

## First Pilot Client Transactions Successfully Executed on Batavia Global Trade Finance Platform

- Trade agreements between Supplier and Buyer on blockchain platform completed
- Smart payments automatically triggered by pre-defined events on the IBM Blockchain Platform
- Full transparency among all involved parties, helping to avoid errors

**19th April 2018** – Batavia, the blockchain-based global trade finance platform that has been jointly developed by a consortium consisting of Bank of Montreal (BMO), CaixaBank, Commerzbank, Erste Group, IBM (NYSE: [IBM](#)) and UBS has successfully completed its first live pilot transactions with corporate clients.

Initial transactions included the trading of:

- Cars from Germany to Spain
- Textile raw materials for furniture production from Austria to Spain

These transactions mark an important step in establishing Batavia as an open ecosystem that is built on the IBM Blockchain Platform. It has the potential to revolutionize the client experience by providing a digital and automated way of arranging, securing and financing international trade transactions. The pilot transactions were conducted with a variety of transportation modes, geographies and trading parties of various sizes, highlighting Batavia's ability to scale and manage diverse transaction types.

In covering the end-to-end process of a trade, Batavia encompasses both the closing of trade agreements and the execution of smart payments, which can be automatically triggered by specified events in the supply chain and recorded in the blockchain. The platform is able to integrate track and trace and risk management tools, which can be tied to key events in the supply chains and signals from IoT devices, agreed upon between buyer and seller. These and many other Batavia features help to establish the trade finance platform as a solid foundation for a future trade finance ecosystem.

“The complexity of today's global financial systems is making it more important than ever for networks of institutions to work together with their clients to efficiently and securely share trade data,” said Jason Kelley, general manager, IBM Blockchain Services. “The members of Batavia have demonstrated how sharing data among permissioned network members can accelerate cross-border trades and bring new transparency to the financial system, both in real-time and at scale.”

Building on the successful development of a minimum viable product and the first pilot transactions with clients, the Batavia project is looking to enter a new phase focused on the building out of a production-ready

solution. This may include joining forces with fintechs, financial institutions or other innovation leaders in the market.

### **About BMO Financial Group**

Serving customers for 200 years and counting, BMO is a highly diversified financial services provider – the 8<sup>th</sup> largest bank, by assets, in North America. With total assets of \$728 billion as of January 31, 2018, and a team of diverse and highly engaged employees, BMO provides a broad range of personal and commercial banking, wealth management and investment banking products and services to more than 12 million customers and conducts business through three operating groups: Personal and Commercial Banking, BMO Wealth Management and BMO Capital Markets.

### **About CaixaBank**

CaixaBank is leader in retail banking in Spain, with a 26.7% share among individual customers who make it their main bank. The bank, headed by chairman Jordi Gual, and led by CEO, Gonzalo Gortázar, has around 16 million customers in Spain and Portugal, with 5,379 branches, the largest commercial network in the Iberian peninsula. CaixaBank has been named "Best Bank in Spain 2017" by the UK magazine Euromoney and New York magazine Global Finance also recognised the entity as the "Best Bank in Spain 2017". In 2018, Euromoney named CaixaBank, the "Best Private Bank in Spain" for the fourth time in a row.

### **About Commerzbank**

Commerzbank is a leading international commercial bank with branches and offices in almost 50 countries. In the two business segments Private and Small Business Customers, as well as Corporate Clients, the Bank offers a comprehensive portfolio of financial services which is precisely aligned to the clients' needs. Commerzbank finances approximately 30% of Germany's foreign trade and is leading in financing for corporate clients in Germany. Due to its in-depth sector know-how in the German economy, the Bank is a leading provider of capital market products. Its subsidiaries Comdirect in Germany and mBank in Poland are two of the world's most innovative online banks. With approximately 1,000 branches, Commerzbank has one of the densest branch networks among German private banks. In total, Commerzbank serves more than 18 million private and small business customers, as well as more than 60,000 corporate clients, multinationals, financial service providers, and institutional clients. The Bank, which was founded in 1870, is represented at all the world's major stock exchanges. In 2017, it generated gross revenues of €9.2 billion with approximately 49,300 employees.

### **About Erste Group**

Erste Group is the leading financial services provider in the eastern part of the EU and the preferred partner

of corporates in the region. Around 47,000 Erste Group employees serve over 16 million customers in 2,600 branches in seven countries: Austria, the Czech Republic, Slovakia, Romania, Hungary, Croatia, and Serbia. As per YE2017, Erste Group had EUR 220.7 billion in total assets, a net profit of EUR 1.31 billion, and a tier-1 capital ratio of 13.4% (CET-1, Basel III, phased in).

### **About IBM**

Batavia is built on the IBM Blockchain Platform, powered by The Linux Foundation's Hyperledger Fabric. IBM is the leader in open-source blockchain solutions built for the enterprise. As an early member of Hyperledger, an open source collaborative effort created to advance cross-industry blockchain technologies, IBM is dedicated to supporting the development of openly-governed blockchains. IBM's blockchain platform is enabling hundreds of clients and thousands of developers to build and scale active networks across complex use cases, including cross border payments, supply chains, and digital identification. For more information about IBM Blockchain, visit [www.ibm.com/blockchain](http://www.ibm.com/blockchain).

### **About UBS**

UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. UBS' strategy is centered on our leading global wealth management business and our premier universal bank in Switzerland, enhanced by Asset Management and the Investment Bank. The bank focuses on businesses that have a strong competitive position in their targeted markets, are capital efficient, and have an attractive long-term structural growth or profitability outlook.

### **Media contacts:**

Holli Haswell

IBM

Tel.: 1 (720) 396-5485

[hhaswell@us.ibm.com](mailto:hhaswell@us.ibm.com)

Amanda Robinson (Toronto)

BMO

Tel.: 1 (416)-867-3996

[amanda.robinson@bmo.com](mailto:amanda.robinson@bmo.com)

CaixaBank Corporate Communications and External Relations Department,

Tel.: +34 93 404 2414  
prensa@caixabank.com

Anastassia Hättich  
Commerzbank  
Tel.: +49 69 136 49351  
anastassia.haettich@commerzbank.com

Peter Klopf  
Erste Group  
Tel. +43 5 0100 11676  
peter.klopf@erstegroup.com

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