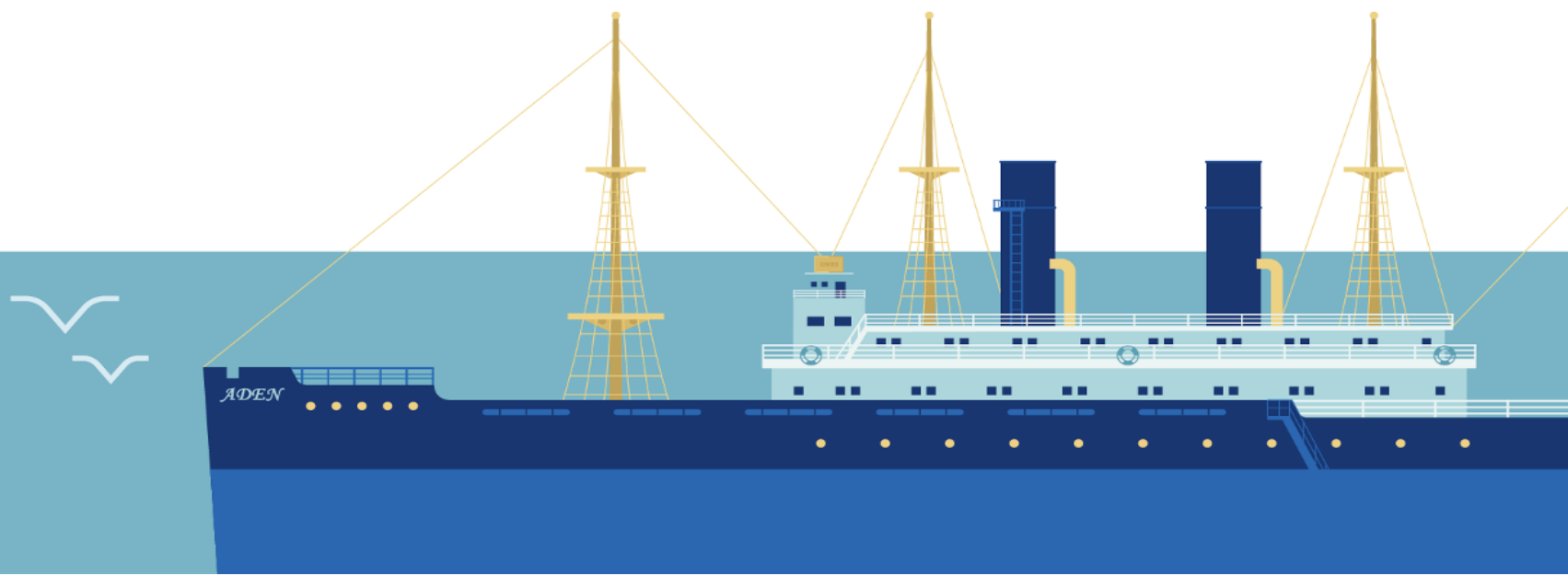


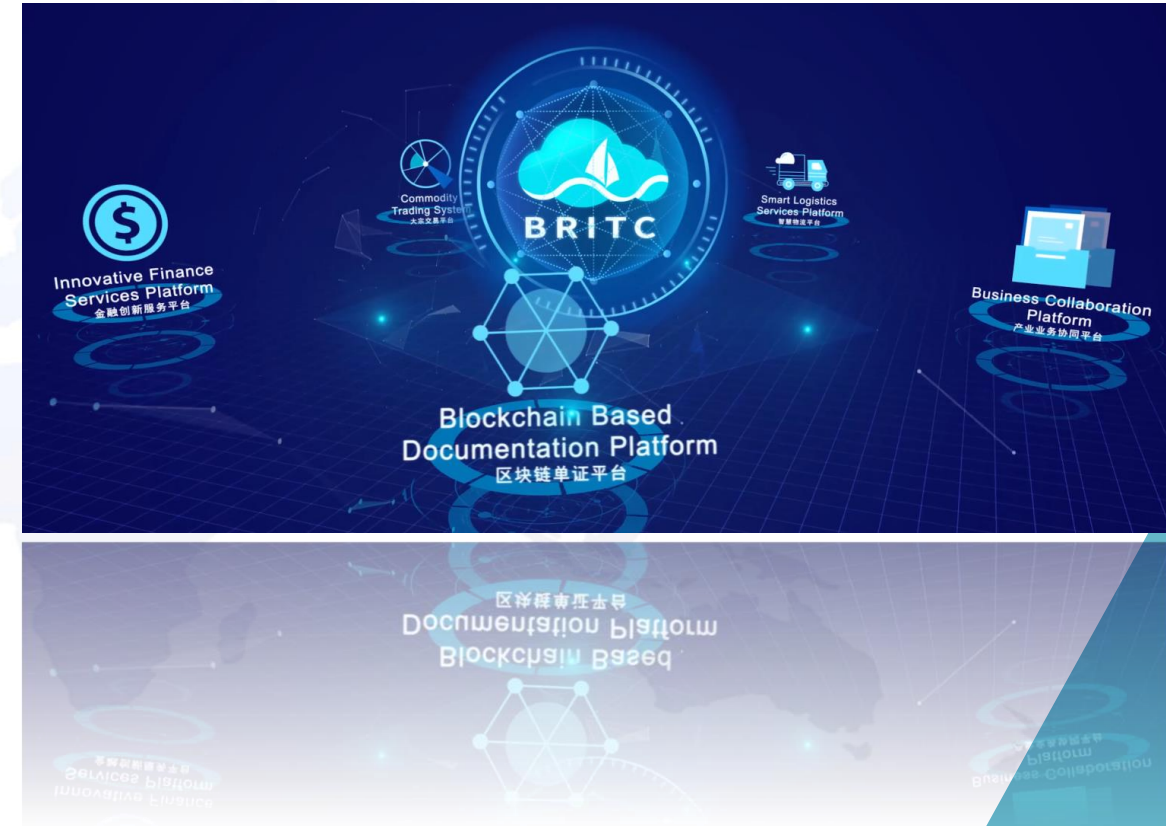
CMES's Practice in Paperless Trade and the Desire for Localization Legislation of MLETR



“BRITC” Platform

Belt and Road Intelligent Trade&Transportation Chain(BRITC)Platform is being built in line with CMES's initiative of smart trade and shipping by technology of digitalization.

CMES is dedicated to achieve this Initiative by promoting the e-Bs/L platform, smart contract, smart shipment service and etc.



CMES's Practice in Paperless Trade-BRITC

Platform

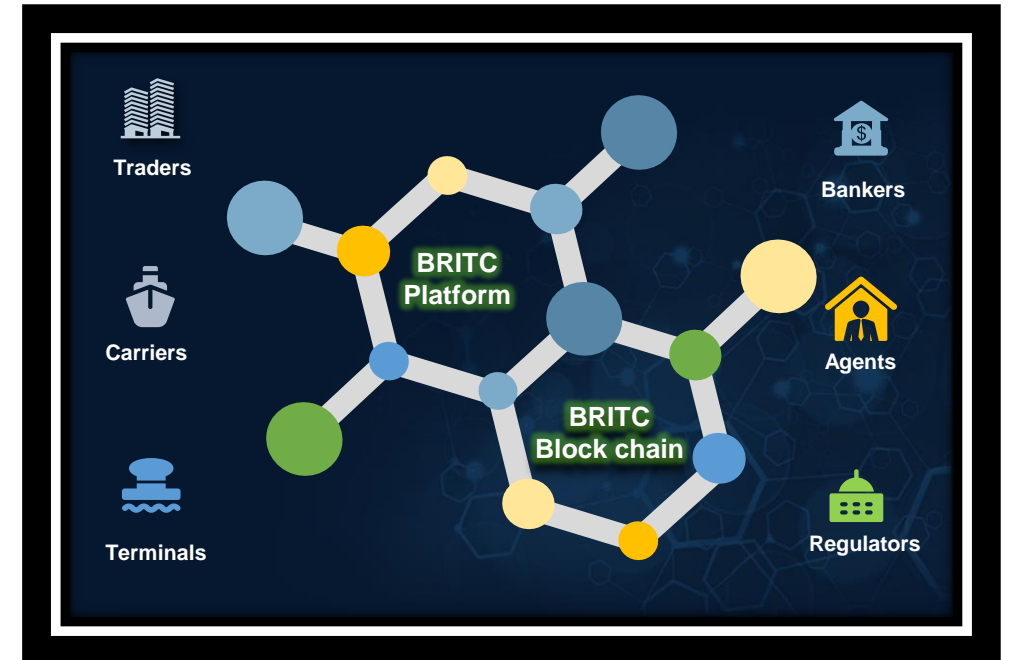
BRITC'' platform: provide one-stop digital service platform with block chain technology as following:

- Digital identity and digital signature
- Block-chain bill of lading
- Smart contract and judicial certification
- Visual logistics tracking
- Vessel behavior monitoring
- Business collaboration and interaction among stakeholders in trade and shipping industry

Blockchain

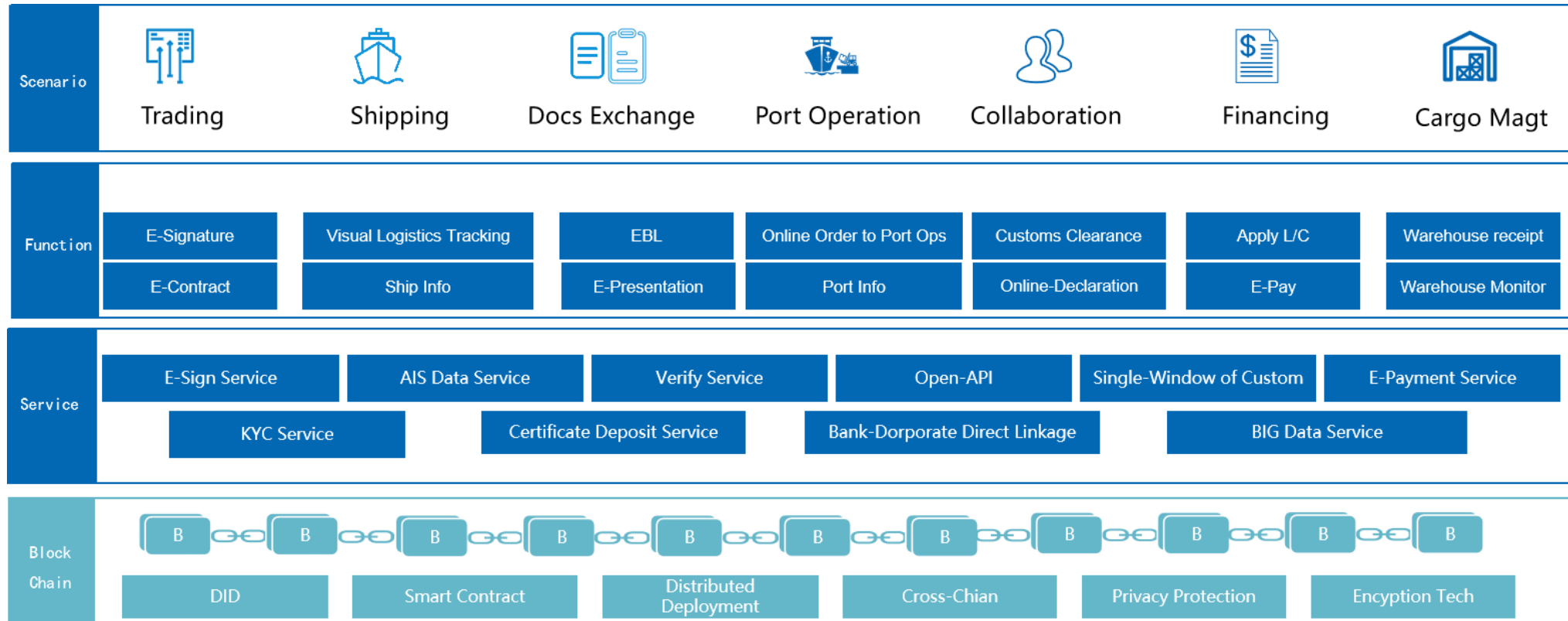
BRITC'' platform: A permission blockchain infrastructure

- Distributed data storage and sharing
- DID/DAPP
- Smart Contract of blockchain
- Data Privacy and Security
- Cross chain framework

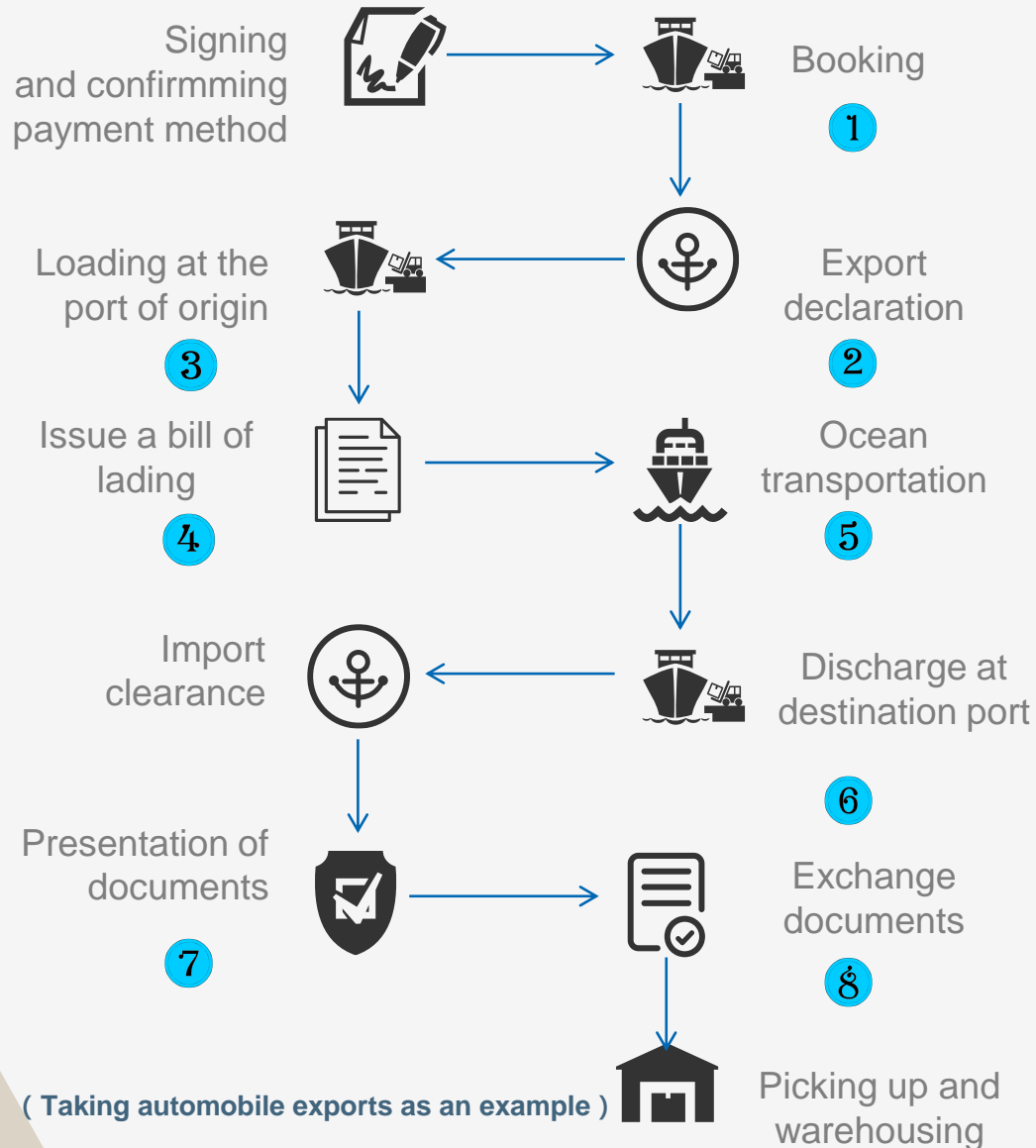


CMES's Practice in Paperless Trade-BRITC

Architecture Diagram



CMES's Practice in Paperless Trade-BRITC



- 1** Booking and certificate storage
- 2** Integrated customs clearance services
- 3** Vehicle condition certificate
- 4** Block chain Bill of Lading
- 5** Visual tracking
- 6** Port Info
- 7** Digital presentation
- 8** Bill of Lading Recovery

Summary of the trial

In June 2023, BRITC completed the pilot electronic bill of lading for automobile exports

- **Efficiency: from 5-10 days to 1-2 days**
- **Real-time vessels tracking**
- **Tamper-proof and end-to-end tracking**

BRITC is applying for the approval of the International Group of P&I Clubs (the Group)

- Until February 2010 the Rules of all of the Group Clubs specifically excluded liabilities in respect of the carriage of cargo under all electronic, i.e. paperless, trading systems to the extent that the liabilities under such systems would not have arisen under a “normal” paper system i.e. one using transferable paper documentation.
- From 20 February 2010 liabilities arising in respect of the carriage of cargo under such paperless trading systems were covered, provided that the system had first been approved by the Group.
- Since then the Group has approved 10 electronic paperless systems, administered by EssDOCS, Bolero International Ltd, E-TITLE, edoxOnline, WAVE, CargoX, TradeLens (TradeLens eBL), IQAX Limited, Secro and TradeGo eBL.



Uniform Standards

The general reliability standard set forth in article 12 of MLETR, and specific standards such as the criterion to assess integrity contained in article 10, paragraph 2, of MLETR provide uniform parameters not only for national legislation but also for assessing the reliability of an electronic transferable record and of its management system by the Group or the authorities to approve its using.

Limitation of Agreement

Without legislation the legal effect and functional equivalence rely on all the related parties signing agreement for using of electronic transferable document or the system.

✓ The agreement is non-binding on non-participants, therefore the non-participant, such as a bank, cannot accept the document as a document of title or as a security as a matter of course.

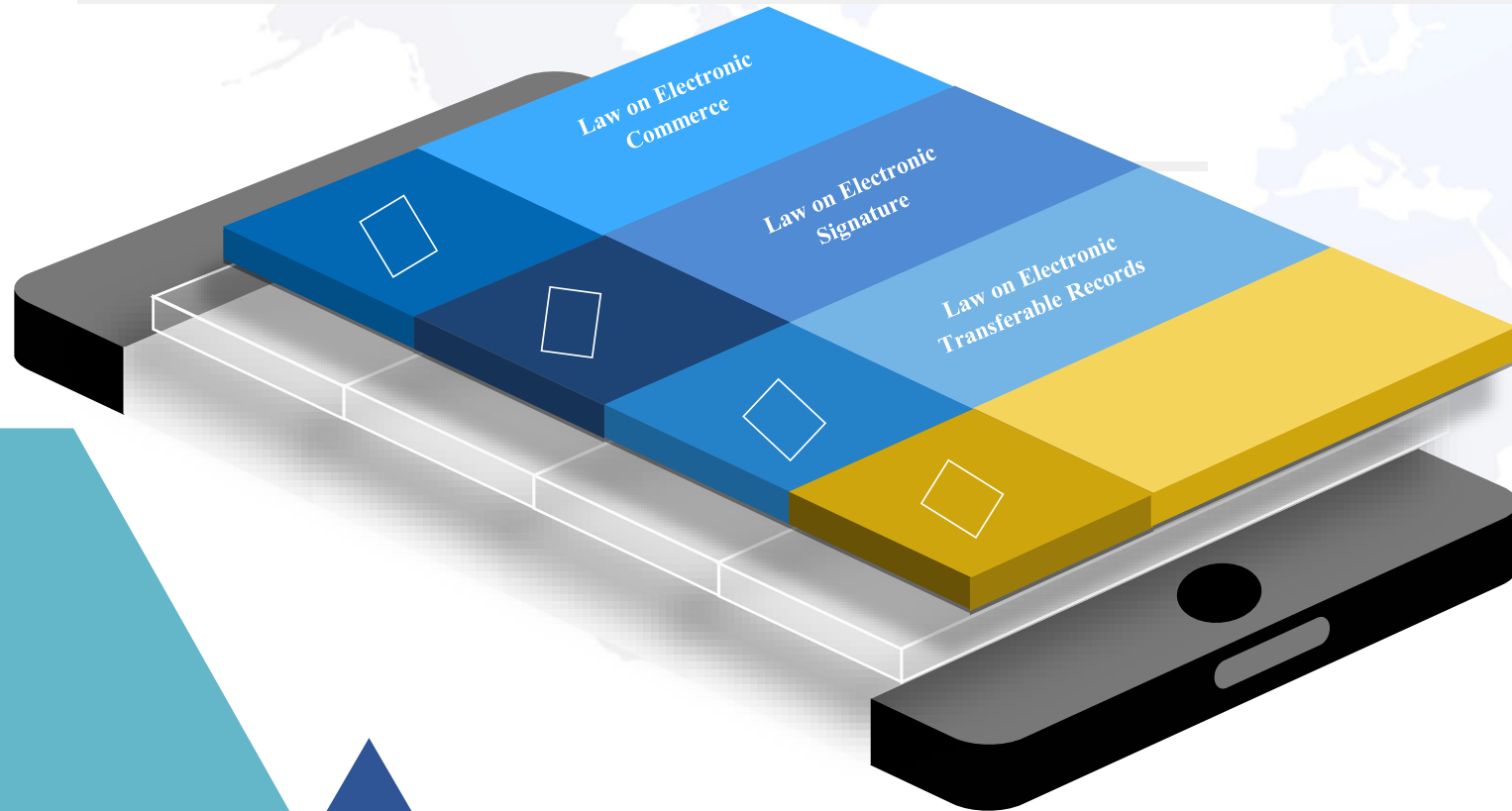
✓ For a claim brought in tort, the agreement cannot come into play.



Non-discrimination principle under MLETR-Article 19

- An electronic transferable record shall not be denied legal effect, validity or enforceability on the sole ground that it was issued or used abroad.
- Aiming at eliminating obstacles to cross-border recognition of an electronic transferable record arising exclusively from the fact that it was issued or used abroad.
- The words “issued or used” aim at covering all events occurring during the life cycle of an electronic transferable record.

Foundation for Localization Legislation



Like China, many countries have finished legislation on electronic commerce and electronic signature based on the UNCITRAL Model Law on Electronic Commerce and the UNCITRAL Model Law on Electronic Signatures and have the foundation for legislation based on MLETR.

Desire for Localization Legislation of MLETR

- International trading and shipping is borderless and the relevant electronic transferable documents will circulate around the world.
- The management of electronic transferable records will use equipment and technology located in various jurisdictions.

The localization legislation of MLETR will definitely facilitate the cross-border use of electronic transferable documents and further promote development of international trading and shipping.



Thanks