

Documentary Credit

WORLD

In This Issue...

■ **3 UPDATES:** Making the Case for Simplified LCs; ISDGP Approved; Confirming Banks and Confirmation Terms; Assignable and Transferrable Standbys; Container Chaos May Linger through Year-End 2021; English Court Dismisses Petition for Injunction to Restrain Demand under Standbys; UN Report Details Alleged USD 423 Million Laundered by Yemeni Government Institutions; DC Report: Vietnam; O'Brien Takes New Leadership Role in the UAE; Standard Chartered Launches Sustainable TF Proposition; Contour, ThoughtWorks to Cooperate in China; US Treasury Sanctions Additional Entities in Myanmar; Bolero Introduces All-in-One TF Portal; Pakistani Authorities Set Pricing Formulas for COVID Vaccine Sales; International Updates; Webinar Examines Trade Finance Compliance Challenges with China's New Export Control Law; Emile Rummens: Career Retrospective



■ **17 LITIGATION DIGEST:**

■ *Bombardier Africa Alliance Consortium v. Lombard Insurance Company* case abstract by Prof. Michelle KELLY-LOUW



■ **34 ARTICLES:**
 ■ "Domestic Documentary Credits are Still Troublesome and a Digitalisation Solution is Not Forthcoming!" by K. Nizardeen

■ "The Need for ISDGP and Insights from the Draft Process" by Glenn RANSIER

■ **41 LC STATISTICS:**

US Branches of Non-Banks (3Q20)

■ **44 SCAM SURVEY**

■ **47 INFORMATION DIGEST:** In-Depth Investigative Report Probes North Korea's Fuel Procurement Strategy

23 FEATURE



■ **PRC COUNTER GUARANTEE CASE**

In litigation occurring in P.R. China, an applicant sued the local guarantor and requested a suspension of payment order from the court prohibiting the counter guarantor from honoring the local guarantor's claim due to independent guarantee fraud. Courts at the trial and appellate level decided in favor of the applicant, however the local guarantor petitioned for retrial and the Supreme People's Court of P.R. China overturned the appellate court decision and rejected the applicant's claims. In her case abstract of *Yapi Kredi v. Shenyang Yuanda Aluminum Industry Engineering Co.*, Jun XU reviews the facts and examines important considerations of this decision, including the Supreme People's Court's insistence on the independence principle of demand guarantees and the protection rule for a guarantor in a counter demand guarantee transaction.