

Import finance

A working capital solution

To meet the needs of your customers, it's often necessary to use your working capital to cover the cost of supplies to fulfil sales. HSBC's tailored import finance solutions can help bridge the gap between settlement of trade payables and sales, enhancing your supplier relationships while also improving cash flow to grow your business.

Your import finance options

A variety of import financing options for documentary credit (DC), documentary collection and open account transactions can be customised to accommodate your specific trading practices.

Pre-shipment buyer loan

Make advance payment to suppliers on an open account basis and finance the advance payment portion of the contract. Funds are advanced against a proforma invoice for up to 50% of the value of goods, typically within 60 days prior to shipment.

Post-shipment buyer loan

Available when you're trading under an Import DC or Import Collection, whereby HSBC takes control of the underlying goods purchased with a pledge from you until the loan is settled. It may also be triggered by the receipt of a bill under an Import DC or Import Collection or where you are transacting on open account terms; funds are advanced upon presentation of an invoice from the supplier and evidence of shipment (in the form of a copy of the transport document).

TradePay

The faster, simpler digital way to draw your trade loan and pay your suppliers immediately through a single, seamless process and without requirement to provide trade documents for this process. You instantly loan drawdown upon the upload of a single payment file and payment is made to your suppliers. You have the option of immediate notification of payment not just to you but also to your supplier.

The benefits at a glance

As a buyer, our import finance solutions can help you to:



Strengthen relationships with suppliers

Make timely payments to your suppliers as per the agreed terms, enhancing your buyer-supplier relationships.



Negotiate better terms

With additional financial flexibility to make payments on time, you're in a position to negotiate more favourable pricing with suppliers to meet credit terms.



Improve cash flow

With the extended credit that import finance solutions provide, you have time to sell goods before repayment is required and unlock funds to use for growing your business.



Access HSBC's team of financial professionals

By gaining an in-depth understanding of your company's specific financial needs, we'll work with you to structure a funding solution that allows you to concentrate on achieving your goals.

How import finance works

- You arrange a trade facility with HSBC.
- We provide you (the buyer) with short-term, trade-related working capital for your international or domestic purchases on a pre or post-shipment basis.
- We pay your suppliers directly based on specific documents depending on the product.¹
- Loans are provided on a stand-alone basis for open account transactions, or coupled with DCs or documentary collections where you have a funding gap.
- Loan repayment terms are tailored to your trade cycle.

Why HSBC?

HSBC manages large trade flows on a global scale, providing financing across currencies and geographies. As a result, HSBC can offer buyers and sellers access to its:

- Global footprint
 - With a global network of group offices and correspondent banks located throughout the world, HSBC has a presence in today's most important growth markets.
- Focused expertise
 - Our dedicated team has experience in domestic and foreign trade, giving clients access to the support they need to go wherever their business takes them.
- Financial strength
 - We have a strong balance sheet and the credit appetite to offer our clients financing solutions that support their international ambitions.

1. For the pre-shipment buyer loan, this is the proforma invoice or purchase order; for the post-shipment buyer loan, these are transport documents (documents of title).

Contact us

Contact your HSBC Relationship Manager or Global Trade and Receivables Finance specialist today.



Visit business.hsbc.uk/imports-and-exports



Email us at uktradeservices@hsbc.com



Call 0800 783 1300

Lines are open Monday to Friday, 9:00am to 5:00pm

International rules

HSBC handles documentary credits in accordance with the Uniform Customs and Practice for Documentary Credits (UCP600) and Documentary Collections in accordance with the Uniform Rules for Collections (URC522), a set of international standards for the handling of Documentary Credits and Documentary Collections through financial institutions. The rules are published by the International Chamber of Commerce (ICC).

HSBC has sole discretion to make funding decisions for individual transactions and will retain recourse to you after funds are advanced. An HSBC trade account relationship, approved trade finance facilities and trade finance agreement are required. Additional terms and conditions may apply.

Global Trade and Receivables Finance transactions may be subject to credit approval. Other restrictions, including specific country regulations, may apply. Certain products and solutions contained herein may not be offered in every market. Check with your local HSBC Trade specialist for a full product offering in your country.

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