



LLOYDS BANK

## PRESS RELEASE

# LLOYDS BANK COMPLETES ITS FIRST WAVEBL ELECTRONIC BILL OF LADING TRANSACTION

- Lloyds Bank uses an electronic Bill of Lading (eBL) – the first it has handled on the WaveBL electronic trade documentation platform – to support Somerset-based Paull's Matting in trade deal with an Indian supplier
- The eBL reduced transaction completion time from 15 days to just over 24 hours, which in turn reduced working capital costs and, together with the use of a digital promissory note (dPN), made the trade deal entirely paper-free
- The transaction closely follows Lloyds Bank becoming the first UK bank to join the WaveBL platform in February 2024
- Lloyds Bank and Federal Bank are working jointly to explore opportunities to digitise further transactions between their customers

Lloyds Bank has completed its first transaction using an electronic Bill of Lading (eBL) on the WaveBL trade documentation platform, in a cross-border deal that featured entirely digital exchanges of documentation.

The deal closely follows Lloyds Bank becoming the first UK bank to join the WaveBL platform in February 2024, and involved Somerset-based building material supplier Paull's Matting importing matting from an Indian Coir Exporter, headquartered in Kerala, India.

The Bill of Lading for the transaction was issued by Mediterranean Shipping Company (MSC) as an eBL through WaveBL, and passed through the Exporter's bank – Federal Bank – to Lloyds Bank, serving Paull's. Lloyds Bank and Federal Bank are working jointly to explore opportunities to digitise further transactions between their customers.

The use of the eBL reduced the transaction completion time, cost to complete and the risk of key papers being lost. It also removed the administrative burden of creating, handling and despatching paper documentation for all parties. While a previous trade between Paull's and the Exporter took 15 days and involved couriering physical documentation six times between India and the UK, this transaction was completed in just over 24 hours, with no need for any physical documentation to change hands.

Along with the eBL, the deal also used a digital Promissory Note (dPN), issued by Paull's Matting through Lloyds Bank on Enigio's trace:original blockchain solution. The technology allowed Paull's to digitally accept its payment obligation, removing the requirement for it to create and courier a physical promissory note to Lloyds Bank. This enabled faster release of the eBL by Lloyds Bank to Paull's.

Bills of Lading are a critical document in international trade. They are issued by a carrier when a seller dispatches goods to an end customer, and act as a 'receipt' for the goods being shipped. Once payment – or agreement to pay at a future date – for the goods is received, the Bill of Lading is released to the buyer so they can claim the product on arrival.

Historically, it has been difficult to scale the use of eBLs and dPNs because the original bills or notes need to be 'possessed', and possession of a bill or note may need to be proved at any point in the transaction. It is estimated that only 2-3% of Bills of Lading are digital, with even fewer dPNs.

Through WaveBL, Lloyds Bank's clients can securely and seamlessly transfer fully digital eBLs based on blockchain – which helps verify original versions of the document – between organisations on the WaveBL network, which boasts members in 136 countries and includes four of the world's ten largest container shipping carriers.



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Using Enigio's trace:original solution, Lloyds Bank also completed the UK's first transaction featuring a digital "promissory note" in August 2022, and in September 2023 was the first bank globally to transact under the UK's Electronic Trade Documents Act (ETDA).

**Rogier van Lammeren, head of trade and working capital products at Lloyds Bank, said:** "This is a great example of digital trade in action.

"Together, the eBL and the dPN have eradicated the need for any physical paper to change hands. This has meant a faster transaction, which helps shorten parties' working capital cycles, with less risk, at lower cost and with significantly less admin for the businesses involved. We're looking forward to helping more companies take advantage of the significant benefits digital trade offers."

**Douglas Paull, Director, Paull's Matting, said:** "These digital trade solutions have already brought major benefits to our business.

"Not only did it help complete the transaction faster, but we were able to spend less time on paperwork and more time focusing on the day-to-day running of our operations – something that's really important to us as a family-run company that regularly trades with overseas partners. Our thanks to the team at Lloyds Bank for their support throughout this process and we look forward to utilising these digital solutions in the future."

**Ofer Ein Bar, VP of Financial Institutions at WaveBL, stated,** "The WaveBL platform boasts a proven track record in managing electronic trade documents, with over 500,000 electronic Bills of Lading issued via our platform since its inception. Utilizing eBLs and other electronic trade documents in a presentation to banks seamlessly extends our trade digitalization initiative. We're proud to jointly lead this effort with Lloyds and Federal Bank."

**Mrs L V Rathna Mala, SVP and Zonal Business Head, Federal Bank, India, said:** "We are extremely delighted to announce Federal Bank is the first Indian Bank to partner with Lloyds Bank and Wave BL and have successfully completed the digital collection cross border transaction. Digital transactions eliminate manual paperwork and streamline processes, resulting in faster turnaround times and improved operational efficiency. There is substantial savings in time and resources for both the Bank and customers in addition to having a favourable environmental impact."

**ENDS**

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**Notes to editors**

**About Lloyds Banking Group**

- Lloyds Banking Group is a leading UK based financial services group providing a wide range of banking and financial services, focused on personal and commercial customers.
- As part of the Group, Lloyds Bank and Bank of Scotland provide expert financial support and guidance to the households, businesses and communities of Britain.
- We help businesses from all parts of the UK, and across all different sectors and sizes, giving them the funding and support they need to grow both at home and abroad.
- We remain committed to helping customers of all sizes and **in 2023 we helped over 105,000 small businesses and charities with new banking.**
- We are also helping British businesses grow back greener and provided **£7.9bn of ESG-related financing in 2023.**
- To see the latest factsheet setting out how we support UK businesses please visit: [Supporting British businesses - Lloyds Banking Group plc](#)

**Our support for businesses**

- We are proud to be by the side of British business, **supporting over 1 million UK businesses** with leading digital and relationship banking services, as they start up, grow, thrive and trade internationally.



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- Through a network of relationship teams based across the UK, as well as internationally, we deliver a mix of local understanding and global expertise necessary to provide long-term support to our clients to help them fulfil their growth aspirations.
- We offer a broad range of finance beyond term lending and this spans import and export trade finance, structured and asset finance, securitisation facilities and capital market funding.
- Our product specialists provide bespoke financial services and solutions, including tailored cash management, international trade, treasury and risk management services.