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INDIA'S TRADE CONNECTIVITY WITH SOUTH ASIA (UNTAPPED OPPORTUNITIES)

India is the powerhouse of South Asia. But trade between India and its South Asian partners is lacklustre, accounting for less than 4% of global trade. This means plenty of regional trade opportunities remain untapped.

Improving Regional Trade - Crucial steps need to be taken to overcome obstacles, strengthen the region and capitalize on untapped opportunities.

- **Breaking Trade Barriers:** Overly protectionist attitudes, non-beneficial tariffs, para-tariffs and archaic import policies need to be shown the door.
- **Trade Agreements:** Existing agreements are archaic and outdated, having been entered into in the late 90s and early 2000s. They need to be revised and new, more efficient agreements entered into.
- **Cross-Border Infrastructure:** Even for passenger travel, crossing borders in South Asia is needlessly complicated and it is even worse for trade movements. The region needs better infrastructure and more streamlined processes and policies across transport modes.

All participants in South Asia will benefit from improved regional trade. More importantly, it will help India balance out China's expanding regional influence, ultimately creating a more friendly and stable South Asia.

EXPORT OF MINERAL FUELS FROM INDONESIA



Indonesia is among the world's largest exporters of mineral fuels. There are five major components of Indonesia's mineral exports. These include palm oil, coal, petroleum gas, copper, and gold.

- The two most dominant sub-sectors are palm oil and coal
- Indonesia is the leading exporter of palm oil in the world
- Coal and related products from Indonesia are exported to several parts of the world, including the US, China, Japan, and Singapore.

During 2020, the demand for Indonesia's coal has declined.

- This is because of two major reasons, the COVID-19 crisis as well as the increasing focus on renewable sources of energy.
- COVID-19 crisis has meant that the demand for travel has reduced to a great extent. Many parts of the world have been under strict lockdowns.
- As people are travelling less, demand for fuels has come down
- There is also an increasing push for the use of renewable sources of energy and nations are looking at alternative sources such as wind energy and solar energy.
- Indonesia's coal exports could suffer in the near future.

DISSECTING THE BAN ON THE EXPORT OF SANITIZERS

The COVID-19 crisis has led to a sharp increase in the export of certain products around the world. One such product has been hand sanitizers. It is seen as a major defence mechanism against the virus. The demand for hand sanitizers has shot up during the crisis. Countries such as India have become major players in the global market. There are numerous reasons why the Indian government decided to place a ban on the export of sanitizers.

Firstly, it was extremely important for the local population to have access to sanitizers during the crisis. Hand sanitizers were considered as essential commodities due to their vital role in fighting against the virus. Further, the government also wanted to make sure that exporters are not putting profits ahead of the needs of the local population. Finally, another reason why this decision was made was because local bodies and state governments wanted a complete ban.

Due to all the above reasons, the government decided to ban the export of sanitizers for 100 days from month of March 2020 and carried on until June. The ban had a major impact on Indian exporters, who had to alter their strategies and look at other products. In June 2020, the Indian government announced that the export ban was being lifted for certain types of sanitizers like containers with dispenser pumps or in any form of packaging would be. Now that the ban has been removed, exporters can look to ramp up their trade once again.

EXPORT OF REFINED PETROLEUM FROM INDIA



Refined petroleum is one of the top exports of India. During the year 2019, India's refined fuel exports stood at \$44.1 billion, the highest among all exported products. This accounted for nearly 14% of all the exports from India. The South Asian country is among the top 10 exporters of refined petroleum around the world. Although India does not have abundant oil & gas resources of its own, it imports raw fuels from other nations before refining and re-exporting them. Most of this refining work is done close to the country's West coast. India's refined petroleum products are also used for catering to the domestic demand for fuels.

Some of the key importers of refined petroleum from India include Singapore, the UAE, Malaysia, the Netherlands, the US, Nepal, and Israel. Nations like Singapore and Nepal are particularly dependent on Indian exports in order to meet their local demand.

India's major refiners have made major investments in upgrading their refineries and improving the overall efficiency. Further, Indian refiners are also making use of the latest technologies in order to improve their throughput. It is likely that Indian refineries will establish themselves even further in the near future, thereby providing a major boost to refined petroleum exports from the country.

WHY VIRTUAL CARDS DOMINATE B2B PAYMENTS

Virtual cards are taking over the B2B payments market, with contactless card payments reaching USD 4.1 trillion in 2019 and expected to reach USD 4.8 trillion in 2020, according to Statista. Data from Juniper Research also shows that B2B virtual cards will account for 80% of virtual card transactions in next 5 years.

Virtual Cards: Safe, reliable, fast! - Also known as Single Use Accounts or SUAs, a virtual card is a one-time use, auto-generated credit card number that is sent by an AP department to their suppliers. These details can only be used once and only for the amount specified, which provides buyers control, convenience and security. Most suppliers do not want to wait for, and cannot afford to wait for, paper cheques to be drawn up, processed and realized. The whole process can also be fully automated, so that no sooner an invoice is generated by a buyer's AP department, their virtual card platform will automatically email the details to the supplier.

Gearing for the Future - It is time for everyone to understand the value and importance of virtual cards for B2B payments, especially in the future. Euro Exim Bank provides comprehensive virtual card services to its customers using the latest cutting-edge technology to enable seamless, safe and fast global payment settlements.



BANK GUARANTEES: DIGITIZED

While crucial to securing contracts and transactions, bank guarantees have also traditionally guaranteed frustration and inconvenience for everyone. Thankfully, blockchain powered digital bank guarantees are now here, and in a big way.

How It Works - Blockchain is the decentralized ledger tech behind cryptocurrencies. Apart from simple transactions, it is also capable of smart contracts, which are designed to automatically execute, control or document legally relevant events and actions according to the terms of a contract or agreement. Thus, it is possible to use the technology to create, issue, execute and track bank guarantees 100% digitally and virtually instantaneously, if all conditions are met.

Costs - Digital bank guarantees can potentially be cheaper than their traditional counterparts simply due to them being less cumbersome, time consuming and expensive to issue.

Benefits for International Trade Settlements - Bank guarantees are used in many international trade settlements and are often a sore point, causing delays and other difficulties for customers. With this new technology, and particularly its emerging mainstream acceptance, there is now an easier, cheaper, more reliable and seamless mechanism for parties to settle international trade transactions.

INDUSTRIES EXPECTED TO BOOM POST COVID-19

Every crisis is an oasis of opportunity. The global pandemic is no different. Here are some of the global industries expected to thrive in the post COVID-19 environment.

E-Commerce - Online marketplaces and businesses are set for some good times ahead. This is a great opportunity for sellers in emerging and frontier markets too.

Logistics - With more people buying stuff online, someone needs to bring it to them. This will lead to plenty of growth in the logistics sector at all levels. Providers who focus on customer convenience, experience and careful delivery will win.

Healthcare - We are likely to see massively increased investment in healthcare to better prepare for and avoid future health crises. and an increased demand for healthcare and professionals.

Fitness - The fitness industry will boom, but not as you might think. Yes, everyone now wants to stay healthy to protect their health, but the real revolution will be in terms of online fitness apps and trainers.

Education - While it is unlikely that we will ever embrace a fully digital educational model, the traditional model is gone for good. In the future we will see plenty of opportunities for e-learning and associated technologies. Plus, a boom in electronically assisted learning in the physical classroom.



LETTERS OF CREDIT (LC)

STANDBY LETTERS OF CREDIT (SBLC)

EXPRESS LETTERS OF CREDIT

PRE-ADVICE SERVICES

BANK GUARANTEES

MERCHANT ACCOUNTS (EXIMWAVE)

OFFSHORE BANKING SERVICES

PERFORMANCE BONDS

MONEY REMITTANCE SERVICES

BLOCKED FUNDS SERVICES

PROOF OF FUNDS LETTERS

BANK COMFORT LETTERS

READY WILLING AND ABLE LETTERS

PRODUCT PORTFOLIO

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