



Our aim is to digitalise 60-80% world trade by 2026

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Advisory Board

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About ICC

ICC

Founded in 1919

Promoting peace and shared prosperity
through trade

45 million companies

All sizes and sectors

100+ countries

ICC rules underpin \$25 trillion of world trade

Process \$280 billion of disputes annually

ICC Digital Standards Initiative

The ICC Digital Standards Initiative (DSI) aims to accelerate the development of a **globally harmonized, digitized trade environment**, as a key enabler of sustainable, inclusive growth.



Engaging stakeholders through Industry Advisory Board

Operating under the oversight of the Governance Board, the Industry Advisory Board and its Working Groups has a cross-regional and cross-industry representation, bringing together leaders with diverse backgrounds and experiences who share a passion for solving key challenges facing trade digitization efforts.



Engaging public sector with Legal Reform Advisory Board

Operating under the oversight of the Governance Board, the Legal Reform Advisory Board enables DSI to engage senior stakeholders across industry associations, intergovernmental organisations, multilateral development banks and regional economic communities to scale and progress regulatory and institutional reform.



Digitalising trade will:



Make trade faster, cheaper and more secure through digitization and automation



Mitigate the potential for fraud, tax and duty evasions, financial crime, trade-based money laundering



Enable transparency, agility and resilience in supply chains, by improving the quality, timeliness and pooling of data across the entire trade environment



Improve sustainability in trade and trade finance by opening new ways to measure, manage & drive environmental efficiency and social inclusion



Lower costs to serve, and bridge a persistent trade finance gap, particularly in the emerging markets



Provide access to new forms of metadata throughout supply chains, further **enabling industries to measure and course-correct** their progress toward the UN Sustainable Development Goals

**Global Trade Finance Gap Widened to \$1.7 Trillion in 2020, based on ADB 2021 Trade Finance Gaps, Growth, and Jobs Survey*

ICC Digital Trade Roadmap

Today

The system is inefficient, costly and complex.

Antiquated laws — heavily paper-based systems

- Digitalised commercial trade documents not accepted in 188 countries
- 27 documents in a typical trade transaction
- 4 billion paper based documents
- 2–3 months average trade transaction time
- 1% of bills of lading are in digital form

Digital islands – fragmented systems

- Information unable to flow between actors in standardised formats
- Data can't be aggregated across global supply chains
- Technology solutions unable to scale effectively across borders

Trade finance gap - access to working capital

- \$1.7 trillion trade finance gap

Future

Systems interoperate enabling trade to be cheaper, faster, simpler and more sustainable.

Trade is paperless and frictionless — all trade documents are handled in digital form

Trade platforms, systems and processes are fully interoperable — information is flowing in standardised form across borders between the public and private sector

Trade finance gap is reduced 50%

Trade transaction costs are 80% cheaper

Average cross border compliance processing time is 1 day instead of 25 days

Atomic settlement is the norm — payment happens automatically when goods cross the border

Smart technology solutions are reducing the burden of KYC and AML bureaucracy and tackling fraud

Smart contracts are the norm

Transparent, real time data provides greater supply chain transparency

Action plan

Digitalise 60-80% world trade by 2026

Shape frameworks

Work through the ICC Digital Standards Initiative to provide interoperable digital laws, rules, standards frameworks

Implement solutions

Implement interoperability frameworks across public/private sector systems – MLETR, URDTT, WTO/ICC Standards Toolkit

Scale up private sector investment:

- Reform legal environment - digitalise high value, volume corridors
- Pilots and implementation projects to digitalise high value, volume global supply chain ecosystems

Promote international best practice

- Educate and build capacity – skills, business cases, case studies, toolkits

The Economic Prize

\$1.2 trillion

\$2 trillion

80% cut in trade transaction cost

50% reduction in trade finance gap

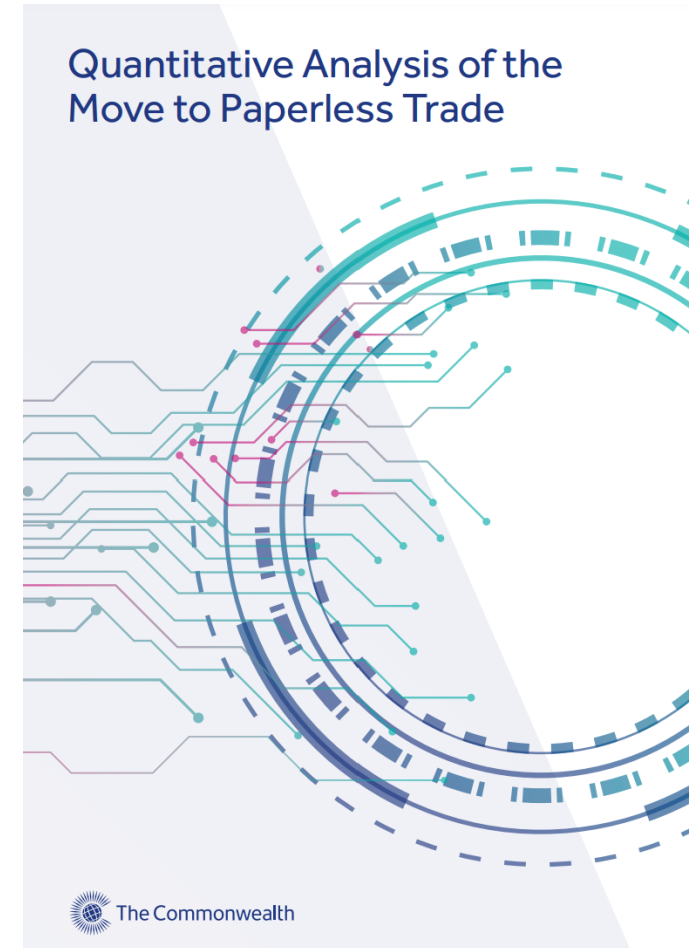
35% increase in SME efficiency

25 days to 1 day -

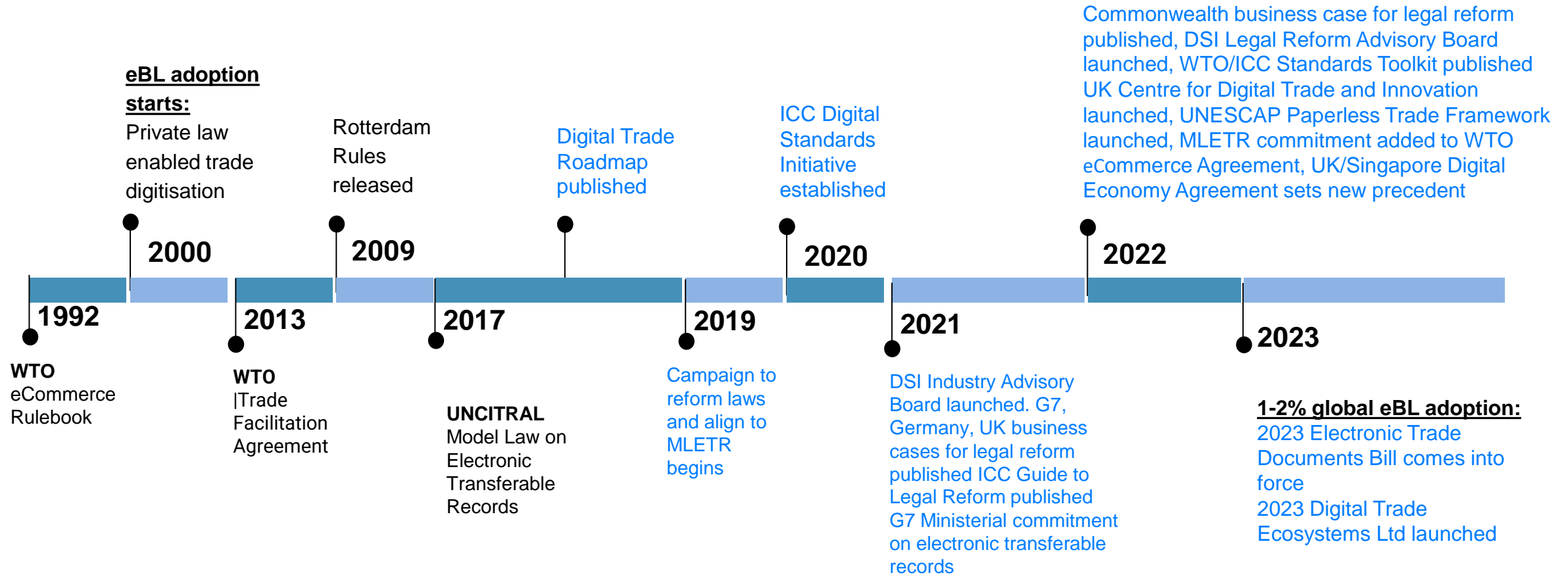
G7 - \$9 trillion

UK – 25 billion SME trade, £224 billion efficiency savings

“the primary beneficiaries will be SMEs who feel the pain of bureaucracy the most and small island economies where the cost of trade can be more than the value of trade”



We have achieved more in last 3 years than previous 18



Call to action

1. Remove legal barriers to commercial trade documents being handled in digital form
2. Align legal systems to UNCITRAL Model Law on Electronic Transferable Records [MLETR]
3. Incorporate MLETR commitment in recommendations/roadmap for Commonwealth trade ministers – June

The interoperable legal framework for digital trade

UNCITRAL UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW

UNCITRAL Model Law on
Electronic Transferable Records

The framework enabling commercial trade documents to be handled in digital form.

8 key documents

- Bills of Exchange
- Bills of Lading
- Promissory Notes
- Warehouse Receipts
- Cargo insurance certificates
- Marine insurance policies
- Seaway bills
- Ships delivery orders

60% world trade on track to meet target

- 7 countries aligned to MLETR
- G7 aligning [40% world trade]
 - UK [2023]
 - Germany [2023/4]
 - France [2024]
 - US [fully federal 2024/5]
- 86 countries aligning through WTO Ecommerce negotiations [2024]
- UNESCAP - MLETR incorporated into UN Paperless Trade Initiative. 54 countries.
- ASEAN integrating MLETR into regional digitalisation strategy
- China, Vietnam, Georgia, Thailand receiving technical assistance



Technical support and assistance

ICC Digital Standards Initiative

- UNCITRAL
- Asia Development Bank
- Islamic Development Bank
- AfrimExim Bank
- European Bank of Reconstruction and Development
- C4DTI Legal Assistance Taskforce

Other Support

- Inter American Development Bank

Legal / Policy Tools

Business cases / ICC Guide to Legal Reform

<https://www.dsi.iccwbo.org/policymakers>

UK Electronic Trade Documents Bill Hearings

<https://committees.parliament.uk/committee/636/electronic-trade-documents-bill-hl-special-public-bill-committee/>

UK Electronic Trade Documents Bill - a legal template?



1. English law is changing - May/June 2023
2. All trade documentation will go digital - 80% bills of lading worldwide
3. Fully aligned to MLETR
4. Base trade law remains the same:
 1. Bills of Exchange Act 1882
 2. Carriage of Goods by Sea Act 1992
5. Key amendment – commercial trade documents in digital form have same legal same footing as paper form
6. **Could this legislation be copied, adapted across The Commonwealth?**

The Commonwealth

Aligned - Belize, Papua New Guinea, Singapore, UK
Committed - Australia, Canada, New Zealand

The rulebook for business

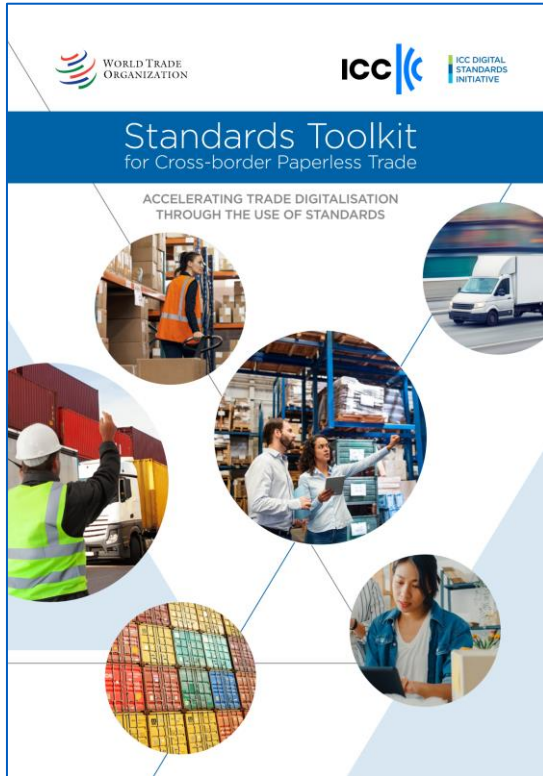
Uniform Rules
for Digital Trade
Transactions
VERSION 1.0



1. Designed to promote a fully digital environment;
2. To be neutral with regard to technology and messaging standards; and,
3. To extend into the corporate space, including commercial transactions and the growing community of non-bank providers of financial services. The URDTT are designed to be compatible with UNCITRAL Model Laws, including those on Electronic Commerce, Electronic Signatures and Electronic Transferable Records.
4. To be fully aligned to Electronic Trade Documents Bill



A practical tool to navigate the standards landscape



SECTION 1 Foundational Standards

SECTION 2 Identifier Standards

SECTION 3 Corporations and Micro-, Small- and Medium-Sized Enterprises

SECTION 4 Carriers, Freight Forwarders and Logistics Operators

SECTION 5 Customs Authorities and other Cross-border Regulatory Agencies

SECTION 6 Interoperable Digitalisation Frameworks

→ **Equip** every supply chain participant with some of the most notable and widely used standards

→ **Drive** convergence across international supply chains

→ **Promote** genuine interoperability for paperless trade processes

Download the toolkit



[Spanish](#)

[Arabic](#)

[Chinese](#)

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[Portuguese](#)

[Russian](#)



Caution – patchwork approaches don't work!

The rule of thumb in trade – unless all documents are digitalised, the system reverts to paper
The opportunity is huge but it's a collective action.

EU Single Market Customs Union – 1% trade documents handled in digital form

Germany – e-transport documents but no implementation or transformation

Korea – e-promissory notes but no transformation

TradeLens/WeTrade – good tech/fintech initiatives failing because of a lack of legal reform and can't scale

Implementation best practice

Industry-led initiatives



Government agencies

