

H1 | 2021 | ISSUE 15



THE TRAILBLAZER

OFFICIAL NEWSLETTER OF EURO EXIM BANK

**WELCOME BACK
TO THE FORCE**

A close-up portrait of Kaushik Punjani, a middle-aged man with glasses, wearing a dark suit, white shirt, and red tie. He is looking directly at the camera with a slight smile. The background is a plain, light-colored wall.

MESSAGE FROM THE CHAIRMAN

Amid COVID-19 repercussions, we are ready to assist emerging markets where current lack of confidence, liquidity, fiat currency, and infrastructure has impaired international trade.

We anticipate an exceptional year ahead enabling us to meet market challenges and continue operations as a reliable force in trade finance, thanks to our creative outlook, practices, systems, partnerships and staff.

We will continue our charitable activities, instilling corporate social responsibility, treating people with kindness and respect, and assisting those who cannot help themselves.

Building the business, already with over 250 agents and partners in 29 countries, our ambition is to create the largest 'GO TO' global trade finance sales force, and our services in major financial centres.

We hope everybody remains safe and healthy, attending to loved ones and step positively towards a new normal.

KAUSHIK PUNJANI

WHAT'S IN THIS ISSUE:

FROM HUMBLE BEGINNINGS
TO GLOBAL EXPOSURE | 02

MOVING FORWARD | 03

A TOKEN OF APPRECIATION | 04

A NEW ERA OF INTERNATIONAL
PAYMENTS WITH EXIM WAVE | 05

RWA LETTERS | 06

PERFORMANCE BONDS
IN CONSTRUCTION | 07

LETTERS OF CREDIT AND THEIR
IMPORTANCE FOR SME'S | 08

THE FUTURE OF
CRYPTOCURRENCIES | 09

GLIMPSE OF BLOCKCHAIN SOLUTION
IN FINANCIAL SERVICES | 10

NEED TO RETHINK THE
GLOBAL TRADE STRUCTURE? | 12

OUR CORPORATE SOCIAL RESPONSIBILITY
(CSR) COMMITMENT | 13

AWARDS | 14

OUR ARTICLE CONTRIBUTORS | 15



FROM HUMBLE BEGINNINGS TO GLOBAL EXPOSURE

Born out of a Small Payments Institution in the UK in 2015, Euro Exim Bank made a conscious decision to change its specialization to specifically serve SMEs in their quest for the trusted instruments to facilitate global trade.

We also realized that we needed a jurisdiction with a potent regulator that was politically and geographically close to key markets. It led us to St. Lucia in the Caribbean, in 2017, we established our new Headquarters.

We now operate under the supervision, authorization, and regulation of the Financial Services Regulatory Authority of St. Lucia (FSRA), with a Class A banking license.

Today, including our Representative office in London, consultants, agents, and partners worldwide, our collective team is over 250 people.

Over the past three years, proposed trade finance instruments' value requested to Euro Exim Bank has been over 3 trillion USD.

We are establishing more Representative Offices in Singapore, India, Dubai and looking at other locations such as Africa, where emerging markets are creating strong supply chains and business flow.

MOVING FORWARD...

We have become all too aware of the effects of COVID-19 with continued clouds of recession, unprecedented economic disruption, excessive levels of debt and threats to basic normality of private and public life, employment and wealth creation.

Despite the gloom, trade is essential to every economy and is starting to improve, even if volumes temporarily fell through 2020. This reduction was not exactly a surprise, principally due to long standing trade tensions between the US and China affecting general economic slowdown.

Euro Exim Bank is actively looking at refining our sales processes, enhancing our marketing campaigns, designed to meet the continuing demand from global companies impacted by the pandemic.

Moving ahead, our plans include even more sales team growth, more country coverage, technical enhancements to speed up instrument issuance processes, and accessing more clients in opportunistic emerging markets.

The intention is to break down the current trade barriers for clients who are left without cost-effective access to fiat currency, with no access to loans and instrument issuance services.

As risk profiles and the pandemic are causing traditional banks pull out of trade services and even leave the local market, we are well positioned and ready to work with smaller currently disadvantaged companies and supply chains, finding trade initiation solutions enabling them to economically compete in the wider international arena.

"To protect ourselves and our clients, we have invested in commercial systems, training and internal workflow enhancements to ensure we use all reasonable efforts to collect the right trusted data".

*- Graham Bright JP
Head of Compliance & Operations at Euro Exim Bank*



*"Talent wins games, but
teamwork and intelligence
wins championships".
- Michael Jordan*

A TOKEN OF APPRECIATION

Reliability is hard to come by.

We are fortunate to be resourced with a team of the best experts from Europe, Africa, Asia, Middle East, Australasia, and South America.

Bringing in a wealth of competencies from leading global conglomerates, our team specialises in international banking, trade finance and SWIFT knowledge and complex trade finance instruments.

They have extensive training on due diligence, AML, PEP and sanction and security checks, making us unique in our specialist field.

We successfully navigate multiple media channels with our skilled marketing professionals with thought leadership article content, exhibitions, conferences, TV and digital magazine representation, blogs, vlogs and email campaigns.

**THE
MANAGEMENT
OF EURO EXIM
BANK WOULD
LIKE TO THANK
THE TEAM FOR
THEIR HARD
WORK,
DEDICATION,
INNOVATIVE
AND CREATIVE
CONTRIBUTIONS
THAT ESTABLISH
OUR SERVICES
DURING THESE
CHALLENGING
TIMES.**



A NEW ERA OF INTERNATIONAL PAYMENTS WITH EXIM WAVE

Exim Wave product's inception is based on the nature of international trade business, involving SME's and corporates in over 100 countries, many jurisdictions, multiple currencies and payment mechanisms.

We arranged an open and hassle-free payment processing, accessible via the web, online and mobile, supporting e-commerce websites, point of sales and pop-up stores, with various payment methods such as debit and credit cards, bank accounts, transfers, mobile money, M-Pesa, Visa QR codes etc.

Exim Wave supports more than 150 currencies functioning globally, allowing clients to avoid high conversion fees and receive funds in local currency, such as Naira, US Dollar, Euro, British Pound and many more, available 24/7 a comprehensive single point dashboard and no integration requirements.

It enables clients to manage single and multiple payment transactions, with fast setup time, ease and functionality, providing customers with the best possible checkout experience.

Our global reach, especially in Africa and Asia, makes our card services highly desirable and appropriate for small businesses and companies moving to digital operating environments.

RWA LETTERS

In international trade transactions, especially large ones, the transacting parties will often not know each other well. To be sure of each other and the ability of one another to perform as intended, it is possible for a trusted 3rd party (a bank or financial institution) to issue a document to show that a party is able to perform.

This document is referred to as an RWA, which is short for "Ready, Willing and Able Letter". It declares, with proof, that the relevant person or entity is not only financially capable of entering into the proposed transaction but is also legally capable of doing so, while also having the necessary resources at hand, where applicable.

An RWA is more than just a simple proof of funds letter, it is a declaration, backed up by evidence, that the relevant party is trustworthy and capable of entering into the said transaction. However, it is not a commitment to pay, nor does it act as a mechanism of payment, govern the transaction in any way.

An RWA will typically include ratification from the bank and confirm the following:

- That the asset(s) to be used for payment or in exchange for payment is good, clear and without any criminal origin.
- That the said asset(s) do not have any external charges on them; i.e., they have not been mortgaged or otherwise promised to another.
- That the said assets can be confirmed via SWIFT MT799 – MT760

RWAs at Euro Exim Bank

Euro Exim Bank offers RWAs that are accepted worldwide. To apply, please speak with one of our international payments specialists and we will be happy to assist you.

"Our role remains to assist companies of all tiers to reengage with cross-border supply chains, new demand and to assist businesses to contribute to trade".

*- Graham Bright JP
Head of Compliance & Operations at Euro Exim Bank*



PERFORMANCE BONDS IN CONSTRUCTION

A Performance Bond, also known as a Performance Security, is a guarantee given by a bank or a financial institution to reduce the risk involved in major construction, infrastructure, and other similar projects. It is one of many types of bonds used in the construction industry where protecting a client of risks of a contractor breaking contractual obligations. It can help mitigate these risk and relieve the construction project of liability if a contractor fails to deliver.

The owner(s) behind the construction project will sign a performance bond with one or more of the contractors involved in the project, particularly the prime contractor. The bond contains detailed terms and conditions concerning the contractor's obligations and delivery timelines etc. If a contractor fails to deliver, or worse if the prime contractor goes bankrupt before completing the project, the company behind the project claims the performance bond. The bank or surety company will then be required to compensate the owners and/or engage the services of an alternate contractor to complete and deliver the work according to the performance bond.

Procedures may vary from jurisdiction to jurisdiction, but it is hard to go wrong when you choose a reputable international bank capable of acting as a surety.

LETTERS OF CREDIT AND THEIR IMPORTANTACE FOR SMES

A Commercial Letter of Credit (LC) provides a regulated, enforceable and guaranteed mechanism to ensure payment for delivered goods.

An LC, through the use of a bank as trusted a 3rd party intermediary, guarantees payment for goods supplied and works to ensure that the seller cannot directly obtain the payment without fulfilling the buyer's requirements.

Guarantee of Payment – For small export businesses, a single delayed or lost payment can be irreversibly damaging. Using an LC means that this risk is completely avoided. The converse is true for small import businesses as well; a single failure of a seller to deliver on a large shipment can be devastating.

Access to Credit/Improved Cash Flow – An LC is typically a negotiable instrument, thus allowing the exporter to use it as collateral against which to borrow funds for short term needs to fulfil the shipment. As a result, it provides for much-improved cash flows for the exporter. It prevents them from obtaining long term debt to satisfy working capital requirements, thus aiding them to maintain a healthier financial position. For importers, too, based on their arrangements with their bank, there is significant room for freedom of movement about cash flow and working capital when using an LC.

Choosing the Right Partner - When you decide to enter into an international trade transaction governed by an LC, it is necessary to choose the right partner. In this digital age, you should look for a provider that has embraced the latest digital technology.

"Going from strength to strength facilitating world trade, issuing financial instruments, we are a key element in the global supply chain covering the financial life cycle of goods as they traverse the Silk Road".
- Kaushik Punjani
Chairman of Euro Exim Bank



*"It is better to act too quickly
than it is to wait too long".
- Jack Welch*

THE FUTURE OF CRYPTOCURRENCIES BY GRAHAM BRIGHT


From their inception in the early 2010s, until their meteoric rise to fame in 2017 on the back of Bitcoin's astronomical bull market, digital (crypto) currencies were relatively obscure and only for speculators.

Cryptocurrencies such as Bitcoin have foreshadowed a potential digital future for money, though they exist outside the traditional global financial system and aren't legal tender like cash issued by governments.

Love them or loathe them, cryptocurrencies, coins and tokens, valued in billions of US Dollars, will play an increasing role in complementing and competing with monetary systems globally. Designed to work autonomously and independently of central banks, regulators and governments, they provide an anonymous, secure, low cost, globally accessible, a borderless mechanism for payment, by riskless DLT technology.

We can expect to see increased uptake of crypto in international trade, with the use of barter tokens, promoting financial inclusion with lower points of entry and easier payment exchange, especially in countries with inflation and unstable banking systems.

While the number of coin offerings, price, value and faith in them will rise and wain, governments and banks will embrace controlled regulated digital assets, the biggest impact on the finance industry and economies as a whole will be through the active technological advancement in global use of what one may classify as a by-product, namely blockchain.



GLIMPSE OF BLOCKCHAIN SOLUTION IN FINANCIAL SERVICES

BY ADHITHYAN SUNDAR

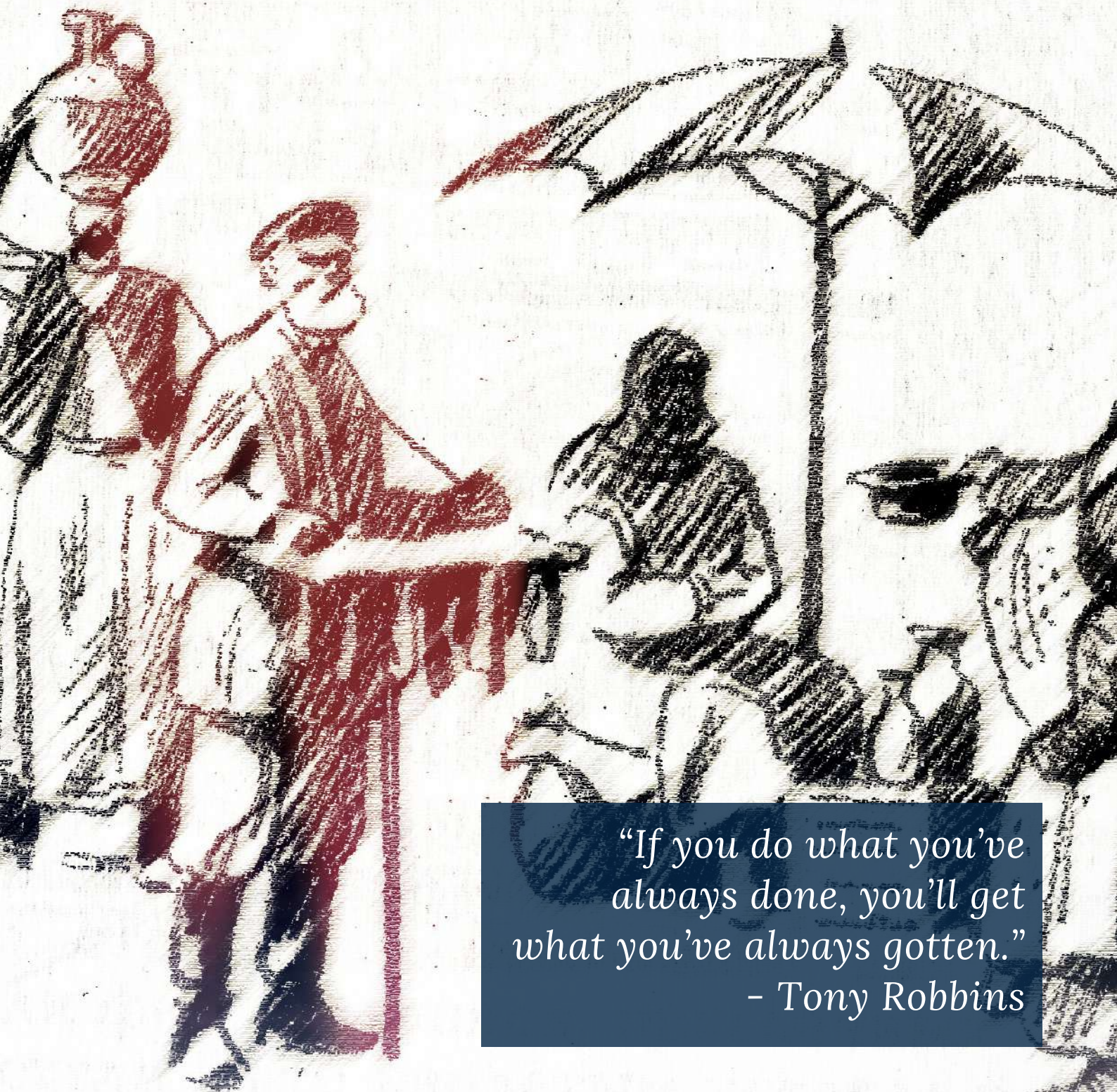
Blockchain is often referred to as a revolutionary wave that would eliminate the middleman. This can be beneficial (unless you're a middleman) since it reduces expense and complexity.

Blockchain databases and records are a revolutionary and evolving technology trend that can have a major effect on supply chain, banking, and other transaction networks, creating new avenues for innovation while lowering costs and risk.

Inter-organizational collaboration can be made possible through blockchain technology. Companies like Walmart and IBM are now using this technology to map, trace, locate, and verify data through their end-to-end supply chains.

Blockchain-based solutions can be used to reduce the costs of clearing and settlement processes, speed up payments, and transform trade finance. They can provide self-contained audit logs that require no setup, making compliance simple. Anti-money laundering and know-your-customer features are also built into the networks.

It is important to remember that scaling Blockchain-based solutions is a long-term goal that needs addressing cultural, market and technological issues.



*“If you do what you’ve
always done, you’ll get
what you’ve always gotten.”
- Tony Robbins*

RENAISSANCE OF BARTERING

The global pandemic made “won’t-ever-happen” things happen. One of them is the resurgence of bartering as a system of exchange amongst small and, sometimes, somewhat larger communities. Bartering is a conventional form of negotiation, and COVID-19 may have increased at least tentatively.

Bartering is the oldest form of commerce, involving exchanging goods and/or services between people without money. It is the primal form of trading, potentially practised since prehistoric times. Goods and or services are exchanged based on their perceived values by the two or more parties.

Bartering’s importance in early communities and periods of catastrophe recognises it as a potentially rudimentary form of negotiation rather than money.

A Facebook group called the Barter United Kingdom allows people in the UK to make posts regarding potential trades. It has essentially become a venue for buyers and sellers to meet, of course, with no money involved, just the goods and or services.

In August 2020, a BBC backed publication featured the story of a London-based nurse who, after recovering from covid, found herself unable to cook and in dire straits financially. She then decided to get rid of some items around her house to raise money but then stumbled upon the Barter United Kingdom, which allowed her to exchange unwanted items for food and other necessities.

Bartering proved to be a highly inefficient system, which is why monetary mediums came into use. Despite this, in the hard times of the pandemic, Bartering has once again made an appearance.



RETHINKING THE GLOBAL TRADE STRUCTURE

International trade has suffered in unprecedented ways as a result of the global pandemic. While the system has remained functional, mainly due to participants' resilience, it is now time for governments to come together to create an environment that fosters trade. The ultimate goal should be to create a more open, equitable and transparent trade environment to benefit all participants.

It is the ideal time for international bodies and individual nations to work together to rethink how trade can contribute towards equitable, sustainable and responsible economies.

The pandemic has shown us how vulnerable paper-based systems can be. Today, with tech such as blockchain, a globally accessible, standardized, integrated, interoperable and decentralized system(s) for performing trade transactions and moving and validating documents exists. Such a system will provide the freedom and infrastructure necessary for global information sharing, thus creating a safer trade system less likely to be scammed.

It is encouraging to note the current efforts in the UK and other G7 countries and even others worldwide to take courageous steps forward towards this kind of glorious future for international trade. In that case, it will very likely create the conditions needed to spur on a new golden age for global trade.

CSR



Corporate

Social



Responsibility

*"We need to make sure we're all working together to change mindsets, to change attitudes, and to fight against the bad habits that we have as a society".
- Justin Trudeau, the Prime Minister of Canada*

OUR CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITMENT

The world is changing faster than ever and, despite all good intentions there is deep uncertainty, political and social unrest, poverty, disease, inhumanity, greed and vice persist.

Euro Exim Bank is ever mindful of the wants and needs of less fortunate people in both our and global communities, and we continue to be a sponsor of events raising thousands of pounds to assist the great work that our supported charities perform, in locations as widespread as St. Lucia, India, Zimbabwe and the UK. By doing these things, we can be elevated to a higher moral plane, where giving is certainly more satisfying and rewarding than receiving.

CSR plays a major part in the operations of our company, fully supported and endorsed by the Board and management teams. It remains one the highest strategic ambitions of the company to be recognised as a trusted, sound corporate citizen, with strong policy and action.

Past CSR initiatives have built a solid foundation and our vision is “Enlightening the World for A Better Tomorrow”.

In the words of our Chairman, Mr Kaushik Punjani, “At Euro Exim Bank, Corporate Social Responsibility has always been about taking philanthropic initiatives to make a difference. Our strategy is established in recognition of the sense of duty we perceive towards our customers, employees, specialist agents, partners, suppliers, regulators, media, communities and the environment”.



*"Unless you dream, you're not going to achieve anything".
- Sir Richard Branson*

AWARDS



Euro Exim Bank is proud to be recognised by some of the most important and influential global organisations and publications for business excellence, innovative processes, technology, tailor-made solutions, and customer service.



OUR ARTICLE CONTRIBUTORS

Graham is an experienced industry professional from a financial services & system vendors background. His extensive career over 35 years (including 20 years at SWIFT), covers global industry utilities, regulators and specialist financial institutions in sales, supporting and consulting on business solutions across the financial sector. Graham is a regular contributor to leading trade journals (GTR, TFR), with published articles in Financial Technology and Trade Finance magazines. He is also a regular speaker at international trade conferences.



GRAHAM BRIGHT JP
HEAD OF
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Adhithyan is a Digital Marketing Strategist graduated from VIT University, with an inclination for creating marketing strategies and quarter on quarter plans for the team's marketing initiatives. His experience includes working as a content marketer for emerging startups. He also specialises in lead generation, product positioning, sales enablement, feature adoption, GTM activities along with content marketing and SEO management.



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