

Trade Facilitation Programme

Financing foreign trade with Italy

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Milan, Italy – 6th July 2017



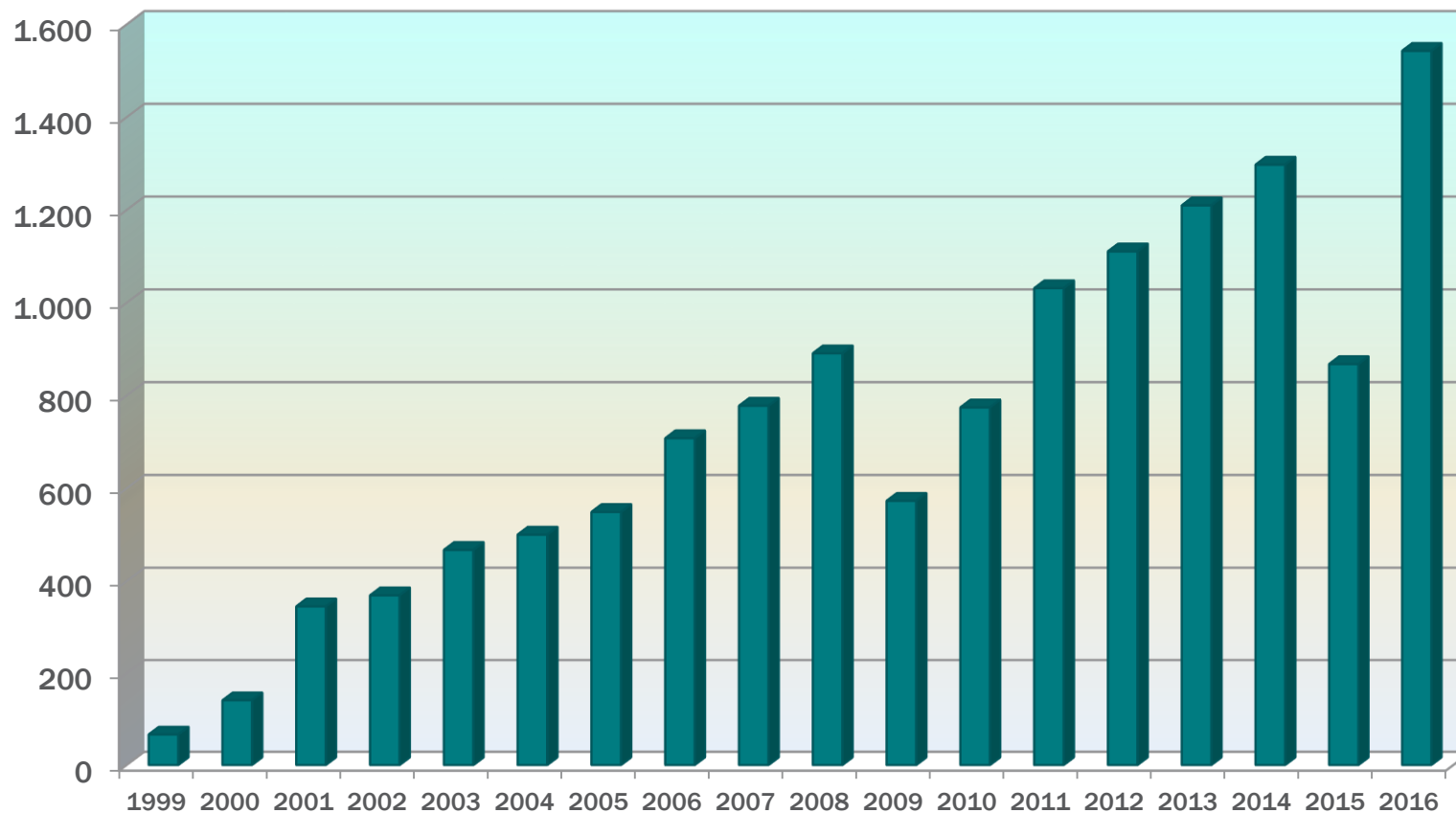
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EBRD Trade Facilitation Programme (TFP)

Volume, € mln **Annual Business Volumes 1999 – 2016**



More than **19,700** foreign trade transactions, including more than **1,600** transactions of exporters and importers in Italy

Total business volume EUR 14.7 billion

95 Issuing Banks in 26 countries

800 Confirming Banks worldwide

TFP – 1,359 Transactions in 2016



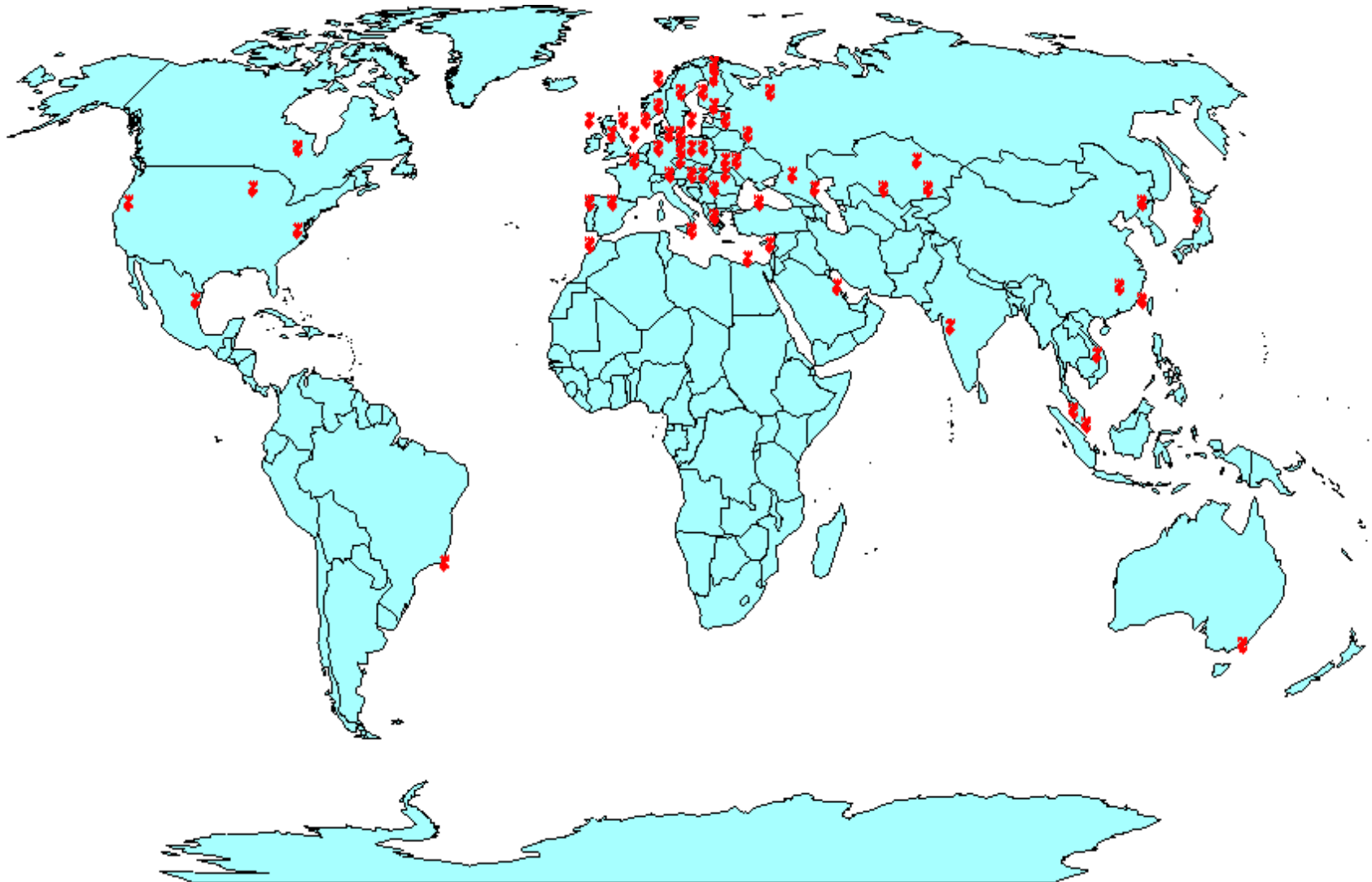
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- | | |
|-------------------|----------------------------|
| 1. Ukraine | 13. Bulgaria |
| 2. Armenia | 14. Croatia |
| 3. Serbia | 15. Romania |
| 4. Cyprus | 16. Moldova |
| 5. Belarus | 17. Jordan |
| 6. Greece | 18. Azerbaijan |
| 7. Georgia | 19. Tajikistan |
| 8. Mongolia | 20. Kyrgyz Republic |
| 9. Egypt | 21. Tunisia |
| 10. Morocco | 22. Montenegro |
| 11. Turkey | 23. Bosnia and Herzegovina |
| 12. FYR Macedonia | 24. Kosovo |

800 Confirming Banks in 77 Countries



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Ranked by Number of Transactions in 2016

- | | |
|-------------------------------------|-----------------------------------|
| 1. Commerzbank | 11. Credit Suisse |
| 2. KBC Bank | 12. UBS |
| 3. Deutsche Bank | 13. Societe Generale |
| 4. ING Bank | 14. Credit Agricole |
| 5. BHF Bank | 15. DZ Bank |
| 6. Unicredit Bank | 16. Banco de Sabadell |
| 7. Citibank | 17. Rabobank International |
| 8. Intesa Sanpaolo | 18. Danske Bank |
| 9. Banca Popolare Di Sondrio | 19. Skandinaviska Enskilda Banken |
| 10. Raiffeisen Bank | 20. Arab Bank |

Strong focus on:

Small- and medium-sized **private banks** in the CIS and south-east Europe

Early Transition Countries

Southern and eastern Mediterranean (Greece, Cyprus, Egypt, Jordan, Morocco and Tunisia)



Intra-regional trade (= trade between the EBRD's countries of operations)

SMEs

Co-financing with commercial banks

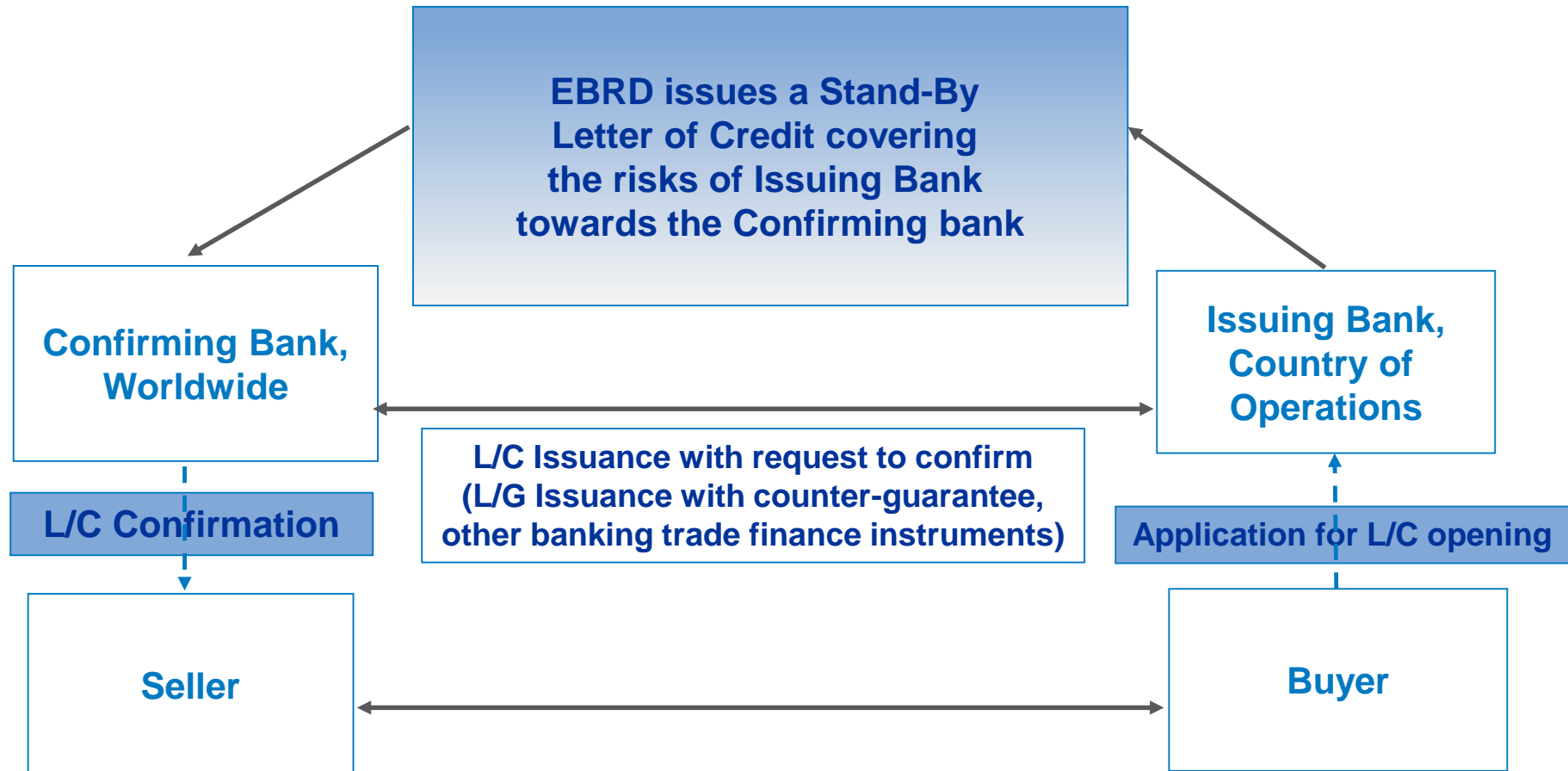
EBRD Trade Facilitation Programme (TFP)

How does it work?

EBRD supports trade by providing:

- **guarantees** that cover risks arising from trade finance transactions
- **short-term advances/financing** to banks in the Countries of Operation for trade finance purposes
- **trade finance training** and advisory service to local banks

TFP: Structure and Application





Always involves a local bank (“**Issuing Bank**”) which issues a **trade finance instrument** (e.g. a letter of credit) and a foreign bank which confirms it to the beneficiary (“**Confirming Bank**”)

Issued only to Confirming Bank, not to exporters or importers

The trade finance instrument (e.g. a letter of credit) **ensures** that the beneficiary receives payment upon or after delivery

Covers **all types** of trade finance instruments:

- letters of credit, including deferred payment/post-financing,
- bank payment guarantees,
- bid bonds,
- performance bonds,
- advanced payment guarantees,
- standby letters of credit,
- guarantees covering a trade finance loan



EBRD Guarantee (a SBLC under UCP 600) is usually issued **within 24 hours** from application

Cover exports, imports and distribution of imported goods in the EBRD's countries of operations, irrespective of the country of origin (**no origin rule**)

Tenor: **3 years** maximum

Amount: **no minimum amount**

EBRD Guarantee covers up to 100% of payment, political and currency risks

EBRD pays on the claim within **15 days**

Direct risk sharing with confirming banks

- EBRD covers only a part of the transactions, e.g. transactions with longer tenors

Risk sharing with confirming banks under the **A/B structure**

- EBRD guarantees the whole amount of the transaction to the confirming bank
- Confirming bank takes risk participation by counter-guarantee to EBRD
- EBRD transfers preferred creditor status to the confirming bank

Risk sharing with other development banks and agencies

- **FMO** the Netherlands and **OFID** Vienna share part of the EBRD's risk with selected issuing banks on a portfolio basis
- **First-loss risk** sharing with a syndicate of international insurance underwriters (ACE and Lloyd's)

- ACE Global Markets (AGM) & Lloyds of London
- AKA Bank, Germany
- Arab Trade Finance Program, Abu Dhabi
- Confirming Banks
- Donor Risk Sharing Funds
- Export Credit Agencies
- FMO Netherlands
- OPEC Fund for International Development, Vienna
- Private Investment Funds

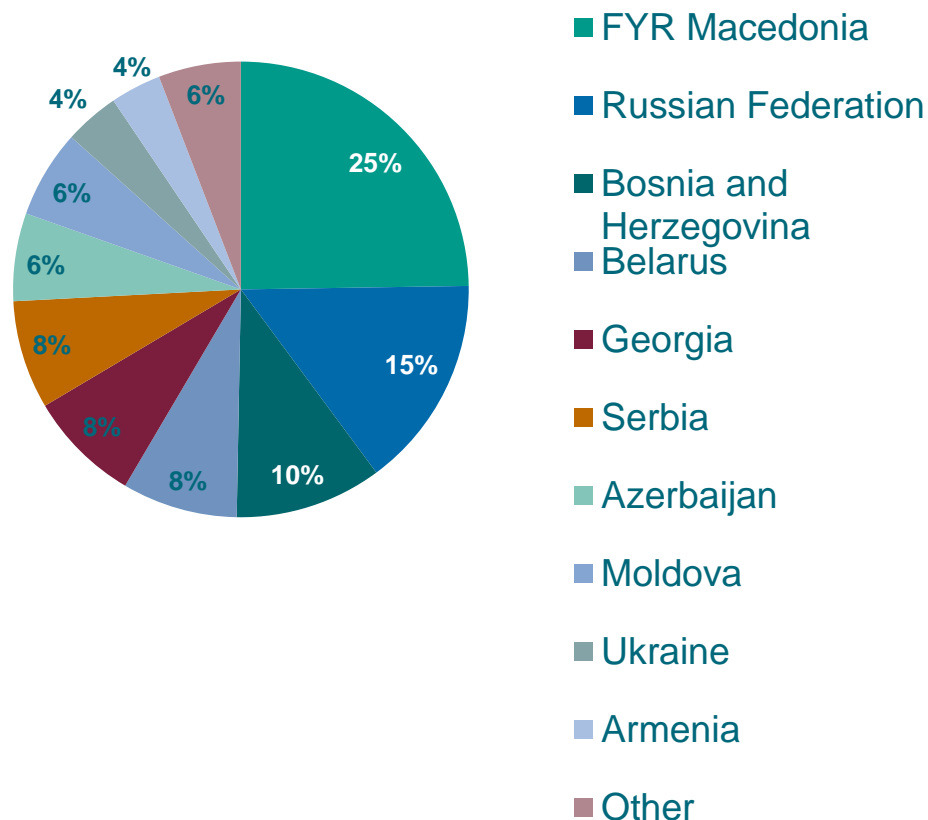
Top 10 active confirming banks in Italy

1. Intesa Sanpaolo
2. Unicredito Italiano
3. Banca Nazionale del Lavoro
4. Banca Monte dei Paschi de Siena
5. Nuova Banca delle Marche
6. Banca Popolare Di Sondrio
7. Banca Popolare dell'Emilia Romagna
8. Banca Popolare di Vicenza
9. Banco Popolare Di Verona E Novara
10. Deutsche Bank A.G. Italy

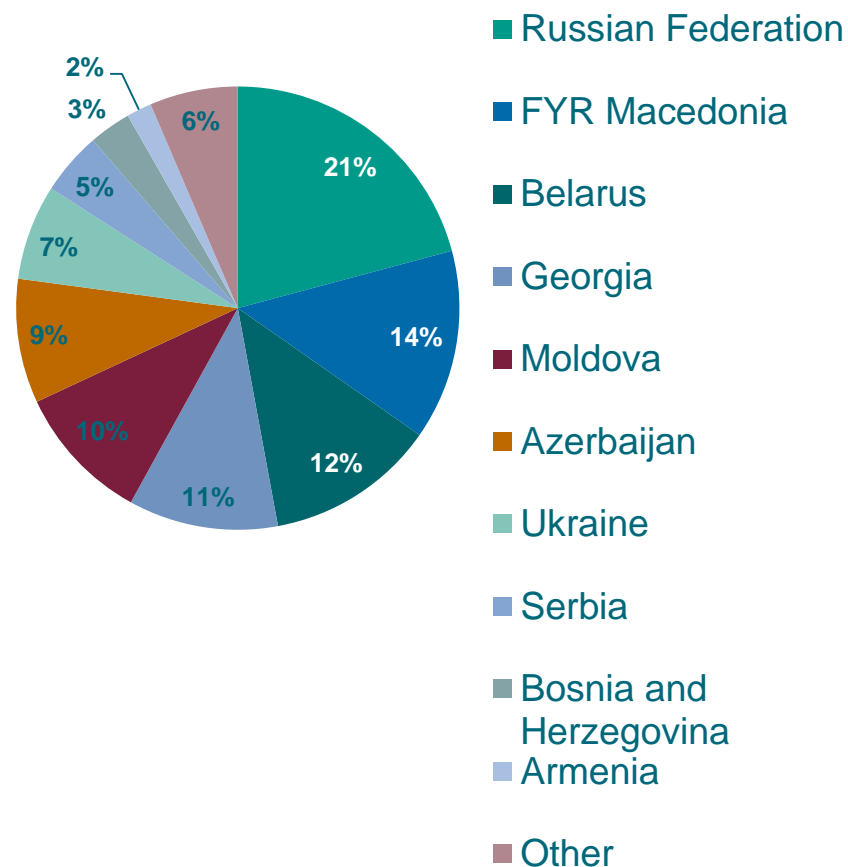


Italian exports into the EBRD region

Top 10 importing countries
by number of transactions, in %



Top 10 importing countries
by volume, in %



Exports from Italy to Greece



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An **Italian exporter** sells **piece food cans** to a company located in Nafplio, Greece

National Bank of Greece opens a letter of credit in the amount of EUR 51,000 in favour of **Iccrea Banca S.p.A, Rome**

EBRD guarantees 100% of the political and credit risk to the Italian bank.



Export of services from Italy to Greece



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An **Italian contractor** provides **steel structure erection works** to a company located in **Eleusis, Greece**

Deutsche Bank opens a Performance Bond that is covered by **EUROBANK ERGASIAS** counter-guarantee in the amount of **EUR 417,500**

EBRD provides a guarantee covering 100% of the commercial and credit risk



Export from Italy to Tunisia

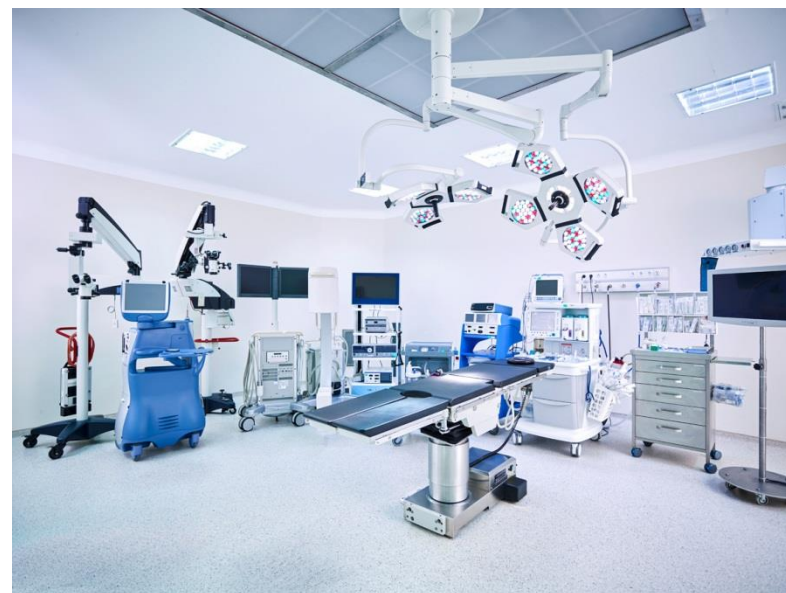


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An **Italian exporter** sells **medical equipment** to a company located in **Tunis**

BANCA POPOLARE DI SONDRIO opens a letter of credit with deferred payment, confirmed by **AMEN BANK** in the amount of **EUR 246,482**

EBRD provides a guarantee covering 100% of the political and credit risk for the whole tenor of the transaction



EBRD – Capacity Building Projects

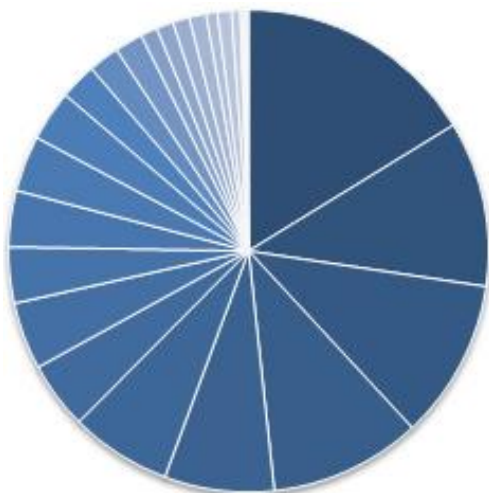


EBRD Trade Finance e-Learning Programme



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To date > 3,000 trade professionals from 240 institutions in 36 countries enrolled



- Russian Federation
- Kazakhstan
- Egypt
- Azerbaijan
- Serbia
- Bosnia&Herzegovina
- Croatia
- Kyrgyzstan
- Latvia
- Ukraine
- Belarus
- Moldova
- Jordan
- Mongolia
- Tajikistan
- Turkmenistan
- Slovakia

- Armenia
- Macedonia
- Georgia
- Morocco
- Tunisia
- Kosovo
- Turkey
- Uzbekistan



EBRD ICC e-Learning Programme



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Best students receive further scholarships and sponsored training programmes in leading European confirming banks and training companies:

- Commerzbank
- ICC PARIS
- ICC Vienna
- ICC Academy
- ICC Austria
- **Banca Popolare di Sondrio**
- BHF-Bank, Germany
- BCR Publishing
- Coastline Solutions
- China Systems



EBRD ICC e-Learning Programme

Radhouane Houria is one of our top graduates of TFP e-Learning Programme 2014, at his training at **Commerzbank** in Germany.

Such placement was arranged by our partner banks for the best graduates of e-Learning Programme.



In June 2015 another two best graduates of the TFP e-Learning Programme from Amen-Bank, Tunisian Republic, **Sami Slama** and **Kamel Eddine Limem** attended a placement programme in Germany with **LBBW**.

A placement was offered by LBBW as one of the sponsors of the TFP e-Learning Programme.



Best Development Bank in Trade



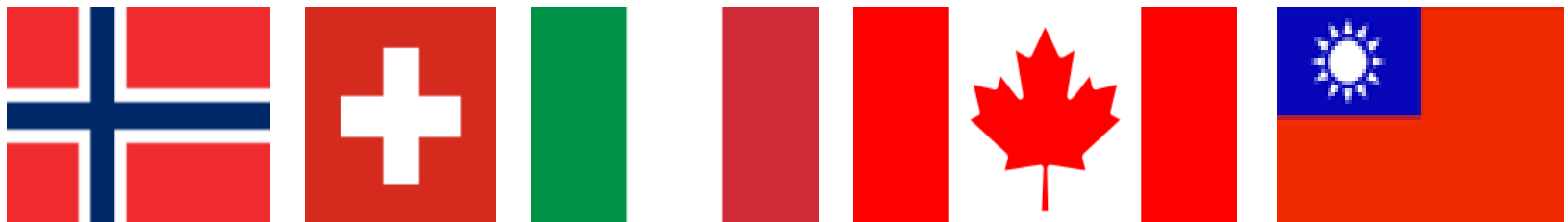
In 2016 readers of Trade Finance Magazine and Global Trade Review (GTR) have voted the **EBRD** “**Best Development Bank in Trade**”



EBRD invites other development banks, commercial financial institutions, export credit agencies and donors to co-finance with the EBRD

TFP Technical Cooperation (TC) Projects are funded by:

- The Early Transition Countries Fund
- The Shareholder Special Fund
- European Union 
- Norwegian, Swiss, **Italian**, Canadian, Taiwanese funding and other donors



TFP Trade Exchange Magazine



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- Launched in **2011**
- **12** publications to date
- Dedicated to Trade Finance and EBRD Technical Assistance Projects
- **5,000 Readers** from **1,000 Banks**

Reports on:

- News & Events
- Regional Focus Features
- In Depth sector Key Issues
- Trade Projects





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**SAVE THE
DATE**

**26-27
SEPTEMBER
2017**

EBRD TFP Trade Finance Forum VIENNA, AUSTRIA



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Ukraine Silk Road - Trade Finance Executive Forum **Kyiv, 4th October 2017**

Facilitation and increase in trade of **green technologies and services** in EBRD's countries of operations.

- **Improve access to trade finance** for sustainable energy technology suppliers and installers, often SMEs
- Create **competitive** markets for sustainable energy/resource technologies
- Increase the **availability** of sustainable energy technologies and promote uptake
- Contribute to the **expansion** of partner banks' markets
- Support the development of the EBRD's TFP – **unlock additional trading potential**.

Potential Sectors & Technologies

Farming

Logistics Companies

Printing

Textile

Office Building

Industrial Processing

Contacts



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