

Introduction to Documentary Credits

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GET STARTED

Level 1

Duration 3 learning hours

Language English

Price US\$150

Credits 3

Credits category Meeting Client Needs

Course code TF 101-4

Course objectives

This course provides a practical overview of the long-established but still rather esoteric trade financing instrument, the Documentary Letter of Credit, known variously as Documentary Credit, Commercial Letter of Credit, Letter of Credit, L/C, and D/C. For the purpose of this course, we will limit ourselves to “Documentary Credit” and “L/C”.

Target audience

General practitioners working in banks, corporates, or financial institutions in functions such as Relationship Management, Credit, Compliance, etc. but with an interest in trade finance.

Upon completion, you will have developed a good foundational understanding of the importance of the documentary letter of credit in enabling trade, the versatility of this proven instrument in addressing a range of market conditions and a variety of client needs. You will also appreciate the strengths of this unique financial instrument, as well as the weaknesses (and a couple of misconceptions) of this mechanism.

Course outline

Lesson 1	Introduction to Documentary Credits
Lesson 2	Selected challenges in international trade
Lesson 3	The continuing importance of the Documentary Credit
Lesson 4	Trading parties and their needs
Lesson 5	Rules, practices and standards: Cornerstones
Lesson 6	Basic Documentary Credits Transaction Flow
Lesson 7	Risk and the Documentary Credit
Lesson 8	Confirmation of Documentary Credits
Lesson 9	Trade Banking and Other Systems
Lesson 10	Capital Adequacy, Basel and the ICC Trade Register
Lesson 11	Assessment

Assessment

This eLearning course will include a self-assessment tool to help you prepare for the Global Trade Certificate (GTC) Final Examination if you choose to obtain this Certificate. The passing grade for the Final Examination is set at 70%.

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Alexander R. Malaket

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Alexander Malaket is a recognized specialist in international trade and trade finance, with over 25 years of professional experience in Canada and internationally. Alexander is Deputy Head of the Executive Committee of the ICC Banking Commission (Paris), a member of the Executive Committee of the Board of Directors, World Trade Centre (Winnipeg) and a member of the Board of the Forum for International Trade Training (Ottawa). Alexander is a member of the B20 Task Forces for 2015, the International Affairs Committee of the Canadian Chamber of Commerce, and a “Nominated Expert” in trade finance at the UN/CEFACT, as well as a member of the ICTSD/World Economic Forum E15 Initiative.

Author of “Financing Trade and International Supply Chains” published by Gower, UK in 2014, Mr. Malaket is a frequent speaker, panel chair and participant at leading industry events around the world.