



INDUSTRY PLAYERS AND BANKS JOIN FORCES TO LAUNCH BLOCKCHAIN PLATFORM TO TRANSFORM COMMODITIES TRADE FINANCE

komgo SA will catalyse the world's commodity trade finance network

19, September 2018 – Fifteen of the world's largest institutions, including banks, trading companies, an inspection company¹ and an energy major have formed a new venture known as **komgo SA**, that will seek to digitalise the trade and commodities finance sector through a blockchain based open platform.

The founders of this new company, managed and operated as an independent entity, include companies from: ABN AMRO, BNP Paribas, Citi, Crédit Agricole Group, Gunvor, ING, Koch Supply & Trading, Macquarie, Mercuria, MUFG Bank, Natixis, Rabobank, Shell, SGS and Societe Generale.

“The launch of **komgo SA** highlights a shared vision for industry innovation and underlines the ongoing commitment among members to build a truly open and more efficient network within commodity trading.” said **Souleïma Baddi, Chief Executive Officer of komgo SA**.

The core team of the two successful blockchain based Proofs of Concept (PoC) previously tested in energy and soft commodities trading ([Easy Trading Connect 1](#)² and [Easy Trading Connect 2](#)³) have joined **komgo SA** to develop a decentralised Ethereum blockchain based platform.

“The potential that distributed ledger technologies (DLT) have in transforming the commodities sector is clear as evidenced with the success of the Easy Trading Connect experiments” said **Toon Leijtens, Chief Technology Officer of komgo SA**. “We can now achieve a long-term ambition to improve security and operational efficiency in the commodity trade finance sector.”.

The platform will be developed in partnership with ConsenSys, the largest formation of technologists and entrepreneurs building applications, infrastructure, and solutions on the Ethereum network. **Joseph Lubin, Co-founder of Ethereum, and Founder of ConsenSys** said “We are now entering a new era of simple and inclusive access to blockchain technology to advance stronger, more collaborative, business relationships previously out of reach. We are thrilled to see leading commodity trade finance banks and commodity houses come together to create **komgo SA**, which will radically simplify and accelerate trustworthiness, auditability, and accessibility to trade financing across the industry.”.

komgo SA is a secured platform that is part of an emerging global ecosystem aiming to optimise the whole flow of physical commodity operations.

komgo SA will start with two products, expected to launch before year end. The first one will standardize and facilitate KYC process without using a central database: the exchange of documents will be executed in an encrypted way over the blockchain on a need to know basis. The second product will be digital letters of credit, allowing commodity houses or other platforms to submit digital trade data and documents to **komgo SA** customer banks of their choice. Due to a strong overlap of shareholders between **komgo SA** and VAKT, incorporated in 2017 to develop a blockchain based post-trade processing platform for commodities, the two companies will explore synergies between both platforms moving forward.

komgo SA has been incorporated in Geneva, one of the main worldwide commodity-based clusters, and benefits from the strong support of the Canton de Genève.

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NOTES TO EDITORS

1. The core services include the inspection and verification of the quantity, weight, quality of traded goods.
2. [Easy Trading Connect 1](#), completed in February 2017 with Societe Generale, ING and Mercuria, was the first successful platform prototype demonstrating how these new technologies could enhance real time access to information by all parties, the efficiency and the security of the process.
3. [Easy Trading Connect 2](#) (ETC 2) completed in January 2018 in collaboration with Louis Dreyfus Company, ING, Societe Generale and ABN AMRO. This enhanced platform was used to execute a soybean shipment transaction from the United States to China. The transaction, which mirrored the paper-based process, demonstrated significant efficiency improvements for all participants in the chain with time spent on processing documents resulting in data being reduced fivefold.

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ABOUT ABN AMRO

ABN AMRO is Dutch-based bank that serves retail, private and corporate banking clients. The bank has its primary focus on North West Europe and is globally active in selective sectors, among which commodities financing.

ABOUT BNP PARIBAS

BNP Paribas is a leading bank in Europe with an international reach. It has a presence in 73 countries, with more than 196,000 employees, including around 149,000 in Europe. The Group has key positions in its three main activities: Domestic Markets and International Financial Services (whose retail-banking networks and financial services are covered by Retail Banking & Services) and Corporate & Institutional Banking, which serves two client franchises: corporate clients and institutional investors.

ABOUT CITI

Citi, the leading global bank, has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management.

ABOUT CRÉDIT AGRICOLE GROUP

The Crédit Agricole Group is the leading partner of the French economy and one of the largest banking groups in Europe. It is the leading retail bank in Europe as well as the first European asset manager, the first bancassuror in Europe and the third European player in project finance. Built on its strong cooperative and mutual roots, its 139,000 employees and the 30,000 directors of its Local and Regional Banks, the Crédit Agricole Group is a responsible and responsive bank serving 52 million customers, 9.7 million mutual shareholders and million individual shareholders.

ABOUT GUNVOR

Gunvor Group is one of the world's largest independent commodities trading houses by turnover, creating logistics solutions that safely and efficiently move physical energy and bulk materials from where they are sourced and stored to where they are demanded most. With strategic investments in industrial infrastructure—refineries, pipelines, storage, terminals, mining and upstream—Gunvor further generates sustainable value across the global supply chain for its customers.

ABOUT ING

ING is a global financial institution with a strong European base, offering banking services through its operating company ING Bank. The purpose of ING Bank is empowering people to stay a step ahead in life and in business. ING Bank's more than 51,000 employees offer retail and wholesale banking services to customers in over 40 countries.

ABOUT KOCH SUPPLY & TRADING

Koch Supply & Trading companies around the world trade crude oil; intermediate feedstocks; refined petroleum products; residual fuel oil; gas liquids; natural gas, liquefied natural gas and emission allowances; industrial metals; and other commodities.

ABOUT MACQUARIE GROUP

Macquarie Group Limited (Macquarie) is a diversified financial group providing clients with asset management and finance, banking, advisory and risk and capital solutions across debt, equity and commodities. Founded in 1969, Macquarie employs 14,469 people in over 25 countries. At 31 March 2018, Macquarie had assets under management of £309.9 billion. For further information, visit www.macquarie.com.

ABOUT MERCURIA

Mercuria is one of the largest global energy and commodity trading and investment groups, with operations in over 50 countries and more than USD 100 billion in gross turnover. The group trades gas and electricity, and more than 2.2 million barrels of crude oil and petroleum products every day. The company operates throughout the commodity value chain and focuses on the three key areas of asset development, structured commercial finance solutions, and physical commodities trading.

ABOUT MUFG BANK

Mitsubishi UFJ Financial Group, Inc. (MUFG) is one of the world's leading financial groups. Headquartered in Tokyo and with approximately 360 years of history, MUFG has a global network with over 1,800 offices in more than 50 countries. The Group has over 150,000 employees, and offers services including commercial banking, trust banking, securities, credit cards, consumer finance, asset management, and leasing.

ABOUT NATIXIS

Natixis is the international corporate and investment banking, asset management, insurance and financial services arm of Groupe BPCE, the 2nd-largest banking group in France with 31 million clients spread over two retail banking networks, Banque Populaire and Caisse d'Épargne. With more than 21,000 employees, Natixis has a number of areas of expertise that are organized into four main business lines: Asset & Wealth Management, Corporate & Investment Banking, Insurance and Specialized Financial Services. www.natixis.com.

ABOUT RABOBANK

Rabobank is an international financial services provider operating on the basis of cooperative principles. It offers retail banking, wholesale banking, private banking, leasing and real estate services. As a cooperative bank, Rabobank puts customers' interests first in its services. Rabobank is committed to being a leading customer-focused cooperative bank in the Netherlands and a leading food and agri bank worldwide. Rabobank employs approximately internal and external 43,810 people. Rabobank Group is active in 40 countries.

ABOUT SHELL TRADING AND SUPPLY

Shell Trading and Supply is one of the largest energy trading operations in the world. This global organisation combines our network of trading companies, industry-leading shipping and maritime capabilities and an integrated network of supply and distribution activities, to act as the central nervous system for Shell. Our trading capability, deep market knowledge, global portfolio and end-to-end integration within Shell effectively creates opportunities to deliver value for our customers and for Shell across its Upstream, Downstream and Integrated Gas businesses.

ABOUT SGS

SGS is the world's leading inspection, verification, testing and certification company. SGS is recognized as the global benchmark for quality and integrity. With more than 95,000 employees, SGS operates a network of over 2,400 offices and laboratories around the world.

ABOUT SOCIETE GENERALE

Societe Generale is one of the leading European financial services groups. Based on a diversified and integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth, aiming to be the trusted partner for its clients, committed to the positive transformations of society and the economy.

ABOUT CONSENSYS

ConsenSys is a 1100+ person formation of technologists and entrepreneurs in 29 countries building applications, infrastructure, and solutions on the Ethereum network. ConsenSys incubates companies, has a venture capital arm, advises large enterprise and government clients around the world, and has helped initiate the consortiums across industries.

ABOUT VAKT

The creation of komgo SA complements the creation of VAKT, a new venture formed by a consortium of energy companies, trading houses and banks in late 2017. VAKT is developing a blockchain-based platform that will focus on post-trade processing in the energy markets with the intent to enhance efficiency and eliminate paper-based processes. The VAKT platform is expected to be operational by the end of this year. VAKT shareholders include companies from Shell, BP, Equinor, Koch, Mercuria, Gunvor, ABNAmro, ING, Societe Generale. 'VAKT' is a Scandinavian word for guard.