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Seminar

Facilitating End-to-End Cross-Border Digital Trade Finance

Co-organized by
APEC Business Advisory Council (ABAC)
Asia-Pacific Financial Forum (APFF) Digital Trade Finance Lab

Hosted by
Thai Bankers' Association

Registration Link:

<https://forms.office.com/r/eKWPr8ZqeQ>

26 January 2023

[1700-1930](#) Canada, Mexico and USA (Pacific Daylight Time)

[1900-2130](#) Canada, Mexico and USA (Central Daylight Time)

[2000-2230](#) Canada, Mexico and USA (Eastern Daylight Time)/Peru

[2200-2430](#) Chile/Argentina

27 January 2023

[0400-0630](#) Russia (Moscow Standard Time)

[0800-1030](#) Indonesia (Western Indonesian Time)/Thailand/Viet Nam

[0900-1130](#) Brunei Darussalam/China/Hong Kong, China/Malaysia/The
Philippines/Singapore/Chinese Taipei

[1000-1230](#) Japan/Korea

[1200-1430](#) Australia (Australian Eastern Standard Time)/Papua New Guinea

[1400-1630](#) New Zealand

Despite significant advances in digital technology, trade finance (and trade in general) remains to this day a largely paper-based and manual process. Lack of common standards for trade documents across economies pose a major challenge, as it hinders the use of technologies such as artificial intelligence, distributed ledger, advanced analytics and Internet of Things, among others to digitalize and automate on an end-to-end basis the various processes involved in trade finance, including product selection, data entry, workflow management, document checks, compliance checks and post-transaction problem resolution.

Lack of inter-operability of legal frameworks surrounding digital documents across jurisdictions also pose another important challenge. Uncertainties over the validity of electronic documents related to acceptance of security or ownership across jurisdictions result in continued reliance on paper documents, including digital documents being re-transformed back into paper documents handled manually after crossing borders.

While various digitalization projects, each operating with its own rules and practices and members, have emerged, such platforms still need to become inter-operable in order to avoid a proliferation of “digital fortresses” that would raise new costs, new barriers and new risks. Enabling inter-operable digitalization of trade finance will require addressing key policy and technical barriers, especially the inconsistent and unclear legal treatment of digital documents and the lack of standards for documents across jurisdictions.

The end-to-end digitalization of trade finance is particularly important for micro-, small and medium enterprises (MSMEs), whose participation in global supply chains is important for them to benefit from and contribute to the region’s economic integration. Most MSMEs remain dependent on traditional documentary trade, and the high operational costs and amount of time needed to process make it very challenging for them to gain timely access to affordable working capital.

In its 2019 Report to APEC Finance Ministers, ABAC proposed that economies establish a pilot project to digitalize specific supply chain corridors among three or more interested economies. This pilot project would help identify key barriers and specific areas where reform is needed, such as where existing arrangements need to be reviewed to facilitate the cross-border use of digital documents and the legal recognition of digital signatures in digital title transfer documents, and where common standards and inter-operability need to be developed.

In 2022, a pilot was initiated to connect Thailand’s National Digital Trade Platform (NDTP) with Singapore’s Networked Trade Platform (NTP) and Japan’s TradeWaltz. The proof-of-concept undertakings were successfully executed in September and October 2022. This pilot involved implementation of standards for electronic commercial documents, electronic purchase order, e-invoice and e-packing lists. It also involved the process for verifying the authenticity of underlying documents for financing by banks. This initiative adopted three elements: (a) making laws, rules and regulations around trade e-documents and processes legally effective and enforceable; (b) agreeing on common standards for inter-operability across industries and trading partners; and (c) collaboration among stakeholders within and across trading partners.

This Seminar seeks to explore ways of expanding this initiative through the collaboration of interested APEC member economies.

AGENDA

(Times displayed are Thailand Time)

0800-0810

OPENING SESSION

Opening Remarks

Mr. Kobsak Duangdee, Chair, Asia-Pacific Financial Forum; ABAC Thailand Member; and Secretary General, Thai Bankers' Association (Confirmed)

08:10-09:25

SESSION 1

UPDATE ON CURRENT INITIATIVES TO PROMOTE DIGITAL TRADE

Moderator: Ms. Parnkae Nandavisai, Subject Matter Expert - Trade Digitization, The Thai Bankers' Association

- Presentation: Update and current status of the Digital Trade Initiative
Mr. Chris Southworth, Secretary General, the International Chamber of Commerce UK.
- Presentation: Update on standardization of trade documents
Ms. Hannah Nguyen, Director – Digital Ecosystems, ICC Digital Standards Initiative (DSI)
- Presentation: Update on legal reform efforts to promote inter-operability of trade finance
Dr. Giuliano Castellano, Associate Professor of Law, The University of Hong Kong and Legal Expert – Italian Delegate at UNCITRAL Working Group VI
- Presentation: Update and current status of the Digital Trade Finance Initiatives – Regional Perspective
Mr. Kukkong Ruckphaopunt, Executive Vice President, Bangkok Bank Public Company Limited (TBC)

Open Discussion

09:25-10:35

SESSION 2

UPDATE ON THE DEVELOPMENT OF DOMESTIC ECOSYSTEMS FOR DIGITAL TRADE

Moderator: Mr. Tat Yeen Yap, Sherpa, APFF Digital Trade Finance Lab; and Managing Director, Asia-Pacific, MonetaGo

- Dr. Chaichana Mitrpant, Executive Director, Electronic Transactions Development Agency (ETDA), Thailand
- Mr. Sin Yong LOH, Director (Trade), Trade & Connectivity Cluster, Infocomm Media Development Authority (IMDA)
- Mr. Rob Grimberg, CEO, Trefi, Peru
- Mr. Satoru Someya, Managing Director, Head of CEO's office, TradeWaltz Inc.

Open Discussion

10:35-10:45

CLOSING SESSION

Way Forward and Closing Remarks

Dr. Julius Caesar Parrenas, Coordinator, Asia-Pacific Financial Forum (Confirmed)