



LLOYDS BANK

PRESS RELEASE

Lloyds Bank develops new digital trading solution to support businesses

Lloyds Bank has developed a new solution where clients can request digital Direct Guarantees or Standby Letters of Credit, helping them to trade more efficiently, safely, and securely.

The bank's Paperless Guarantee initiative, created to support businesses who have a high volume of transactions requiring bank guarantees to be issued, enables instant delivery to recipients⁽¹⁾ while reducing their carbon footprint.

This is Lloyds Bank's latest investment in supporting the move towards digitising trade and closely follows its successful completion of the first digital trade transaction under the UK's new Electronic Trade Documents Act (ETDA) when it came into force [on 20 September]. Lloyds Bank was also the first in the UK to complete a transaction utilising a digital promissory note purchase [in August 2022]. It also recently announced it [has invested €3 million in Enigio](#) to help expand and accelerate the use of digital documentation in trade.

It is estimated that trade finance results in around 28.5 billion pieces of paper moving around the world each year⁽²⁾. Through its Paperless Guarantee initiative, Lloyds Bank aims to further support clients who are looking to secure new business and meet contractual obligations, reduce time, cost and logistics, as well as cutting carbon emissions through reducing the need to courier paper.

Gwynne Master, Head of Lending, Trade & Working Capital at Lloyds Bank said: "By working closely with our clients and their buyers and their sellers, we have a deep understanding of the nuances and challenges of trading internationally. Our latest development, the Paperless Guarantee initiative, offers clients a solution to some of those challenges. It is much more efficient, saves time, and removes costs. Removing the need for the physical delivery of paper is the future of trade and we are proud to be supporting our clients to achieve this with our new initiative."

ABTA, the largest travel trade body for UK travel agents, tour operators and the wider travel industry, manages a high volume of guarantees (bonds) for its members. ABTA has worked with Lloyds Bank



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to switch to a paperless format and is aiming to introduce this new process to other approved bond providers. When the process is complete, it estimates the change could eliminate the use of at least 3,500 pieces of paper each year.

Rachel Jordan, Director of Membership and Financial Protection at ABTA, said: “We’re always looking for new ways to deliver sustainable, efficient, and cost-effective services to our members, so we’re really excited about our new paperless arrangement with Lloyds Bank. As one of ABTA’s approved bond providers, this initiative will not only speed up the bond renewal process for ABTA members who are Lloyds Bank clients, it will also result in operational efficiencies and cost savings.”

Full information on Lloyds Bank’s Paperless Guarantee initiative is published [here](#).

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For more information, please contact Lloyds Banking Group’s press office:

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Notes to editor:

- (1) Undertakings being sent via another bank will continue to be issued on a paperless basis via the SWIFT network as they are today.
- (2) Source: [Gov.uk](https://www.gov.uk)

About Lloyds Bank’s support for businesses

- Lloyds Bank provides comprehensive expert financial services for businesses of all sizes, from start-ups, SMEs, and mid-sized corporates all the way to large multinational corporations and financial institutions. It has over one million UK business customers.
- With a network of relationship teams across the UK, Lloyds Bank delivers the mix of local understanding and sector expertise necessary to provide long-term support to its clients.
- Lloyds Bank offers broad range of financial support beyond term lending and this spans, working capital and cash management services and solutions, international treasury and risk management services, trade import and export trade finance, structured and asset finance, securitisation facilities and capital market funding.

About ABTA

ABTA is a trade association for UK travel agents, tour operators and the wider travel industry. We’re the largest travel trade body, with over 3,900 travel brands in membership who have a combined pre-pandemic annual UK turnover of £40 billion. We work closely with our members to help raise and maintain standards and build a more sustainable travel industry, and provide travellers with advice, guidance and support.

Our members sign up to a code of conduct and commit to agreed service standards and fair trading. When you need clear travel information, and accurate and impartial advice relating to your trip, we’re here for you. We’ll help you understand your level of financial protection, and what to do next, in the unlikely event that an ABTA member goes out of business. So, whatever happens, when you book with an ABTA member, reliable advice comes as standard. This means that booking with our members brings peace of mind. Together with our members, we help you travel with confidence. www.abta.com