

17 February 2022

MINUTES OF THE DSI INDUSTRY ADVISORY BOARD MEETING #3

Meeting 3. Industry Advisory Board Meeting

Date	17 February 2022
Time	13:00-15:00 CET
Place	Video Conference call

Present	DSI Industry Advisory Board Members	ICC Management
	Gerard Hartsink (Chair) Miguel-Angel Lopera (GS1) Stephan Wolf (GLEIF) Lynn Ng (ING, Chair of ICC Global Banking Commission) Natasha Condon (JP Morgan) Mencia Bobo (Santander) Daniel Lit (DBS) Venkatraman Panchapakesan (HSBC) Richard Morton (IPCSA) Grant Hunter (BIMCO) Stéphane Graber (FIATA) Benoit Cosserat (CMA CGM) Zanna McComish (BHP) Peggy Mah (Rio Tinto) Derrick Loi (Ant Group) Juan Saavedra Ortiz (Inditex) Richard Wulff (ICISA) Christian Bockelt (DB Schenker) Aliyu Suleiman (Dangote) Vincent Lu (China Merchants Port Holdings) Eiji (Eddy) Matsuzaki (Toyota Tsusho) Sarajit Jha (Tata Steel)	Andrew Wilson (Global Policy Director) ICC DSI Management Oswald Kuyler (Managing Director DSI) Hannah Nguyen (Deputy Director DSI) Raoul Renard (Deputy Director DSI, Legal Reform) IAB Observers Emmanuelle Ganne (WTO, DSI Governance Board) Brendan O'Hearn (WCO, DSI Governance Board) Bénédicte Nolens (BIS) Chris Southworth (ICC UK Secretary General, Legal Reform Advisory Board Co-Chair) Valentina Mintah (ICC Executive Board Member, Legal Reform Advisory Board Co-Chair) Merlin Dowse (JP Morgan, Co-Chair of ICC Global Banking Commission) Louise Taylor-Digby (SWIFT, Co-Chair of ICC Global Banking Commission) Francois-Xavier Didelot (CMA CGM) Niels Nuyens (DCSA) Erick Tavares (Vale) Jacobo Iribarnegaray (Inditex) Deepak Sharma (Tata Steel) Yoshida Kazuhiro (Toyota Tsusho) Henri Barthel (GS1 Global Office) Laura Mathew (ISO Head Quarter)
Absent	Thomas Bagge (DCSA) Wang Si (Vale) Kirsty Keane (Anglo American) Pat Antonacci (SWIFT)	

NO.	TOPICS
1	<p>Welcome and Introduction of New Members by IAB Chairman</p> <p>The Chair of the IAB, Gerard Hartsink, laid out the agenda and introduced 4 new members who had joined the IAB since the last meeting:</p> <ul style="list-style-type: none"> - Aliyu Suleiman (Dangote) - Eiji (Eddy) Matsuzaki (Toyota Tsusho) - Vincent Lu (China Merchants Port Holdings) - Sarajit Jha (Tata Steel) <p>The Chair also shared that there are 2 new representatives for 2 current members:</p> <ul style="list-style-type: none"> - Christian Bockelt (DB Schenker) - Wang Si (Vale) <p>The new members and new representatives made a brief introduction about themselves and their organizations.</p> <p>The Chair further shared some general remarks:</p> <ul style="list-style-type: none"> - The new member additions will further strengthen the cross-regional and cross-sectoral composition of the IAB as required in the IAB Charter. - Suitable cooperation models with Standard Development Organizations (SDOs) such as ISO, UN/CEFACT, OASIS, etc. are being worked out vis-à-vis respective organizations.
2	<p>Governance Matters by IAB Chairman</p> <p>The Chair noted there was no comment received regarding the circulated Minutes of Meeting #2 of 17 November 2021 and for that reason the same had been published on the DSI website to inform all interested stakeholders. The Minutes of Meeting #2 were formally approved with no objection.</p>
3	<p>DSI Update and Communications Plan</p> <p>The DSI Deputy Director, Hannah Nguyen gave an update on the latest developments at DSI and the communications plan.</p> <p>3.1. Standards Toolkit for Cross-border paperless trade</p> <p>The DSI is co-authoring with the WTO a Standards Toolkit for Cross-border paperless trade, which provides an overview of existing standards with a view to help drive adoption, identify potential gaps and promote interoperability. With specific segments for companies, carriers and logistics players, customs and other border agencies, this practical tool will arm every supply chain participant with some of the most notable and widely used standards. WTO co-author, Emmanuelle Ganne added that this publication was developed with a view to highlight the existing body of work that's been done to help drive adoption.</p> <p>Ms. Nguyen shared that the authors have received feedback on the draft from various organizations and SDOs, quite a few of them being IAB members. The publication is slated for public release soon and will be freely available on DSI and WTO website.</p> <p>3.2 Launch of the FIT Alliance</p> <p>The Future International Trade (FIT) Alliance has been launched by ICC, DCSA, BIMCO, FIATA and SWIFT – working together to generate awareness about the importance of common and interoperable data standards and common legislative conditions across countries and platforms, to facilitate acceptance and adoption of eBLs (electronic Bills of</p>

Lading). It is the hope of the FIT Alliance that this will spark a renewed wave of collaboration efforts to bring the eBL from vision to commercial reality.

A member asked whether there is any overlap or duplication between the IAB and the FIT Alliance's goal of standardizing the digitalization of international trade. Ms. Nguyen highlighted that the FIT Alliance and other groups will contribute into the IAB Working Groups. The DSI Managing Director, Oswald Kuyler, added that there are various groups and communities that will need to be brought into the DSI journey. The DSI focuses on aligning the principals of these organizations at a strategy level, so that at execution level all the work are interconnected, similar to the way the ICC Global Banking Commission has the Commercialisation Working Group. The Chair added that the FIT Alliance fits well under the umbrella of the DSI and the point will be revisited after the Working Groups have been formed. Other industry organisations that support the DSI objectives are welcomed.

3.3 Communications plan

The DSI will be launching quarterly newsletters to keep the ICC National Member Committees, the IAB members and their stakeholders, the business network, the LRAB and public sector stakeholders informed about the progress and vision of the DSI. A set of ambassador slides will be shared with all IAB members to empower each member to multiply the support for the initiative among their internal and external stakeholders.

4

IAB Charter

The Chair proceeded to clarify the few remaining points on the draft IAB Charter.

4.1 Examples of IAB Charter Article 6 in action

In IAB meeting # 2, the suggestion made was to illustrate the IAB decision making process on technical and legal standards for the international supply chain with 2 concrete examples. The Chair gave examples on 2 theoretical scenarios where a DSI Working Group may conclude to recommend to the IAB a change in (i) one of the SWIFT message standards or (ii) one of the ICC private rules for trade such as the eUCP¹. In each case, all IAB members can challenge the IAB WG recommendation. If the IAB approves the IAB WG recommendation, the DSI IAB approval will be presented to SWIFT and to the ICC Global Banking Commission respectively to include the IAB recommendation in its standard decision-making process.

4.2 Charter- Preamble

The Chair updated that the upgraded IAB Charter has been sent to DSI Governance Board and a minor upgrade of the preamble presented during the meeting was incorporated in the final version before publication. No objections were raised.

5

IAB Working Groups (WG) Terms of Reference (ToR) and Composition

Ms. Nguyen gave a recap of the Five Foundational Pillars for Execution that were presented and endorsed by the IAB during IAB meeting #2, starting with taking stock of (i) the Key Data Elements for Trade, (ii) the Key Trade Document types which would benefit from further standardization and (iii) Trusted Technology Environment with the goal to share data seamlessly end to end in a trusted, verifiable, and secure manner.

The DSI proposal is to form 3 WGs that will focus on specific outcomes of the first 3 pillars but work closely together as required to main cross-fertilization. Specifically, the recommendation is for several IAB members to chair and co-chair these WGs - GS1 for Pillar (i), HSBC and Rio Tinto for Pillar (ii); GLEIF and IPCSA for Pillar (iii).

¹ eRules for the Uniform Customs & Practice for Documentary Credits (UCP 600).

For Pillar (iv) Modernized Rules for Trade, the DSI recommendation is for the IAB to lean on or collaborate with other groups who may already work on or have influence in specific areas. For example, to work with the ICC Global Banking Commission in modernizing ICC private sector rules for trade or trade finance and the Legal Reform Advisory Board (LRAB) that is specifically set up to accelerate legal reform in the public sector.

For Pillar (v) Seeding digitization, it will be a joint effort between the IAB, the LRAB and the DSI Secretariat, to drive acceptance and adoption of relevant standards to enable digitization, as well as build capacity and training resources needed for ICC National Committees, their members and stakeholders and companies around the world to transit from paper to electronic.

To provide a framework around the WGs, the DSI has prepared a draft TOR for this Board's approval. The TOR laid out in simple terms what the WG are set up to do, how they are organized and how they support the DSI objectives with their deliverables. Ms. Nguyen highlighted Article 4 on Membership which enables WGs to bring in experts of IAB members, as well as of relevant SDOs and other organizations who may have expertise to contribute to accelerate progress and not reinvent the wheel. Members are invited to give comments and feedback to the DSI Secretariat in the following 2 weeks' consultation period.

6 DATA ELEMENTS WG - OBJECTIVES AND PLAN

Mr. Miguel-Angel Lopera, President & CEO, GS1 introduced this WG's context and highlighted that the opportunity to become a Co-chair is open to all IAB members.

Mr. Henri Barthel, IAB observer and GS1 Global Office Consultant and ISO expert gave an overview of the WG's implementation plan and envisaged outputs based on initial discussion calls. The suggested approach is to take reference from the key trade documents identified by the WG on Key Trade Documents, consolidate the essential and common data elements that are frequently reused (including but not limited to identifiers of subjects, objects, locations, documents, etc.) and analyse potential conflicts or upgrades needed which would then be channeled to the respective SDOs, following the IAB decision making process as specified in IAB Charter Article 6.

The key deliverable would be a DSI Glossary of Key Data Elements, with references to the documents in which they are used, the preferred standard definitions and corresponding SDO sources. The intent is to simplify and harmonize the definitions in use.

An IAB member highlighted that the Indian Government has launched the Unified Logistics Interface Platform (ULIP) and documents will be shared with the DSI Secretariat for this WG for reference.

7 TRADE DOCUMENTS WG - OBJECTIVES AND PLAN

Co-chair Ms. Peggy Mah, General Manager Commercial Services & Digital, Rio Tinto gave an overview of this WG's context, implementation plan and envisaged outputs. The key deliverable would be recommendations and tools on key trade document types and the underlying standards.

Several key documents have been identified at the initial stage and will be operationalized through 3 parallel work streams, namely (i) Documents from seller (Commercial Invoice, Packing List); (ii) Title docs with legal impact (Bills of lading, Warehouse Receipt); (iii) Third party/Logistics documents (Certificate of Origin, Customs Declaration Forms,

Insurance Certificates, Customs Bonds). Potential approaches include whether to start with documents that will fetch the highest value to the industry, or to tackle all in parallel due to end-to-end dependencies. In highlighting potential areas to address (data structure, source of truth, access to data and gate keeper roles), Ms. Mah pointed out the synergies between this WG and the Data Elements WG, as well as getting inputs from relevant SDOs to leverage existing work that's already available. In terms of timeline, February 2022 will be consultation and scoping period before kick-off meetings to be organized in March with a view to have a draft output by May and an upgraded output by November 2022.

Co-chair Mr. Venkatraman P., Global Head of Documentary Trade and Innovation, HSBC invited IAB members to give feedback on the proposed approaches included in this WG's Terms of Reference.

A member asked the co-chairs to clarify what would be the concrete output of this WG, with respect to work done already at the FIT Alliance. Mr. Venkat acknowledged the need to reference and consult existing standards as a basis, but also the requirement for further conversations around data structure, source of truth, access to data and gate keeper roles as may be required to operationalize those standards. The same member agreed to volunteer to join the WG.

A corporate member recommended the WG to start with documents that will fetch the highest value to the industry, such as the Bills of Lading. Once value is demonstrated successfully, many people would begin to congregate.

8

TRUSTED TECHNOLOGY WG - OBJECTIVES AND PLAN

Co-chair Mr. Stephan Wolf, Chief Executive Officer, Global Legal Entity Identifier Foundation, GLEIF gave an overview of the WG's context, implementation plan and envisaged outputs. It is important to develop recommendations on technology standards and tools for implementation to enable paperless trade. This needs to be a collective effort and an invitation was issued to all members and their experts in not only technology but also legal aspects of technology standards.

Co-chair Mr. Richard Morton, Secretary General, International Port Community Systems Association, IPCSA emphasized the importance of technology neutrality to ensure adaptability, citing the work IPCSA has done on National Single Windows with governments around the world.

Call for experts

The IAB Chair thanked all co-chairs for their valuable contributions and issued a Call for Experts and Participants to contribute to one or more WGs, by sending nominations to DSI Secretariat by 4 March 2022. Mr. Morton asked for a shorter version of the WG slides from the DSI Secretariat to help recruit experts for the WGs.

An IAB member raised a question on the nomination of experts. The Chair clarified that a nomination could be made for experts outside of the respective IAB member's organization.

9

DSI Next Phase of Execution and Revenue Model Evolution

The ICC Global Policy Director, Mr. Andrew Wilson delivered some remarks on behalf of ICC Secretary General, Mr. John Denton who unexpectedly could not join the meeting. Mr. Wilson again welcomed the new members joining the IAB, emphasized on a seamless leadership transition to prime the DSI's operating structure for the execution of its five-

year plan and highlighted the critical role of the work and thought leadership from the IAB in this next phase.

The outgoing DSI Managing Director, Mr. Oswald Kuyler recapped the current thinking on the Sustainable Revenue (view till 2026, aligned to Five-year plan) which would need to be solidified by end of Q2 2022 and go into effect in Q4 2022 to allow sufficient time for member's budgeting cycle. While current seed funding would last through 2023, the objective is to maintain sustainability for the IAB activities itself. The sliding scale of the membership fees is consistent with the model of other standards organization. Members' feedback on the numbers and revenue model are welcomed till end of June 2022.

10 **Presentation by CMA CGM**

IAB member Mr. Benoit Cosserat, Head of Innovation & Digital Projects – Asia, CMA CGM introduced a short history of the shipping line and gave some feedback from the ground, having gained valuable experience as part of his duties to deploy eBL for CMA CGM through various engagements with TradeLens, DCSA and open APIs. In brief, the Bills of lading has a key role in the physical supply chain and the financial flow, however eBL adoption has been slow due to the tedious rulebook management required, the lack of acceptance of eBL in some countries and the need for all actors to adopt digital at the same time. Mr. Cosserat suggested that local authorities need to give confidence to shippers that it is safe to switch from paper to digital and more training is needed to educate the market.

11 **ICC Global Banking Commission Working Groups sharing**

Mr. Merlin Dowse, Vice Chair of the ICC Global Banking Commission shared the 4 separate work streams under the Commercialization WG of the Banking Commission to increase adoption of the eRules in support of digital trade (namely eURC², eUCP and URDTT³).

Mr. Dowse stressed the importance of having a set of metrics to measure adoption in order to be successful, and the 360-degree feedback of WG members through the evaluation form mechanism to highlight where the eRules are helpful, where there may be legal or technical impediments towards adoption and whether enhancements are needed to make them more useful. One true source of all information around digital rules does not yet exist and this will be created under the Deliverables stream of the Commercialization WG to drive awareness, acceptance and adoption of the eRules.

Ms. Lynn Ng, Chair of the ICC Global Banking Commission added that while awareness needs to be strengthened, some work needs to be done to simplify the materials and make it more accessible.

12 **Legal Reform Advisory Board Update**

Mr. Raoul Renard, DSI Deputy Director, Legal Reform explained the rationale behind establishing the Legal Reform Advisory Board (LRAB). Creating an enabling legal environment is critical to realise the DSI vision at scale. A solution around the proliferation of private law rulebooks resides in the widespread alignment to the UNCITRAL Model Law on Electronic Transferable Records (MLETR). While there have been some advocacy wins such as the G7 Ministerial Declaration in April 2021, an increasing number of trade commitments and tools to assist, the progress needs to be accelerated.

² electronic supplements to the ICC Uniform Rules for Collections (URC 522)

³ ICC Uniform Rules for Digital Trade Transactions

The LRAB will form a broad coalition, led by 2 LRAB co-chairs, Valentina Mintah (ICC Executive Board Member) and Chris Southworth (ICC UK Secretary General). This will provide a structured venue to convene stakeholders (industry associations, ICC National Committees, Intergovernmental organization, regional economic communities, multi-lateral development banks, etc.) to approve legal reform projects and select model laws for promotion to secure a globally harmonized digital trade ecosystem.

Ahead of the LRAB Inaugural Meeting, Mr. Renard shared the draft 2022-2023 objectives, including securing commitments for 100 countries to align to MLETR and double the number of countries that have legally aligned to MLETR to 14 (up from 7 in 2021).

The LRAB co-chairs, Chris Southworth and Valentina Mintah highlighted the synergies between the IAB and the LRAB in enabling the outcomes and impact of the DSI.

13

AOB**13.1 2022 IAB meetings proposal**

- The Chair asked members to take note of the 3 dates for the 2022 quarterly IAB meetings: 18 May 2022, 18 August 2022 and 17 November 2022.
- Another idea being considered is to meet up once a year in person, to be organized on a rotational basis across continents to facilitate global participation and in conjunction with other industry events to optimize member's travel. The event could be SIBOS (Amsterdam, 10-13 Oct 2022, to be confirmed) or WCO Tech-Con (Maastricht, Oct 2022) or other suggestions to be made by other IAB members.

A member seconded the idea to have at least 1 meeting physical to foster closer collaboration.

Another member added that while waiting for legal reform to take place around the world, there is a need to consider tangible interim solutions such as relevant pilots for interoperable rulebooks. A third member seconded this pragmatic approach to reap early wins to maintain a high level of engagement across the community and emphasized the importance of working closely with other groups to ensure alignment.

13.2 Closing

The Chair welcomed any remarks or questions in the AOB part of the meeting.

The Chair announced a few follow-ups before concluding the meeting:

- Meeting Minutes to be made available to all IAB Members for review. The plan is to publish the Minutes asap.
- A proposal for an in-person IAB meeting will be developed and circulated.

February 2022

Gerard Hartsink
Chairman of the IAB

Oswald Kuyler
Managing Director DSI