

Global agriculture supply chain partners make cross-continent commodity trade transaction via blockchain

Cargill, Agrocorp, Rabobank work together via blockchain solution to ensure intercontinental agricultural trade takes place in five days in wake of pandemic

14 April 2020

This is a joint press release, made by dltledgers, Cargill and Agrocorp

Cargill and Agrocorp, in partnership with Rabobank and other logistics partners, have completed a cross-continent commodity trade transaction of wheat from North America to Southeast Asia on a blockchain platform provided by Singapore-based dltledgers. In the wake of the COVID-19 pandemic, the transaction demonstrates the power of partnerships to help ensure the global agriculture supply chain delivers food to where it's needed in a time of uncertainty.

The shipment, valued at \$12 million and settled on 1 April 2020 from North America to Indonesia, occurred with six trading partners participating on a common blockchain platform. Both the platform and the transaction represent a big win for both the blockchain and commodity trading industries.

Partners included Cargill, Rabobank North America, Rabobank Singapore, ship owner Amarante, shipping agent Transmarine, and agri-commodity trader Agrocorp International. The dltledgers blockchain solution is built on the open-source Hyperledger Fabric platform.

Trade in five days

The blockchain platform provides a repeatable framework for end-to-end digital trade executions, digitalizing the document and trade execution process. The trade took a total of just five days to settle, whereas traditional trading processes can take up to a month. The platform created a shared, immutable record of the transaction – a single source of truth for all parties.

real-time monitoring by multiple parties, dispenses with concerns about data ownership, and simplifies the exchange of documents in a digital, secure and decentralized manner. The solution is a key way to continue operations within the global constraints of the pandemic.

“We are constantly seeking ways to work with our partners to help make food and agricultural supply chains more inclusive and respond to demands,” said Jennifer Davidson, trade execution lead, Cargill. “We see this transaction as the latest example of how working together and using technology to solve challenges can improve trade, as well as traceability, food safety, nutrition and more.”

“It’s our mission to digitize trade finance operations,” said Rabobank’s key facilitators, Mario Cortinhal in North America and Olivier De Jong in Singapore. “Consensus-driven smart contracts in this deal minimized our time spent on processing documents by more than half. Riding on the success of this test-case, Rabobank is excited to advance the \$10 trillion trade-finance industry.”

Increase efficiency

“We have been engaging in digital trade execution using blockchain for over 18 months now and have been able to increase efficiency internally and externally”, said Abhinav Vijay, Sustainability Manager, Agropcorp International. In addition, it is great to partner with Cargill to drive the commodities industry forward. Considering the current world climate and the logistical challenges to move physical documents around the globe, this is just a start and we hope to execute more trades via the platform in the near future”.

“Working with Cargill, Agropcorp and Rabobank to facilitate this deal on our platform has proven our blockchain solution’s ability to go mainstream,” said Samir Neji, CEO, dltledgers. “Our ready-to-use, plug-and-play modules make it relatively straightforward to set up and to implement blockchain throughout a supply chain or cross-border trade flow. We’re extremely excited about the increasing levels of adoption we’re witnessing. I believe we and our platform participants are well positioned to benefit as commodity trade continues to digitize, and blockchain adoption proliferates.”

“What’s interesting here is that each transaction can include multiple unconnected counterparties, represent tens of millions of dollars, and involve the registration of hundreds of different data points into the platform,” said Brian Behlendorf, executive director of the Hyperledger Consortium. “The numbers are truly impressive, but what’s more remarkable is that this is not a proof-of-concept, but real production use.”

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