



Department for  
Business & Trade

# IWG on Micro, Small and Medium-sized Enterprises - Trade Digitalisation



- **An overview of the Electronic Trade Documents Act, and the benefits to MSMEs** – William Sumner and Adria Aranda-Balibrea (Department for Business and Trade).
- **The Commonwealth Legal Reform and Digitalisation Working Group** – Chris Southworth (International Chamber of Commerce UK and Co-Chair of The Commonwealth Legal Reform and Digitalisation Working Group).
- **The UK–Southeast Asia Trade Digitalisation Pilots** – Louise Beazor (British Chamber of Commerce Singapore), Andrew Baird (LogChain) and Zak Lawton (British Embassy, Bangkok).



## Overview of Trade Digitalisation

Trade digitalisation enables the exchange of trade-related data, documents and electronic authorisations. The current global system is largely paper-based, with 4 billion documents moving around each day. Digitalisation can make trade **faster, cheaper and more secure**.

### Paper Trade Document



### Electronic Trade Document





## Domestic legislation

- Trade digitalisation in the UK is underpinned by domestic legislation which puts electronic documents on the same legal footing as paper (the Electronic Trade Documents Act 2023).
- The ETDA is compliant with the UN's Model Law on Electronic Transferable Records.



## International agreements

- Trade digitalisation is enabled by a network of bilateral agreements, including:
  - FTA provisions on paperless trade and digitalisation
  - Digital Trade Agreements (UK-Singapore Digital Economy Agreement and UK-Ukraine Digital Trade Agreement)
- Commitments in the G7 and WTO include:
  - G7 Digital Trade Principles
  - WTO Joint Initiative on eCommerce



# Benefits of Trade Digitalisation



## Productivity

- £1.1 billion reduction in costs to UK exporting business over 10 years. (UK Gov Impact Assessment).
- Reduced transaction time – cross-border processing times.
- Lower trade costs - 80% cut in transaction costs across 60 economies. (ICC)
- 67% increase in productivity - 90% reduction in email traffic and steps required to import and export. (UK-ASEAN pilots).



## Inclusivity

- Lower entry costs enabling more firms to trade internationally, particularly SMEs and regional businesses.
- Improved financing: cheaper borrowing and lending, faster payment terms.
- Increased opportunities for groups that find it more difficult to trade (smaller businesses).
- Reduction of costs leading to increased trade flows for developing countries.
- 50% reduction in the UK trade finance gap. (Asian Development Bank & ICC)



## Security

- Improved security and lower risk of fraud.
- Increased operational resilience.
- Greater supply chain transparency.
- Ability to track and monitor data in real time and mitigate disruption.



# UK-SOUTHEAST ASIA TRADE DIGITALISATION PILOTS

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## AMBITION

1. Highlight what is possible already today.
2. Identify and assess barriers to trade digitalisation.
3. Understand the potential impact of future adoption.

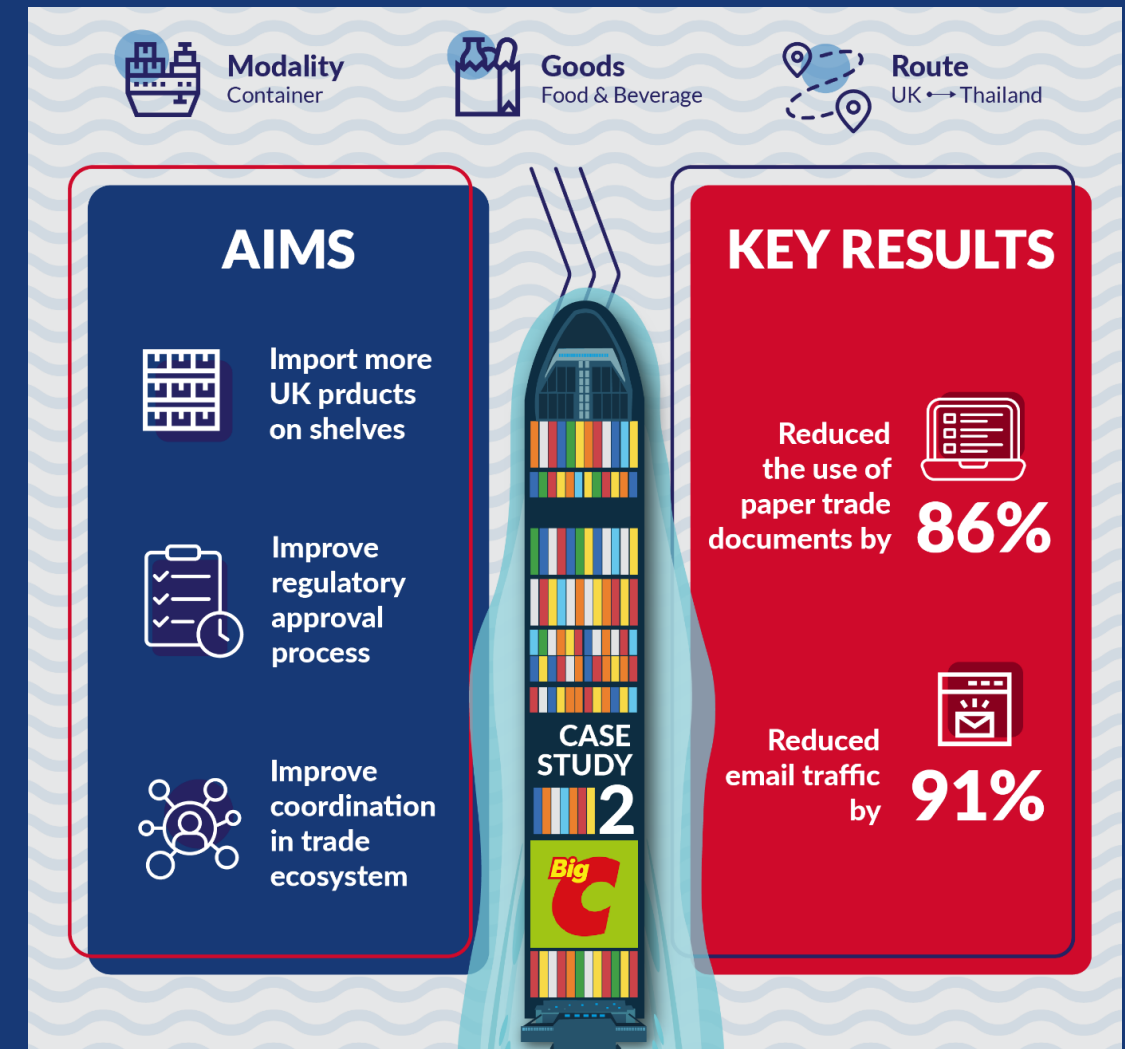
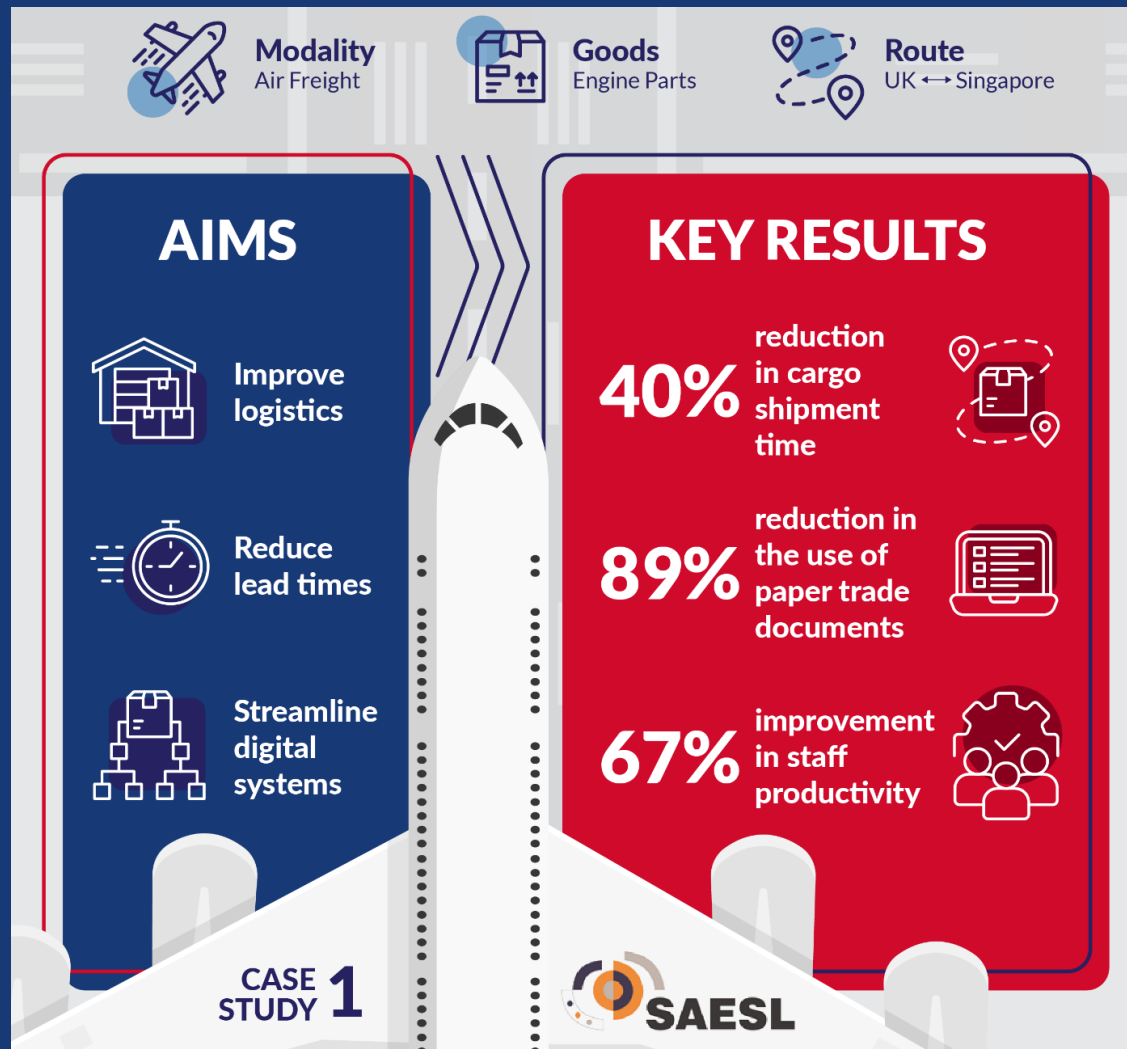
## WORKPLAN

1. Engage with businesses that ship goods between the UK, Singapore, and Thailand.
2. Amplify trade digitalisation and its benefits.
3. Work with a select number of businesses to digitalise their supply chains.

## DELIVERY TEAM

1. Government - British Embassy Bangkok
2. Business organisation - British Chamber of Commerce Singapore
3. Platform - LogChain

# UK-SOUTHEAST ASIA TRADE DIGITALISATION PILOTS



# Have a look at the website



<https://www.britcham.org.sg/uk-south-east-asia-trade-digitalisation-pilots-commercial-initiative>