



BNP PARIBAS

LBBW



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Multibank capability of the Marco Polo trade finance network successfully demonstrated

MAN and Voith complete digital payment commitments with BNP Paribas and LBBW

Together with their industrial partners MAN and Voith, the banks BNP Paribas and LBBW have made further progress on digitalizing trade transactions on the basis of distributed ledger technology (DLT). They settled the payment commitments for four transactions digitally on the Marco Polo trade finance network, which uses the Corda blockchain technology from R3, thus demonstrating the platform's multibank capability.

It is the sixth time that the international Marco Polo platform has been deployed with the involvement of European banks and corporates as well as the first transaction in this constellation. Distributed ledger technology was introduced to the traditional process with the aim to test out the technology in different configurations, paving the way for the production stage.

For this reason, the banks and companies executed four transactions, with a different allocation of roles in each case: Both MAN and Voith acted once as the buyer and once as the seller. Similarly, BNP Paribas and LBBW each acted once as the importer bank and once as the exporter bank. The traded goods were clutches, diesel engines and vacuum pumps. The order and delivery data for these transactions were agreed between the companies on the Marco Polo Network, and the payment term was secured by way of a conditional payment commitment by the buyer's bank. After delivery, the associated delivery data for all four transactions were uploaded to the network and automatically compared against the data already agreed, thus triggering an irrevocable payment obligation for the buyer's bank. The entire flow of information was mapped efficiently and comprehensibly on the Corda

blockchain platform from R3. All of the parties involved could view the trading data simultaneously via digital nodes.

With its successful use in this bundled transaction, the Marco Polo Platform has demonstrated its multibank capability. It provides an opportunity – for large companies in particular – to present their trading transactions with all principal banks entirely digitally using a uniform infrastructure. Marco Polo aims for a direct connection to customers' management systems ("ERP integration") in order to offer a seamless end-to-end process. The network will be expanded to additional banks and participants from the transport and insurance sectors so that the entire value chain in foreign trade business can be mapped digitally.

"BNP Paribas is keen to remain at the forefront of innovation and to promote applications of the blockchain technology to trade finance, notably as an active member of the Marco Polo Network. The successful use of the Marco Polo Platform Payment Commitment module by two large corporates and their two banks evidenced the benefits DLT can bring to trade transactions in terms of transparency, speed, reliability and digitalisation. BNP Paribas will continue offering innovative solutions in the trade finance landscape to its customers," says **Bruno Lechevalier, Head of SCM Global Business Development at BNP Paribas.**

"LBBW believes that blockchain technology offers great potential to improve its products and services for customers, and therefore is focusing on cooperation with international partners as part of the Marco Polo Network when it comes to applying this innovation in international business. The successful cooperation with BNP Paribas, Voith and MAN has once again shown the extent to which distributed ledger technology can speed up and simplify processes in trading transactions. With this transaction, we have gained valuable new insights and come a good bit closer to our goal of making the technology productively usable for our customers, too, as soon as possible," says **Matthias Heuser, Head of International Trade and Payment Solutions at LBBW.**

About MAN

The MAN Group is one of Europe's leading players in the commercial vehicle industry. It aims to offer innovative transportation solutions for its customers as well as generating profitable international growth and a sustained increase in its enterprise value. In addition to consistent customer orientation, the key success factors are technology leadership and the continuous expansion of the after-sales business. The MAN Group comprises two divisions: MAN Truck & Bus and MAN Latin America. The MAN Group generated sales revenue of €12.1 billion in 2018.

About Voith Group

The Voith Group is a global technology company. With its broad portfolio of systems, products, services and digital applications, Voith sets standards in the markets of energy, oil & gas, paper, raw materials and transport & automotive. Founded in 1867, the company today has more than 19,000 employees, sales of € 4.2 billion and locations in over 60 countries worldwide and is thus one of the large family-owned companies in Europe.

About BNP Paribas

BNP Paribas is a leading bank in Europe with an international reach. It has a presence in 72 countries, with more than 202,000 employees, of which more than 154,000 in Europe. The Group has key positions in its three main activities: Domestic Markets and International Financial Services (whose retail-banking networks and financial services are covered by Retail Banking & Services) and Corporate & Institutional Banking, which serves two client franchises: corporate clients and institutional investors. The Group helps all its clients (individuals, community associations, entrepreneurs, SMEs, corporates and institutional clients) to realise their projects through solutions spanning financing, investment, savings and protection insurance. In Europe, the Group has four domestic markets (Belgium, France, Italy and Luxembourg) and BNP Paribas Personal Finance is the European leader in consumer lending. BNP Paribas is rolling out its integrated retail-banking model in Mediterranean countries, in Turkey, in Eastern Europe and a large network in the western part of the United States. In its Corporate & Institutional Banking and International Financial Services activities, BNP Paribas also enjoys top positions in Europe, a strong presence in the Americas as well as a solid and fast-growing business in Asia-Pacific.

About LBBW

Landesbank Baden-Württemberg (LBBW) is both a medium-sized universal bank and the central bank of the savings banks in Baden-Württemberg, Saxony and Rhineland-Palatinate. With total assets of EUR 241 billion and around 10,000 employees (as of 31 Dec. 2018), LBBW is one of the largest banks in Germany. Its core activities are the business with corporate customers, in particular small and medium-sized enterprises and the private customer business, as well as savings banks. A further focus is placed on real estate financing as well as the customer-oriented capital market business with banks, savings banks and institutional investors.

Further Information

<https://www.marcopolo.finance/>

<https://www.r3.com/>

<https://tradeix.com/>

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