

## Press release

For business editors  
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### **Marco Polo on track after completing the first pilot between Bangkok Bank and Commerzbank to test DLT-based trade finance solution with international clients**

- **First Marco Polo pilot between Asia and Europe to test the simultaneous flow of trade data between all stakeholders involved on DLT network**
- **Automatic matching of trade data on DLT to provide an irrevocable payment commitment, which not only serves as a risk mitigation instrument, but can also be financed in favor of the supplier**

Bangkok Bank and Commerzbank have jointly run an international trade transaction based on Distributed Ledger Technology (DLT). Payments between the German export customer Schott and the Thai import customer A.P.A. Industries were secured by digitally processing the related data transfer via Corda blockchain technology on the Marco Polo trade finance network.

The transaction comprised the supply of glass tubes from the German specialty glass manufacturer Schott to the Thai packaging manufacturer A.P.A. Industries. APA uses the glass tubes for high-end pharmaceutical packaging for the Asian market.

For the transactions, order and delivery data were agreed between the companies via the Marco Polo network and the payment was secured by a conditional payment commitment from Bangkok Bank, the buyer's bank. The entire flow of information was efficiently and comprehensibly mapped via R3's Corda DLT platform. All parties involved (A.P.A. Industries, Bangkok Bank, Commerzbank and Schott) were able to communicate and view trading data simultaneously via specially set up digital nodes.

"We are very pleased to have partnered with our client Schott in this pilot, handling an international trade transaction between Germany and Thailand via DLT-based technology. These transactions prove how relevant DLT will be for German SMEs and the export industry. We are happy to be one of the drivers to develop this digital solution for trade finance and to support clients with our expertise", says Enno-Burghard Weitzel, head of product management trade services at Commerzbank AG.

Securing payments for commercial transactions with traditional instruments is often complex and lengthy due to the many intermediaries and the large number of physical documents involved in the process. Using Trade IX's DLT platform provides opportunities to make trading easier and faster. After the second successful pilot project, the focus is now on the complete mapping of transactions via the Marco Polo network with

direct connection to the customer's existing supply chain management systems (ERP integration). It is planned to expand the network with additional banks and participants from the transport and insurance industries in order to map the entire value chain in the foreign trade business.

Mark Siegel, Senior Manager Treasury at Schott says: "We expect DLT to significantly simplify and accelerate our international business and are pleased that we were able to participate as a partner in this pilot project." The German corporate hopes DLT technology and the Marco Polo project will help significantly increase and standardize automation in trade finance.

"The participation in the pilot project has also allowed us to gain more experience with the DLT technology that we will be able to use in other areas," said Dieter Worf, head of treasury at SCHOTT.

Marco Polo is a Trade Finance project of R3's blockchain consortium. The provider TradelX and the member banks develop different solutions supporting Trade and Supply Chain Finance. Meanwhile 22 banks from Europe, Asia-Pacific, Russia, Middle East and North and South America have joined the initiative.

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#### About APA Industries Co., Ltd.

APA Industries Co., Ltd., with registered capital of 250 million Bath (USD 8 million) is 50 years experienced in the production and quality control of high caliber pharmaceutical and cosmetic primary packaging. The objectives of the company are the commitment of manufacturing and design of innovative quality products according to customer requirements while maintaining continuous improvement. Lately, in order to expand its production capacity and to keep pace with its growing customer base, the company recently moved to a new location which is a large scale manufacturing facility with consist of many products line such as PE and PP bottle for parenteral solutions and aluminum collapsible tube.

#### About Bangkok Bank

Bangkok Bank is one of Southeast Asia's largest regional banks with total assets of 3.2 trillion baht (USD 102 billion), as of March 31, 2018. It is a leading provider of corporate finance and SME lending in Thailand, with approximately 240 business centres and business desks, as well as around 1,200 branches and approximately 17 million customer accounts. The bank's international network includes 32 overseas branches in 15 economies with particular strength in Southeast Asia and China. For more information about Bangkok Bank please visit [www.bangkokbank.com](http://www.bangkokbank.com).

## **About Commerzbank**

Commerzbank is a leading international commercial bank with branches and offices in almost 50 countries. In the two business segments Private and Small-Business Customers and Corporate Clients, the Bank offers a comprehensive portfolio of financial services which is precisely aligned to its clients' needs. Commerzbank finances approximately 30% of Germany's foreign trade and is the leading finance provider for corporate clients in Germany. Due to its in-depth sector know-how in the German economy, the Bank is a leading provider of capital market products. Its subsidiaries Comdirect in Germany and mBank in Poland are two of the world's most innovative online banks. With approximately 1,000 branches, Commerzbank has one of the densest branch networks among German private banks. In total, Commerzbank serves more than 18 million private and small business customers, as well as more than 70,000 corporate clients, multinationals, financial service providers, and institutional clients worldwide. In 2018, it generated gross revenues of €8.6 billion with approximately 49,000 employees.

## **About Schott**

Schott is a leading international technology group in the areas of specialty glass and glass-ceramics. The company has more than 130 years of outstanding development, materials and technology expertise and offers a broad portfolio of high-quality products and intelligent solutions. Schott is an innovative enabler for many industries, including the home appliance, pharma, electronics, optics, life sciences, automotive and aviation industries. Schott strives to play an important part of everyone's life and is committed to innovation and sustainable success. With more than 15,500 employees at production sites and sales offices in 34 countries, the group has a global presence. In the 2017/2018 fiscal year, Schott generated sales of 2.08 billion euros. The parent company, Schott AG, has its headquarters in Mainz (Germany) and is solely owned by the Carl Zeiss Foundation. This is one of the oldest private and one of the largest science-promoting foundations in Germany. As a foundation company, Schott assumes special responsibility for its employees, society and the environment.