

Documentary Credit

WORLD

In This Issue...

■ **3 UPDATES:** URBPO Revision Underway; ICC Draft Opinion TA879: Bad Issuance; Practice Will Test Limits of Chinese Independent Guarantee Provisions; Approval of Sale of HSH Nordbank Pending



■ **5 INTERVIEW:** Hugo VERSCHOREN

■ **9 LITIGATION DIGEST:**

- *Industrial and Commercial Bank of China, Yiwu Branch v. China National Technical Imp. & Exp. Corp.* ShowCase
- *H Troon Pty Ltd. v. Marysville Hotel and Conference Centre Pty Ltd.*
- *Kailuan (Hong Kong) International Co. Ltd. v. Sino East Minerals Ltd.*



■ **25 ARTICLES:**

- “Duty of Good Faith is Vital to Negotiating Banks” by HEI Zuqing
- “Should the Issuer Judge Compliance of a Documentary Credit?” by Xavier FORNT
- “Beneficiary Baffled over Late Presentation Discrepancy & Bewildered by LC Process” by C. S. Vijaya KUMAAR



■ **32 LC STATISTICS:**
US Banks (3Q17)

■ **43 THE READERS SPEAK:**
Reasons for Not Requiring Original LC as Part of Drawing Package

■ **45 SCAM SURVEY**

16 FEATURE



■ **OVERVIEW OF INTERNATIONAL BANKING IN 2017**

2017 offered vivid glimpses of a new era underway for international banking and traditional trade. After announcing it would not oversee an effort to draft revised UCP rules at this time, ICC instead turned attention to digitisation and e-compatibility of practice rules. Although the US and certain other jurisdictions experienced a marked decline in court cases, there were still significant decisions impacting LC and guarantee practice. Regulatory compliance considerations and sanctions policies continued to weigh heavily on how banks conduct business, particularly in the cross-border trade finance space. Another theme clearly apparent in 2017 is that access to information and the ability to anticipate and adapt to changing conditions is vitally important for success and survival.