

News Oil Majors Chevron, Total, and Reliance Join Blockchain Venture



Oil majors Chevron Corp, Total SA and Reliance Industries Ltd are investing in blockchain-backed digital trading platform Vakt Holdings Ltd, signaling more industry buy-in for the technology. The addition of the US, French and Indian oil companies means that Vakt has won investments and participation from half of the world's 10 biggest oil and gas firms by market capitalisation, the London-based technology startup said in a statement. Widespread adoption of a uniform system will be key to the success of any digital trading platform using blockchain – a digital ledger process that has the potential to reduce trading costs by cutting down on paper work, and increasing the security of transactions. “Total has been supporting industry initiatives to digitize cargo post-trade processes for some time,” said Thomas Waymel, president of trading and shipping at Total’s trading arm Totsa SA. “We view them as a major step forward towards safer, faster and cheaper logistical operations,” he said. The oil trading units of BP Plc, Equinor ASA, Royal Dutch Shell Plc, as well as trading houses Gunvor Group Ltd and Mercuria Energy Group Ltd were among the first investors in Vakt. The platform went live in November, trading crude cargoes underpinning North Sea

Brent, one of the world's most important crude oil benchmarks. In addition to oil majors and trading houses, Vakt's other investors include trade finance banks ABN Amro Group, ING Groep NV and Societe Generale SA. The three largest independent trading houses Vitol Group, Glencore Plc and Trafigura Group haven't joined Vakt nor a similar blockchain-driven digital trade finance platform based in Geneva called Komgo SA, that has many of the same backers as Vakt.