PROPARCO AT A GLANCE

COMPANY BRIEF

EUR 5.4bn balance sheet at 31/12/2018 Standards & Poor's: AA/A-1+



300+ employees



13 regional offices and 7 local branches around the world



115 countries of operation



500+ clients

NORTH AND SOUTH **SHAREHOLDING**



74% Agence française de développement (AFD) 12% French financial 11% International financial



1% Ethical funds



OUR MANDATE

Proparco contributes to financing and supporting companies and financial institution in Africa, Asia, Latin America and the Middle East.



OUR TOOLS

- Loans Equity Quasi-equity
- · Investment funds · Guarantees
- Technical assistance
- Delegated funds



OUR ACTION

Proparco focuses on key sectors for development: infrastructure with a focus on renewable energies, agro-industry, financial institutions, health, education.



OUR ASSETS

- + Multi-sectoral and geographical expertise
- + International presence
- + Financial strength (AFD Group)
- + Advice for structuring complex
- + Mobilization of third parties
- + Risk management

CONTACT US

You are a Bank interested in participating in Proparco's Trade Guarantee Programme, please contact the Trade Finance team based in Paris.

PROPARCO - HQ

PARIS

151 rue Saint-Honoré 75001 Paris, France Tél.: +33 1 53 44 31 08 www.proparco.fr proparco@proparco.fr

ABDOULAYE DIALLO

Financial Institutions & Inclusion Investment Officer dialloa1@proparco.fr

STEPHANE FROISSARDEY

Financial Institutions & Inclusion Head of Financial Inclusion & Innovation froissardeys@proparco.fr

PROPARCO - Regional offices

AFRICA

Regional Office WEST AFRICA

proparcoabidjan@proparco.fr

• ACCRA afdaccra@afd.fr

Regional Office NORTH AFRICA

afdcasablanca@afd.fr

Regional Office CENTRAL AFRICA

proparcodouala@proparco.fr

afdkinshasa@afd.fr

Regional Office EAST AFRICA

• NAIROBI afdnairobi@afd.fr

Regional Office SOUTHERN AFRICA

& INDIAN OCEAN

proparcojohannesburg@afd.fr Local branch:

afdantananarivo@afd.fr

Regional Office NIGERIA

afdlagos@afd.fr

LATIN AMERICA & THE CARIBBEAN

Regional Office CENTRAL AMERICA & THE CARIBBEAN

proparco_mexico@afd.fr

Regional Office SOUTH AMERICA

afdsaopaulo@afd.fr Local branch: jarroussea@proparco.fr

Regional Office DOMINICAN REPUBLIC & HAITI

afdsaintdomingue@afd.fr

ASIA

Regional Office NORTH AND SOUTH EAST ASIA

afdjakarta@afd.fr • BEIJING chenj@afd.fr

Regional Office SOUTH ASIA

afdnewdelhi@afd.fr

MIDDLE EAST, TURKEY, CENTRAL ASIA & CAUCASUS, EASTERN EUROPE

Regional Office MIDDLE EAST

afdbeyrouth@afd.fr Local Branch: • JERUSALEM

Regional Office TURKEY, CENTRAL ASIA AND CAUCASUS, EASTERN EUROPE

afdistanbul@afd.fr

PROPARCO

a subsidiary of the Agence Française de Développement (AFD) dedicated to the private sector supporting sustainable development for over 40 years.

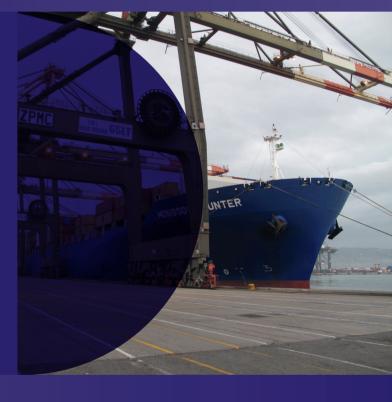
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PROPARCO'S TRADE FINANCE GUARANTEE **PROGRAMME**





PROPARCO GROUPE AGENCE FRANÇAISE DE DÉVELOPPEMENT



INTERNATIONAL TRADE IS AN IMPORTANT DRIVER OF ECONOMIC DEVELOPMENT.
BY SECURING THE TRADE-RELATED
PAYMENT OBLIGATIONS OF APPROVED
FINANCIAL INSTITUTIONS IN EMERGING
MARKETS, PROPARCO'S TRADE FINANCE
PROGRAMME SUPPORTS GROWTH AND
COMPETITIVENESS OF LOCAL SMES.



Backed by its

AA ratina.

Proparco provides strong risk mitigation and complements the capacity for local banks to fill market gaps for trade finance.



€2.5Bn + TO AFRICAN MSMEs
BY 2022

This programme is part of Choose Africa Initiative (€1.5 Bn committed to SME financing, including €900 M in guarantees)

BENEFITS



The two years tenor programme enables members to access a global network of partnerships. It offers maximum flexibility thanks to:

- A large range of products supported (from commodities to equipment, machinery and consumer goods)
- Various underlying trade instruments covered (letters of credit, stand-by letters of credit, bills of exchange)
- Coverage up to 100 % of the face value of the trade instruments
- Flexible tenors of the guarantees: from 2 months up to one year (including payment terms)
- Short delay of response: 48 hour maximum-turn-around (request for guarantee made by either IB or CB)

BENEFITS TO ISSUING BANKS



- Improvement of risk profile
- Reduction of cash collateral needs
- Increasing the supply of trade financing to support local enterprises
- Increased opportunities to develop new correspondent banking relationships
 - Critical support in time of crisis
- Side business: Access the wide range of financial growth support solutions offered by the group.

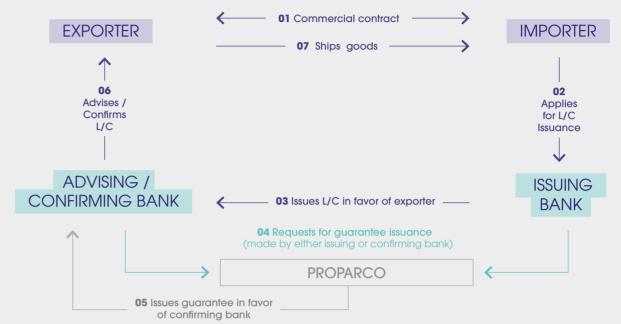
BENEFITS TO CONFIRMING BANKS



- Optimization of Issuing Bank limits and country lines
 - Mitigation of Basel capital requirement
- Access to new or challenging markets on a low-risk basisLarger geographical coverage for servicing export clients
 - Opportunities to develop new correspondent banking relationships
 - Competitive pricing



HOW DOES THE PROGRAMME WORK?



The programme is governed by master agreements for issuing and confirming banks that ensure a fast and efficient process.

HOW TO JOIN



AS AN ISSUING BANK:

The programme is open to qualified banks located in Proparco's partner countries. Applications from banks interested in joining the programme are reviewed by Proparco on a case-by-case basis. Due diligence includes review of:

- Financial Statements,
- Corporate Governance,
- Shareholding structure
- Trade Finance volumes
- Anti-Money Laundering procedures, Know Your Customer (KYC) policies



AS A CONFIRMING BANK:

International, regional, and local banks are eligible to join the programme subject to positive due diligence including review of Anti-Money Laundering procedures, KYC policy and the signature of the master documentation. Once integrated, the Confirming Bank is entitled to access the full list of Issuing Banks part of the programme.