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**Chain Business Insights publishes new research brief  
on blockchain in trade finance**

***Enterprises are close to realizing potential benefits of the technology, survey shows***

**Austin, TX and Yardley, PA, May 16 2018** – Enterprises are close to realizing the huge potential of blockchain technology to lower the cost and increase the speed of trade finance transactions. This is according to new research from Chain Business Insights LLC, an independent research firm focused on the application of blockchain in supply chain management and trade finance.

Chain Business Insights' latest Research Brief titled [\*Blockchain in Trade Finance: Breakthroughs on the Horizon\*](#) is published on the heels of reports that [HSBC Bank](#) has completed the world's first commercially viable trade finance transaction using blockchain technology.

The Research Brief includes the results of a survey conducted to get a sense of the extent to which blockchain is being implemented in trade finance, and the level of maturity of these budding applications. Forty-eight trade finance professionals representing companies of all sizes were surveyed between December 2017 and February 2018.

Nearly 45% of respondents were either planning or working on a proof-of-concept (POC) or pilot project in the trade finance area, and over one-quarter expected to investigate blockchain for this use case in 2018. Respondents were primarily involved in POCs (45%), but a significant percentage had moved to the pilot stage (31%).

Lowering processing costs, familiarization with the technology and improving process transparency were the top benefits cited by respondents, although more than half cited faster payment processing and enhancing trust as important benefits. On average, respondents anticipate a reduction in transaction processing times of some 41%, as well as significant reductions in costs – including lower inventory costs owing to more efficient trade finance processes.

“Although this is a relatively modest survey in terms of the number of respondents, it offers some valuable insights,” says Sherree DeCovny, a Co-Founder and Research Principal at Chain Business Insights LLC, and co-author of the Brief. “Importantly, it affirms our belief that trade finance is one of the most promising applications of blockchain.”

Still, companies are rightfully cautious about pursuing blockchain-based trade finance solutions. For example, almost half of the respondents in the survey plan to spend less than \$250,000 on blockchain trade finance initiatives.

“There are many issues to resolve before blockchain can be widely adopted in supply chains, and companies are wise to take step-by-step approach when developing the technology,” says DeCovny.

In addition to presenting the survey results, the *Blockchain in Trade Finance: Breakthroughs on the Horizon* Research Brief explains the evolution of trade finance methods to date and the potential for blockchain applications. The Brief also provides a summary of current development projects – including the HSBC initiative.

HSBC reportedly issued a letter of credit for U.S. food and agriculture firm Cargill to the Dutch bank ING using a blockchain platform called Corda. In the Chain Business Insights survey, respondents indicated that the letter of credit is one of the documents they are focusing on, and Corda is one of the platforms they are using. That said, the bill of lading and the Hyperledger platform were more popular with respondents.

“We expect to see more announcements of successful block-based trade transactions over the coming weeks and months,” says DeCovny. This level of activity coupled with Chain Business Insights’ market intelligence suggests that the benefits promised by blockchain technology in the trade finance are within reach, she says.

Chain Business Insights LLC is continuing its research into the use of blockchain in global trade and plans to release another publication later this year.

To download the Research Brief, please click here:

<https://www.chainbusinessinsights.com/blockchain-in-trade-finance-research-brief.html> or visit [www.chainbusinessinsights.com](http://www.chainbusinessinsights.com).

### **About Chain Business Insights, LLC**

Chain Business Insights is the first company to provide research, analysis and business intelligence on blockchain technology specifically geared toward supply chain management and trade finance professionals. Our clients include supply chain practitioners in a wide range of industries, intermediaries such as third-party logistics providers and import/export agents, financial services, technology vendors, legal firms, government, management consulting and academia. By becoming a client, you can keep abreast of the latest developments and learn how blockchain can help promote efficiency, save costs and improve regulatory compliance. Clients pay a single annual fee to access all Chain Business Insights research offerings and services. Clients benefit from a substantial discount and exclusive services. Please visit [www.chainbusinessinsights.com](http://www.chainbusinessinsights.com) for more information.