



Israel Ports Company has begun an innovative pilot for transferring bills of lading, using blockchain technology.

The company will be one of the first in the world to implement the technology in order to streamline the supply chain and prevent forgeries and delays.

A step up in implementing advanced technology in ports: the Israel Ports Company, which develops and operates the Israeli Ports Community System (IPCS), has launched an innovative pilot project for transferring bills of lading, using blockchain technology. This new approach is expected to deliver significant savings in time and money to all participants in maritime supply chain while maintaining a high level of information security, and preventing forgeries. Blockchain technology enables the distribution of information among the process participants, greatly limiting the possibility of the information being penetrated and changed, thus maintaining the high level of information security required by the bill of lading holders.

The electronic bill of lading will constitute a significant step up in advanced technology in ports and a significant improvement in the maritime supply chain process, by enabling a more rapid release of cargo and saving time and the cost of using courier companies, says Israel Ports Company. The project creates a joint and well-organized database, which all authorized players who participates in the same transaction can see simultaneously and transparently, without using any kind of paper documents. In addition, the use of blockchain technology will increase security throughout the supply chain and, reduce the risk of the document being lost or forged, or of a delay in its transfer.

A bill of lading is a document issued to the exporter by the marine shipper to confirm the receipt of cargo for shipment. An importer who presents a bill of lading can obtain a delivery order, with which the cargo can be released from the port. In some of the shipments for which a letter of credit is required, banks in the export and import countries are involved.

Israel Ports Company is a member of the International Port Community Systems Association (IPCSA) and leads on the association's behalf the new process for transferring bills of lading by blockchain technology. The following stakeholders participated in the processing of the first bill of lading through the system: ZIM Integrated Shipping Services Ltd (which was the first company in the world to present a blockchain-based electronic bill



of lading, and which currently offers a similar service with this technology, but using a different platform); Adama (one of the world's leading crop protection companies, and one of Israel's largest exporters); Damco Logistics (the freight forwarding and Customs brokerage company) ; and PPL 33-35 (which operates the Port Community System in the Ukraine). The project has additional participants from Israel and from around the world, with which a similar process will be performed later on.

In the framework of the pilot, a bill of lading was electronically issued by ZIM, transferred to the exporter and then to the importer in Ukraine. The system provides information as to which party holds the electronic bill of lading at any time, together with the logistic status of the cargo (its entrance to the port, its loading on the ship, etc.)

Shlomo Breiman, CEO of the Israel Ports Company, noted that " Israel is known throughout the world as the Start-Up Nation, and we at the Israel Ports Company are proud to be one of the leaders of a pioneer start-up in this field. We are working to promote every technology whose goal is to streamline and improve the service on behalf of all the providers and recipients of port services, including the field of bills of lading – a field in which a significant demand for streamlining and protection was generated by the customers. We hope that the pilot will succeed, and that we will be able to expand the service to all companies."

For further information please contact:

Israel Ports, Development & Assets Company

Gadi Benmoshe, CIO

Tel: +972-50-6460980 |

Email: gadibm@israports.co.il

website: www.israports.co.il

IPCSA

Richard Morton, Secretary General

Tel: 00447796334960

Email: richard.morton@ipcsa.international

website: www.ipcsa.international