

Understanding International Trade Finance

- How Various Trade Finance Products Work. Risks and Mitigants

Comments from past participants

“Adam has a very good trade finance product knowledge and a strong Relationship Management background. The Seminar is very beneficial to me in terms of trade credit facilities calculations.”

– Ms. Worapol Aramkul, Siam Commercial Bank, Thailand.
[Class of January 2008]

“The seminar well illustrates the roles and risks involved in the Trade Finance and Facilitation process. Our understanding of the variety of instruments and terminology is compounded by pertinent questions and reiteration by the instructor. The section on how to analyse clients’ cashflow requirements to determine credit limits gives us a useful perspective. Certainly a recommended seminar!”

– Ms. Anita Ng, Bayerische Hypo- und Vereinsbank AG, Singapore.
[Class of July 2008]

“The seminar is very helpful for new market participants like me. The facilitator explained from the basics and it was detailed.”

– Ms. Fransisca Rahman, Bank Indonesia, Indonesia.
[Class of October 2009]

“The seminar was delivered in a way that the complexities of trade finance became understandable. The practical insights shared by the facilitator were helpful in understanding the subject matter in a clear and effective manner.”

– Ms. Laarni Agcaoili, Rabobank International, Singapore.
[Class of October 2009]

Highlights

- Role of banks in the delivery of International Trade Finance Products
- How to apply and advice on the various methods of Trade Settlement and their Benefits?
- Risks of International Trade Finance to the buyer and seller
- Using Trade Finance Instruments to mitigate risks
- Types of Financing associated with International Trade
- Structuring Trade and Foreign Exchange solutions
- Be introduced to Structured Trade & Commodity Financing

Seminar Facilitator
Mr. Adam K. K. Wong, B.Acc, FCPA, Certified Professional Trainer

Seminar Duration
2 Days, 9:00am to 5:00pm

Seminar Background

This 2-day intensive programme is designed to give participants an understanding of risks in international trade finance products to enable them to establish the most appropriate trade finance lines which will meet customer's needs.

Seminar Content

- **Overview of International Trade**
- **Risks in International Trade**
- **Impact of INCOTERMS 2000 on the Movement of Goods, the Responsibilities of Both Buyer and Seller**
- **Trade Documentation**
- **Methods of Payments and the Risk for The Various Parties**
 - Choice of payment terms
- **Documentary Collection**
 - Parties of a collection
 - Features of a collection
- **Letters of Credit**
 - Banker / Customer relationship
 - Risk factors when issuing letters of credit
 - Sight / Term LCs
 - LC Confirmation
 - Payment guarantee
 - Transferable LCs
 - Back to back LCs
 - Revolving LCs
 - Red clause LCs
 - Green clause LCs
- **Role and Considerations of**
 - Issuing bank
 - Advising bank
 - Negotiating bank
 - Confirming bank
- **Common Discrepancies**

- **Bonds and Guarantees**
 - Bid / Tender bonds
 - Performance bonds
 - Advance payment bonds
 - Retention bonds
 - Maintenance / Warranty bonds
 - Customs bonds
 - Shipping guarantees

- **Bank Financing Associated with International Trade**
 - Types of Import Financing
 - Types of Export Financing

- **Fraud**
 - Examples
 - Warning signs of fraud

- **Structuring Trade Finance Lines**
 - Determine working capital requirement
 - Structuring import lines
 - Structuring export lines

- **Structuring FX Lines**

- **Structured Trade & Commodity Financing**
 - What is structured trade and commodity financing?
 - Why is structured trade financing required
 - Risk analysis
 - Analysing obligor's risks
 - Mitigating Transaction Risks - Commodity Financing Models

Benefits of Attendance

This course will teach participants about the various methods of settlements for import / export transactions. With the product knowledge gained, participants will be able to:

- Identify the most appropriate products which will meet customer needs
- Assess various risks to both bank and customer in international trade transactions explain and identify ways of mitigating risks
- Gain an overview on Structured Trade & Commodity Financing

Who should attend?

- For bankers who need to propose trade finance solutions for customers
- For bankers who need to have an understanding of trade finance products in the course of their work
- For corporate treasurers who needs to understand the workings of international trade finance practices

Seminar Facilitator

Mr. Adam K. K. Wong is a Business Domain Expert Facilitator with PI ETA Consulting Company. He is also an adjudicator of the Financial Industry Disputes Resolution Centre in Singapore.

Prior to his current appointments, he was a General Manager with Standard Chartered Bank and other international banks with 22 years of successful track record in Cash Management, eCommerce, Corporate Banking and Trade Finance and Small & Medium Enterprises.

Having strong strategic orientation and regional exposure in South East Asia and Hong Kong, he is credited with significantly growing global banks' SME assets by 450% and net profit by 140% over a 3-year period in Singapore. He also started a new cash management business for a leading bank in Asia and grew it to a USD35 billion business annually.

Mr. Wong graduated in Accountancy and is a Fellow Certified Public Accountant. He is also a Certified Credit Risk Management Professional and a Certified Professional Trainer.

Mr. Wong has contributed actively to the development and training of professionals in the financial services sector for the past 17 years by sharing his expertise regularly through The Institute of Banking and Finance, Singapore and various other organizations in Malaysia and Indonesia.

He has also conducted programmes in the area of banking and finance for Australian and local universities.