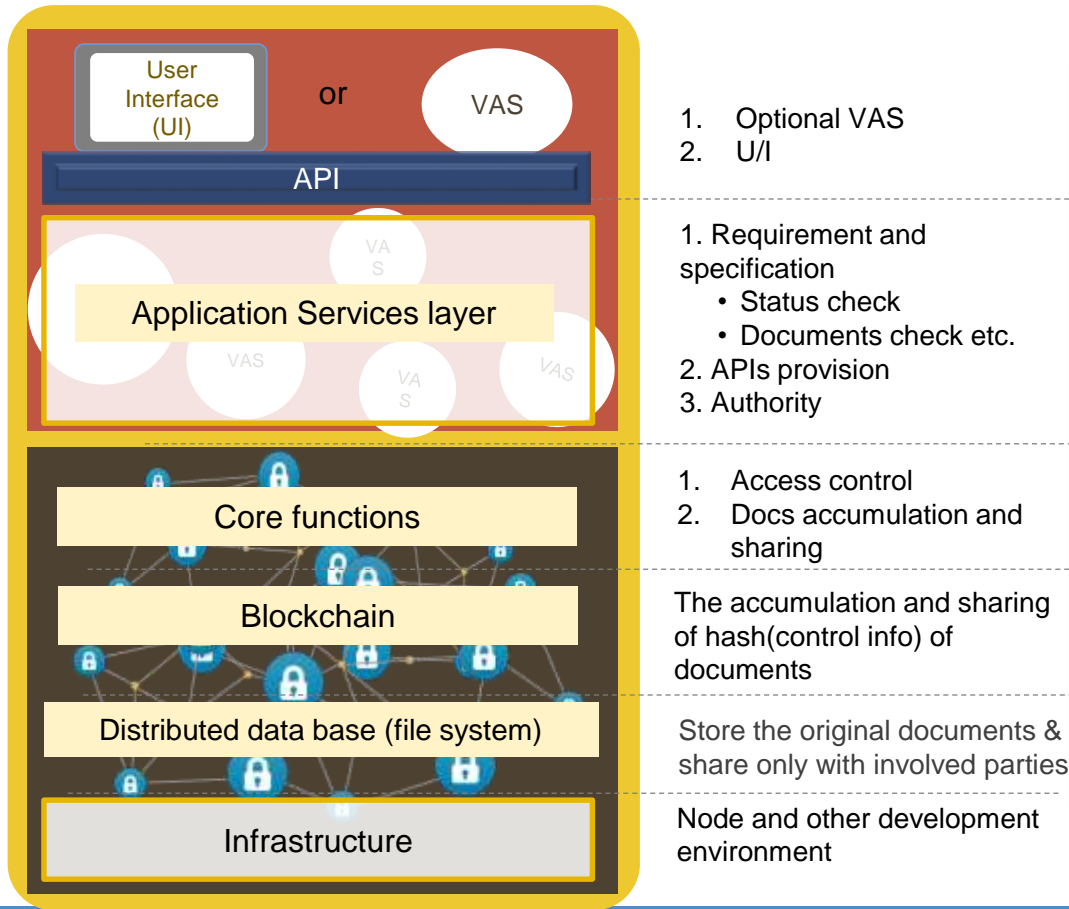© 2020 NTT DATA Corporation

TradeWaltz

Independent operation for every participating country and ensure fairness in data governance
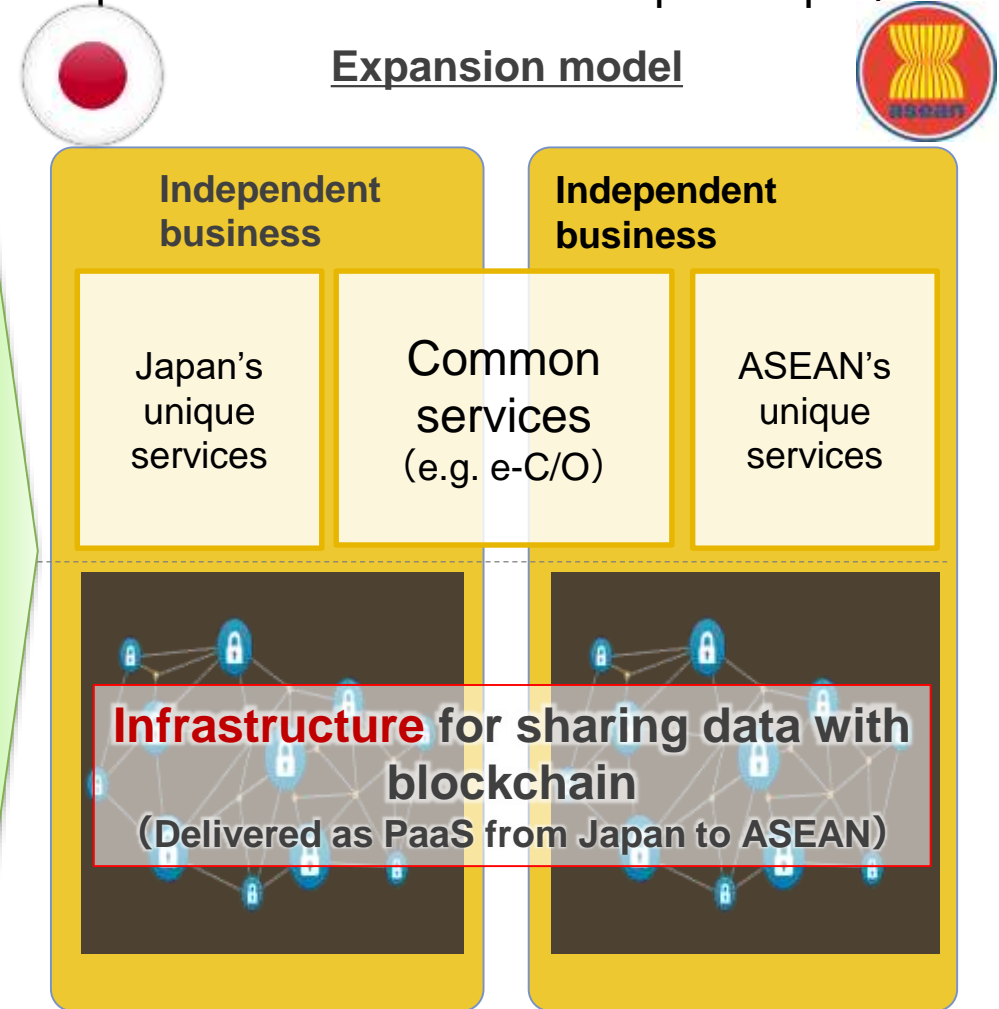
TradeWaltz realizes independent business development and operation which satisfies each country's market needs.

It also enables the fairness in data governance where the ownership of data is not limited to specific players.
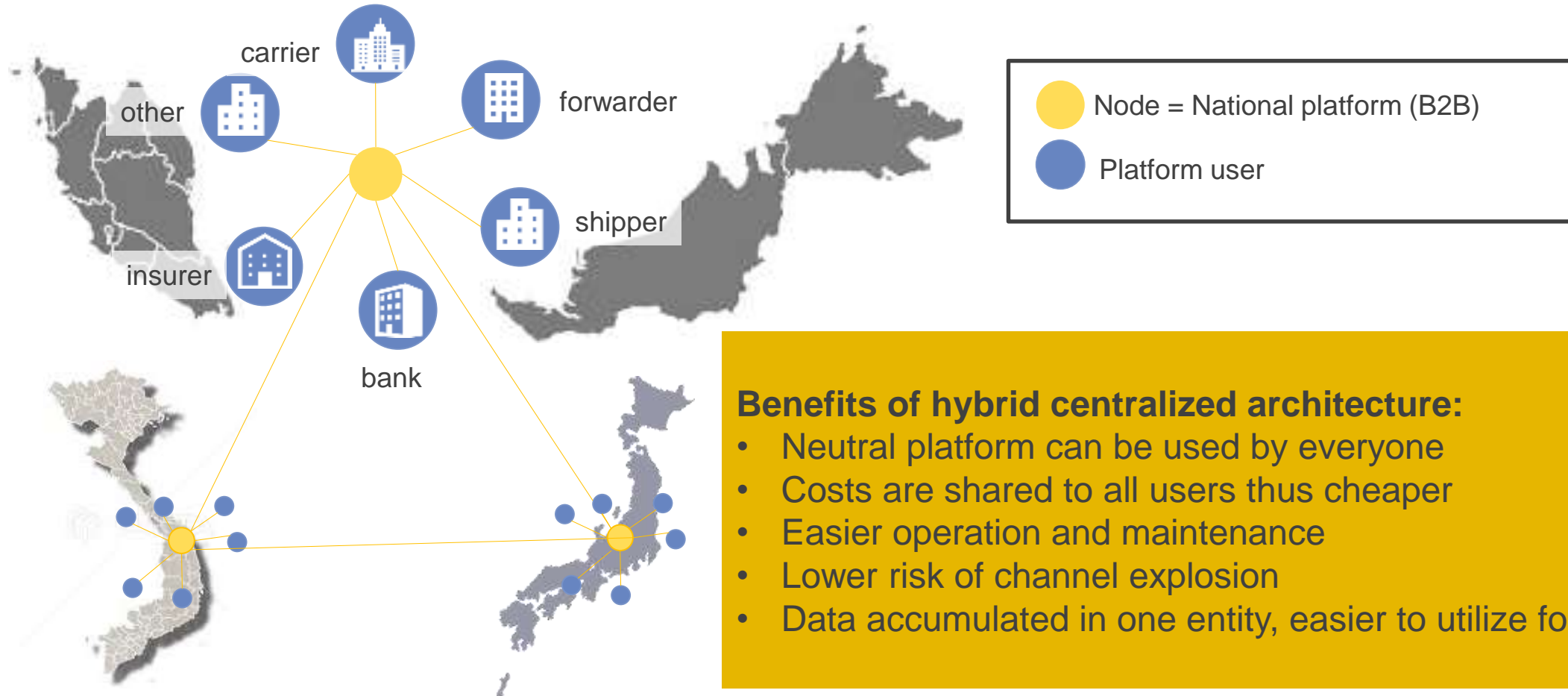
TradeWaltz Structure

User Interface (UI) **or** VAS

API

Application Services layer

VAS

Core functions

Blockchain

Distributed data base (file system)

Infrastructure

1. Optional VAS
2. U/I

1. Requirement and specification
   • Status check
   • Documents check etc.
2. APIs provision
3. Authority

1. Access control
2. Docs accumulation and sharing

The accumulation and sharing of hash(control info) of documents

Store the original documents & share only with involved parties

Node and other development environment

Expansion model

Independent business

Japan's unique services

Common services (e.g. e-C/O)

Independent business

ASEAN's unique services

Infrastructure for sharing data with blockchain
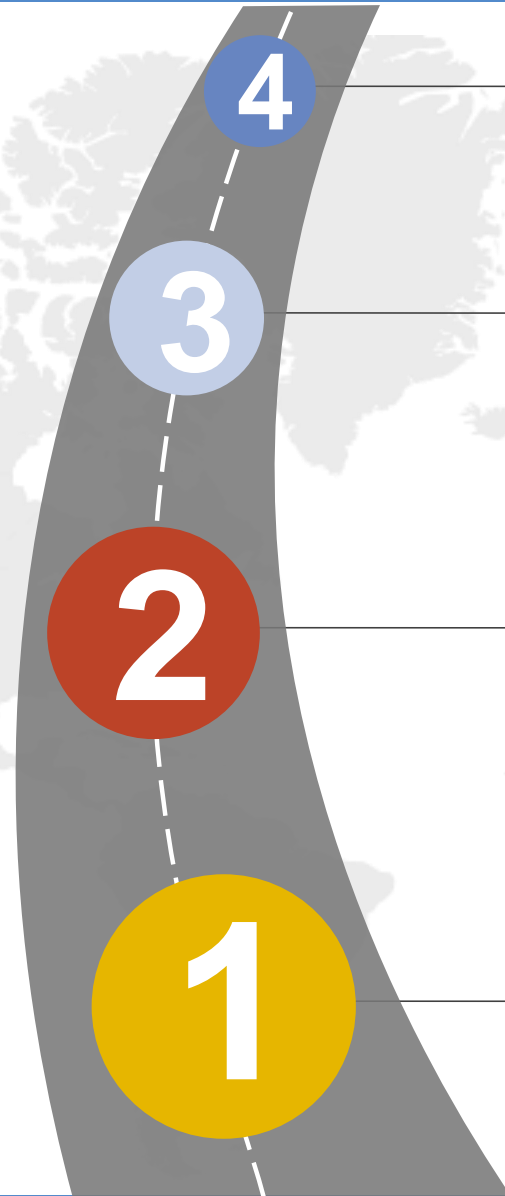(Delivered as PaaS from Japan to ASEAN)

TradeWaltz

Architecture of Our Platform

One node per country architecture offers the benefits of centralized and decentralized system (blockchain) technology.

Node = National platform (B2B)

Platform user

Benefits of hybrid centralized architecture:
- Neutral platform can be used by everyone
- Costs are shared to all users thus cheaper
- Easier operation and maintenance
- Lower risk of channel explosion
- Data accumulated in one entity, easier to utilize for big data etc.

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Our Roadmap

TradeWaltz will start commercial service in 2020 and gradually expanding its services

4 — **100% paperless trade**

3 — **Connect to overseas platform 2020~**
ASEAN RDTC, Thailand, Singapore, etc.

2 — **Connect to Japanese Single Window**

1 — **Start service - 2020**
Expand users; consortium members, third party, MSME, others.
Expand services; introduce new features gradually

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Trusted Global Innovator

- TradeWaltz web site
  https://www.tradewaltz.com/en/

- TradeWaltz introduction video
  https://www.youtube.com/watch?v=y_-d9DBM0CQ