



Products for Financial Sector

Turkey Country Mission 2011-2014

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BSTDB's Mandate

- ◆ Facilitate economic development in Member Countries
- ◆ Promote regional stability and cooperation by supporting intra-regional trade



BSTDB's Financing Tools

- ◆ Project Finance
- ◆ Corporate Finance
- ◆ Trade Finance
- ◆ Equity Investment
- ◆ Technical Assistance

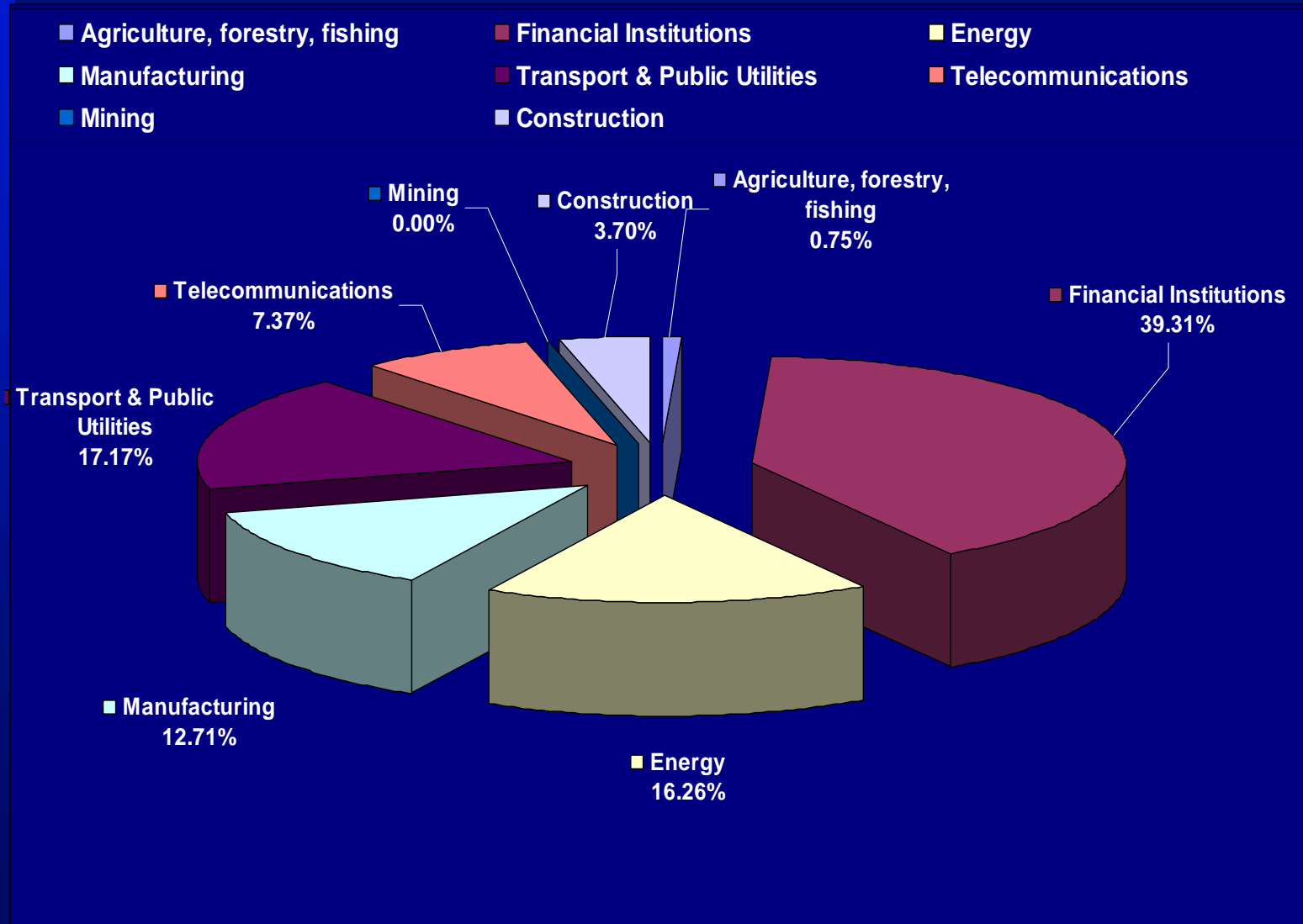


Sector concentration

- ◆ Infrastructure, energy, telecommunication
- ◆ General industries, transportation, tourism
- ◆ Financial Institutions



Distributions of Signed Operations by Sectors (as of December 2010)





Main Products for Financial Intermediaries

TRADE FINANCE

- Pre-Export Finance
- Multiple/Single Buyer Credit
- Combined Trade Finance Facility
- Leasing facility
- Guarantees

SME FINANCE

- Medium-term SME loan facilities
- Leasing facilities
- SME loan portfolio refinancing



Other forms of Financing

EQUITY INVESTMENT

- Tier 1 Capital (up to 25%)
- Tier 2 Capital (up to 50 % of Tier 1 Capital)
- Participation in equity funds

GUARANTEE



Short, Medium, and Long Term Credit Facilities

- **Amount:**
 - minimum EUR 4 million
 - maximum EUR 38 million
 - for *sovereign* loans – no ceiling
- **Maturity:**
 - Up to one year short-term
 - 1-5 years medium term
 - >5 years long term
- **Financing Ratios:**
 - Up to 100% for TF & SME Facilities
 - Up to 80% for Leasing Facilities
 - Up to 25% for equity investments



Trade Financing Objectives of BSTDB

- Promote intra-regional trade and foster regional cooperation
- Strengthen export potential of member countries
- Strengthen the capacity of local financial institutions
- Contribute to SME development and employment generation



Working with Financial Intermediaries

- ◆ Local commercial Bank, leasing companies, specialized small and micro lending institutions branches of international banks, ECA's that are:
 - Financially sound
 - Active in trade finance, SME lending, or leasing
 - With high potential to disburse BSTDB's funds
- ◆ Rating not a must – BSTDB region has its own due diligence



How to apply?

- ◆ Apply to the contact person at the end of this presentation with the following documents for eligibility review:
 1. Presentation of your company
 2. Ownership and Management information
 3. AML Policy and Procedures
 4. Last three year's audited financial statements prepared according to IFRS
- ◆ Then, complete Questionnaire Form and Letter of Information



Selecting Financial Intermediaries

MAIN SELECTION CRITERIA

- Transparent ownership structure
- Sound asset quality and financial ratios
- Experienced management team
- Active in SME and trade finance
- Customer outreach and branches



Selecting Financial Intermediaries

SELECTION PROCEDURE

- Preliminary eligibility review
- Due diligence
- Term Sheet
- Credit Committee approval
- Board approval
- Loan Agreement
- Disbursement



BSTDB Financial Sector Operations in Turkey

- TurkEximbank \$ 40,000,000
- TSKB \$ 10,000,000
- Alternatif Bank \$ 30,000,000



BSTDB's Financial Intermediaries in Member Countries:

Albania

Credins Bank

Armenia

ACBA-Credit Agricole Bank

Inecobank

Armeconombank

Azerbaijan

Inter. Bank of Azerbaijan

Access Bank

Unibank

Bank Respublika

Technika Bank

Demir Bank

Azer Turk Bank

Bulgaria

Procredit Bulgaria

BM Leasing

BACB

Bulgarian Development Bank

Georgia

Procredit Bank

TBC Bank

TBC Leasing

Cartu Bank

VTB Bank



BSTDB's Financial Intermediaries in Member Countries:

Moldova

Mobiasbanca

Turkey

Turk Eximbank

Russia

Probusiness Bank

Europlan

NBD Bank

MDM Bank

Rosevrobank

AMT Bank

Ukraine

FUIB

Kreditprombank

Pivdennyi Bank



Advantages of Working with BSTDB

- Long-term standing partner of local Financial Intermediaries
- Ability and willingness to take risks in all Member Countries due to its regional expertise
- Capacity to provide short- and medium-term funding in all Member Countries
- Broad range of products



Co-Financing with BSTDB

- ◆ Local Commercial Banks, International Banks, ECA's, IFI's
- ◆ Risk sharing and co-financing of financial sector operations in the Member Countries
- ◆ Participation in Syndications



Trade and SME Finance Products



Pre-Export Finance Facility

- ◆ Purpose: financing of pre-shipment and post shipment period of export contracts
- ◆ Structure: Unsecured, Revolving and Committed Credit Lines to Financial Intermediaries in the Member Countries for on-lending to
- ◆ Beneficiaries: Exporting Companies – clients of Financial intermediaries
- ◆ Term: 180-360 days



Multiple/Single Buyer Credit Facility

- ◆ Purpose: financing of importers in Member Countries buying goods from other Member Countries
- ◆ Structure: Unsecured or secured, Revolving and Committed Credit Lines to Financial Intermediaries in Member Countries for on-lending to
- ◆ Beneficiaries: Importing Companies – clients of Financial intermediaries
- ◆ Term: from 180 days to 5 years



Combined Trade Finance Facility

- ◆ Purpose: Financing import transactions from the Member Countries and all export transactions
- ◆ Structure: Unsecured or secured Revolving and Committed Credit Line to Financial Intermediaries in the Member Countries for on-lending to
- ◆ Beneficiaries: Importing and exporting companies-clients of Financial Intermediaries
- ◆ Term: 1-5 years



Supplier Re-Financing Credit Facility

- ◆ Purpose: Financing of exporters in the Member Countries selling capital goods in large amounts
- ◆ Structure: Credit Facilities to exporting companies through Financial Intermediaries in the Member Countries
- ◆ Beneficiaries: Exporting Companies
- ◆ Term: 1-5 years



Leasing Facility

- ◆ Purpose: Financing of leasing companies in the Member Countries
- ◆ Structure: Secured, Revolving Credit Lines or Term Loans to leasing companies in the Member Countries
- ◆ Beneficiaries: Local SME's, or importers—clients of the leasing companies
- ◆ Term: up to 5 years



BSTDB's SME Credit Lines

- Purpose: financing of micro, small and medium loans for working capital and capital investments
- Structure: Unsecured or secured, Revolving or Term Credit Lines to Financial intermediaries for on-lending
- End-Users: local SME's –clients of financial intermediaries
- Term: up to 5-7 years

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Thank You

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