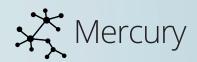
Deloitte.



How Blockchain Can Reshape Trade Finance

Trade financing, where financial institutions provide credit facilities in order to guarantee exchange of goods, is a centuries old industry that hasn't seen much change with the growth of global trade flows. In 2015 alone, the trade finance market was measured at more than \$10 trillion USD. Deloitte has re-imagined how trade finance can operate leveraging a Blockchain based infrastructure to drive efficiencies, reduce cost base and open up new revenue opportunities, like newer models of credit and funding guarantees backing the trade.



Multiple versions of the truth:

As financials are sent from one entity to another, significant version control challenges exist as changes are made

Duplicative bills of lading:

Bills of lading are financed multiple times due to the inability of banks to verify their authenticity

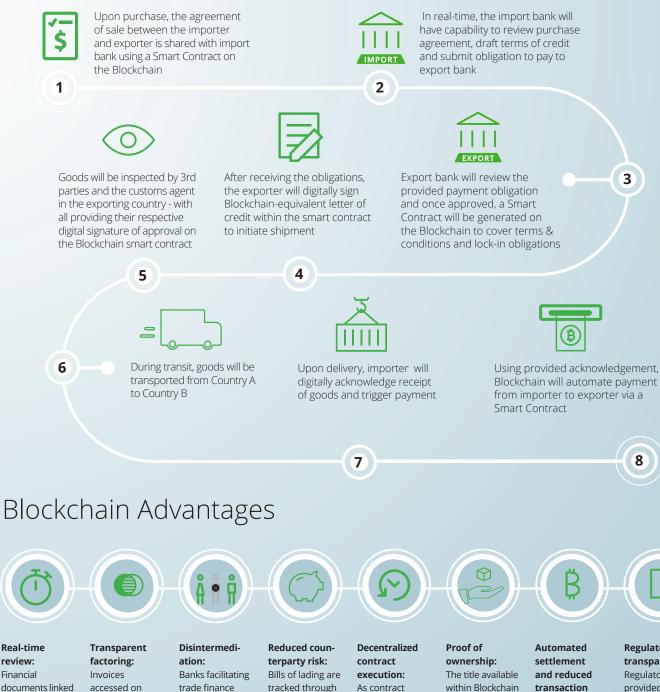
Multiple platforms:

Since each party across countries operates on different platforms, miscommunication is common and the propensity for fraud is high

Manual AML review:

The export bank must manually conduct AML checks using the financials provided by the import bank

Future State Vision





trade finance through Blockchain do not require a trusted intermediary to assume risk, eliminating the need for correspondent banks

tracked through Blockchain, eliminating the potential for double spending

As contract terms are met, status is updated on Blockchain in real time, reducing the time and headcount required to

delivery of goods

monitor the

within Blockchain provides transparency into the location and ownership of the goods

transaction fees: Contract terms executed via Smart Contract eliminate the need for correspondent banks and additional

transaction fees

Regulatory transparency:

Regulators are provided with a real-time view of essential documents to assist in enforcement and AML activities

For more information please contact:

Blockchain

real-time and

transparent view

into subsequent

provide a

short-term

financing



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