



# Trade Finance Program

Steven Beck  
Head of Trade Finance

Building Partnerships for Trade

# TFP and Its Objectives

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ADB's Trade Finance Program (TFP) provides guarantees and loans through banks to support trade.

- over 200 partner banks
- guarantees and loans in 24 hours

## What are TFP Objectives?

- Fill market gaps
- Make itself redundant



# Market Gaps in Trade Finance

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## **ADB Trade Finance Survey (4<sup>th</sup> Quarter, 2012)**

- assessed gaps and links to production and jobs

### **Key Findings**

- **Trade finance gaps**
  - Unmet global trade finance demand: \$1.6 trillion
  - of which \$425 billion in developing Asia
- **5% trade finance increase would equal**
  - 2% production increase
  - 2% more jobs

# Market Gaps in Trade Finance

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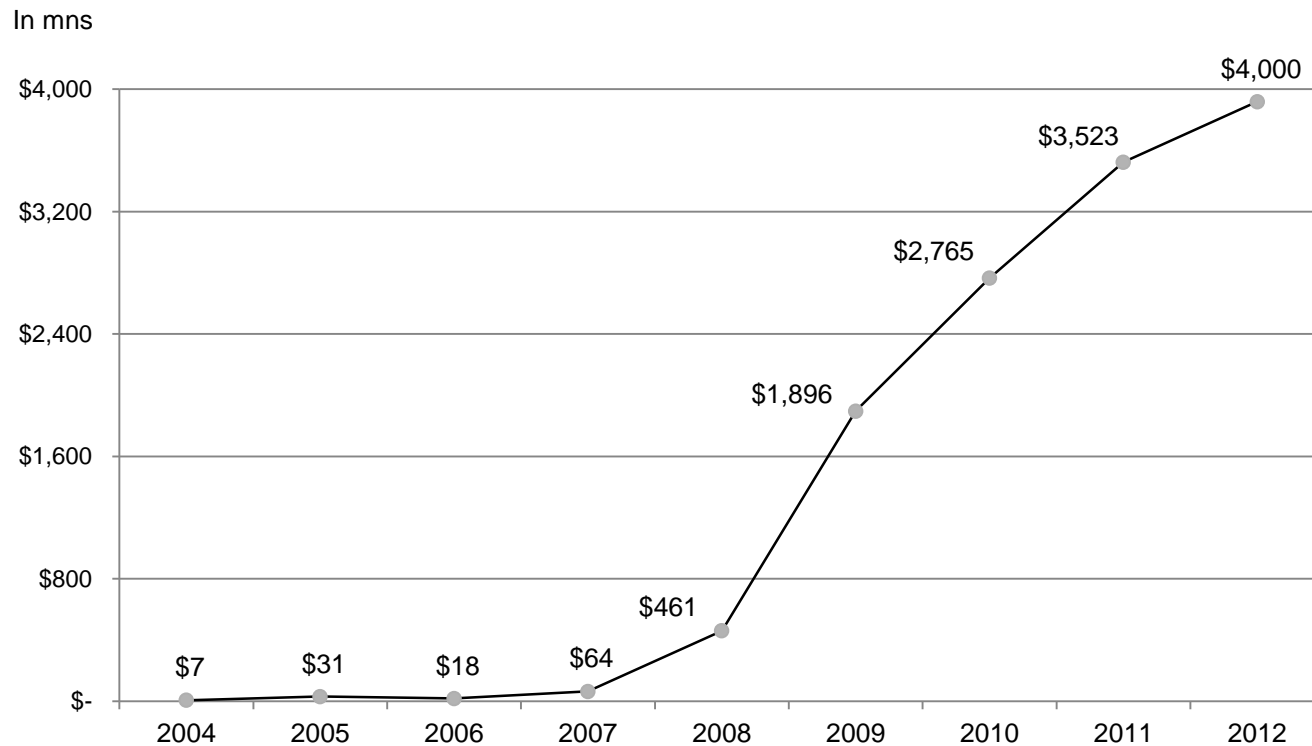
## Reasons:

1. Low country ratings
2. Weak banks in dev. countries
3. Basel guidelines/regulatory requirements
  - FT article: Europe's biggest banks to cut €661bn of assets and find €47bn of fresh capital over the next five years. Overall, the region's banks need to shed €3.2tn in assets by 2018 to comply with Basel III
  - KYC/AML
4. Deleveraging + Basel = “new normal”

# Results

## Value of Transactions Supported

Value of Transactions  
2004 to 2012



# Sample transactions supported by TFP

## Counter-Guarantee

- Importer: Azerbaijan
- Exporter: Germany
- Confirming bank: Germany
- Product: Capital equipment for drying fruits
- Value: \$600,000 USD
- Cover: 100%

## Counter-Guarantee

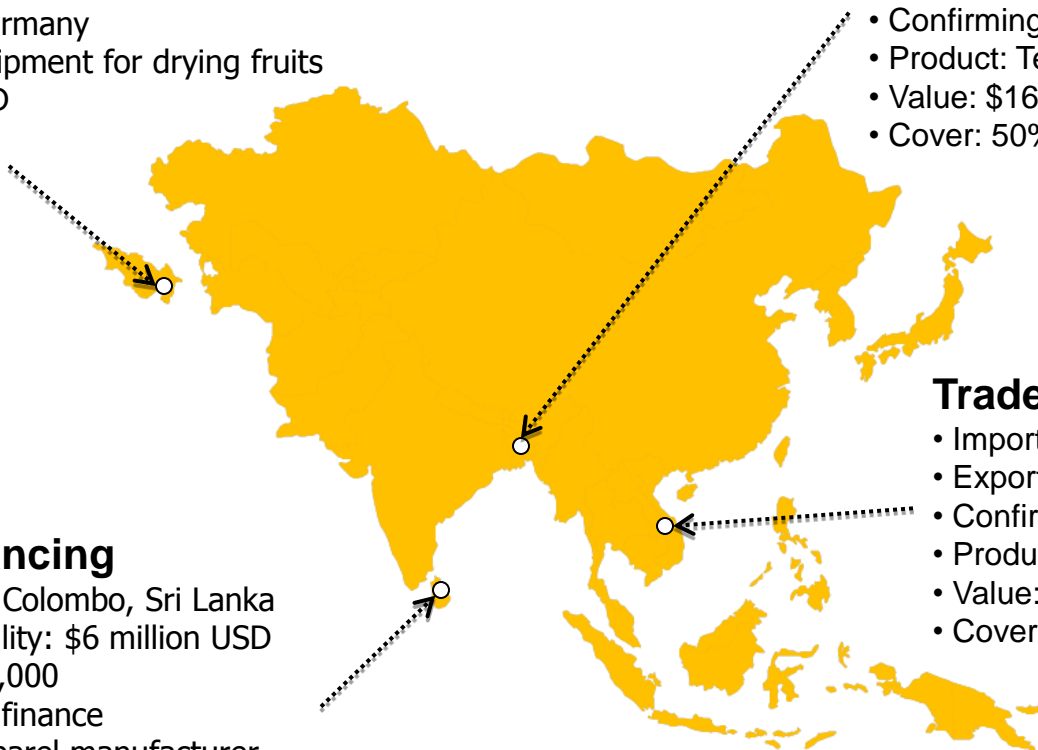
- Importer: Bangladesh
- Exporter: Hong Kong, PRC
- Confirming bank: Shenzhen, PRC
- Product: Telecommunications equipment
- Value: \$16 million USD
- Cover: 50%

## Pre-Export Financing

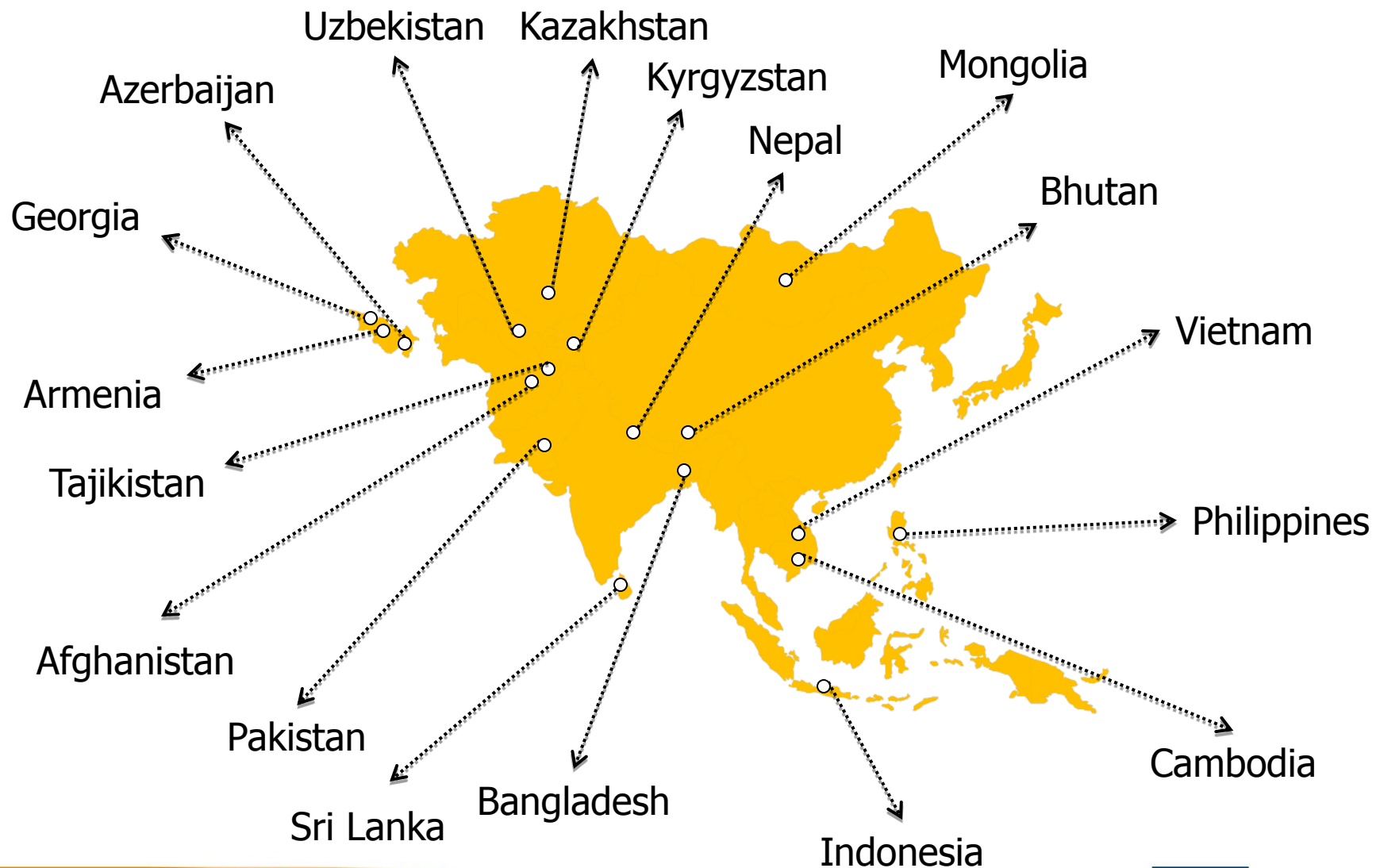
- Who: Bank based in Colombo, Sri Lanka
- Revolving Credit Facility: \$6 million USD
- On-lend value: \$250,000
- Purpose: Pre-export finance
- Beneficiary: SME apparel manufacturer
- Location: Mawathagama
- Export markets: Europe, India, Russia.
- Export goods: Finished garments

## Trade Loan

- Importer: Viet Nam
- Exporter: Singapore
- Confirming bank: USA
- Product: Dump trucks and excavators
- Value: \$5 million USD
- Cover: 100%



# 90 Dev. Country Banks in 18 Countries



# TFP Geographic Overview

- TFP focused on most challenging countries. Assumes no PRC, Indian, Thai, or Malay risk.
- Top Six Countries in 2012:
  - Viet Nam
  - Pakistan
  - Bangladesh
  - Sri Lanka
  - Mongolia

预览已结束，完整报告链接和二维码如下：

[https://www.yunbaogao.cn/report/index/report?reportId=5\\_6747](https://www.yunbaogao.cn/report/index/report?reportId=5_6747)

