

Documentary Credit

WORLD

In This Issue...

■ **3 UPDATES:** Banks Grapple with Use of Hot Lists; ICC Annual Meeting in Miami Approaches ... Draft Opinions Released; US Takes Further Action against North Korea Shipping Practices; Correspondent Banking Due Diligence Guidance Released by Wolfsberg; Dubai Court Orders Bank to Pay for Malpractice under LC; Piracy Attacks Drop to Lowest Level since 1994; German Export Guarantee Scheme for Trade with Turkey; International Updates



■ **9 INTERVIEW:** Krishnan RAMADURAI

■ **11 THE READERS SPEAK:**

- Demands Presented by Facsimile
- "Proof of Payment"

■ **13 LITIGATION DIGEST:**

- *Lukoil Mid-East Ltd. v. Barclays Bank Plc.*
- *Rich Int'l Grp. v. Soleil Capitale Corp.*
- *M2 Consultancy LLC v. Marko Capital Corp.*

ShowCase



■ **27 ARTICLES:**

- "Vessel Tracking: A Mission for Ethan Hunt?" by Kim SINDBERG



- "Data Does Not Tell the Whole Story in Drive toward Digitisation" by YAP Tat Yeen
- "A Discussion of "How Global Currencies Work: Past, Present, and Future" (and Why Today's LC Bankers Should Care)" by Dennis L. NOAH
- "Is the 21 Calendar Day Default

Rule in UCP600 Article 14(c) Still Required?" by A.T.M. Nesarul HOQUE

■ **44 SCAM SURVEY**

20 FEATURE



■ **BANK PAYMENT OBLIGATION**

Billed as an innovative way for traders to secure and finance their open account trade transactions through their banking partners, the BPO was launched five years ago. Since its introduction, market uptake has been sluggish. In this issue, Wang Shiyong looks back at the origins of the BPO, its current situation, and where it needs to go if it is to mature and develop into an accepted and common product. David Hennah, key architect of the BPO, then offers his views on the BPO as a digital instrument for a digital age. To be sure, the Bank Payment Obligation helped usher in a new era for trade finance. Although it has endured significant growing pains, Hennah contends the BPO has oriented the industry in the digital direction and it would be a mistake to render final judgment on BPO at this stage.