Trade Finance Guide

A Quick Reference for U.S. Exporters

A Tool for Counseling and Outreach to America’s Exporters in Need of Trade Finance

Trade Finance Guide

A concise, simple, and easy-to-understand guide specifically designed to help new-to-export U.S. small- and medium-sized enterprises (SMEs) learn quickly how to get paid from their foreign customers in the most effective manner.

• A “60-minute” guide to learning the basics of trade finance: 12 two-page chapters with a total of 26 pages.

• A user-friendly tool for commercial lenders, trade finance processionals, and international trade counselors for client assistance and new customer outreach purposes.

• A flexible educational tool for professionals teaching international business.

Contents of the Trade Finance Guide

• Opportunities, Risks, and Trade Finance
• Methods of Payment in International Trade
• Cash-in-Advance
• Letters of Credit
• Documentary Collections
• Open Account
• Export Working Capital Financing
• Government-Guaranteed Export Working Capital Programs
• Export Credit Insurance
• Export Factoring
• Forfaiting
• Government Assisted Foreign Buyer Financing
• Foreign Exchange Risk Management

Trade Finance Literacy

With more than 100,000 copies being distributed to the public during the past two years since its release in April 2007, the Trade Finance Guide continues to garner overwhelming interest by the exporting community. The Guide is actively utilized by many to help promote basic trade finance literacy among new-to-export U.S. SMEs so that they can enter, grow, and succeed in today’s highly competitive global marketplace.

Partnership and Cooperation

The Trade Finance Guide was created in partnership with FCIB, the international arm of the National Association of Credit Management, one of the world’s largest credit organizations that represents nearly 25,000 businesses in the United States. The Trade Finance Guide was also created in cooperation with the U.S. Small Business Administration, the Export–Import Bank of the United States, the International Factoring Association, and the Association of Trade & Forfaiting in the Americas.

For More Information about the Guide

The Trade Finance Guide was created by the U.S. Department of Commerce’s Office of Financial Services Industries (OFSI), whose mission is to enhance the domestic and international competitiveness of U.S. financial services industries and to provide internal policy recommendations on U.S. exports and foreign investment supported by official finance. For more information, contact Robert J. Donovan, OFSI Director, or the project manager for the Guide, Yuki Fujiyama, tel.: (202) 482-3277; e-mail: yuki.fujiyama@mail.doc.gov.

How to Obtain the Trade Finance Guide

The Trade Finance Guide is available online for easy download at www.Export.gov/TradeFinanceGuide as a complete guide and as individual chapters for those only wish to learn a specific trade finance technique. A limited number of complimentary hard copies may be available, subject to availability, for commercial lenders and organizations interested in utilizing the Guide for their educational and customer outreach events.

Partnership Opportunity for Printing Copies

An opportunity is available to those who are interested in printing copies of the Guide with the corporate or organizational logo in partnership with the Commerce Department. For further details, contact Yuki Fujiyama via the phone or email shown above.