

# press release

## **Standard Chartered completes first cross-bank Letter of Credit blockchain transaction between Vietnam and Thailand**

**11 September 2020** – Standard Chartered announced the successful completion of the first cross-bank Letter of Credit (LC) transaction between Vietnam and Thailand conducted over blockchain, in partnership with Asian Development Bank (ADB), Bank for Investment and Development of Vietnam and Standard Chartered Bank (Thai).

The transaction was completed over the [Contour](#) network, a blockchain-based open industry platform focused on digitising trade finance, and involved a US\$50,000 shipment of plastics from Thailand's SCG Plastics Co., Ltd. to Vietnam's Opec Plastic Joint Stock Company. Compared to the paper-intensive and time-consuming processes involved in the traditional methods of trade finance, by digitising the end to end exchange of information and streamlining the process of LC issuance and confirmation, all trade participants achieved a significant reduction in processing time from up to five days to within seven hours.

It also marks the successful completion of ADB's first credit guarantee using distributed ledger technology, as well as the first of such LC comprising a sell-down feature to be conducted on Contour. The transaction further paves the way for more banks and corporates to collaborate on innovative technology that can support the growth of trade, having demonstrated the ability to complete the trade sell-down process with greater speed and efficiency.

**Carl Wegner, CEO of Contour** said "With this new functionality to support development bank guarantees, we're able to further our goal of making global trade accessible, digital and secure for all. Through our continued work with Standard Chartered Bank as well as welcoming ADB to our network, Contour's work with banks and corporates is helping to define a new global standard for trade – simplifying and removing barriers in the trade ecosystem, and allowing everyone to collaborate seamlessly on one platform. We will continue to strengthen these connections for trade as Contour enters into production in fourth quarter this year."

"The coronavirus pandemic has shown that it is essential the trade finance industry quickly digitises operations to make global trade and supply chains more resilient and robust," said **ADB's Head of Trade & Supply Chain Finance Steven Beck**. "This innovation makes trade more

efficient, reduces risk and lowers barriers to entry for small and medium-sized businesses in developing Asia.”

**Mr.Thammasak Sethaudom, Vice President - Finance and Investment & CFO, SCG** said "SCG places importance on integrating digital technology into its business operations to enhance the organization and business partners' efficiency and competitiveness. Hence, the partnership with Standard Chartered Bank to perform transactions via Contour will improve LC efficiency and enable a fast and accurate authentication process while remaining secure. Plus, it can help SCG efficiently maximize other resources such as human, financial capital, and time.

**Plakorn Wanglee, President & CEO, Standard Chartered Bank (Thai)** said “We are pleased to be a part and brought along our client to complete another first of Contour transactions again. We are looking forward to working with all stakeholders to scale up this digital solution for many more of our Thai clients to improve international trade efficiency, particularly intra-ASEAN soon.

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**Media Contact**

Standard Chartered Bank (Thai)

Corporate Affairs and Brand & Marketing

Hassaya Hasitabhan Email: [hassaya.hasitabhan@sc.com](mailto:hassaya.hasitabhan@sc.com)

Tel: +662-724-8071, +66 6552 61317

Piyarat Setthasiriphaiboon Email: [piyarat.setthasiriphaiboon@sc.com](mailto:piyarat.setthasiriphaiboon@sc.com) Tel: +662-724-8024, +66 9449 55992

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We are a leading international banking group, with a presence in 60 of the world's most dynamic markets, and serving clients in a further 85. Our purpose is to drive commerce and prosperity through our unique diversity, and our heritage and values are expressed in our brand promise, Here for good.

Standard Chartered PLC is listed on the London and Hong Kong Stock Exchanges.

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