

The EBRD's Trade Facilitation Programme

Information for importers and exporters

If you sell to, or buy from, any of the EBRD's countries of operations, the Trade Facilitation Programme can help you secure payment or performance from your clients or suppliers.

The EBRD guarantees payment under trade finance instruments issued or guaranteed by local issuing banks to international confirming banks. Trade finance instruments include letters of credit, payment and other types of guarantees, bills of exchange or promissory notes, performance bonds and bid bonds.

The EBRD takes the commercial and political risk of non-payment by issuing banks. Issuing banks take the risk of local companies. The final beneficiaries of the programme are importers and exporters. There are no fees levied on importers or exporters. Fees for guarantees are payable by the bank requesting the EBRD guarantee.

How to use the Trade Facilitation Programme

Many importers and exporters have already benefited from the Trade Facilitation Programme. In most cases, they may not have realised that their business was financed by an EBRD guarantee. This is because only the issuing and confirming banks are direct partners with the Bank.

If you want to benefit from the EBRD's Trade Facilitation programme, please:

1. Confirm your issuing bank is one of the TFP participants.
2. Clarify the maximum tenor period with your issuing or confirming bank.
3. Determine whether your issuing bank would be willing to issue or guarantee the required trade finance instrument and use TFP to cover the transaction.
4. Check the level of confirmation fees required by your buyer or client, issuing and confirming banks and agree who will bear them.
5. Ensure that the goods you are importing or exporting are not on the EBRD Exclusion list or Environmental Exclusion list.

Constraints

Our programme cannot support all trade transactions for the following reasons:

- the selected issuing bank may not wish to take the risk of a local company;
- the selected issuing bank may not wish to finance the transaction;
- the selected issuing bank may wish to reserve our guarantee facility for other transactions;
- the EBRD may not wish to, or cannot guarantee the transaction (e.g. because our guarantee limits for an issuing bank are already fully utilised);
- you or your client or supplier cannot agree on the cost of financing; or
- your export/import product is on the EBRD's Exclusion Lists.

Key contacts

For further information please contact Financial Institutions:

Jenny Stephensen

Tel: +44 20 7338 6136

Fax: +44 20 7338 6119 / 7029

Email: stephenj@ebrd.com

Kellie Childs

Tel: +44 20 7338 6991

Fax: +44 20 7338 6119 / 7029

Email: childsk@ebrd.com

European Bank for Reconstruction
and Development
One Exchange Square
London EC2A 2JN
United Kingdom

The Communications Department can provide information on other types of EBRD finance (Project Enquiries: Tel: +44 20 7338 6282; Fax: +44 20 7338 6102) and can supply other EBRD publications (Publications Desk: Tel: +44 20 7338 7553; Fax: +44 20 7338 6102).

Website

Please visit our web-site on www.ebrd.com/tfp