

ASEAN Payment Connectivity: Indonesia and Thailand / Intra-ASEAN

At the ASEAN Central Bank Governors' Meeting, 4 April 2019, Chiang Rai, Thailand

Today in Chiang Rai, Veerathai Santiprabhob, Governor of the Bank of Thailand (BOT) presided over the showcase of trade finance transactions between Thailand and Indonesia on R3 CORDA Platform. Chatsiri Sophonpanich, President of Bangkok Bank also attended the event.

In this showcase, “Bangkok Bank’s Indonesia & Thailand and Intra-ASEAN L/C Service on Enterprise Blockchain,” Bangkok Bank has partnered with GC Marketing Solutions Company Limited (GCM), a chemical flagship and subsidiary of PTT Global Chemical Company Limited (GC), to test trade finance transactions between Thailand and Indonesia using the Voltron Application on R3 CORDA Platform. For the test, PT. Bukitmega Masabadi, a trade partner of GCM, Indonesia, would send an electronic Letter of Credit (L/C) via Bangkok Bank’s Indonesia branch to Bangkok Bank Thailand. Adoption of L/C transactions on Enterprise Blockchain are quicker and easier than traditional means, cutting processing time and paperwork by more than half. All processes are also more secure, transparent and can be verified. The service will be expanded to link with other countries in ASEAN in the future.

Veerathai Santiprabhob, Governor of the Bank of Thailand, said “the Bank of Thailand strongly supports the adoption of financial technology to improve trade finance operations within the ASEAN region. ASEAN is Thailand’s biggest export partners, making up over 27 percent of exports in 2018 so it is important that both exporters and importers can leverage on modern technology to shorten the process of trade finance transactions. This innovation will greatly enhance financial opportunity and competitiveness of businesses in Thailand and our region.”