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(UN/CEFACT)

INTERNATIONAL SUPPLY CHAIN PROGRAMME DEVELOPMENT AREA
FINANCE AND PROCUREMENT DOMAIN

TRADE FINANCE
DOCUMENTARY CREDIT PROCESS V2

SOURCE: TRADE FINANCE FACILITATION – FINANCE TEAM
ACTION: Draft development

DATE: 10 November 2024

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Document Summary

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Log of Changes

Date of Change	Version	Paragraph Changed	Summary of Changes
02 Oct 2023	1.00.01		The 1 st draft of the BRS.
25 Feb 2024	1.01.01	5.5.2	Some BIEs of Documentary Credit Business Document are changed.
21 Mar 2024	1.02.01	4.: Scope 5.1, 5.2, 5.3, 5.4 5.7: Definition of terms	Aligned UCP600
22 Mar 2024	1.02.02	5.7 Definition of Terms	Editorial correction
17 Oct 2024	2.01.00	5.4.4 Documentary Credit Settlement Business Process	Added the documentary credit settlement process
10 Nov2024	2.01.01	5.4.4	Correct the activity diagram for the settlement process

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1. Preamble

This document describes the documentary credit process being a part of the trade finance facilitation. The business entities used in the documentary credit process are defined in the trade finance reference data model under the Buy-Ship-Pay reference data model.

The documentary credit process uses the letters of credit and other trade settlements (trade finance) which are points of contact between commercial flow, physical distribution, and money flow in trade, and information items defined in each reference data model are used in relation to each other.

This business requirement specification (BRS) does not include the documentary credit issuance process by financial institutions. The documentary credit issuance process shall be in accordance with the standards established by the banking industry (SWIFT and ISO20022). If it is necessary to link this documentary credit process with banking industry standards, it is recommended to map the information items specified in this BRS to standard documents specified by the banking industry.

2. References

- UML Profile for UN/CEFACT's Modeling Methodology (UMM) Base Module Technical Specification - Version 2.0, 01 April 2011
- UML Profile for UN/CEFACT's Modeling Methodology (UMM) Foundation Module Technical Specification - Version 2.0, 01 April 2011
- Core Components Technical Specification -Version 2.01,15 November 2003
- Core Components Business Document Assembly Technical Specification - Version 1.0, 27 June 2012
- BUY – SHIP – PAY Reference Data Model (BSP-RDM) - Version 1.0, 13 August 2019
- Supply Chain Reference Data Model (SCRDM) - Version: 1.0.2, 9 January 2017
- Multi Modal Transport Reference Data Model (MMTRDM) – Version 1.0, 01 March 2018
- SWIFT: Documentary Credits and Guarantees/Standby Letters of Credit Message Reference Guide - November 2021
- ICC: Uniform Customs and Practice for Documentary Credits, Revision 2007, Publication no. 600
- ICC: ISBP International Standard Bank Practice Revision 2023, Publication no- 821

3. Objectives

The objective of this document is to standardize the business processes, the business transactions and the information entities of the documentary credit used by the industries in the trade finance, supply chain and transport and logistics.

The business process is the detailed description of the way trading partners, transport and logistics players and financial institutes intend to play their respective roles, establish business relations and share responsibilities to interact efficiently with the support of their respective information systems.

Each business transaction is realized by an exchange of business documents (also called messages). The sequence in which these documents are used, composes a particular instance of a scenario and are presented as use cases in the document.

The business documents are composed of business information entities (BIE), which are preferably taken from libraries of reusable business information entities. The contents of the business documents and the business information entities are presented using class diagrams and/or requirement lists.

4. Scope

A documentary credit (also called Letter of Credit) is a document of guarantee in which the importer's bank promises to pay the price on behalf of the importer, provided that the exporter presents the shipping documents in accordance with the documentary credit as “Compliant Presentation”. The documentary credit process begins with the importer's application for a documentary credit and covers the activities that the exporter must carry out in order to negotiate the Credits.

The business processes specified in this BRS refers to UCP 600 (Uniform Customs and Practice for Documentary Credits, Revision 2007, Publication no. 600 of International Chamber of Commerce) and ISBP (International Standard Banking Practice, Revision 2023 Publication 821 of International Chamber of Commerce).

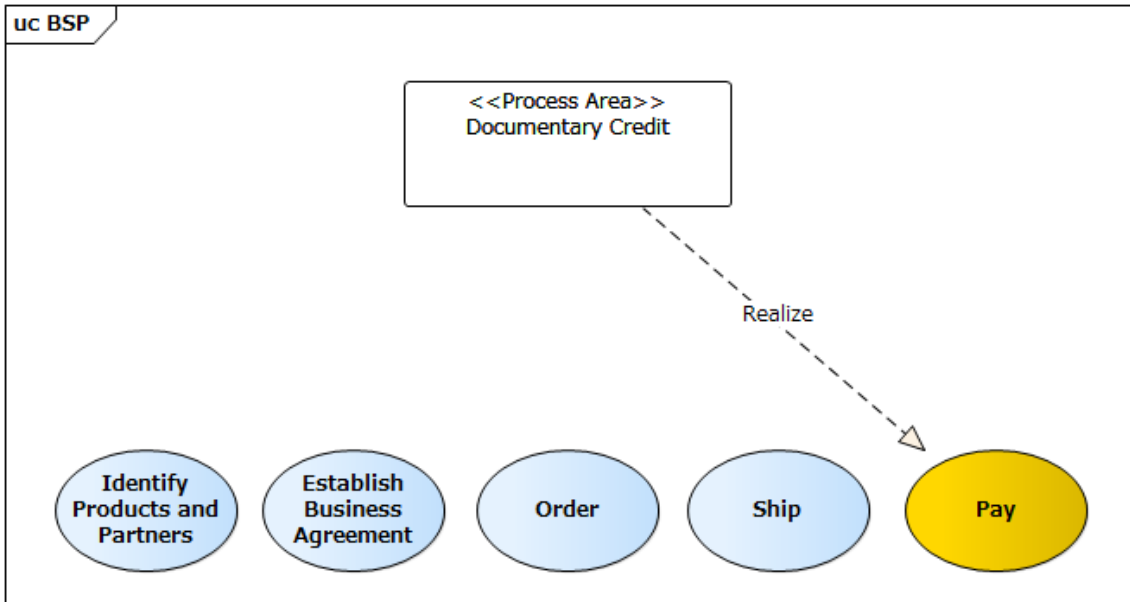


Figure 4-1 Positioning the documentary credit process in BUY-SHIP-PAY model

Categories	Description and Values
Business Process	Documentary Credit process in the supply chain
Product Classification	All
Industry Classification	All
Geopolitical	Global
Official Constraint	None
Business Process Role	Applicant, Beneficiary, Issuing Bank, Advising Bank, Nominated bank
Supporting Role	Confirming Bank, Reimbursing Bank
System Capabilities	No limitation

This BRS covers everything from the importer's application for a documentary credit, the bank's issuance of the documentary credit, notification of the documentary credit to the exporter, modification of the documentary credit, and settlement process by the exporter. It does not go into details of the process and information model of a documentary credit issuance procedures which comply with banking industry standards, such as SWIFT standard.

5. Business Requirement View

5.1 Business Domain Use Case

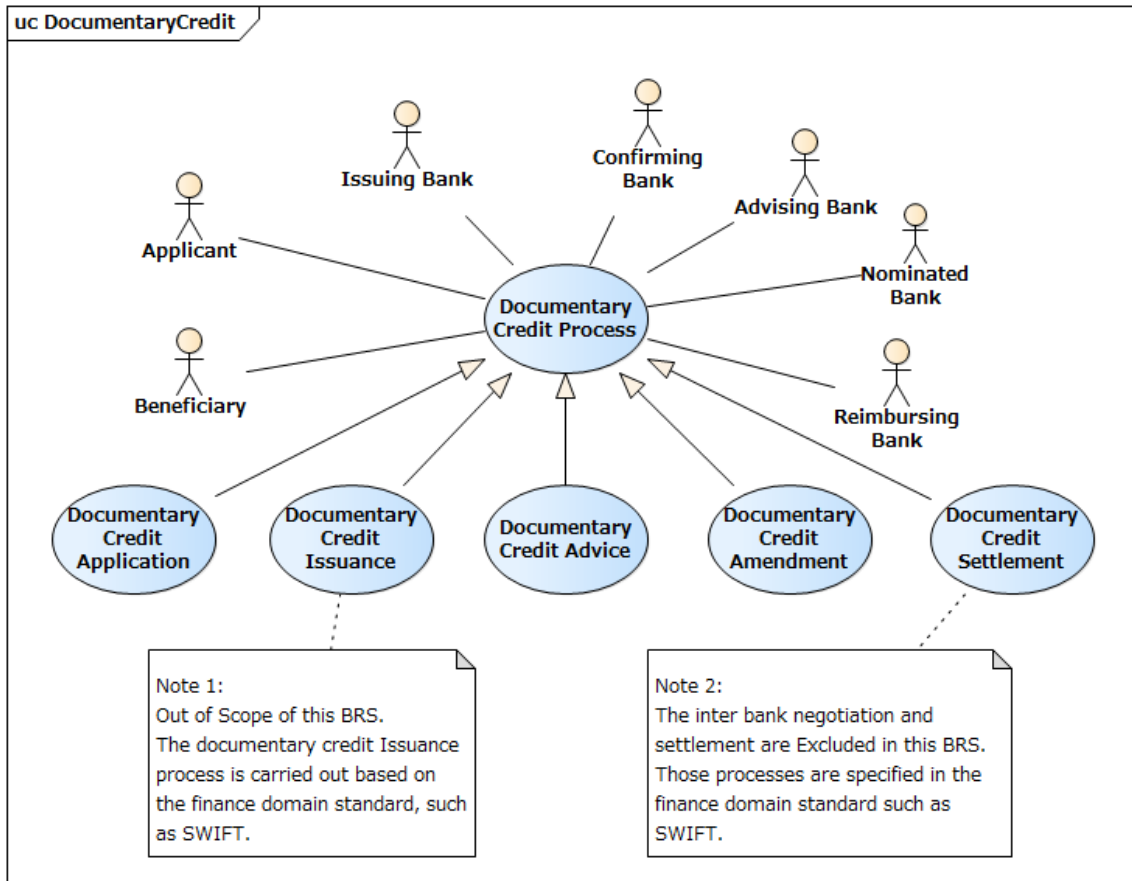


Figure 5-1-1 Business Domain Use Case

Note 1:

This document does not go into details of the process and information model of a documentary credit issuance process which comply with banking industry standards, such as SWIFT standard.

The documentary credit issuance process may include confirming process by the confirming bank, if required. The confirmation instructions and the confirming bank may be specified in the documentary credit document.

Note 2:

The interbank negotiation and settlement are excluded in this BRS.

Those processes are specified in the finance domain standard such as SWIFT.

5.2 Business Collaboration Use Case

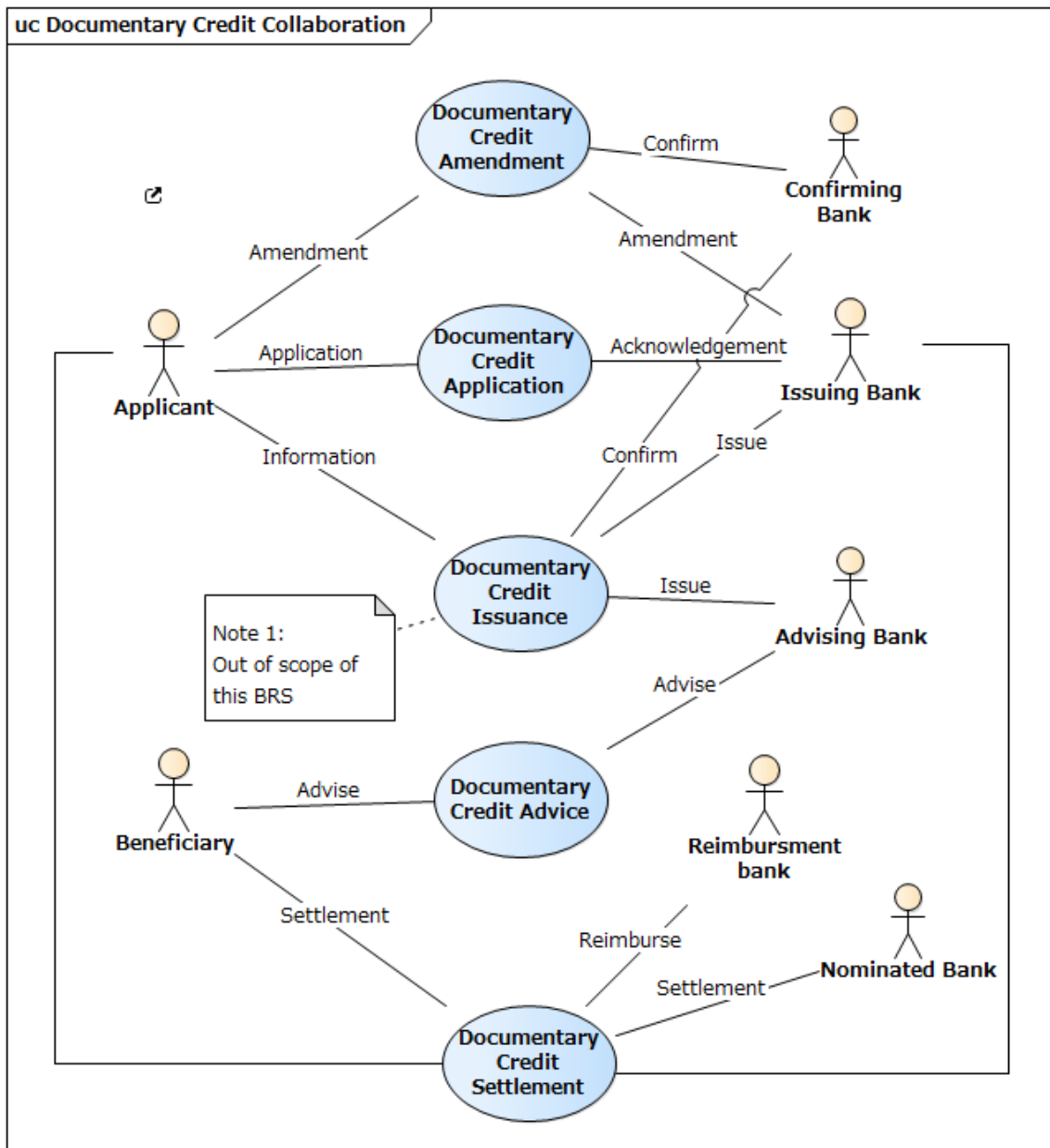


Figure 5-1-2 Business Collaboration Use Case

5.3 Use Case Description

Table 5-3-1 Business Domain Use Case Description

Category		Description
Actor	Applicant	The trade party for this documentary credit process on whose request the credit is issued.
	Beneficiary	The trade party for this documentary credit process in whose favour a credit is issued.
	Issuing Bank	The financial institution that services the applicant of this documentary credit. The service includes issuing documentary credit.
	Advising Bank	The financial institution that advises the intended beneficiary of this documentary credit.
	Nominated Bank	<p>The financial institution with which the credit is available or any bank in the case of a credit available with any bank. The bank that can honour or negotiate.</p> <p>Honour means:</p> <ul style="list-style-type: none"> a. to pay at sight if the credit is available by sight payment. b. to incur a deferred payment undertaking and pay at maturity if the credit is available by deferred payment. c. to accept a bill of exchange ("draft") drawn by the beneficiary and pay at maturity if the credit is available by acceptance. <p>Negotiation means the purchase by the nominated bank of drafts (drawn on a bank other than the nominated bank) and/or documents under a complying presentation, by advancing or agreeing to advance funds to the beneficiary on or before the banking day on which reimbursement is due to the nominated bank.</p>
	Confirming Bank	The financial institution that adds its confirmation to a credit upon the issuing bank's authorization or request.
Reimbursing Bank	The financial institution that instructed or authorized to provide reimbursement pursuant to a reimbursement authorization issued by the issuing bank.	

Use Case	Documentary Credit Application	This is the importer's request for the issuance of the documentary credit. After receiving it, the bank examines it and informs the applicant whether or not it is prepared to issue the credit.
	Documentary Credit Issuance	At the applicant's request, the issuing bank issues the documentary credit and forwards it to the advising bank. The documentary credit issuance process may include confirming process by the confirming bank, if required. The confirmation of a documentary credit is generally requested in contractual agreements when the beneficiary of a credit wants additional security from a bank in his Country.
	Documentary Credit Advice	The advising bank that receives the documentary credit will notify the Beneficiary.
	Documentary Credit Amendment	At the applicant's amendment request for the issued documentary Credit, the issuing bank issues the amended documentary credit and forwards it to the advising bank. The amendment may include adding the confirmation to the original documentary credit upon request. Modification of a documentary credit requires the agreement of the issuing bank, the confirming bank, if any, and the Beneficiary.
	Documentary Credit Settlement	<ol style="list-style-type: none"> 1. On the basis of the “Compliant Presentation”, the nominated bank, the confirming bank and/or the issuing bank will make payment in one of the forms indicated above under “Honouring/Negotiating” in the description of ‘nominated bank’. 2. The Applicant will be charged for the amount of availment of the credit and will receive the documents prescribed by the credit and, if provided for by the documentary credit, also the transport documents required for pick up the cargo.

Note 3:

As per UCP Rules a “Compliant Presentation” means It is the delivery of documents to Nominated Bank, Confirming Bank or Issuing bank the case may be, that are in accordance with the terms and conditions of the credit, the UCP rules if the documentary credit states that it is subject to them and International standard banking practice.

5.4 Business Process Elaboration

5.4.1 Documentary Credit Application Business Process

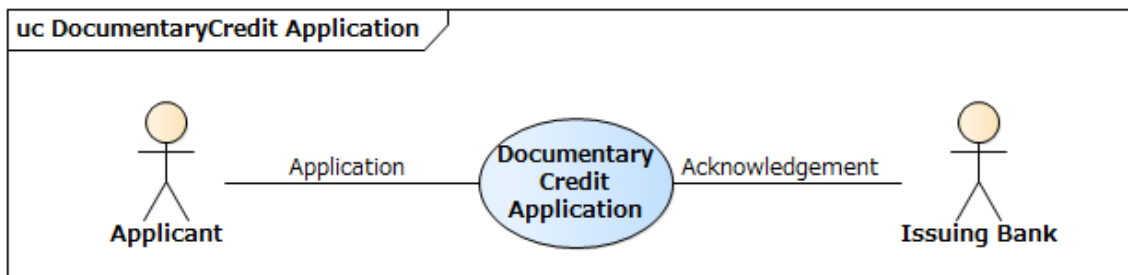


Figure 5-4-1-1 Documentary Credit Application Business Process Use Case

Table 5-4-1-1 Documentary Credit Application Business Process Use Case Description

Category	Description
Business process name	Documentary credit application
Identifier	TF-DC-Application
Actors	Applicant who requests to issue a documentary credit, Issuing bank who receives a documentary credit application
Pre-condition	A sales contract between the exporter (Seller) and the importer (Buyer) is in place.
Description	Based on the sales contract, ask the bank to issue a documentary credit to guarantee payment to the exporter. The bank will examine the contents of the documentary credit issuance application and send the results back to the applicant. This is a very important step in the construction of a Documentary Credit, therefore a careful attention to detail in the credit applicant issuance is necessary. ¹ The confirmation bank may be designated at the time of the sales contract, if the beneficiary requested.
Post-condition	After agreeing on the contents of the documentary credit requested, preparations are made to issue and to send the documentary credit to the advising bank on the exporting side.

¹ [ISBP Pub- ICC 681 Preliminary Consideration point iv)] «Many of the problems that arise at the document examination stage could be avoided or resolved by the respective parties through careful attention to detail in the credit or amendment application and issuance of the credit or any amendment thereto. The applicant and beneficiary should carefully consider the documents required for presentation, by whom they are to be issued, their data content and the time frame in which they are to be presented».

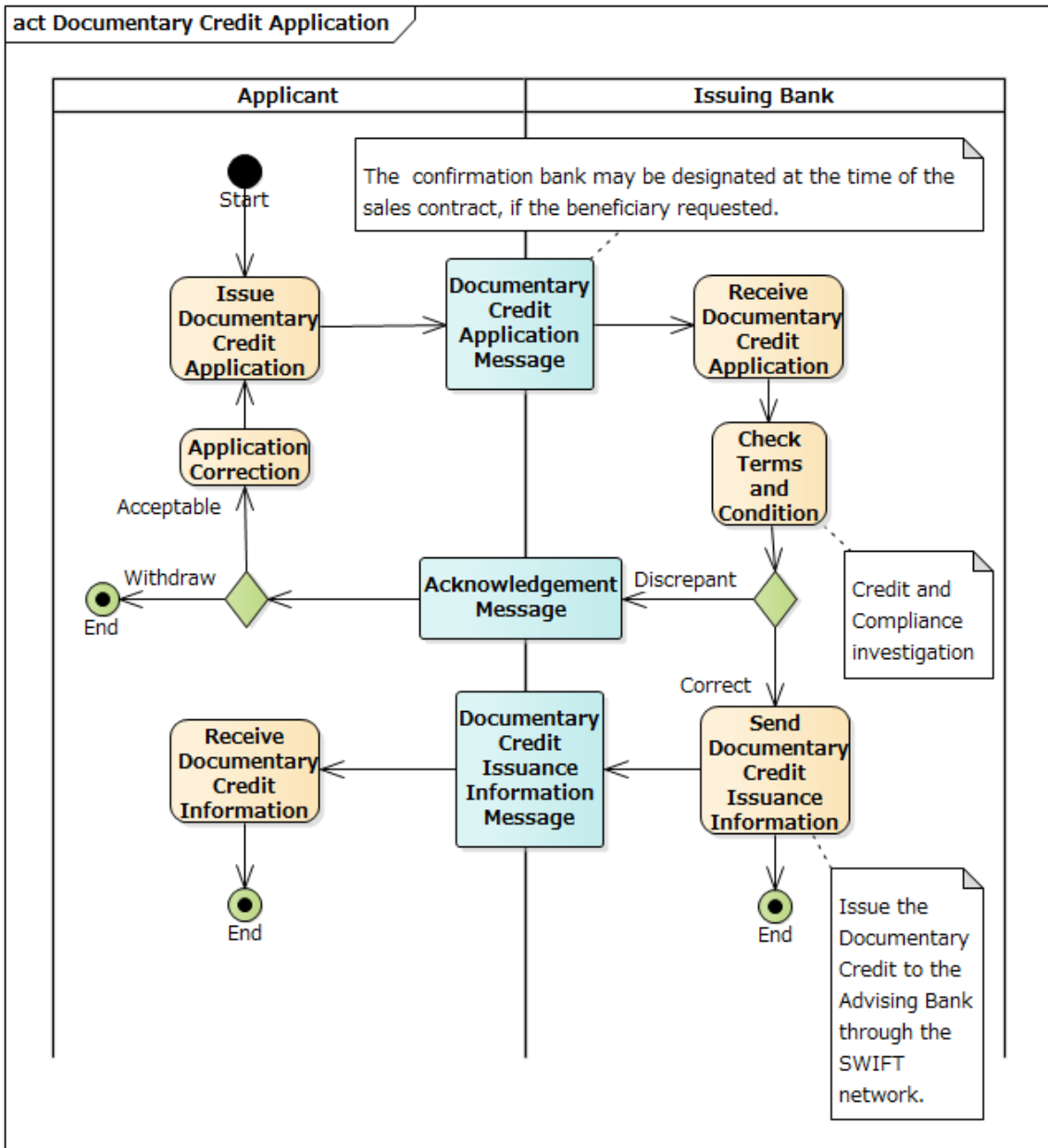


Figure 5-4-1-2 Documentary Credit Application Business Process Activity Diagram

5.4.2 Documentary Credit Advice Business Process

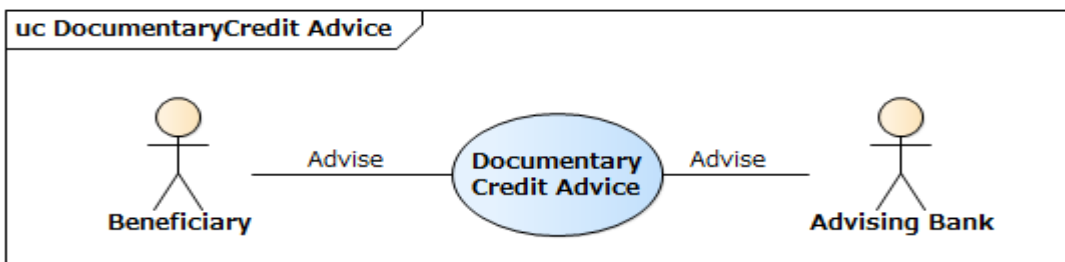


Figure 5-4-2-1 Documentary Credit Advice Business Process Use Case

Table 5-4-2-1 Documentary Credit advice Business Process Use Case Description

Category	Description
Business process name	Documentary credit advice
Identifier	TF-DC-Advice
Actors	Advising bank who send an advisory of a documentary credit, Beneficiary who receives a documentary credit advisory.
Pre-condition	Advising bank receives the documentary credit from issuing bank.
Description	The advising bank notifies the beneficiary of the documentary credit information received from the issuing bank. Performs all compliance analyses on the Beneficiary and on the object of the Documentary Credit.
Post-condition	The beneficiary will be able to arrange shipping based on the notified documentary credit information.

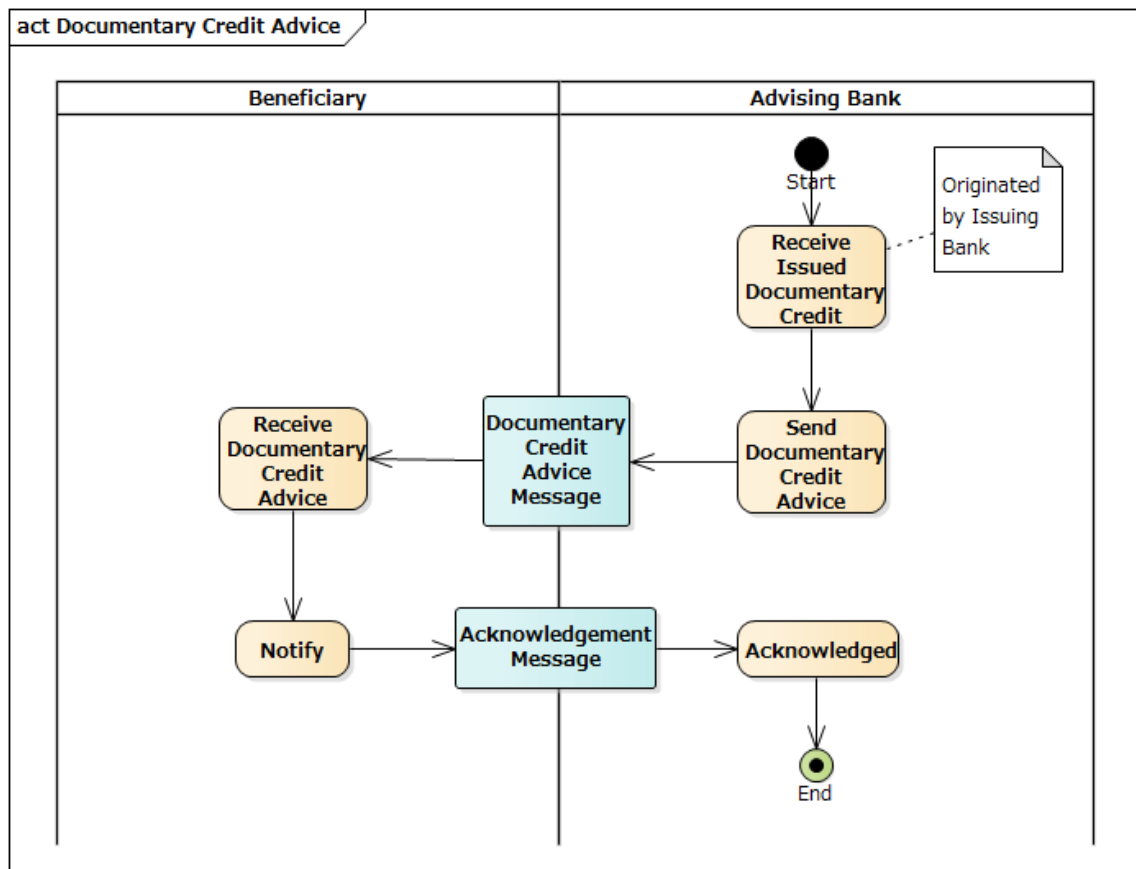


Figure 5-4-2-2 Documentary Credit Advice Business Process Activity Diagram

5.4.3 Documentary Credit Amendment Business Process

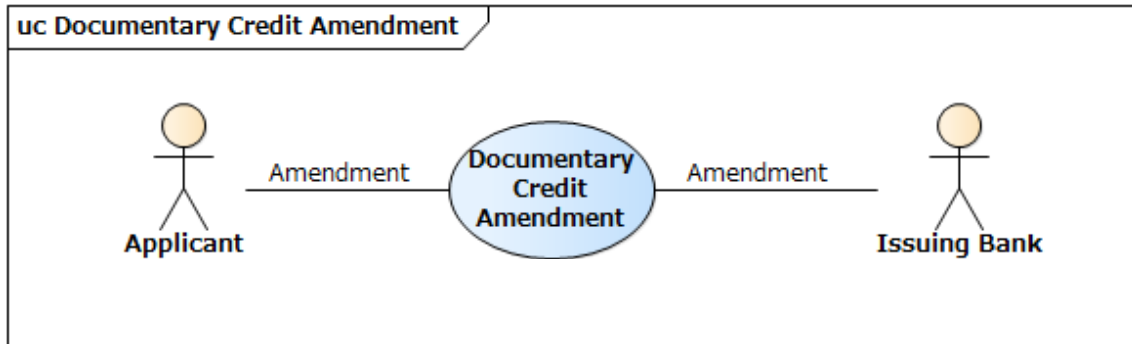


Figure 5-4-3-1 Documentary Credit Amendment Business Process Use Case

Table 5-4-3-1 Documentary Credit amendment Business Process Use Case Description

Category	Description
Business process name	Documentary credit amendment
Identifier	TF-DC-Amendment
Actors	Applicant who requests to amend a documentary credit, Issuing bank who receives a documentary credit amendment request
Pre-condition	A documentary credit has been issued.
Description	An applicant asks the issuing bank to amend the issued documentary credit, the issuing bank reviews the amendment request and notifies the applicant of the result. Normally the changes are requested by the beneficiary in relation to the needs that he has or that have arisen in order to then be able to use the documentary credit correctly (for example change in the shipping and expiry date or modification of some documents etc.
Post-condition	After agreeing on the contents of the documentary credit amended, preparations are made to reissue and to send the amended documentary credit to the advising bank.

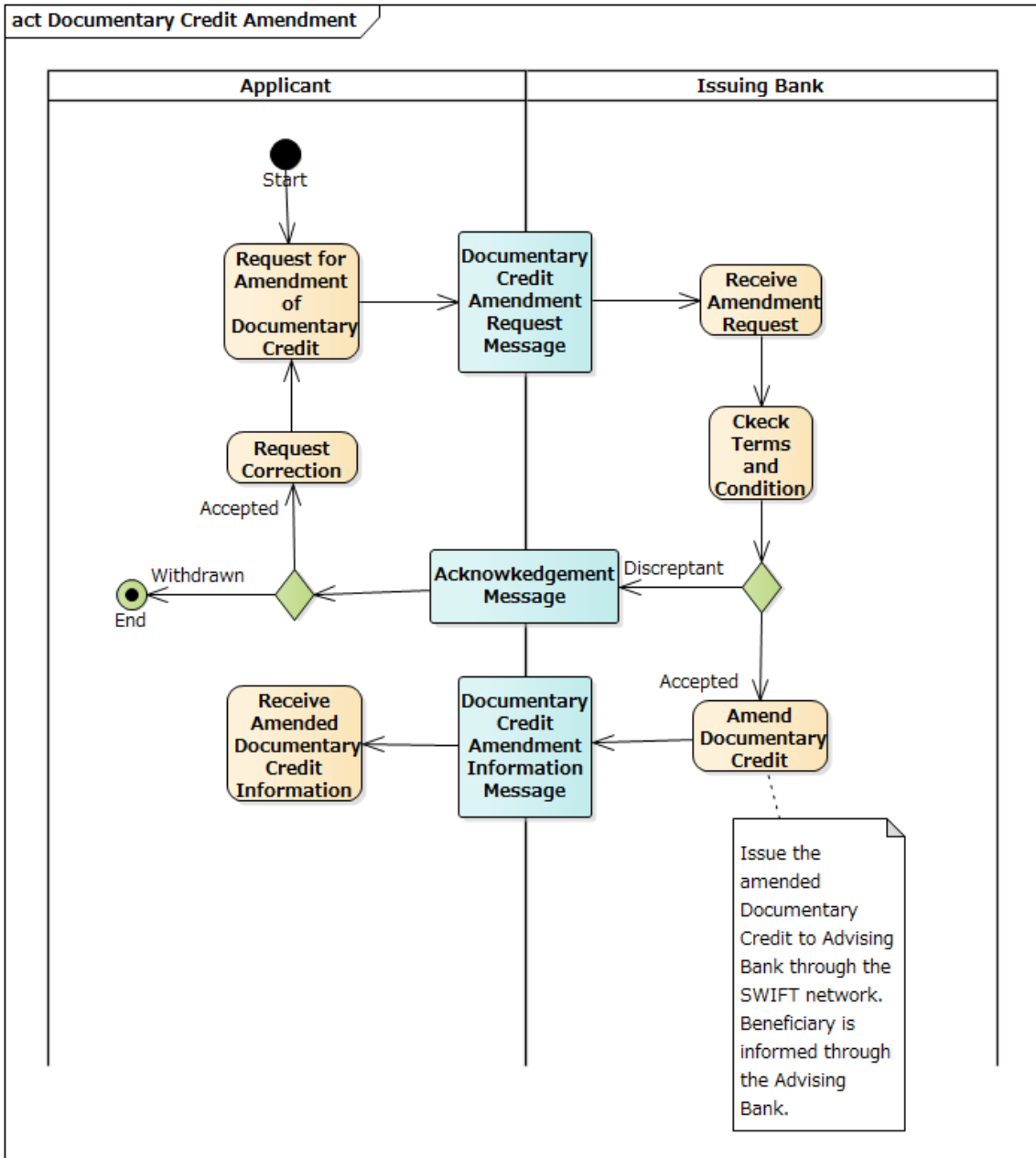


Figure 5-4-3-2 Documentary Credit Amendment Business Process Activity Diagram

5.4.4 Documentary Credit Settlement Business Process

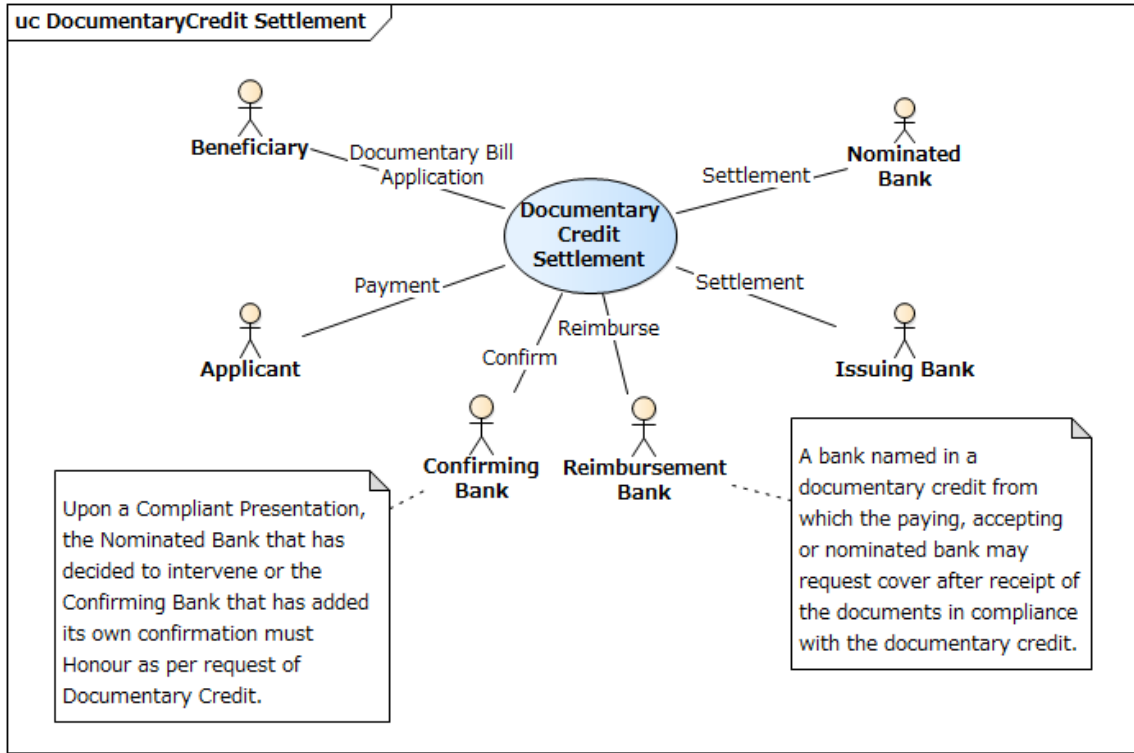


Figure 5-4-4-1 Documentary Credit Settlement Process Use Case

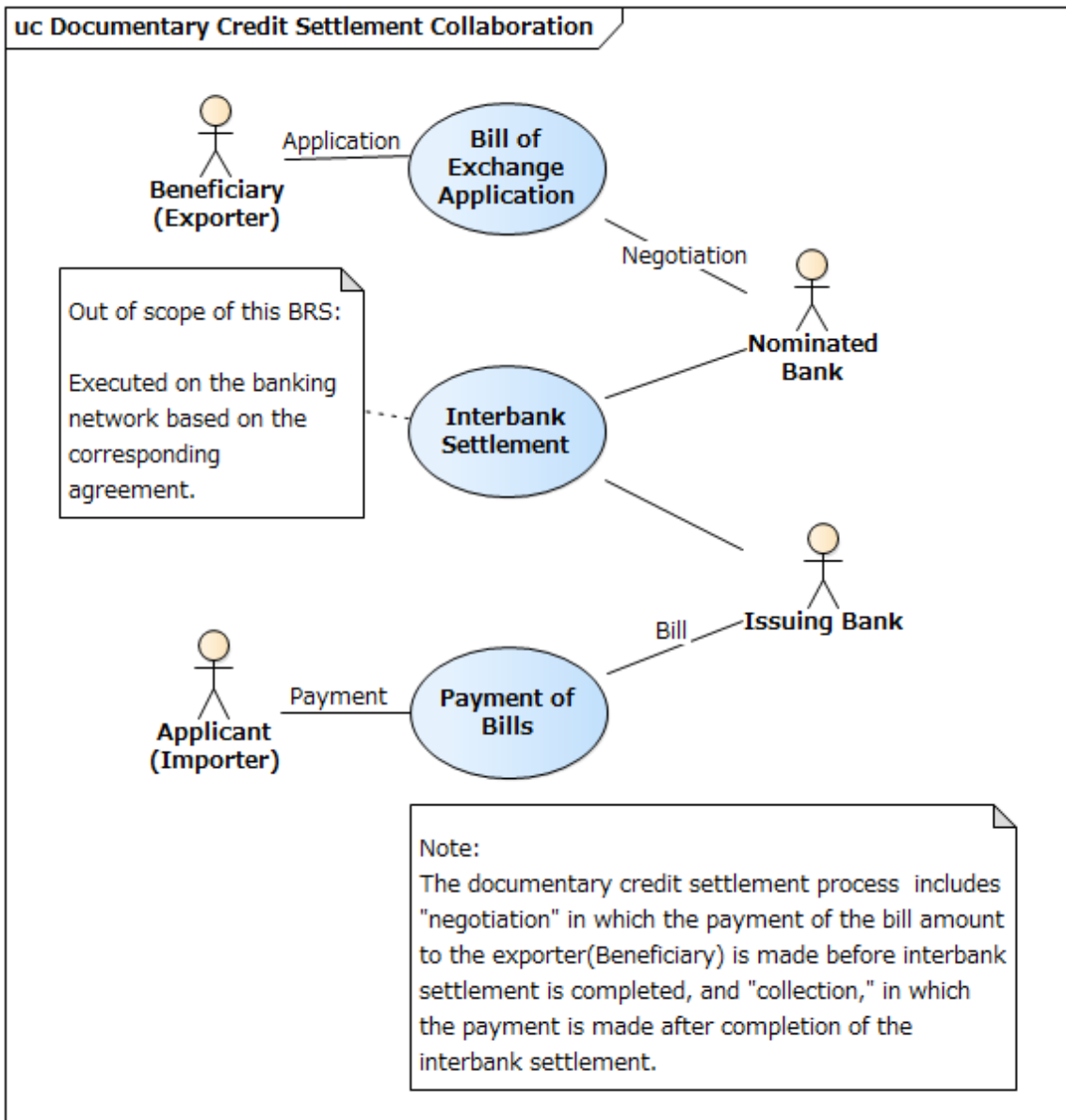


Figure 5-4-4-2 Documentary Credit Settlement Collaboration Use Case

Table 5-4-4-1 Documentary Credit Settlement Business Process Use Case Description

Category	Description
Business process name	Documentary credit settlement
Identifier	TF-DC-Settlement
Actors	<p>Beneficiary (exporter) who issues an application for a negotiation of the bill of exchange with the documentary credit.</p> <p>Applicant (importer) pays for the goods in order to receive the shipping documents necessary to release the goods.</p> <p>Nominated bank makes negotiation with the beneficiary against the exporter's bill of exchange.</p> <p>Issuing bank makes negotiation with the nominated bank and collects payment for the goods from the importer.</p> <p>Confirming bank undertakes an irrevocable obligation to pay the beneficiary upon confirming the documentary credit.</p> <p>Reimbursement bank acts as an intermediary responsible for reimbursing the nominated bank after it has made payment to the exporter.</p>
Pre-condition	A documentary credit has been issued and the shipping documents, including the bill of lading, has been ready.
Description	<p>The beneficiary (exporter) issues a bill of exchange supported by shipping documents that meet the conditions set out in the documentary credit in order to present a “Compliant Presentation” to the nominated bank asking the negotiation.</p> <p>The nominated bank negotiates the documentary bill after confirming with the issuing bank and send the shipping documents to the issuing bank.</p> <p>The issuing bank notifies the applicant (importer) arrival of the shipping documents. If it is a “Compliant Presentation”, it charges the applicant and hands him the documents he will need to collect the goods.</p>
Post-condition	The applicant (importer) receives the shipping documents and can then receive the goods and complete customs clearance procedures.

5.4.4.1 Bill of Exchange Application Process

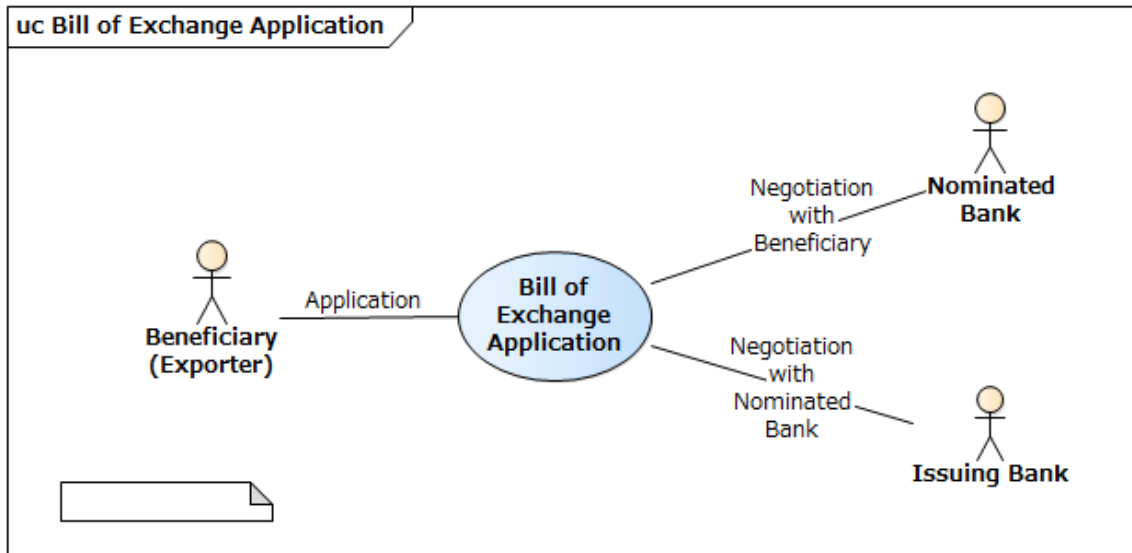


Figure 5-4-4-1-1 Bill of Exchange Application Process Use Case

The bill of exchange process includes "negotiation" in which the payment of the bill amount to the exporter (beneficiary) is made before interbank settlement is completed, and "collection," in which the payment is made after interbank settlement completion.

Note 4:

In a restricted documentary credit, the credit is specifically restricted to be negotiated only through one particular bank or a specified list of banks, usually named by the issuing bank. This means that the exporter or beneficiary can only approach the designated bank(s) to receive payment or negotiate the terms of the documentary credit.

Note 5:

A mismatch between terms and conditions of a documentary credit and the actual documents is called a discrepancy.

When a discrepancy is found, the issuing bank or the confirming bank should advise the nominated bank within five banking days following the day of presentation. The issuing bank may refuse to buy the bill of exchange (=Document Unpaid).

The bill requester will promptly correct the submitted documents if possible. If amending the actual document is not possible, it should go through a process to amend the documentary credit terms with the consent of all parties involved or the applicant to accept the discrepancy and decide to pay.

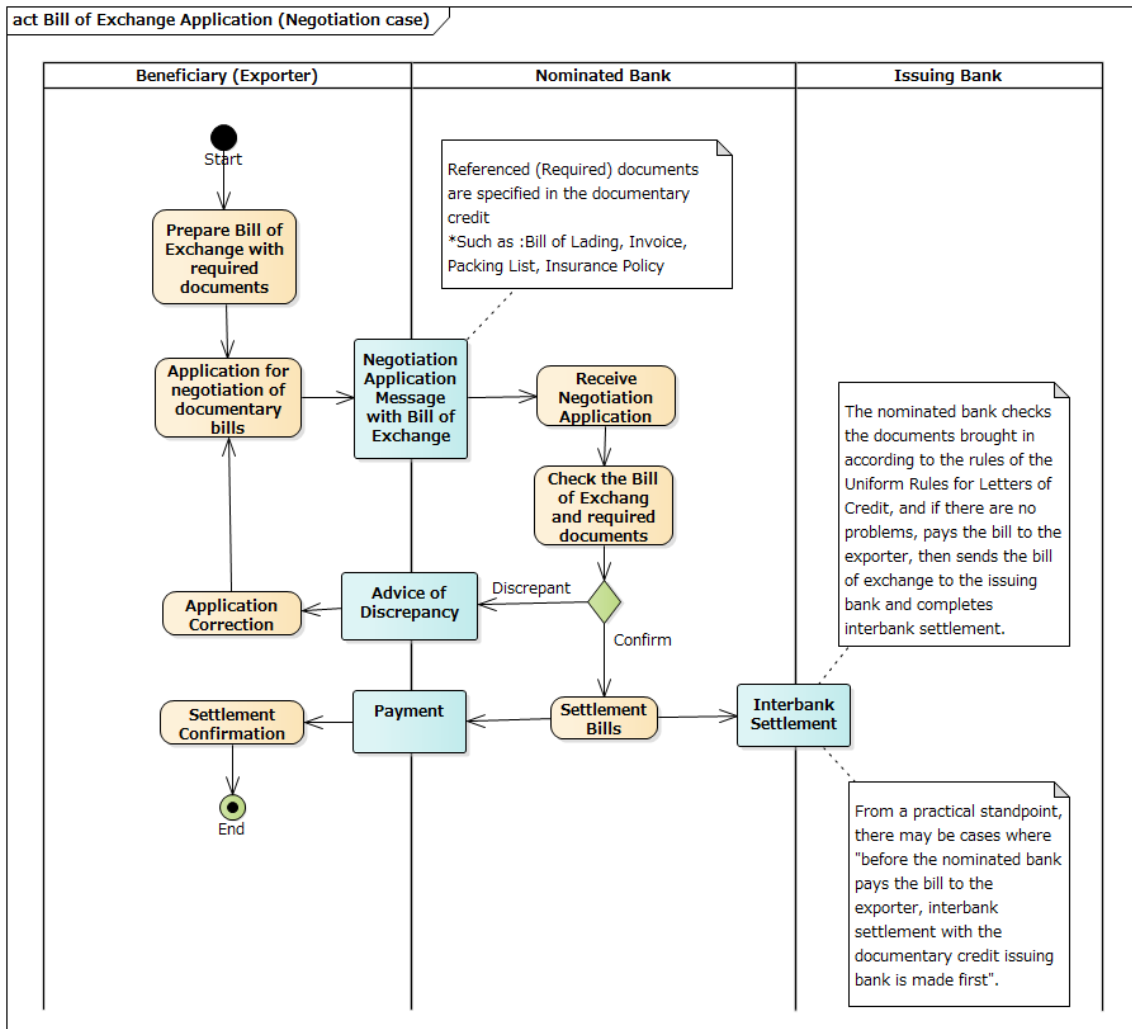


Figure 5-4-4-1-2 Bill of Exchange Application Process (Negotiation) Activity Diagram

Note 6:

The nominated Bank checks documents brought in according to the terms and conditions of the credit, the UCP rules if the documentary credit states that is subject to them and International Standard Banking Practice, and if there are no problems, pay the bill to the exporter, the sends the bill of exchange and the documents to the issuing bank and completes interbank settlement.

Note 7:

From a practical standpoint, there may be cases where "before the nominated bank pays the bill to the exporter, interbank settlement with the documentary credit issuing bank is made first".

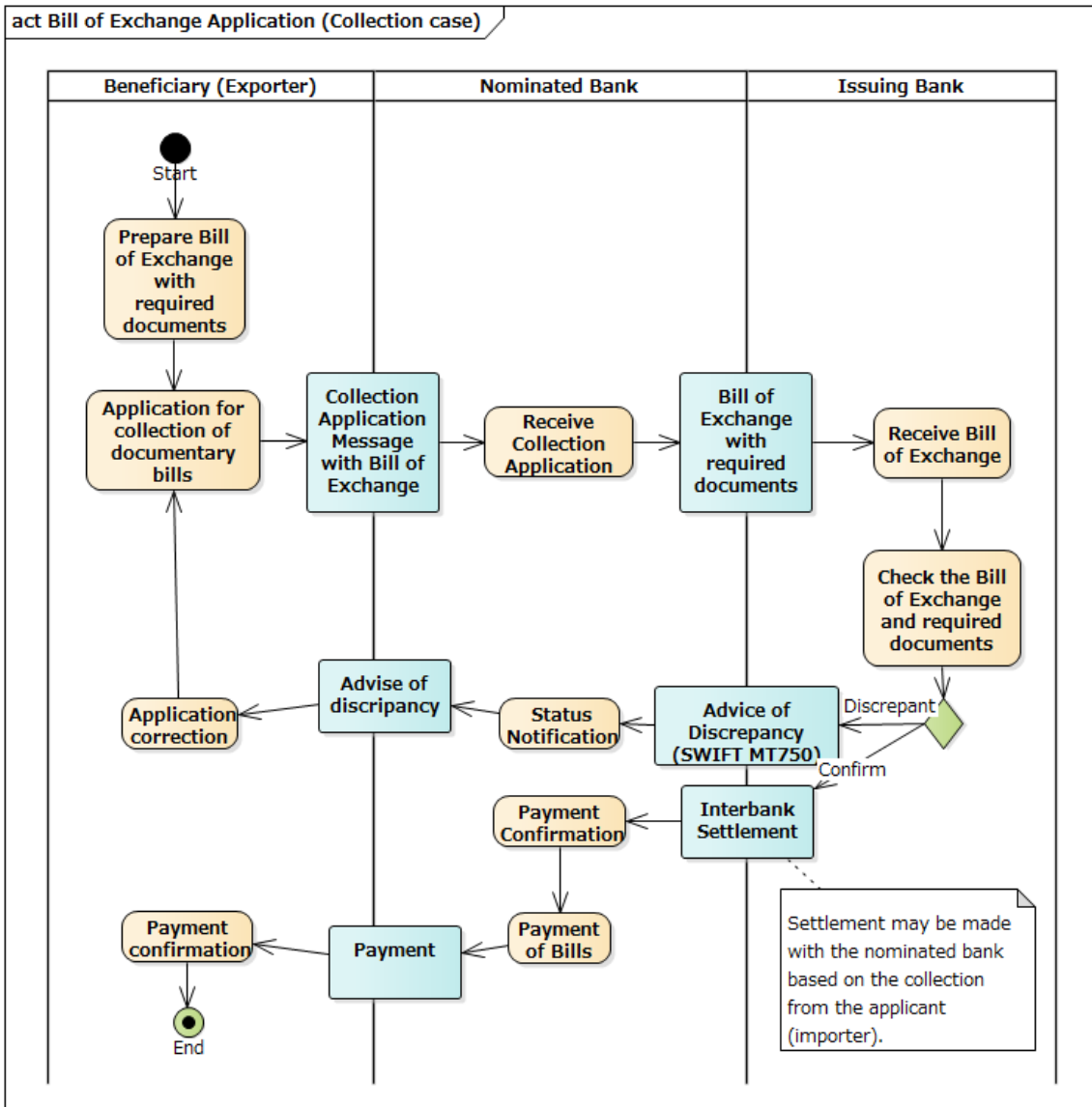


Figure 5-4-4-1-3 Bill of Exchange Application Process (Collection) Activity Diagram

Note 8:

The bill of exchange specifies the maturity date for payment called “tenor”. In the trade finance, "tenor" refers to the length of time until a financial instrument or contract reaches its maturity. There are several types of tenor as follows.

- Usance tenor: Usance tenor refers to the deferred payment period allowed for a buyer to pay after the goods are received or the bill of exchange is accepted.
- Sight tenor: Sight tenor refers to payment that is due immediately upon the presentation of documents under a letter of credit or bill of exchange.

5.4.4.2 Payment of Bills Process

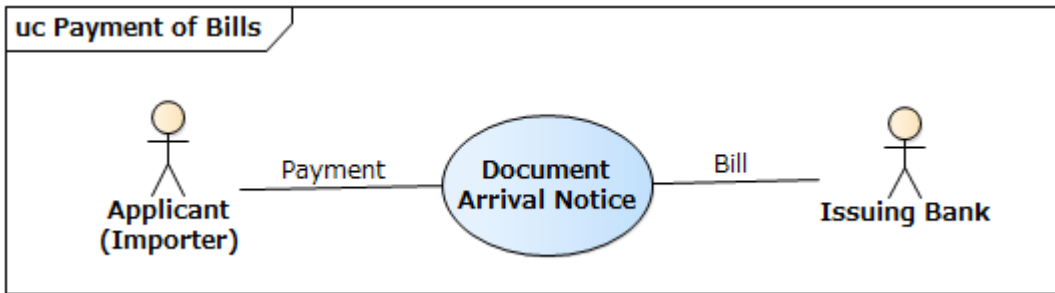


Figure 5-4-4-2-1 Payment of Bills Process Use Case

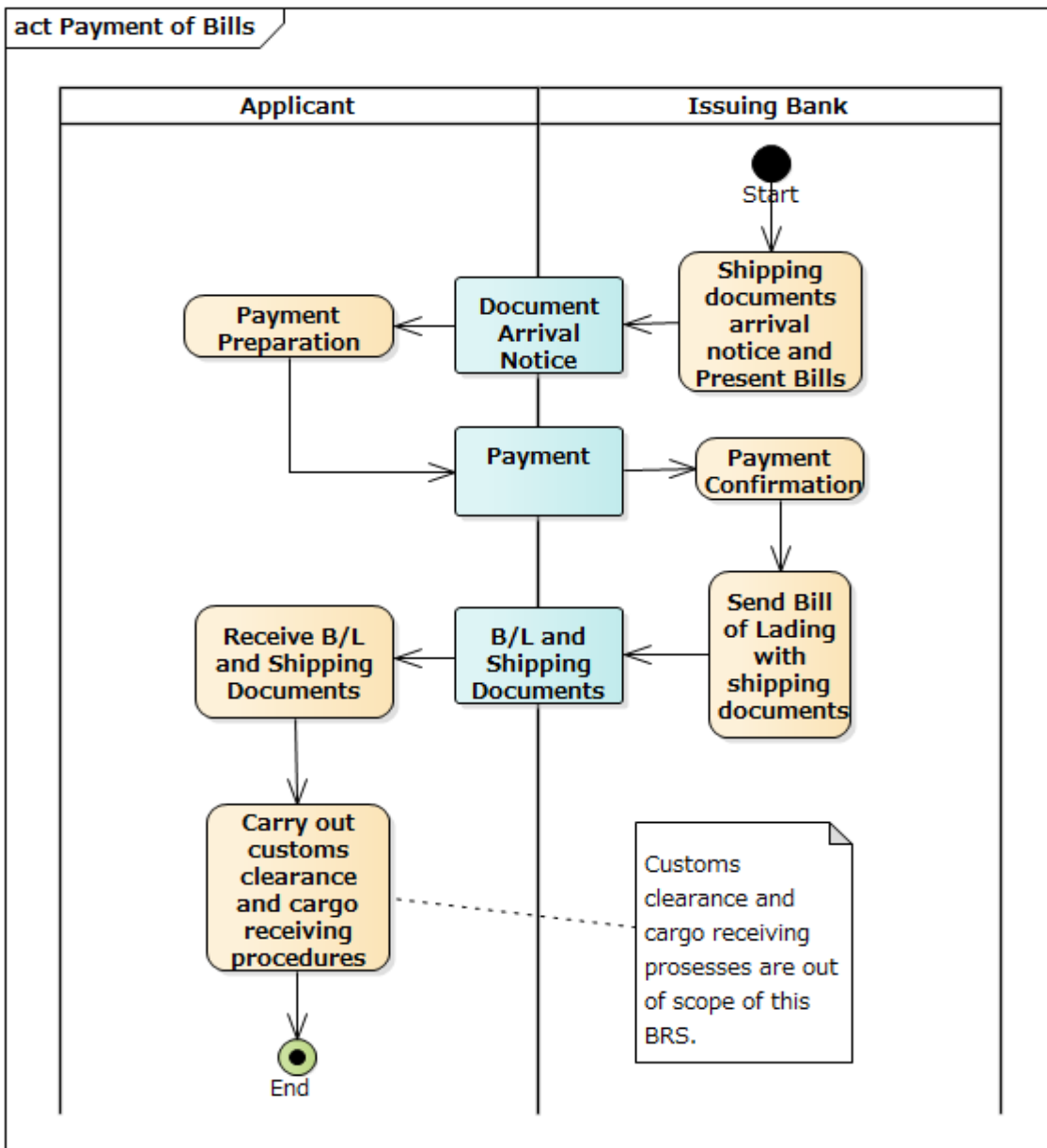


Figure 5-4-4-2-2 Payment of Bills Process Activity Diagram

5.5 Information Model Definition

5.5.1 Business Entity Relationship Overview

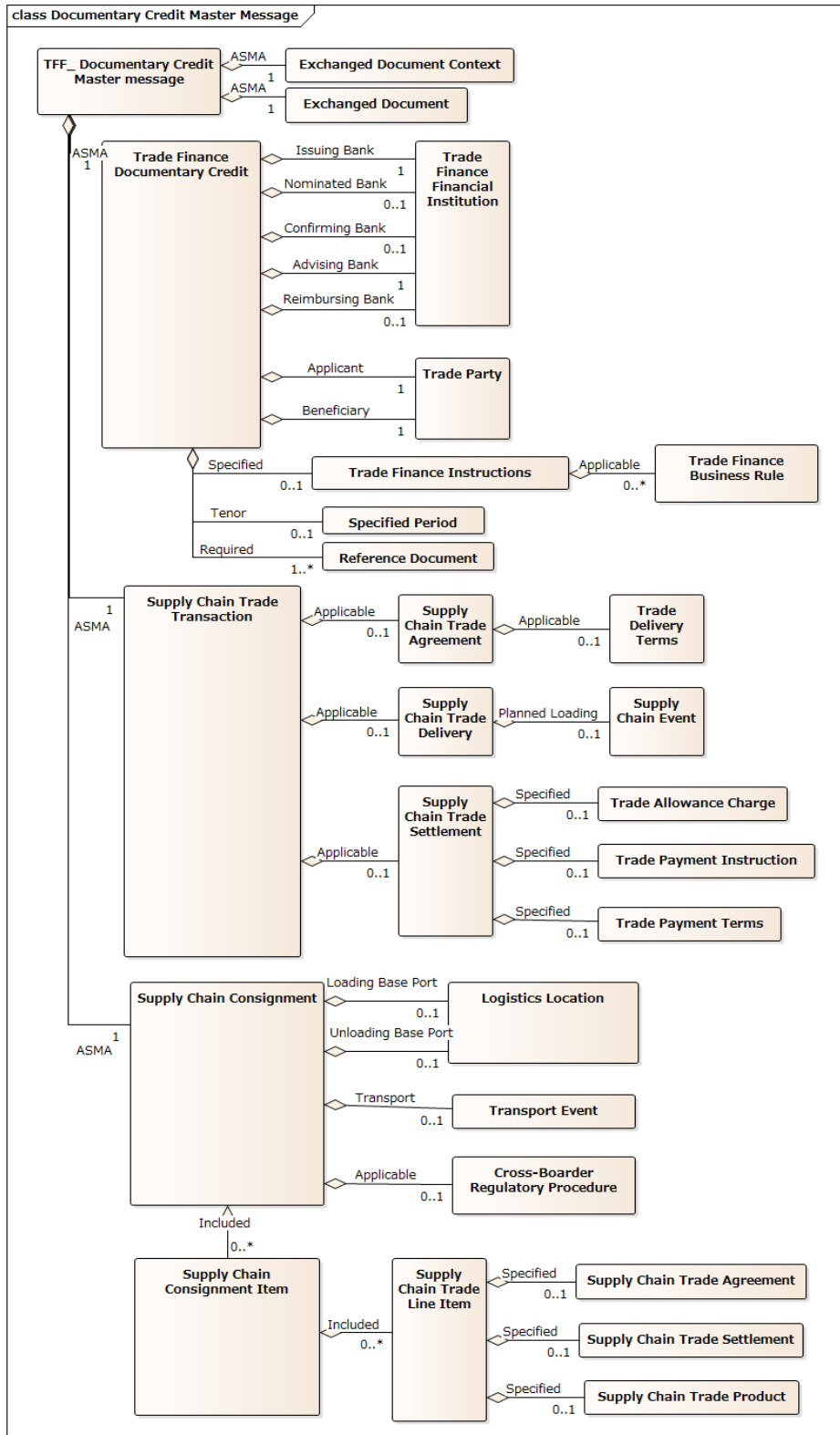
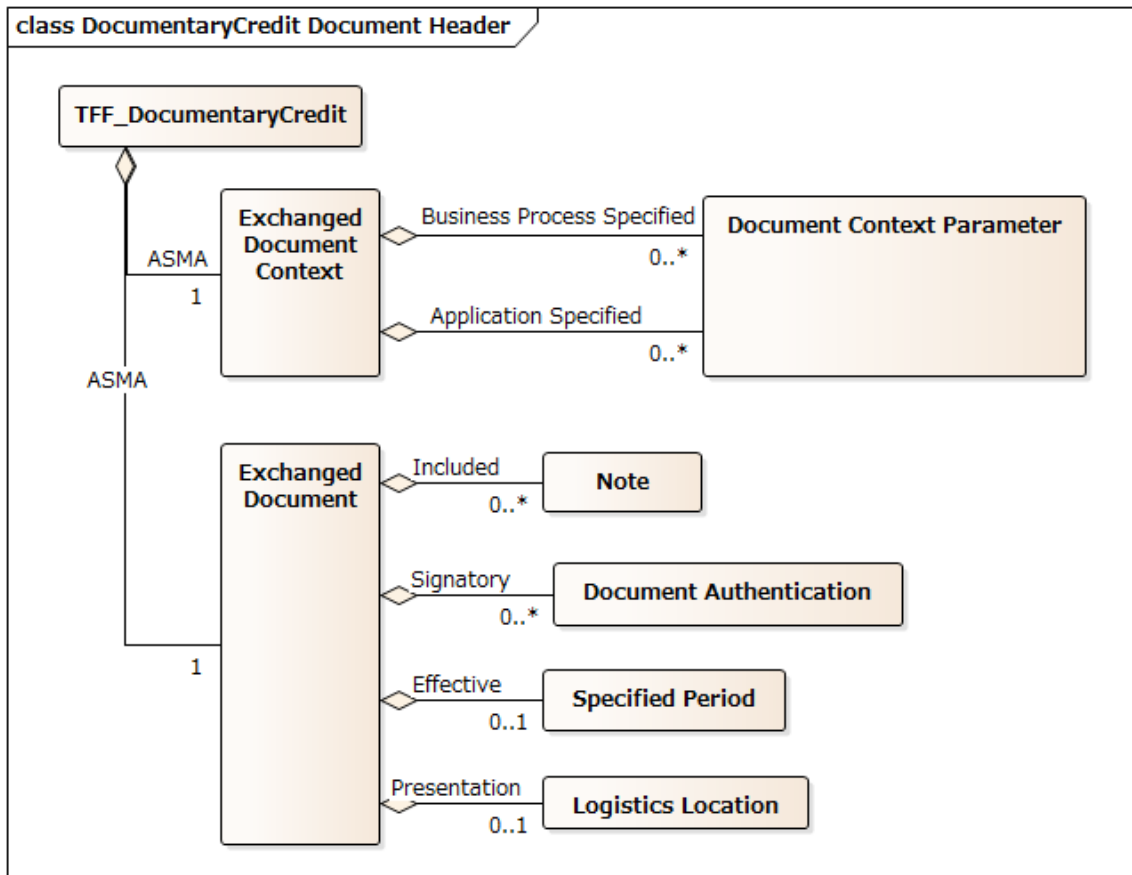


Figure 5.5.1 Business Entity Relationship

5.5.2 Documentary Credit Business Document

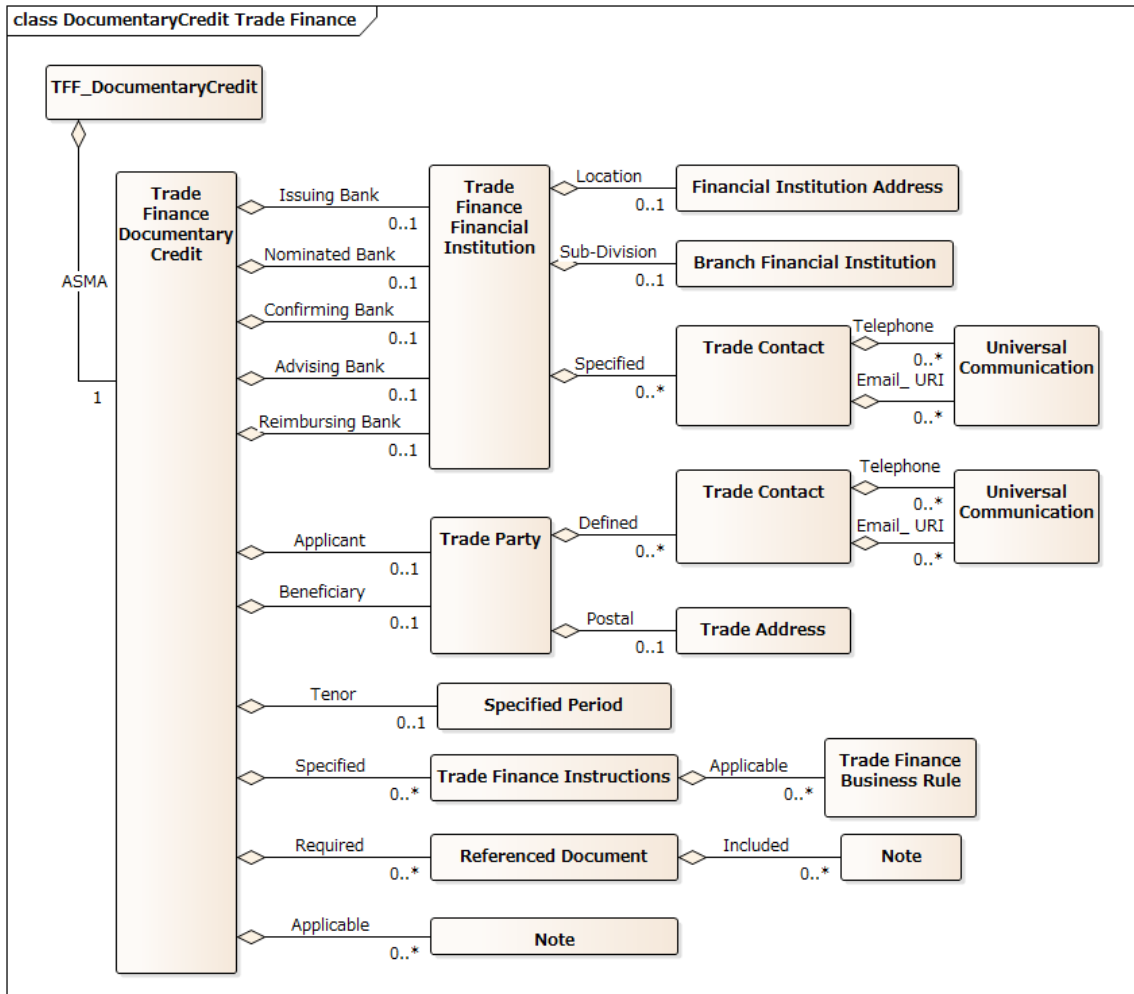
5.5.2.1 Document Header



Type	UID	Short Name	Definition	Cardinality
Document Header Group				
ABIE	UN01003540	Exchanged Document Context	The scenario or setting of an exchanged document, such as its business process application context.	
BBIE	UN01003541	Transaction ID	The identifier of a specified transaction in this exchanged document context.	1..1
BBIE	UN01012761	Processing Transaction Date Time	The date time of the processing of a transaction for this exchanged document context.	0..1
ASBIE	UN01003542	Business Process Parameter	A business process context parameter specified for this negotiation.	0..n
ASBIE	UN01003545	Application Parameter	An application context parameter specified for this exchanged document context.	0..n
ABIE	UN01004852	Document Context Parameter	A feature that is fixed for a particular document context.	
BBIE	UN01004853	ID	The unique identifier of this document context parameter.	0..1
BBIE	UN01004854	Value Text	The value, expressed as text, of this document context parameter.	0..1
ABIE	UN01002487	Exchanged Document	A collection of data for a piece of written, printed or electronic matter that is exchanged between two or more parties.	
BBIE	UN01002488	Document ID	The identifier of this exchanged document, such as the Document Credit Number (MT700).	0..1
BBIE	UN01002489	Document Name	The name, expressed as text, of this exchanged document.	0..1
BBIE	UN01002491	Type Code	The code specifying the type of exchanged document.	0..1
BBIE	UN01002493	Issue Date Time	The date, time, date time or other date time value for the issuance of this exchanged document.	0..1
BBIE	UN01003549	Submission Date Time	The date, time, date time or other date time value for the formal submission of this exchanged document to a receiver by a sender.	0..1
BBIE	UN01003561	Purpose Code	The code specifying the purpose of this exchanged document, such as request or cancelled.	0..1
BBIE	UN01003566	Page ID	The identifier of a specific page of this exchanged document.	0..1
BBIE	UN01003570	Sender Assigned ID	The sender assigned identifier for this exchanged document.	0..1
BBIE	UN01003577	Total Page Quantity	The total number of pages for this exchanged document.	0..1
BBIE	UN01014678	Subtype Code	The code specifying the Subtype of exchanged document, such as negotiation or initiation.	0..1
BBIE	TF_DC23002	Transfearable Indicator	The indication of whether or not this exchanged document is transfearable.	0..1

Type	UID	Short Name	Definition	Cardinality
ASBIE	UN01002499	Signatory Document Authentication	A signatory document authentication for this exchanged document.	0..n
ABIE	UN01002639	Document Authentication	A proof that a document is genuine.	
BBIE	UN01002640	Document Authentication Type Code	The code specifying the type of document authentication.	0..1
BBIE	UN01003520	Document Authentication ID	The identifier for this document authentication.	0..1
BBIE	UN01012687	Signatory Image	The signatory image, expressed as a binary object, for this document authentication.	0..1
BBIE	UN01006191	Signatory	The signatory, expressed as text, for this document authentication.	0..1
ASBIE	UN01003578	Efective Period	The specified period within which this exchanged document is effective.	0..1
ABIE	UN01001270	Specified Period	A specified period of time.	
BBIE	UN01001274	Start Date Time	The date, time, date time or other date time value for the start of this specified period of time.	0..1
BBIE	UN01001275	End Date Time	The date, time, date time or other date time value for the end of this specified period of time.	0..1
ASBIE	UN01015651	Presentation Logistics Location	The location where this exchanged document is to be presented.	0..1
ABIE	UN01003679	Logistics Location	A logistics related physical location or place.	
BBIE	UN01003680	Logistics Location ID	The identifier for this logistics related location.	0..1
BBIE	UN01003681	Logistics Location Name	The name, expressed as text, of this logistics related location.	0..1
ASBIE	UN01002497	Included Note	A note included in this exchanged document.	0..n
ABIE	UN01002519	Note	A textual or coded description, such as a remark or additional information.	
BBIE	UN01002522	Note Content	The content, expressed as text, of this note.	0..1

5.5.2.2 Trade Finance Documentary Credit



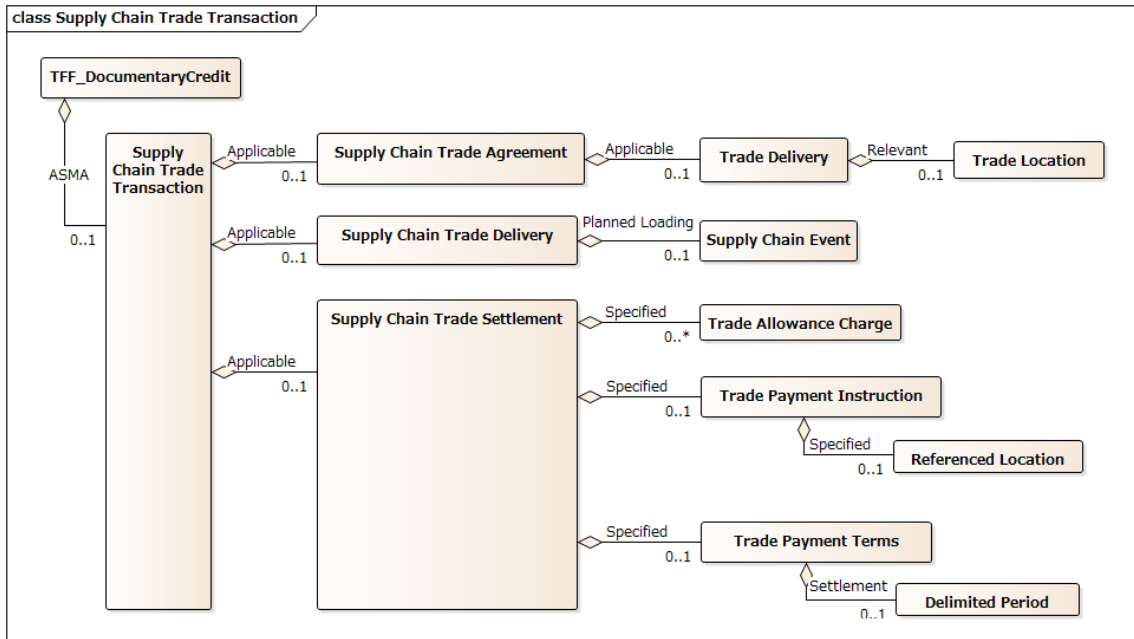
Type	UID	Short Name	Definition	Cardinality
Trade Finance Documentary Credit				
ABIE	UN01015652	Trade Finance Documentary Credit	A trade finance arrangement in which a financial institution in a country importing goods agrees to pay for goods being exported when it receives documents showing that the goods have been sent.	
BBIE	TFF_DC24002	Restricted Negotiation Indicator	The indication of whether or not this trade finance documentary credit is restricted to be negotiated only through one particular bank.	0..1
BBIE	TFF_DC24003	Credit Amount	The monetary value of the credit for this trade finance documentary credit.	0..1
BBIE	TFF_DC24012	Credit Amount Allowance Percent	The percentage of the credit amount allowance (more or less).	0..1
BBIE	TFF_DC24004	Credit Currency Code	The code specifying the credit currency for this trade finance documentary credit.	0..1
BBIE	TFF_DC24005	Credit Amount Text	The monetary value, as expressed text, of the credit for this trade finance documentary credit, such as "US dollars seventy four thousand and two hundred and fifty only".	0..1
BBIE	TFF_DC24006	Bill of Exchange Amount	The monetary value of the bill of exchange for this trade finance documentary credit.	0..1
BBIE	TFF_DC24007	Bill of Exchange Currency Code	The code specifying the bill of exchange currency for this trade finance documentary credit.	0..1
BBIE	TFF_DC24008	Bill of Exchange Amount Text	The monetary value, as expressed text, of the bill of exchange for this trade finance documentary credit, such as "US dollars seventy four thousand and two hundred and fifty only".	0..1
BBIE	TFF_DC24009	Tenor Type Code	The code specifying the type of the tenor for this trade finance documentary credit, such as Usance Tenor or Sight Tenor.	0..1
BBIE	TFF_DC24013	Latest Shipment Date	The date, time, date time or other date time value of the latest shipment.	0..1
ASBIE	TFF_DC24010	Tenor Specified Period	The specified period or duration of tenor within which between the issuance of a financial instrument and its maturity.	0..1
ABIE	UN01001270	Specified Period	A specified period of time.	
BBIE	UN01001271	Duration Measure	A measure of the length of time for this specified time period such as hours, days, weeks, months, years.	0..1
BBIE	UN01001273	Description	A textual description of this specified period of time, such as "At 60 days after B/L date".	0..n

Type	UID	Short Name	Definition	Cardinality
ASBIE	UN01015653	Issuing Trade Finance Financial Institution	The financial institution that issues this trade finance documentary credit.	0..1
ASBIE	TFF_DC24011	Nominated Trade Finance Financial Institution	The financial institution that is nominated this trade finance documentary credit.	0..1
ASBIE	UN01015654	Confirming Trade Finance Financial Institution	The financial Institution that adds its confirmation to a documentary credit upon a trade finance authorization or request.	0..1
ASBIE	UN01015655	Reimbursing Trade Finance Financial Institution	A financial institution that reimburses this trade finance documentary credit to a nominated financial institution.	0..1
ASBIE	UN01015656	Advising Trade Finance Financial Institution	The financial institution that advises the intended beneficiary of this trade finance documentary credit.	0..1
ABIE	UN01015657	Trade Finance Financial Institution	An institution that provides financial services and financial transactions to support trade finance.	
BBIE	UN01015658	BIC ID	The Bank Identification Code (BIC) as defined in ISO 9362 for this trade finance financial institution.	0..1
BBIE	UN01015659	ID	The identifier for this trade finance financial institution.	0..1
BBIE	UN01015660	Name	The name, expressed as text, for this trade finance financial institution.	0..1
ASBIE	UN01015661	Financial Institution Location Address	The address of the location of this trade finance financial institution.	0..1
ABIE	UN01003173	Financial Institution Address	The location at which a financial institution may be found or reached.	
BBIE	UN01003182	Post Code	The code specifying the postcode for this financial institution address.	0..1
BBIE	UN01003175	Line One	The first free form line, expressed as text, of this financial institution address.	0..1
BBIE	UN01004895	Country Name	The name, expressed as text, of the country.	0..1
ASBIE	UN01015662	Sub-Division Branch Financial Institution	The branch financial institution for this trade finance financial institution.	0..1
ABIE	UN01003138	Branch Financial Institution	The branch of this financial institution.	
BBIE	UN01003140	Name	The name, expressed as text, for this branch financial institution.	0..1
ASBIE	UN01015663	Financial Institution Trade Contact	A contact specified for this trade finance financial institution.	0..n
ASBIE	UN01015664	Applicant Trade Party	The applicant party of this trade finance documentary credit.	0..1
ASBIE	UN01015665	Beneficiary Trade Party	The beneficiary party of this trade finance documentary credit.	0..1

Type	UID	Short Name	Definition	Cardinality
ABIE	UN01004594	Trade Party	An individual, a group, or a body having a role in a trade business function.	
BBIE	UN01004595	ID	The identifier of this trade party.	0..1
BBIE	UN01015666	LEI ID	The Legal Entity Identifier (LEI) of this trade party.	0..1
BBIE	UN01004598	Name	The name, expressed as text, for this trade party.	0..1
ASBIE	UN01004602	Trade Party Trade Contact	A trade contact defined for this trade party.	0..n
ABIE	UN01001640	Trade Contact	A person or a department that acts as a point of contact with another person or department in a trading relationship.	
BBIE	UN01001641	ID	The identifier for this trade contact.	0..1
BBIE	UN01001642	Person Name	The name, expressed as text, of this trade contact person.	0..1
ASBIE	UN01004564	Telephone Communication	Telephone communication information for this trade contact.	0..1
ASBIE	UN01004569	Email URI Communication	The email URI communication information for this trade contact.	0..1
ABIE	UN01001252	Universal Communication	The exchange of thoughts, messages, or information, as universally exchanged by speech, signals, writing, or behaviour between persons and/or organizations.	
BBIE	UN01001256	Complete Number	The text string of characters that make up the complete number for this universal communication.	0..1
BBIE	UN01015468	Email URI	The Uniform Resource Identifier (URI) of the email for this universal communication.	0..1
ASBIE	UN01004603	Postal Trade Address	The postal address for this trade party.	0..1
ABIE	UN01004533	Trade Address	The location at which a particular trade related organization or person may be found or reached.	
BBIE	UN01004535	Post Code	A code specifying the postcode of this trade address.	0..1
BBIE	UN01004538	Line One	The first free form line, expressed as text, of this trade address.	0..1
BBIE	UN01004547	Country Name	A name, expressed as text, of the country for this trade address.	0..1

Type	UID	Short Name	Definition	Cardinality
ASBIE	UN01015667	Specified Trade Finance Instructions	Trade finance instructions for this documentary credit.	0..n
ABIE	UN01015668	Trade Finance Instructions	Rules and information of an instructive nature for trade finance purposes.	
BBIE	UN01015669	Type	A type, expressed as text, for these trade finance instructions.	0..n
BBIE	UN01015670	Description	A textual description of these trade finance instructions.	0..n
ASBIE	UN01015671	Applicable Trade Finance Business Rule	A business rule applicable to these trade finance instructions.	0..n
ABIE	UN01015672	Trade Finance Business Rule	A definition, algorithm or constraint applied to an aspect of a business applicable to trade finance.	
BBIE	UN01015673	ID	The identifier for this trade finance business rule.	0..1
BBIE	UN01015674	Name	The name, expressed as text, of this trade finance business rule.	0..1
BBIE	UN01015675	Description	The textual description of this trade finance business rule.	0..1
ASBIE	UN01015676	Required Referenced Document	A referenced document required by this trade finance documentary credit.	0..n
ABIE	UN01001569	Referenced Document	Written, printed or electronic matter that is referenced.	
BBIE	UN01001572	Issue Date Time	The date or date time for the issuance of this referenced document.	0..1
BBIE	UN01001577	Type Code	The code specifying the type of referenced document.	0..1
BBIE	UN01003991	ID	The identifier for this referenced document.	0..1
BBIE	UN01004002	Original Required Quantity	The number of originals required of this referenced document.	0..1
BBIE	UN01004003	Copy Required Quantity	The number of copies required of this referenced document.	0..1
ASBIE	UN01012756	Included Note	A note included in this referenced document.	0..n
ABIE	UN01002519	Note	A textual or coded description, such as a remark or additional information.	
BBIE	UN01002522	Content	The content, expressed as text, of this note.	0..1
ASBIE	UN01015677	Applicable Note	A note applicable to this trade finance documentary credit.	0..n
ABIE	UN01002519	Note	A textual or coded description, such as a remark or additional information.	
BBIE	UN01002522	Content	The content, expressed as text, of this note.	0..1

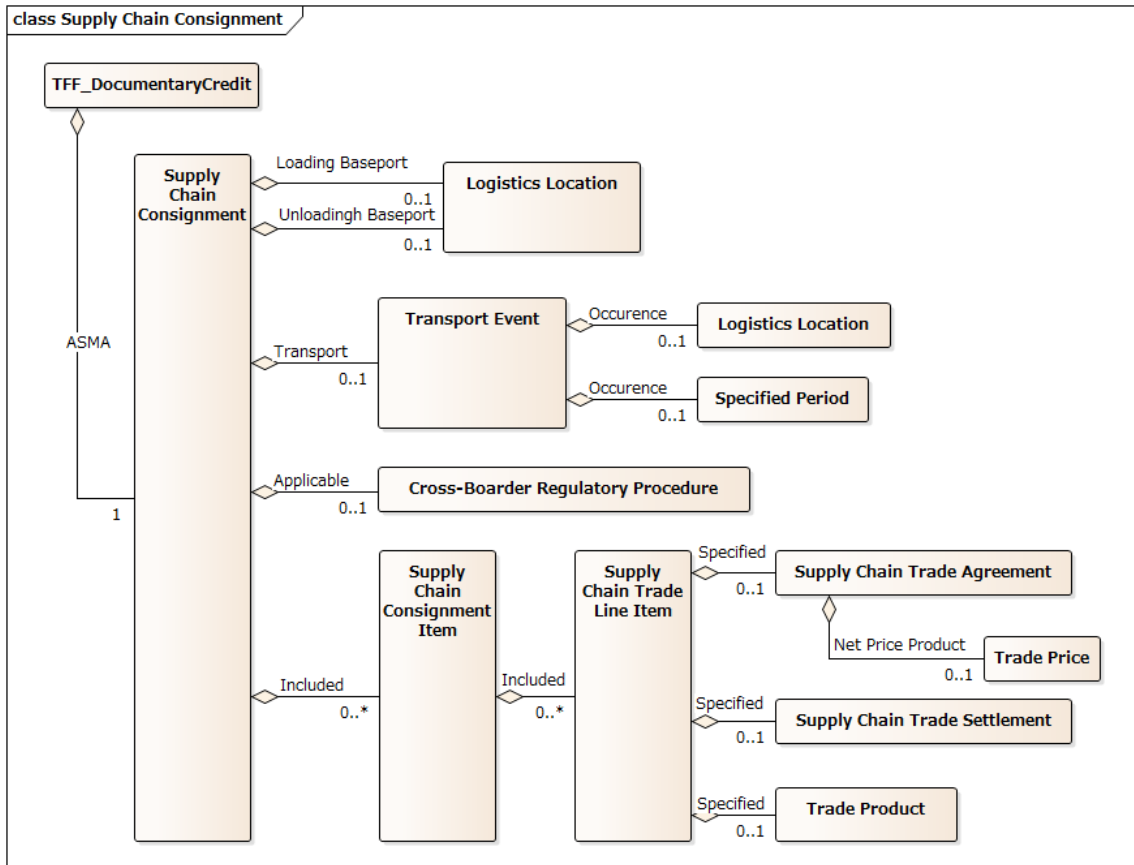
5.5.2.3 Supply Chain Trade Transaction



Type	UID	Short Name	Definition	Cardinality
Supply Chain Trade Transaction				
*This spread sheet shows a sample data model of Supply Chain Trade Transaction.				
*The full set of the data model can be referred in SCRDM.				
ABIE	UN01004475	Supply Chain Trade Transaction	A group of supply chain trade line items, trade agreement, trade delivery and trade settlement details.	
ASBIE	UN01004482	Applicable Supply Chain Trade Agreement	The trade agreement applicable to this supply chain trade transaction, such as payment or delivery terms.	0..1
ABIE	UN01004333	Supply Chain Trade Agreement	The contractual terms of a supply chain trade agreement.	
ASBIE	UN01004347	Applicable Trade Delivery Terms	The terms of delivery applicable to this supply chain trade agreement.	0..1
ABIE	UN01001654	Trade Delivery Terms	Conditions agreed upon between the parties with regard to the delivery of goods and or services for trade purposes.	
BBIE	UN01001655	Delivery Type Code	The code specifying the type of delivery for these trade delivery terms, such as International Commercial Terms (Incoterms).	0..1
BBIE	UN01001656	Description	The textual description of these trade delivery terms.	0..1
BBIE	UN01012763	Partial Delivery Allowed Indicator	The indication of whether or not these trade delivery terms allow a partial delivery.	0..1
ASBIE	UN01001657	Relevant Trade Location	The trade location relevant for these trade delivery terms.	0..1
ABIE	UN01001658	Trade Location	A physical location or place used or referenced for trade purposes.	
BBIE	UN01001661	ID	The identifier for this location used or referenced in trade.	0..1
BBIE	UN01001662	Name	The name, expressed as text, of this location used or referenced in trade.	0..1
ASBIE	UN01004483	Applicable Supply Chain Trade Delivery	The trade delivery applicable to this supply chain trade transaction.	0..1
ABIE	UN01004367	Supply Chain Trade Delivery	Supply chain shipping arrangements and movement of products and or services including despatch and delivery.	
BBIE	UN01004368	Partial Delivery Allowed Indicator	The indication of whether or not this supply chain trade delivery can be partially delivered.	0..1
BBIE	UN01015678	Quantity Allowance Percent	The quantity allowance percentage for this supply chain trade delivery.	0..1
ASBIE	UN01004408	Planned Loading Supply Chain Event	The planned loading event for this supply chain trade delivery.	0..1
ABIE	UN01004291	Supply Chain Event	A significant occurrence or happening in a supply chain.	
BBIE	UN01004293	Occurrence Date Time	The date, time, date time, or other date time value of an occurrence of this supply chain event.	0..1
BBIE	UN01009019	Latest Occurrence Date Time	The date, time, date time, or other date time value of the latest occurrence of this supply chain event.	0..1

Type	UID	Short Name	Definition	Cardinality
ASBIE	UN01004484	Applicable Supply Chain Trade Settlement	The trade settlement applicable to this supply chain trade transaction.	0..1
ABIE	UN01004433	Supply Chain Trade Settlement	The information that enables the financial reconciliation of a supply chain transaction with the item(s) that the financial transaction is intended to settle.	
BBIE	UN01004437	Payment Amount	The monetary value of the payment for this supply chain trade settlement.	0..1
BBIE	UN01006035	Payment Currency Code	The code specifying the payment currency for this supply chain trade settlement.	0..1
ASBIE	UN01004462	Specified Trade Allowance Charge	A trade allowance or charge specified for this supply chain trade settlement.	0..n
ABIE	UN01001631	Trade Allowance Charge	A component of pricing, such as an allowance or charge for trade purposes.	
BBIE	UN01001635	Calculation Percent	The percentage applied to calculate this trade allowance charge.	0..1
BBIE	UN01002069	Actual Amount	The actual monetary value of the trade allowance charge.	0..1
BBIE	UN01008859	Type Code	The code specifying the type of this trade allowance charge.	0..1
ASBIE	UN01015679	Specified Trade Payment Instruction	A trade payment instruction specified for this supply chain trade settlement.	0..1
ABIE	UN01004622	Trade Payment Instruction	Instructions related to the processing of a trade payment.	
BBIE	UN01015680	Condition	The condition, expressed as text, for this trade payment instruction.	0..1
BBIE	UN01015681	Beneficiary Condition	The beneficiary condition, expressed as text, for this trade payment instruction.	0..1
ASBIE	UN01015682	Specified Referenced Location	The referenced location specified for this trade payment instruction.	0..1
ABIE	UN01002558	Referenced Location	A reference to a physical location or place.	
BBIE	UN01002559	ID	The identifier for this referenced location.	0..1
BBIE	UN01002560	Name	The name, expressed as text, of this referenced location.	0..1
ASBIE	UN01004465	Specified Trade Payment Terms	Payment terms specified for this supply chain trade settlement.	0..1
ABIE	UN01001672	Trade Payment Terms	Terms and conditions by which payment has been or will be made for trade purposes.	
BBIE	UN01004631	Description	The textual description of these trade payment terms.	0..1
BBIE	UN01004636	Instructed Amount	The monetary value that has been instructed to be transferred between debtor and creditor for these trade payment terms before deduction of charges.	0..1
ASBIE	UN01015683	Settlement Delimited Period	The delimited settlement period for these trade payment terms.	0..1
ABIE	UN01002800	Delimited Perion	A period of time from a start date time onwards up to an end date time.	
BBIE	UN01002803	Duration Measure	The measure of the length of time for this delimited period such as hours, days, weeks, months or years.	0..1

5.5.2.4 Supply Chain Consignment



Type	UID	Short Name	Definition	Cardinality
Supply Chain Consignment				
*This spread sheet shows a sample data model of Supply Chain Consignment.				
*The full set of the data model can be referred in MMTRDM.				
ABIE	UN01004159	Supply Chain Consignment	A separately identifiable collection of goods items to be transported or available to be transported from one consignor to one consignee in a supply chain via one or more modes of transport where each consignment is the subject of one single transport contract.	
BBIE	UN01004182	Total Charge Amount	The total monetary value of all freight and other service charges for this supply chain consignment.	0..1
BBIE	UN01004197	Package Quantity	The number of packages within this supply chain consignment.	0..1
BBIE	UN01012579	Transshipment Permission Indicator	The indication of whether or not transshipment is permitted for this supply chain consignment.	0..1
ASBIE	UN01004238	Loading Bae Port Logistics Location	The baseport location at which this supply chain consignment is to be loaded on a means of transport according to the transport contract.	0..1
ASBIE	UN01004239	Unloading Bae Port Logistics Location	The baseport location at which this supply chain consignment is to be unloaded from a means of transport according to the transport contract.	0..1
ABIE	UN01003679	Logistics Location	A logistics related physical location or place.	
BBIE	UN01003680	ID	The unique identifier for this logistics related location.	0..1
BBIE	UN01003681	Name	The name, expressed as text, of this logistics related location.	0..1
ASBIE	UN01004252	Transport Transport Event	The event occurring during the transport of this supply chain consignment.	0..1
ABIE	UN01004791	Transport Event	A significant occurrence or happening during transport.	
ASBIE	UN01004803	Occurrence Logistics Location	The logistics location where this transport event occurs.	0..1
ABIE	UN01003679	Logistics Location	A logistics related physical location or place.	
BBIE	UN01003680	ID	The unique identifier for this logistics related location.	0..1
BBIE	UN01003681	Name	The name, expressed as text, of this logistics related location.	0..1
ASBIE	UN01004804	Occurrence Specified Period	The specified period of time during which this transport event occurs.	0..1
ABIE	UN01001270	Specified Period	A specified period of time.	
BBIE	UN01001271	Duration Measure	The measure of the length of time for this specified time period.	0..1

ASBIE	UN01006189	Applicable Cross-Border Regulatory Procedure	The cross-border regulatory procedure applicable to this supply chain consignment.	0..1
ABIE	UN01006147	Cross-Border Regulatory Procedure	A set of formal steps to satisfy a cross-border regulation, law or convention.	
BBIE	UN01006148	Type Code	The code specifying a type of cross-border regulatory procedure.	0..1
BBIE	UN01006165	Remark	The remark, expressed as text, for this cross-border regulatory procedure.	0..1
ASBIE	UN01004258	Included Supply Chain Consignment Item	A consignment item included in this supply chain consignment.	0..n
ABIE	UN01004104	Supply Chain Consignment Item	An item within a supply chain consignment of goods separately identified for transport and customs purposes.	
BBIE	UN01004104	ID	The identifier for this supply chain consignment item.	0..1
BBIE	UN01004121	Gross Weight Measure	The measure of the gross weight (mass) of this supply chain consignment item which includes packaging but excludes any transport equipment.	0..1
BBIE	UN01004124	Gross Volume Measure	The measure of the gross weight (mass) of this supply chain consignment item which includes packaging but excludes any transport equipment.	0..1
BBIE	UN01011069	Trade Line Item Quantity	The number of trade line items in this supply chain consignment item.	0..1

ASBIE	UN01004153	Included Supply Chain Trade Line Item	A trade line item included in this supply chain consignment item.	0..n
ABIE	UN01004417	Supply Chain Trade Line Item	A collection of information specific to an item being used or reported on for supply chain trade purposes.	
ASBIE	UN01004428	Specified Supply Chain Trade Agreement	The trade agreement specified for this supply chain trade line item.	0..1
ABIE	UN01004333	Supply Chain Trade Agreement	The contractual terms of a supply chain trade agreement.	
ASBIE	UN01004366	Net Price Product Trade Price	A net product price in this supply chain trade agreement.	0..1
ABIE	UN01001676	Trade Price	A sum of money for which something is or may be bought or sold for trade purposes.	
BBIE	UN01004645	Unit Amount	The monetary value of the unit of this trade price.	0..1
ASBIE	UN01004430	Specified Supply Chain Trade Settlement	The trade settlement specified for this supply chain trade line item.	0..1
ABIE	UN01004433	Supply Chain Trade Settlement	The information that enables the financial reconciliation of a supply chain transaction with the item(s) that the financial transaction is intended to settle.	
BBIE	UN01004437	Payment Amount	The monetary value of the payment for this supply chain trade settlement.	0..1
ASBIE	UN01004431	Specified Trade Product	A product specified for this supply chain trade line item.	0..n
ABIE	UN01004679	Trade Product	Any tangible output or service produced by human or mechanical effort or by a natural process for trade purposes.	
BBIE	UN01004689	Description	The textual description for this trade product.	0..1

5.6 Business Rules

This Business Requirement Specification is focused on developing, maintaining and publishing the semantic foundation to support the UNCITRAL Model Law on Electronic Transferable Records (MLETR) implementation.

5.7 Definition of Terms

Terms	Definition
Advising bank	UCP600: The bank instructed or authorized to provide reimbursement pursuant to a reimbursement authorization issued by the issuing bank. SWIFT MT: The bank requested to advise the documentary credit.
Advising Instruction	SWIFT MT: An instruction to the Advising Bank regarding confirmation of the documentary credit.
Amendment date	SWIFT MT: The date on which an amendment was issued.
Amendment statement	SWIFT MT: A standard phrase linking the amendment to the original documentary credit.
Amount claimed	SWIFT MT: The total claimed for reimbursement in a documentary credit, optionally followed by the date on which the Claiming Bank requests the amount to be placed at its disposal.
Applicant	UCP600: The party on whose request the credit is issued. SWIFT MT: The party at whose request a transaction or service is to be undertaken.
availment of the credit	To use or access the approved financial resources.
Banking day	UCP600: A day on which a bank is regularly open at the place at which an act subject to these rules is to be performed.
Beneficiary	UCP600: The party in whose favour a credit is issued.
Bill of exchange	A document, used especially in international trade, that orders a person or organization to pay a particular amount of money at a particular time for goods or services.
Charges Authorisation	SWIFT MT: Issuing Bank's approval to the Reimbursement Bank to honour charges.
Charges claimed	SWIFT MT: The charges and commissions in addition to a principal amount claimed under a documentary credit.

Terms	Definition
Complying presentation	UCP600: A presentation that is in accordance with the terms and conditions of the credit, the applicable provisions of these rules and international standard banking practice.
Confirmation	UCP600: A definite undertaking of the confirming bank, in addition to that of the issuing bank, to honour or negotiate a complying presentation.
Confirmation bank	UCP600: The bank that adds its confirmation to a credit upon the issuing bank's authorization or request.
Credit	UCP600: Any arrangement, however named or described, that is irrevocable and thereby constitutes a definite undertaking of the issuing bank to honour a complying presentation.
Credit available by	SWIFT MT: The method by which a documentary credit will be made available.
Credit available with	SWIFT MT: The identification of the nominated bank at which the credit is available.
Discrepancy	A mismatch between the terms and conditions of the credit, the UCP rules if the documentary credit states that is subject to them and International Standard Banking Practice and the actual documents and procedures.
Documentary credit	An arrangement that is irrevocable and thereby constitutes a definite undertaking of the issuing bank to honour a presentation of documents to the issuing bank or nominated bank that is in accordance with the terms and conditions of the credit, the applicable provisions of these rules and international standard banking practice. In trade transactions, it may be called a letter of credit.
Honour	UCP600: a. to pay at sight if the credit is available by sight payment. b. to incur a deferred payment undertaking and pay at maturity if the credit is available by deferred payment. c. to accept a bill of exchange ("draft") drawn by the beneficiary and pay at maturity if the credit is available by acceptance.

Terms	Definition
Negotiation	UCP600: The purchase by the nominated bank of drafts (drawn on a bank other than the nominated bank) and/or documents under a complying presentation, by advancing or agreeing to advance funds to the beneficiary on or before the banking day on which reimbursement is due to the nominated bank.
Nominated bank	The bank that is stipulated in a documentary credit as authorised to pay or issue a deferred payment undertaking or accept drafts. A nominated bank is normally bound to pay under the credit. Note: If the Bank has added its confirmation to the credit it becomes a confirming bank.
Presentation	UCP600: Either the delivery of documents under a credit to the issuing bank or nominated bank or the documents so delivered.
Presentation period	SWIFT MT: The period of time after the date of the issuance of the transport document within which documents must be presented for action.
Presenter	UCP600: A beneficiary, bank or other party that makes a presentation.
Reimbursing bank	A bank named in a documentary credit from which the paying, accepting or negotiating bank may request cover after receipt of the documents in compliance with the documentary credit.
Restricted documentary credit	The credit is specifically restricted to be negotiated only through one particular bank. This means that the exporter or beneficiary can only approach the designated bank(s) to receive payment or negotiate the terms of the documentary credit.
Shipping Documents	A set of official papers, such as bill of lading, that are necessary when sending goods from one country to another.
Tenor	In the trade finance, "tenor" refers to the length of time until a financial instrument or contract reaches its maturity.