

Two Day MDP on Export-Import Finance

Introduction

Over 90 percent of world trade is conducted on the basis of cash or short-term credit, with the remainder supported by medium- and long-term credit and other means of financing. Trade financing, therefore, is an important component of external financing for most countries. India has a thriving trade finance sector and, of late, several initiatives taken up by the government have started yielding results. Both the public sector and the private sector have expanded their offerings in the trade finance area. As trade grows, the need for trade finance also multiplies. Robust institutions leverage on technology and new practices to keep the SME sector thriving in the face of severe challenges.

Learning Objectives

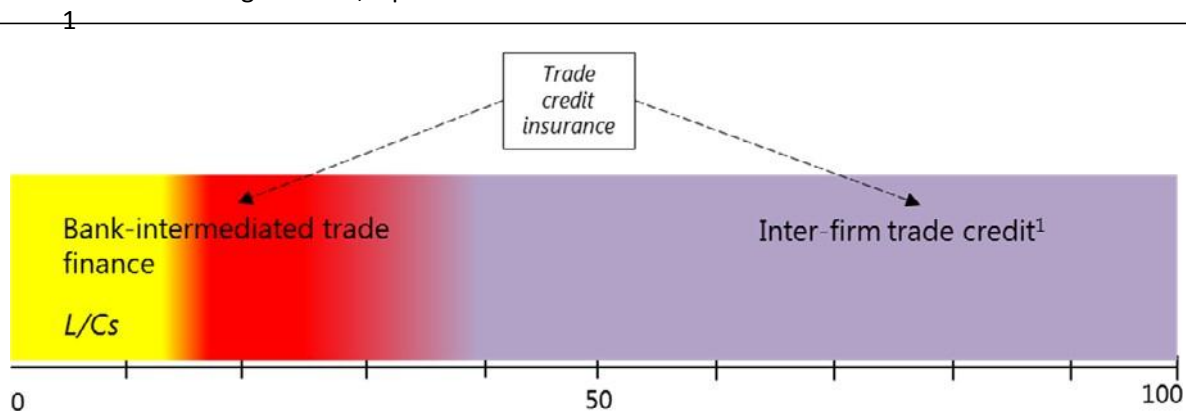
- To understand the meaning and role of trade finance
- To understand the role of different institutions in trade finance risk management
- To describe the changes in trade finance due to digital innovations
- To describe the trade finance facilities offered by banks and other institutions

Trade Finance Facilities

Global trade – a schematic overview

As a share of total global trade, in per cent

Graph



¹Inter-firm trade credit includes open account transactions, where goods are shipped in advance of payment, and cash-in-advance transactions, where payment is made before shipment.

Source: Bank for International Settlements, 2014

As the above diagram shows, the bank-mediated trade finance and the inter-firm trade credit are the two large ways in which trade finance is provided to exporters and importers. The Central Bank – Reserve Bank of India initiated several measures during Covid 2020 to keep the wheels of the economy running.

This MDP programme will focus on a series of measures taken by different institutions including the Reserve Bank of India, Exim Bank of India, Export Credit Guarantee Corporation and commercial bank and other institutions.

Faculty

The programme will be delivered through the online medium using Microsoft Teams. Participants can attend this programme from the convenience of their homes/offices. Apart from the Institute's faculty, experts from the banking sector and the credit insurance sector will address the participants. All reading material will be provided to the participants electronically.

Fees: The programme will cost Rs 8000/- per participant for the two-day MDP.

On behalf of the Institute, we welcome you to register your name for the programme irrespective of the region/country you reside in using the link given below.

In case there is any clarification needed, kindly contact Ms Gagan Arora at 011-39147303 or write it to us at cdoe@iift.edu