

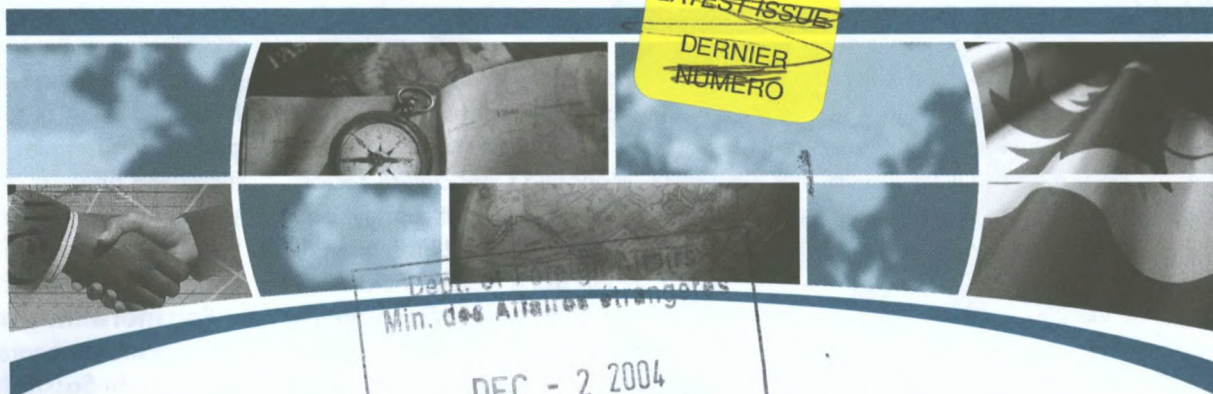
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## Mongolian consulate opens in Saskatchewan

Mongolia's Minister for Foreign Affairs, Tsend Munh-Orgil, recently announced the opening of a Mongolian consulate in Regina in response to Saskatchewan's, and Canada's, increasing economic cooperation with that country.

Tim Marshall, a trade specialist with the Saskatchewan Trade & Export Partnership (STEP), was named Honorary Consul for Mongolia in Saskatchewan. He will be responsible for consular duties, trade promotion, and encouraging investments in Mongolia.

"I intend to work hard to encourage Saskatchewan businesses to investigate the tremendous opportunities that exist in Mongolia," says Marshall. "Much of Mongolia's mineral wealth is

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Prime Minister Paul Martin and Mongolian President Natsagiin Bagabandi met in Ottawa in late October. The leaders reaffirmed their shared commitment to enhance bilateral relations.

## Learning the language of international finance

International finance can be one of the most intimidating elements of exporting. Yet mastering the terms used in international transactions is critical for the exporter. Some of the more common terms include:

### Cash in advance

The benefits to the exporter are obvious. Cash in advance of the shipment or provision of the service relieves the exporter of collection problems while at the same time making the money available to the business. The drawback to this payment method is that the buyer assumes more risk. This is the most secure form of payment for the exporter; however, it is the least appealing to the buyer.

### Letter of credit

The exporter may be able to address a buyer's concerns regarding the cash in advance option by employing letters of credit. A letter of credit serves as the buyer's promise to pay. Even better, it is a promise backed by the buyer's bank. Payment is ensured once the exporter has complied with all the terms and conditions of the letter of credit. It is critical that the terms in the letter of credit be verified as accurate. Prior to payment, the bank responsible for making payment verifies that all documents are exactly as required by the letter of

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