



#### **Blockchain**

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## **Introduction to Networked Trade Platform**

- Operated by Singapore Customs
- One-Stop trade information management system
- Offers wide range of trade-related services
- Hub for international connectivity

https://www.ntp.gov.sg



### **Features & Benefits of Blockchain**

- Immutability → Increased transparency.
- Decentralized network → More resilient to failure and malicious attack + increased authenticity of stored data
- Distributed ledgers  $\rightarrow$  Increased data integrity. Transactions are verified.
- Consensus → Consensus algorithm defines decision making. Allows participants to operate in a low-trust environment



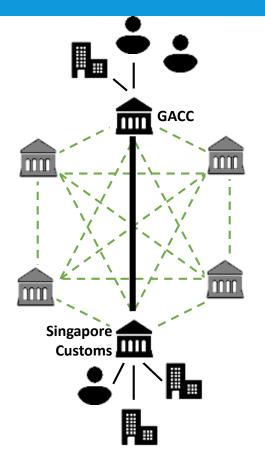
# What makes a good blockchain use case?

- a) The business problem at hand cannot be solved by existing technologies.
- b) Need to improve transparency of the transactions among participants.
- c) There is a need for the database to be <u>immutable</u>.
- d) Need to streamline and speed-up cross organizations processes.
- e) Clearly identify the participants and their data that combine to form valuable information which benefit the rest of the participants.
- f) Able to articulate the <u>business rules of how the participants arrive at a</u> <u>consensus and established provenance</u> of the transactions in the network.
- g) Participants are well aligned on the need of such a project.



# The International Trade 'Single Window' Consortium Blockchain

# 国际贸易'单一窗口'联盟区块链



Singapore Customs and the General Administration of Customs of the People's Republic of China (GACC) have agreed to jointly build a **Government-to-Government (G2G) Consortium Blockchain** for the exchange of trade-related data and documents.

- Founding members: SG and CN
- Open to expansion: Customs authorities / NSW operators
- Open to exploring new mutually beneficial, mutually useful use-cases with international counterparts

Legend:
Connection between Singapore Customs and GACC
Future connection to customs of other countries



# NTP's Container Trace and Trace Service (SG-China Corridor)



Phase 1: Track & Trace for Containerised Cargo between Singapore, Qinzhou and Shanghai (YangShan Port)

#### Key Data exchanged:

- Vessel berthing location, date & time
- Container loading / unloading date & time
- Container Gate in / out date & time
- Customs permit approval date & time,
- Customs clearance date & time



#### Conclusion

- Blockchain's inherent functions and characteristics provides new possibilities to:
  - Link up diverse parties to form a big picture with different pieces of data
  - Enhance trust through consensus and immutability of data
  - Enable distributed infrastructures useful for security and resilience
- Technology often not the main issue. Prior to building any system, or sharing any data, Customs Administrations need to establish:
  - What do we want to do?
  - Who do we want to do it with?
  - What are the policy levers and legal enablers?
  - What are the key positions and core interests?
  - How is the cost / effort apportioned among parties?
- Technological choices becomes more straightforward when use-case is clear
  - Technology is a means to an end, not an end it itself



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