

Key supply chain stakeholders commit to electronic bills of lading



Only 2.1% of bills of lading and waybills in the container trade were electronic last year. Photo credit: Abdul Hakam Jahidin / Shutterstock.com.

Greg Knowler, Senior Editor Europe | Sep 4, 2023, 10:00 PM EDT

An alliance of supply chain industry associations has launched the “declaration of the electronic Bill of Lading” (eBL), adding their global support to the world’s carriers that have already committed to the digitalization of international trade.

The declaration was signed Tuesday by BIMCO, the Digital Container Shipping Association (DCSA), the International Federation of Freight Forwarders Association (FIATA), the International Chamber of Commerce (ICC) and international payment network Swift, collectively known as the FIT Alliance.

Mediterranean Shipping Co., Maersk, CMA CGM, Hapag-Lloyd, Ocean Network Express (ONE), Evergreen, Yang Ming, HMM and ZIM, members of the non-profit DCSA, committed to the eBL in February. Now shippers will come on board by default through the transactional platforms they use via the FIT Alliance members.

“In container shipping, the end-to-end documentation process uses the bill of lading that is the most important document in global trade,” Niels Nuyens, head of digital trade at DCSA, told the *Journal of Commerce*.

The bill of lading functions as the document of title, receipt for shipped goods and a record of agreed terms and conditions on a shipment.

“This eBL declaration is an opportunity for those in global trade to express their interest and participation in digitalization and work towards a paperless industry,” Nuyens said.

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The digitalization of trade documentation, starting with the eBL, is seen as a pathway toward making international trade more efficient, reliable, secure, sustainable and less susceptible to illegal activity or fraud.

Grow trade, cut emissions

A recent McKinsey study estimated that if eBLs achieved 100% adoption in the container shipping sector alone, it could unlock \$30 billion to \$40 billion in global trade growth by reducing trade friction. Paper bills of lading need to be flown around the world to give buyers access to their goods; the study estimated that digitalizing the process could help save 28,000 trees per year while significantly reducing carbon emissions.

The eBL is a vital step toward the DCSA achieving its ambition for its carrier members to have 100% of their bills of lading handled electronically by 2030.

“A universal eBL will benefit all stakeholders involved in the global supply chain whether in bulk shipping or container shipping,” the FIT Alliance said in a statement announcing the declaration.

“Achieving widespread adoption of a standards-based eBL will benefit not only the shipping industry, but also the global movement of goods at a time when supply chain resilience is challenged,” it added.

A key hurdle to overcome is interoperability between eBL vendors, given that different shipping lines, forwarders and shippers are using their own third-party providers. But various eBL usage commitments and pilot projects suggest that growth won't be hindered by such concerns.

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