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## **HSBC and ING execute groundbreaking live trade finance transaction on R3's Corda Blockchain platform**

### ***Letter of Credit transaction facilitated bulk shipment of soybeans for Cargill***

HSBC and ING Bank have successfully executed a live trade finance transaction for international food and agriculture conglomerate Cargill using R3's Corda scalable blockchain platform.

The blockchain transaction involved a bulk shipment of soybeans from Argentina, through Geneva's trading arm of Cargill, to Malaysia, through Cargill's Singapore subsidiary as the purchaser. A Letter of Credit was issued using Corda by HSBC to ING. The two banks were acting on behalf of the Cargill entities.

The transaction demonstrates that blockchain as a solution to trade digitisation, is commercially and operationally viable. Conventional exchanges for paper-based documentation related to letters of credit usually take between 5-10 days. This exchange was done in 24 hours.

The Letter of Credit transaction was an end-to-end trade between a buyer and a seller and their respective banking partners, completed on a single shared application rather than multiple systems.

*"What this means for businesses is that trade finance transactions have been made simpler, faster, more transparent and more secure," said Vivek Ramachandran, HSBC's head of growth and innovation. "The need for paper reconciliation is removed because all parties are linked on the platform and updates are instantaneous. The quick turnaround could mean unlocking liquidity for businesses."*

*"Cargill believes blockchain can help our company nourish the world in a safe, responsible and sustainable way. Therefore, it's a key technology we are exploring and using with our own customers and, now, using for ourselves with the completion of this transfer on Corda," explained Rani Misra, Regional Treasurer, APAC, Cargill. "Simply put, we took a highly manual, complex transaction and made it more secure and efficient. We see the exciting potential of extending this technology into other areas of our financial ecosystem."*

*David E. Rutter, CEO of R3, added, "This transaction represents another major milestone for Corda as we work with the industry to make enterprise blockchain a reality in trade finance. Corda enables the development of applications like this one that bring all parties together on a single, shared infrastructure while ensuring the highest levels of privacy and security."*

*Ivar Wiersma, Managing Director, Innovation Wholesale Banking, ING, said: "It's exciting to see this transaction has been completed successfully with clear client benefits in speed and ease in execution. On top of that, it shows the power of collaboration. Collaboration with other ecosystems' stakeholders like regulators, ports, customs and logistics providers such as large shipping carriers. And in particular, collaboration with other banks, even our peers."*

R3 and the group of 12 banks supporting the Corda application are seeking to expand the network on an open basis to drive adoption across the industry. They welcome engagement from banks and other ecosystem participants.

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**R3**

R3 is an enterprise software firm working with a network of over 200 banks, financial institutions, regulators, trade associations, professional services firms and technology companies to develop on Corda, its blockchain platform designed specifically for businesses.

R3's global team of over 140 professionals in nine countries is supported by over 2,000 technology, financial, and legal experts drawn from its global member base. R3 is backed by investment of USD 107 million from over 40 firms.

Corda is the outcome of over two years of intense research and development by R3 and its members and meets the highest standards of the banking industry, yet is applicable to any commercial scenario. It records, manages and executes institutions' financial agreements in perfect synchrony with their peers, creating a world of frictionless commerce. Learn more at [www.r3.com](http://www.r3.com).

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