

# Documentary Credit

# WORLD

## In This Issue...

■ **3 UPDATES:** eUCP Revision, eURC Process Temporarily Paused; BBVA Uses Blockchain; TBML Concerns Examined; FinCEN to Amp up Info Sharing; For Beneficiaries, Another Reminder Simple is Better; Registration Open for 2018 ICC Annual Meeting; Vessels and the 180-Day Prohibition; UN Takes Action against Ships for NK Activity; Maersk Pursues Next Wave of Trade Finance; German Bank Backs Innovative Guarantee Alternative; German Prosecutors Planning Sale of Seized Bitcoins; Digital Trade Chain Platform Rebranded; Pakistan, Iran Seek to Deepen Trade Bonds; International Updates



■ **13 THE READERS SPEAK:**  
 ■ Hold for Value – A Dangerous Tactic

■ **14 LITIGATION DIGEST:**  
 ■ *Compass Bank v. Morris Cerullo World Evangelism*  
 ■ *SNC-Lavalin Group, Inc. v. BNP Paribas Canada*

■ **25 ARTICLES:**  
 ■ “Counterpoint: Practices, Not UCP 600 Rules are the Problem” by David MEYNELL

■ “UCP600 – A Second Taste of Reality from China” by LI Yonghong and SHAO Yufeng  
 ■ “Whether Conflict or Otherwise, UCP600 Article 14(d)’s Harsh Test” by Jack CHAN  
 ■ “TT Reimbursement Clauses – Better Drafting Options” by James G. BARNES



■ **36 REPORTS:**  
 ■ Summary of the November 2017 ICC Banking Commission Technical Meeting  
 ■ Executive Summary 2017 ABA/ABA Financial Crimes Enforcement Conference

■ **49 LC STATISTICS:** US Banks (2Q17)

■ **60 SCAM SURVEY**

■ **61 INFORMATION DIGEST**

## 18 FEATURE



### ■ FACTORING

The burgeoning area of supply chain finance (SCF) offers tremendous potential for delivering innovation and efficiency to the trade finance space. To help foster consistency and common understanding of SCF concepts, an initiative was launched by ICC, BAFT, and other organizations to formulate standard definitions for nine supply chain finance techniques and to advocate for their widespread adoption. With this issue, *DCW* begins a series of articles which will explore the contours of each definition and the relationship between each SCF technique and letters of credit. To kickoff this series, Peter Mulroy examines the definition of Factoring, explains how Factoring works as a form of receivables finance, and offers evidence supporting the notion that building momentum for this SCF technique may be a precursor to broader market acceptance in the future.