

20 August 2021

## MINUTES OF THE DSI INDUSTRY ADVISORY BOARD MEETING #1

Meeting 1. Industry Advisory Board Meeting

<b>Date</b>	20 August 2021
<b>Time</b>	14:00-16:00 CEST
<b>Place</b>	Video Conference call

<b>Present</b>	<b>DSI Industry Advisory Board Members</b>	<b>ICC DSI Management</b>
	Gerard Hartsink (Chair)	John W.H Denton AO (ICC Secretary General)
	Miguel-Angel Lopera (GS1)	Oswald Kuyler (Managing Director DSI)
	Pat Antonacci (SWIFT)	Hannah Nguyen (Deputy Director DSI)
	Thomas Bagge (DCSA)	Raoul Renard (Legal Reform Lead DSI)
	Richard Morton (IPCSA)	
	Lynn Ng (ING)	
	Stephan Wolf (GLEIF)	
	Merlin Dowse (JP Morgan)	<b>IAB Observers</b>
	Grant Hunter (BIMCO)	Dream Liu (Ant Group)
	Benedicte Nolens (BIS)	
	Stéphane Graber (FIATA)	
	Daniel Lit (DBS)	
	Brendan O'Hearn (WCO)	
	Zanna McComish (BHP)	
	Kirsty Keane (Anglo American)	
	Marcos Turini (Vale)	
	Venkatraman Panchapakesan (HSBC)	
	Derrick Loi (Ant Group)	
	Juan Saavedra Ortiz (Inditex)	
	Thomas Lindy Sorensen (DB Schenker)	
<b>Absent</b>	Natasha Condon (JP Morgan)	

<b>NO.</b>	<b>TOPICS</b>
1	<p><b>Welcome Address by ICC Secretary General</b></p> <p>The ICC Secretary General, John Denton, recited the impetus behind the Digital Standards Initiative (DSI) to take the trading world from analog to digital. While private sector's ingenuity has increased online activity and ensured business continuity through the pandemic, we need to bring the same level of connectivity to the way the world trade, exchange trade data and transfer documents. Going one step further than understanding</p>

root causes which are already well-known, the DSI's job is to come up with solutions and implement them. There is no lack of willingness among industry participants to go digital but interoperability requires the adoption of common standards and the legal environment needs to be upgraded to support MLETR. Digitization presents an enormous opportunity to enhance access to trade finance and democratize trade.

Mr. Denton made special mention of the leadership role of a few standards developing and implementing organizations present in the meeting, notably GLEIF and GS1, and praised the participation of many other groups in the IAB. The IAB, with its cross-sectoral view, plays an important role in driving prioritization of the DSI and ensuring the DSI work sharply focus on first-order issues for the industry.

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## **Opening Remarks by IAB Chairman**

The Chair of the IAB, Gerard Hartsink, laid out the agenda and opened the meeting with an overview of the DSI Industry Advisory Board and objectives of the first IAB meeting:

### **2.1 Structure and Scope of the IAB**

The IAB operates under the oversight of the DSI Governance Board (DSI GB), which sets the strategic direction for DSI. The draft Charter of the IAB will be circulated and tabled for discussion in the next IAB Meeting. The IAB encourages the development and adoption of the DSI recommended standards for the DSI objectives, supports further standardisation where required in cooperation with the SDO involved and takes care of the oversight of the IAB Working Groups.

### **2.2 Regional and Industry Representation**

Fair representation of the regions and industries is important. The Chair presented the breakdown of the current IAB composition, with some seats remain to be filled.

### **2.3 Four categories of Standards**

The Chair briefed IAB Members about the differences between Policy Standards, Public Legislative Standards, Private Legal Standards and Technical Standards. Private Legal Standards and Technical Standards will be the focus for the IAB.

### **2.4 Competition Law Statement**

The Chair reminded IAB members of the importance that the IAB and all its members will adhere to relevant Competition Laws.

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## **Introductions by all Board Members**

Each IAB Member made a brief introduction about themselves and their organizations :

- Miguel-Angel Lopera (GS1)
- Pat Antonacci (SWIFT)
- Thomas Bagge (DCSA)
- Richard Morton (IPCSA)
- Lynn Ng (ING)
- Stephan Wolf (GLEIF)
- Merlin Dowse on behalf of Natasha Condon (JP Morgan)
- Grant Hunter (BIMCO)
- Benedicte Nolens (BIS)
- Stéphane Graber (FIATA)
- Daniel Lit (DBS)
- Brendan O'Hearn (WCO)
- Zanna McComish (BHP)
- Kirsty Keane (Anglo American)

- Marcos Turini (Vale)
- Venkatraman Panchapakesan (HSBC)
- Derrick Loi (Ant Group)
- Juan Saavedra Ortiz (Inditex)
- Thomas Lindy Sorensen (DB Schenker)

4	<p><b>Overview of Digital Standards Initiative by MD DSI</b></p> <p>The MD of DSI, Oswald Kuyler, gave an overview of the DSI's current work and future directions:</p> <p><b>4.1 Northern Star and Principles</b></p> <p>DSI aims to accelerate the digitization journey of global trade which started already many years ago. Mr. Kuyler shared the 5 key principles underlying the work: (i) Re-use rather than recreate; (ii) Engage standard-setting bodies; (iii) Consider all approaches (technology-agnostic); (iv) Ensure standards are accessible to all; and (v) Enhance capabilities to increase adoption.</p> <p><b>4.2 Diverse Ecosystem</b></p> <p>Mr. Kuyler presented an overview of private and public organizations that support the international supply chain. The DSI website would be updated in Nov 2021 with a map on the rulebooks available, technical standards, roles and websites of respective organizations. Where gaps exist, the DSI would work with appropriate bodies to ensure interoperability and compatibility.</p> <p><b>4.3 Focus for CY 2021</b></p> <p>Mr. Kuyler explained the five-pillar focus in 2021 as a result of a series of industry consultation/workshops conducted in 4Q2020 which identified five practical challenges that are hindering trade digitization at scale: (i) Finding standards is difficult; (ii) Outdated regulation; (iii) Private Law barriers; (iv) Trade standard adoption gaps; and (v) Costly technical integration.</p> <p><b>4.4 Five-year plan refresh by end CY 2021</b></p> <p>Similarly, DSI will embark on the five-year plan refresh in 4Q2021 and all IAB members will be consulted as an integral of this process to collectively determine (i) what the DSI priorities should be and (ii) how to work together to realise these plans.</p>
5	<p><b>Alliances Overview by GS1, DCSA, FIATA, IPCSA, GLEIF, SWIFT</b></p> <p>The Chair invited respective representatives of GS1, DCSA, FIATA, IPCSA, GLEIF and SWIFT to share their strategic activities within Trade and Supply chain digitization.</p> <p><b>5.1 GS1</b></p> <p>The CEO of GS1, Miguel-Angel Lopera, gave an overview of GS1 as a non-profit, user-driven global SDO, primarily focused on data about products, locations and assets among more for the international supply chain. Mr. Lopera emphasized the importance of high-quality digital data, increased education to drive standards adoption and cross-industry collaboration to ensure implementation.</p> <p><b>5.2 DCSA</b></p> <p>The CEO of DCSA, Thomas Bagge, gave an overview of the Digital Container Shipping Association as a non-profit, open-source group established to help digitalise containerised trade, which lags behind other sectors in terms of digital maturity. Their work includes standardizing electronic documentation such as eBL to generate interoperability between various systems and has gathered significant interest.</p>

### 5.3 FIATA

The Director General of FIATA, Stéphane Graber, gave an overview of the International Federation of Freight Forwarders Associations and the FIATA Digital Strategy. Four projects are currently ongoing to digitize FIATA Standard Trade documents (FBL, FWB, FWR and FCR). Dr. Graber stressed the importance of collaboration and interoperability in a multi-standard world and shared 3 important topics that should be addressed to further digitalise the supply chain (digital identity, goods description, multimodality).

### 5.4 IPCSA

The Secretary General of IPCSA, Richard Morton, gave an overview of the International Port Community Systems Association as a “Community of Communities”. IPCSA does not develop its own standard but is involved in many working groups with IMO, UNCEFACT, WCO, ISO, etc. and supports the adoption of standards defined by other SDOs. Mr. Morton highlighted some key recent works in Port Messaging standards and optimization (PROTECT), the Network of Trusted Networks (NoTN) for secure data exchange solution and promotion of globally intelligent logistics (Logistics Visibility Task Force). Mr. Morton stressed that standards take time and collaboration is key to ensure interoperability of data and processes across different business models.

### 5.5 GLEIF

The CEO of GLEIF, Stephan Wolf, gave an overview of Global Legal Entity Identifier Foundation and the LEI, which was established in the aftermath of the 2008 financial crisis to enable transparent, secure and integrated identification for B2G reporting and for B2B cross-border supply chains. Mr. Wolf shared a breakdown of the LEIs distribution across regions and some external reports which support the usage of LEI in digitalization of international trade. Mr. Wolf highlighted the potential for LEI to be the linchpin connecting the businesses of the physical world, the financial world and the Internet world.

### 5.6 SWIFT

The Chief Customer Experience Officer, Pat Antonacci, gave an overview of SWIFT and highlighted key take-aways from SWIFT’s recent White Paper on “Digitising Trade: The Time is Now”, which was shared with IAB Members. SWIFT is currently working on three main focus areas: (i) Standards to address fragmentation, including a SWIFT catalogue of trade-based APIs that can be used by banks and corporates; (ii) foster interoperability through third party partnerships to help innovation scale and (iii) continue to advocate digitalization and standardized approaches.

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### Round Table Discussion

The Chair invited all IAB Members to engage in an open discussion and share their preliminary thoughts. At the next meeting of the IAB (tentative scheduled for 17 November 2021), the DSI Management team would present the findings of the bilateral interviews with all IAB Members and their teams on what should be the DSI priorities going forward.

- A member suggested that the DSI should consider ESG as a priority area due to increasing emergence of digital solutions yet lack of standardization in this area. The Chair responded that there is an initiative at the Sustainability Accounting Standards Board (SASB) that recently appointed a manager to take care of the standardization of the ESG Principles from an audit perspective similar to IFRS.
- Another member seconded this but cautioned against trying to do too much. It was suggested that focusing on key title documents like bills of lading might be a better place to start and further suggested that the IAB should include representation from receivers of the supply chain to ensure balanced views. The MD of DSI, Oswald Kuyler, welcomed the suggestions and asked that any recommendations for such

candidates (ideally with a commercial view and an understanding of operating models) be surfaced to the Chair.

- A member asked to clarify the IAB consultation cycle to determine the DSI priorities. The Chair responded that the bilateral interview will take place with each IAB member and results will be compiled and presented to the IAB, with no predetermined conclusion in mind. The MD of DSI, Oswald Kuyler, added that the draft IAB Charter (to be circulated post-meeting) contains some pointers on the IAB decision making process and welcomed any suggestions from IAB Members regarding this draft.

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### **Overview of Legal Reform Advisory Board by MD DSI**

The MD of DSI, Oswald Kuyler, gave an overview of the Legal Reform Advisory Board (LRAB) to be constructed by Dec 2021 with the help of Raoul Renard (Legal Reform Lead DSI). The current thinking is that this forum would bring various regional groupings that DSI already worked with around the same table to enable consistent messaging and assistance rendered towards the common vision of getting as many jurisdictions as possible to adopt the UNCITRAL Model Law on Electronic Transferable Records (MLETR). Besides MLETR, the business community can provide feedback on what else is required in terms of legal reform to enable trade digitization at scale in any country. Mr. Kuyler will keep the IAB informed on the progress of the LRAB.

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### **AOB**

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

- Meeting Minutes to be made available to all IAB Members for approval in the next IAB meeting and thereafter to be published on the DSI website to ensure transparency.
- Press Release on ICC website regarding the formation of the IAB
- Sharing of draft IAB Charter to be tabled on the agenda of the next IAB meeting
- Sharing of the IAB Members' LinkedIn profiles for ease of communication among members
- Next meeting to be convened on 17 November 2021 (tbc).

August 2021

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**Gerard Hartsink**  
Chairman of the IAB

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**Oswald Kuyler**  
Managing Director DSI

**ANNEX A – Draft Governance Charter of the Industry Advisory Board**

(as attached)