

Electronic Transactions Act Amendments

ENABLING DIGITALISATION OF TRADE DOCUMENTS: CONVENIENCE & SAVINGS FOR BUSINESSES

WHAT IS THE ETA?



The Electronic Transactions Act (ETA) facilitates the use of e-commerce and e-transactions by giving e-contracts and e-signatures the same status as written contracts and signatures

ETA amendments enable the creation and use of Electronic Transferable Records (ETRs), such as electronic Bills of Lading (eBLs)

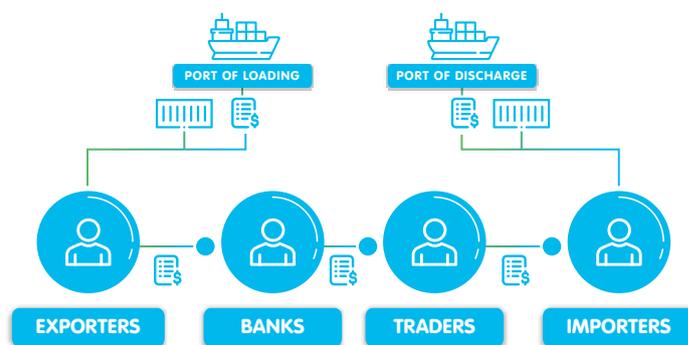
WHAT IS A BILL OF LADING?

A BILL OF LADING IS A TRANSPORT DOCUMENT AND A DOCUMENT OF TITLE OVER GOODS IN TRANSIT

THE PROCESS

- Seller engages Carrier to deliver cargo and will receive a Bill of Lading (BL)
- Seller releases BL to Buyer upon payment
- Buyer can only collect the goods when they produce the original BL

A BILL OF LADING IS A KEY DOCUMENT FOR INTERNATIONAL TRADE



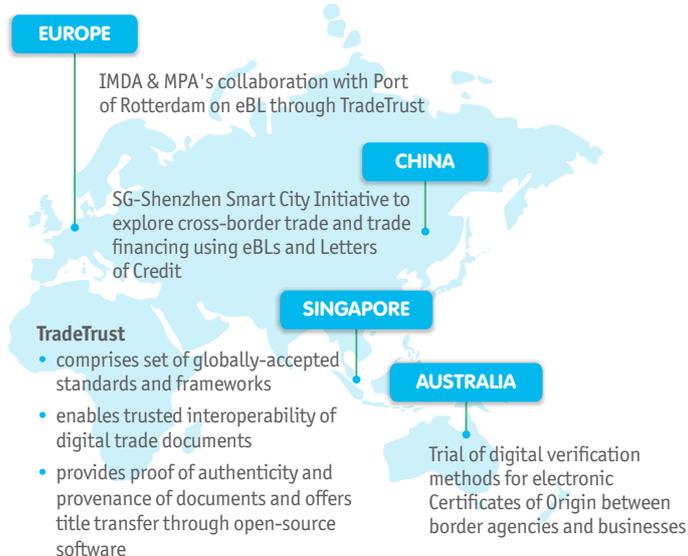
- Possession of the original BL is of crucial importance
- Previously, usage of electronic versions of BLs had been difficult due to technological and legal challenges in establishing what is the "original document" and "who possesses it"

THE ETA AMENDMENTS SUPPORT AND COMPLEMENT THE GOVERNMENT'S TRADE DIGITALISATION INITIATIVES

WHY DO WE NEED eBLs?

- FASTER PROCESSING**
- LOWERED FRAUD RISKS**
- COST SAVINGS**
- INNOVATIVE BUSINESS MODELS**

- No additional costs to hold cargo as goods are less likely to arrive at their port of destination before document processing is complete
- **US\$4 billion** estimated savings a year if 50% of the container shipping industry adopts eBLs, according to Digital Container Shipping Association
- Trade financing banks can obtain collateral security over the eBL, allowing them to obtain regulatory capital relief and pass on cost savings to clients



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