

Briefing and Clarification Session: Call-for-proposal for electronic bills of lading

As at 28 June 2021



Administrative Details

- Indicate Name and Organisation as Zoom login
- Microphones to be muted except for when speaking
- You may wish to type in your questions in the chat window at any time. We will address your questions at the end of the session if they are not already in the list of FAQs.

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Value proposition, Benefits & Challenges in using eBLs for Supply Chains



Value Proposition of eBLs

- Only **0.1% of BLs are issued electronically** today, in limited or closed systems
- **US\$4bn savings annually** if 50% of today's container shipping lines adopt eBLs
- **Documentation cost ~20%** of total shipping costs



9 carriers accounting for ~70% of container shipping market



Digital container logistics platform developed by Maersk and IBM

Benefits of eBLs to Supply Chains

- Operations efficiency and savings
- Better customer service
- Improved cashflow with faster processing for trade financing
- Reduce risk of fraud
- Reduce impact on environment

Challenges to using eBL

- Lack of legal & insurance certainty (e.g. not recognised by banks for trade financing)
- Lack of interoperability
- Lack of acceptance for wet bulk segment (i.e. need to convert to paper BL)

Benefits: eBL brings greater benefits to Shippers/Consignees as compared to Carriers, particularly for bulk trade

Benefits to Carriers

- **Operational savings**
 - Reduce manpower required for documentation
 - Reduce time to create, sign, store and retrieve documents
- **Confidence and Security**
 - Blockchain tech to track and audit authenticity of the title of eBL
- **Integrated/Automated Workflow**
 - Goal of seamless digital work process integrating internal system with eBL solution and platform
 - Automation (e.g. automatic trigger of payment by banks)

Benefits to Shippers/Consignees

- **BL Delivery**
 - Quicker to transfer and less delay being stuck at any node
 - Reduce courier costs and need for letter of indemnity/ demurrage cost due to late BL arrival
- **Trade Financing**
 - Able to accept eBL presentation for trade financing outside of working hours,
 - Improved cashflow with faster processing
- **Compliance and Security**
 - Reduction in fraud and loss of paper BL during transit
 - Reduce risk involved during splitting/changing of BLs
Higher compliance with international trade sanctions
- **Environment**
 - Lower carbon footprint (reduce use of paper and transportation)

Challenges: Acceptance by Shippers and Banks are crucial for eBL adoption

Challenges to Start or Scale-up Adoption

- **Decision lies with Shippers for Bulk Shipments**
 - Bulk cargo Shippers prepare and pay for eBL
- **Decision lies with Carriers for Container shipments**
 - Carriers have bigger bargaining power as shippers tend to be smaller freight forwarders
 - Carriers incur cost of developing eBL
 - Not applicable to feeder container lines
- **Lack of interoperability**
 - All parties to sign up to the same platform
 - Individual tokens to sign onto platforms
 - Sign up to many different platforms as Shippers may use different solutions
- **Greatest inertia for wet bulk segment**
 - Lack of standards and legal certainty
 - Technical complexity in splitting of BLs
 - Higher tendency for BL to change hands as cargo is sold during transit
- **Need for flexibility to convert to paper BL**
 - Some Customs or Banks require Paper BL
 - Sale to 3rd party who are not on the platform during transit
- **Trade Financing**
 - Banks need clarity that eBLs are secured and original

Objectives and Key Focal Areas of eBL Call-for-Proposal

Objectives

- Develop and pilot eBL solutions that meet industry's needs
- Encourage new commercial use cases and industry adoption
- Singapore as a marketplace for eBL solution providers and supply chain players towards digital trade

Key Focal Areas

- Title transfer interoperability across different digital ecosystems
- Comply to UNCITRAL MLETR and leverage on legislative framework(s) of jurisdiction(s) that have adopted MLETR
- Adopt industry standards where applicable



Maritime and Port Authority of Singapore (MPA) ✓

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The **Maritime and Port Authority of Singapore (MPA)** launched a call-for-proposal to bring together industry players and solution providers to develop and pilot eBL solutions, leveraging recent technology and legislation developments.

Thank you **IMDA** and **Digital Container Shipping Association (DCSA)** for being supporting partners to this exciting development. Reach out to us for a chat if you have any ideas or clarifications. Look forward to chatting!

See more at <https://lnkd.in/gKhx2Ev>

#MaritimeSingapore #billsoflading #ebl #electronicbillsoflading #mletr #digitalisation

CALL-FOR-PROPOSAL FOR ELECTRONIC BILLS OF LADING

Invitation to submit proposals for development, enhancement and pilot electronic bills of lading (eBL) solutions for cross-border trade:

- Develop and pilot eBL solutions
- Encourage new use cases and industry adoption

Timeline

Application Start : 21 April 2021
Application Deadline : 31 July 2021, 1800 (Singapore Time)
Expected Project Award : 31 October 2021

View CFP Document at:



Scan the QR Code

Launched By:



Supported By:



For clarifications, pls contact Ms Loh Sin Yee, Senior Manager (MPA) at loh_sin_yee@mpa.gov.sg

Key Development Areas

Commercial Use Case

- **Demonstrate title transfer of an eBL** across various parties in a consortium
- **Shipment must involve Singapore** as an origin, discharge, transshipment port or where trade (offshore trade) is conducted in Singapore

Output

- Quantify total **value** created and distribution across consortium members
- Breakdown **cost** involved for different consortium member to adopt/integrate
- **Risk** assessment & mitigation plan

Technology Feasibility

The eBL solution developed must meet at least one of the following criteria:

- (a) achieve title transfer interoperability across different digital ecosystems,
- (b) comply to UNCITRAL MLETR and leverage on legislative framework(s) of jurisdiction(s) that have adopted MLETR,
- (c) adopt industry standards where applicable.

TradeTrust: Digital utility for interoperability across different digital ecosystem

DCSA: Standards on data & process related to Container BL preparation and issuance



Administrative Details

Timeline	Application Start	: 21 Apr 2021
	Application Deadline	: 31 Jul, 1800 (GMT +8)
	Expected Project Award	: 31 Oct 2021

Eligibility for Funding Support

- Up to **70% funding support** for qualifying expenses
- Applicant must have a **legal entity and presence in Singapore** with core development work done in Singapore
- **Industry consortia** to include minimally a carrier, shipper/trader and consignee. Involvement of financiers will be assessed more favourably.
- **Project duration** should not be more than 12 months with progress update every 6 months

Evaluation Criteria

Applications will be evaluated by a team comprising industry experts appointed by MPA, IMDA and DCSA:

- Relevance and impact to the maritime industry
- Innovation and differentiation
- Capability development in Singapore
- Local value capture
- Organisation and team competency

NOTE: Evaluation is on a **competitive basis** with funding awarded to projects that give most value and impact to Singapore's ecosystem. Meeting eligibility criteria does not equate to guaranteed funding.

Next Step: Visit MPA's Website for latest information



- Updated list of Frequently Asked Questions
- Discover potential collaborators (i.e. Users and Solutions Providers)

Problem Statements by User (Shipper/Trader/Carrier)	
Name of Company	
Cargo / Shipping Segment	
Pain Points	
Solution Required	
Contact Person	

Profile of Tech Solution Developers	
Name of Company	
Background of Company & offerings	
Proposed solutions & key attributes	
Contact Person	

Important Note:

- Listings are optional, non-exhaustive and purely for discovery purpose
- Listed solutions does not imply endorsement nor approval by MPA and supporting partners
- Listing does not equate eligibility. Proposals will be evaluated equally, regardless of whether they were listed previously.

Frequently Asked Questions

1. I am a technology solution provider that is based overseas with no presence in Singapore. Can we team up with a Singapore-incorporated company to apply for this CFP?

- Only activities and expenses incurred by the **Singapore-based company** will be supported.
- If technology solution providers are seeking funding support to develop solutions. **Core work must be done by those employed by a Singapore-based company** to qualify for funding support.
 - Expenses incurred to tap on overseas consultancy would be capped at a low quantum
- **SG-based carriers** may engage overseas solution providers provided that they have **demonstrate that efforts have been expended to source for local solution providers**, but the providers are either not able to fulfil their requirements or the requisite expertise is not in Singapore.
 - Supporting documents (e.g. email correspondences with local solution providers) may be requested to demonstrate such efforts.

2. How many proposals can I submit? How many awards would there be? Who are the evaluators?

- There is no hard limit to number of proposals you can submit nor the number awarded. Proposals will be **evaluated on a competitive basis** with funding awarded to projects that give most value and impact to Singapore's ecosystem.
- Proposals will be evaluated by MPA, relevant agencies (include IMDA, Monetary Authority of Singapore, Singapore Customs & Enterprise Singapore) and industry associations (include Digital Container Shipping Association).

3. What are the expenses eligible for funding support?

- For **technology solution providers seeking funding support to develop solutions**, eligible expenses include manpower, equipment, and other operating expenditure incurred for the purposes of the project.
- For **carriers seeking funding support to adopt eBL solutions that require customisation**, eligible expenses are subject to caps, and include:
 - Professional Services (e.g. consultancy, software devt & customisation, training)
 - Hardware (e.g. purchase and implementation costs of specialised hardware)
 - Software (e.g. subscription costs, licensing of specialised software)
 - In-house manpower cost for in-house projects

4. Are procurement of licences from overseas for project development work eligible for funding support?

- Yes, **licenses are supportable** if deemed necessary for the project. However, they **should not form the bulk of the expenses** under the project.

5. Must we meet all of the listed requirement under the commercial use case and technology feasibility section? Are we expected to link up to other Singapore Government trade initiatives (e.g. Networked Trade Platform, Common Data Infrastructure)?

- **The eBL solution developed must meet at least one of the following criteria:**
 - achieve title transfer interoperability across different digital ecosystems,
 - comply to UNCITRAL MLETR and leverage on legislative framework(s) of jurisdiction(s) that have adopted MLETR,
 - adopt industry standards where applicable.
- **For commercial use case, the consortium must demonstrate title ownership transfer involving at least one of the following scenarios:**
 - Involve Singapore as a port of origin, port of discharge, port of transshipment or where trade (offshore trade) is conducted in Singapore
- Technology solution providers are free to propose attributes of eBL solutions that meet the needs of your customer or the industry, including possible **integration with Singapore Government trade initiatives** (e.g. Networked Trade Platform, Common Data Infrastructure), where relevant.
- Evaluation is on a **competitive basis** with funding awarded to projects that give most value and impact to Singapore's ecosystem. Meeting eligibility criteria does not equate to guaranteed funding.

6. How can we work with other jurisdictions that have different standards? (e.g. yet to adopt MLETR or use TradeTrust)?

There are two dimensions to consider – (1) Technical Harmonisation and (2) Legal Harmonisation.

(1) Technical Harmonisation

- Technology solutions providers or platforms may decide to interoperate across one another to better serve your customers, for seamless transaction and data flow.
- **TradeTrust is one such enabler that you can tap on to facilitate this.** It is an open-source public blockchain with source code hosted on GitHub.

(1) Legal Harmonisation

- Cross-border trade is typically facilitated by legal recognition across jurisdictions involved.
- As countries amend their legislation at different pace, one way to overcome this is for those **consortiums to use MLETR-recognised jurisdictions (e.g. Singapore) for their cross-border contracts, where relevant (e.g. Bill of Lading, Charterparty etc.)** .
- Consortiums can also choose to **Singapore as their destination for dispute resolutions** for greater certainty of electronic trade documents.

7. Do we need to include our commercialisation strategy (e.g. go-to-market costing and value proposition)? Would there be grants to support companies that adopt our solutions?

- The proposal should **include your commercial use case** that include quantifying value created/distributed, breakdown of cost involved , risk assessment and mitigation plan.
- The Government has various **grants that support users to adopt solutions that increases productivity** of their business processes (e.g. Maritime Cluster Fund – Productivity Development)

8. Are we required to list the users (i.e. shipper/carrier/banker) in the proposal or to include them in our plan/roadmap to onboard ecosystem users?

- Yes, the **proposal should include the list of users that would undertake to demonstrate transfer title ownership of an eBL across various parties in the consortium.** This consortium should minimally comprise a carrier, shipper/trader and consignee. Proposals that involve financiers (e.g. banks) would be assessed more favourably.
- **MPA can assist in the process of discovering potential collaborators to form a consortium.** You may wish to provide your profile in the template for listing on MPA's website.

9. There are a number of eBL solutions already in the market. Is the purpose of the proposal to build another solution which is based out of Singapore?

- The purpose of this CFP is to **accelerate adoption of eBLs in supply chains** to benefit Singapore-based companies (e.g. traders, shippers, carriers, financiers).
- We are keen to **incentivise tech solution providers, including existing eBL solution providers, to develop or enhance eBL solutions** that meet industry's needs, if there is such a demand.
- We would also like to **encourage adoption by defraying some of the costs that carriers incur** to adopt eBL solutions. Such solutions must not be off-the-shelf and involve customisation to meet carriers' needs.

10. Can we leverage on one of the many existing eBL solution providers in the market to come up with a solution that covers the cargo flow from freight procurement stage to delivery at destination (along with the title transfer)? Can we include documents beyond Bill of Lading?

- Yes, **you can leverage one of the existing eBL solution provider(s) to come up with solution(s)** that meet the needs of your customers. For example, digitising other trade documents (e.g. Invoice, Letter of Credit, Packing List, phyto cert, etc.) or other services (e.g. freight procurement, track & trace). Regardless, the **proposed solution must include title transfer of eBL as one of the use case(s)**.
- As a technology solution provider, the **core development work must be conducted in Singapore** to be eligible for funding support.

11. Can we focus on solutions that serve the Non-Vessel Operating Common Carriers (NVOCCs) and Freight Forwarders?

- NVOCCs and freight forwarders are also key players in supply chains, and can be included as partners in the consortium. However, **proposals should still include (1) carrier that issues bill of lading in their business of ship owning, operating and/or chartering, (2) shipper/trader and (3) consignee.**
- Proposals that involve **financiers (e.g. banks)** to prove eBLs being used as a financing use case will be assessed more favourably.

12. Are we required to issue paper BL parallel when we demonstrate eBL?

- The end-goal of this CFP is to **demonstrate commercial use case of paperless trade** where consortiums transact eBL in a live environment.
- Consortiums may choose to start with a **parallel issue of paper BL alongside eBL in a live shipment until everyone is comfortable** with the technology and process. Nevertheless, consortiums may choose to directly transact electronically without this intermediate parallel issue phase.

13. Is there a specific blockchain network that we are required to use?

- Technology solution providers are **free to use any network solution (e.g. blockchain or others) that meets the needs of your customer or the industry**. If you wish to tap on TradeTrust to facilitate interoperability, TradeTrust is built on Ethereum network.

14. Do we need to reveal any rulebooks or project IP to the project assessment team?

- No, there is no need to reveal rulebooks or project IP to the assessment team. However, applicant must be able to prove that they meet the requirements of the CFP.

15. Will MPA or Support Partners be providing any infrastructure for this CFP?

- No, there will not be any infrastructure provided by MPA. Technology solution providers are free to tap on and explore tapping on existing Singapore Government trade infrastructure/initiatives (e.g. Networked Trade Platform, Common Data Infrastructure, where relevant).
- If interested, you can also explore IMDA's TradeTrust public digital utility for your development use. Check out www.tradetrust.io for more information.
- DCSA has also published its set of standards on data and process related to BL preparation and issuance in container shipping. Check out <https://dcsa.org/standards/ebill-of-lading/> for more information.

MPA-organised Webinar on Maritime Trade Digitalisation – eBLs (31 March 2021)

Speakers:

- Allen & Gledhill, essDOCS, ONE, IMDA

Attendees:

- More than 350 across shipping, trading, banks, legal and technology solution companies signed up. ~250 attended the webinar.
- Representation from international organisations and trade associations

Key Discussion Points:

- Focus on contract versus statutory law recognition
- Accreditation framework under Singapore's ETA
- Onboarding of shippers and banks to use eBLs

Join us at the next eBL Webinar on 30 June, 2 pm!

- Focus on operational aspects and benefits of eBLs
- **Speakers:**
 - Demo by WaveBL and MSC
 - Standard Chartered on digital trade financing
 - DLTLedger on eBL solution and supply chain digitalisation

MARITIME TRADE DIGITALISATION - ELECTRONIC BILLS OF LADING
31 MARCH 2021, 10.30AM TO 12PM (SGT)

SPEAKERS

- Kenny Yap**
Partner and Co-Head of Maritime & Aviation Practice
Allen & Gledhill
- Alexander Goulandris**
Co-CEO & CRO
essDOCS
- Luiz Almanca**
Digital Business Senior Manager
Ocean Network Express (ONE)
- Loh Sin Yong**
Director of Trade
Infocomm Media Development Authority (IMDA)

HOST

- Kenneth Lim**
Assistant Chief Executive (Industry)
Maritime and Port Authority of Singapore (MPA)

MODERATOR

- Thomas Ting**
Chief Technology Officer
Maritime and Port Authority of Singapore (MPA)

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To Register, scan the QR Code or click on this [link](#)





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