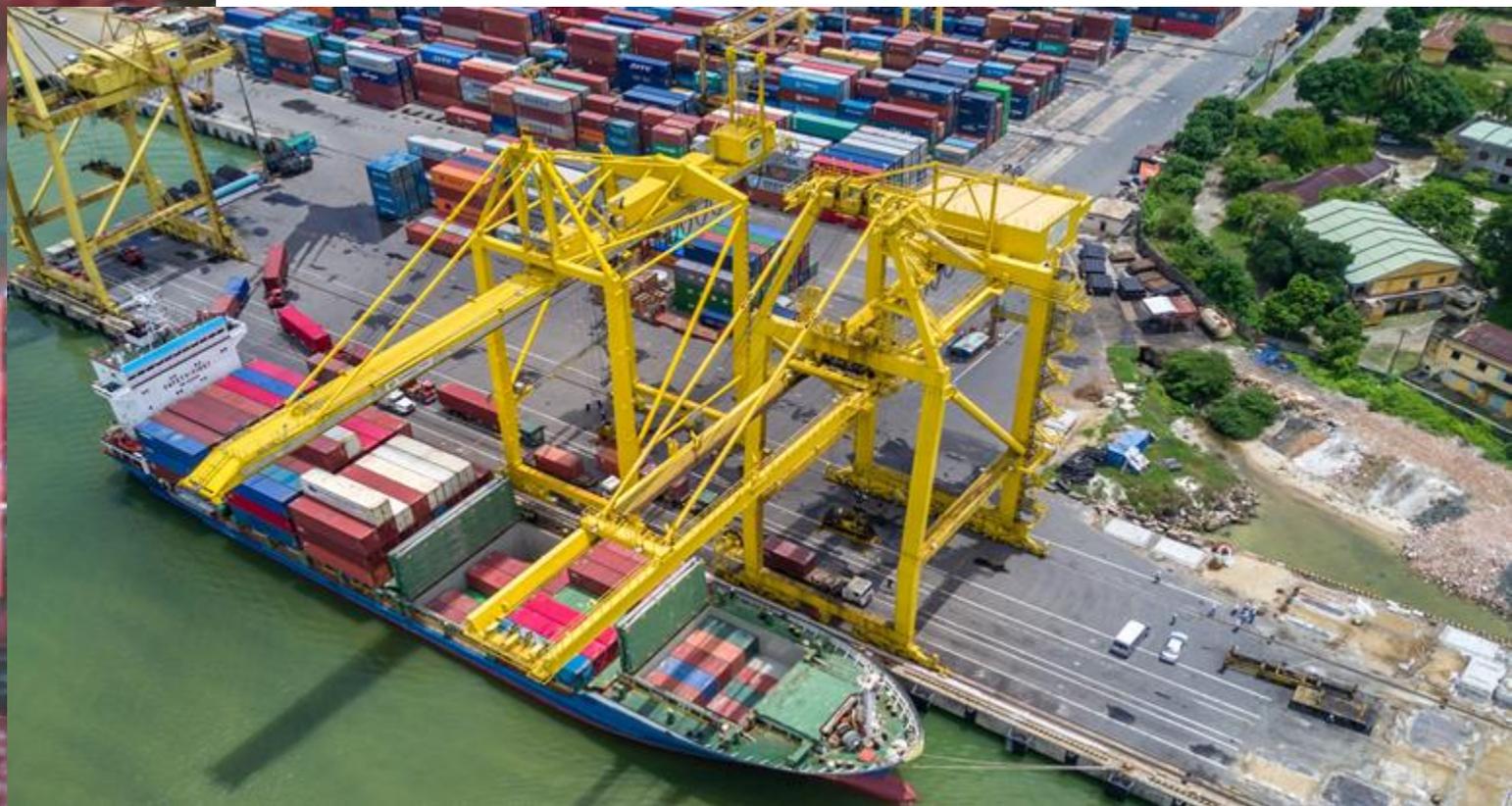




TSCFP
TRADE & SUPPLY CHAIN FINANCE PROGRAM

ADB's Trade Digitalization Initiative: Better trade for a better world



DIGITALIZATION IS CRITICAL TO MAKING GLOBAL TRADE AND SUPPLY CHAINS GREEN, INCLUSIVE, RESILIENT, TRANSPARENT AND SOCIALLY RESPONSIBLE

Digitalization has the potential to transform global trade

- ✓ Boost **Global GDP**
- ✓ **Productivity gains** and cost savings
- ✓ Enhanced **transparency and traceability** of supply chains
- ✓ Reduce financing **barriers for SMEs**
- ✓ Enhanced **monitoring of ESG** related factors
- ✓ Enabling innovative product, e.g. **Deep Tier Supply Chain Finance**

Key challenges:

- ✗ Lack of standards & protocols enabling interoperability
- ✗ **Lack of laws enabling digitalization of trade**



END GOAL: *Establishing a globally harmonised digital trade environment.*

UNCITRAL Model Law on Electronic Transferable Records

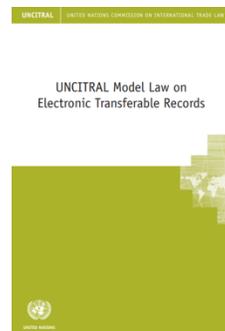


The Challenge

- ✗ Most economies continue to require paper-based trade documentation.
- ✗ To go paperless, parties are forced to use private law contracts within multiple closed-loop trading platforms.
- ✗ This is inefficient for large organizations and cost-prohibitive for SMEs.

The Solution

- ✓ provides an international framework to align national laws and enable the legal use of electronic documents of title both domestically and across borders;
- ✓ builds on the principles of **non-discrimination, functional equivalence, and technology neutrality**;
- ✓ enables change in medium



References to MLETR:

- ✓ **International and Regional Framework Agreements** (WTO JSI or CPTA)
- ✓ **Other regional Agreements** (DEPA, NZ-SGP-CHL; or SADEA, SGP-AUS)
- ✓ **Political support** (by G7+ or The Commonwealth)
- ✓ **Regional Workplans** (ASEAN)
- ✓ **Diagnostic tools** (ESCAP Paperless Trade Readiness Assessment)

Status: UNCITRAL Model Law on Electronic Transferable Records (2017)

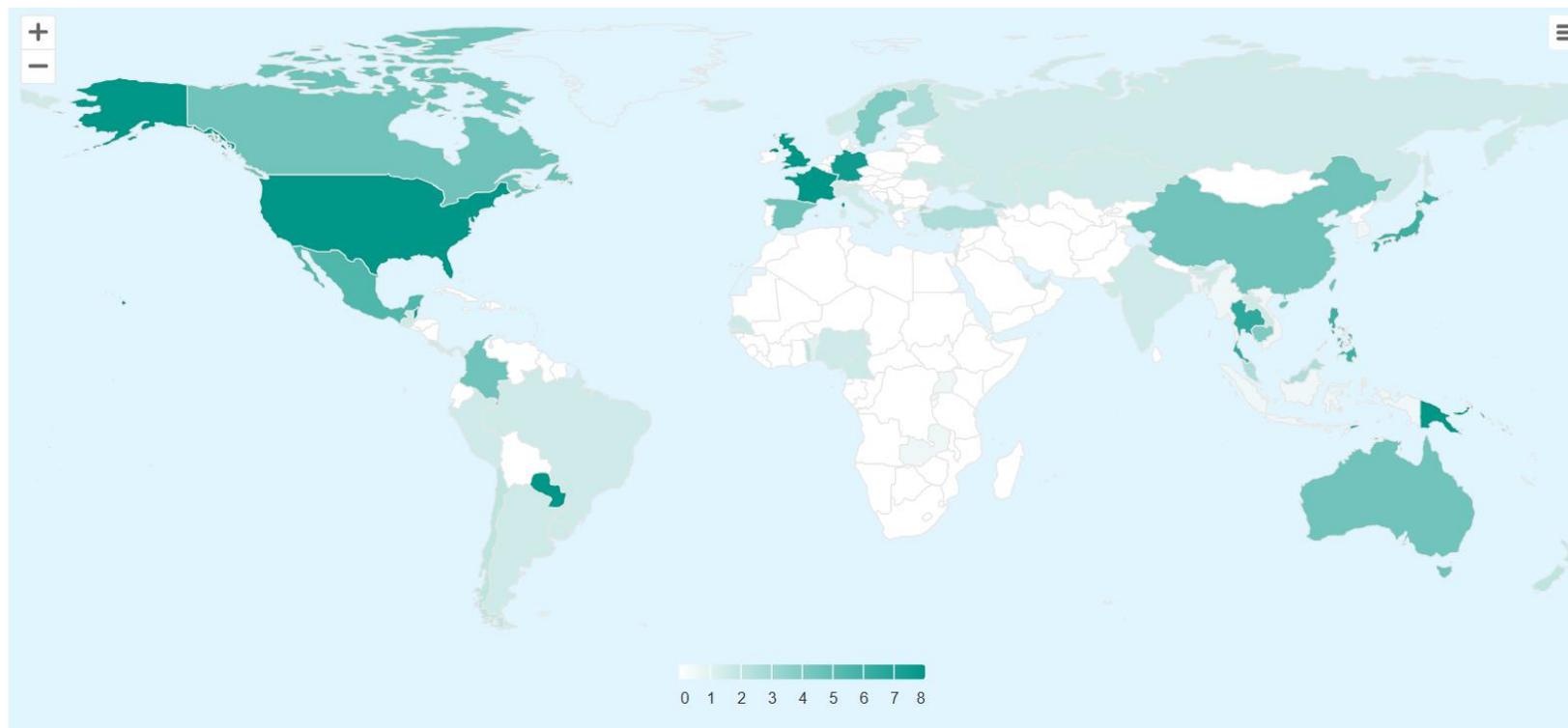
This page is updated whenever the UNCITRAL Secretariat is informed of changes in enactment of the Model Law.

The UNCITRAL Secretariat also prepares yearly a document containing the Status of Conventions and Enactments of UNCITRAL Model Laws, which is available on the [UNCITRAL Commission Session](#).

Legislation based on or influenced by the Model Law has been adopted in 10 States and a total of 10 jurisdictions:

| State | |
|--|------|
| Bahrain | 2018 |
| Belize | 2021 |
| France | 2024 |
| Kiribati | 2021 |
| Papua New Guinea | 2022 |
| Paraguay | 2021 |
| Singapore | 2021 |
| Timor Leste | 2024 |
| United Arab Emirates | |
| Abu Dhabi Global Market | 2021 |
| United Kingdom of Great Britain and Northern Ireland | 2023 |

DSI MLETR TRACKER: <https://www.digitalizetrade.org/MLETR>



STAGE TERM

| STAGE | TERM |
|-------|--------------------------|
| 1 | MLETR SOCIALIZATION |
| 2 | POLITICAL SUPPORT |
| 3 | DOMESTIC ANALYSIS |
| 4 | READINESS ASSESSMENT |
| 5 | STAKEHOLDER CONSULTATION |
| 6 | LEGISLATIVE DRAFTING |
| 7 | PASSAGE OF LEGISLATION |
| 8 | ENTRY INTO FORCE |

Aligned: 37% of global GDP

Committed: 27% of global GDP

DSI MLETR TRACKER: <https://www.digitalizetrade.org/MLETR>

MLETR: ADB efforts on Policy Reform



Knowledge products

ADB is advocating for alignment to MLETR through:

- (i) Knowledge product, webinars and Capacity Buildings
- (ii) Technical assistant to support the drafting and passage of MLETR legislation.
- (iii) MDB Working Group on Trade Digitalization



PRC: Capacity building in Dec 2022, July 2023 & August 2023



Georgia:
Capacity building in August 2022 & March 2023
Next steps: Business case & legislation drafting



Cambodia:
Capacity building in May 2024
Next Steps: Discussions with government to support law reform



Bangladesh:
Capacity building in July 2024
Next Steps: Discussions with government to support law reform



WDB WG:



In partnership with

