



Eurasian Development Bank

INVESTING IN DEVELOPMENT & INTEGRATION

Eurasian Development Bank's Trade Finance Facilities

EDB's Mission

The Bank's mission is to facilitate the development of market economies, economic growth and the **expansion of trade and other economic ties** in its member states by carrying out investment activities.

The Bank strives to become a consolidating element within the financial infrastructure and a catalyst for the **expansion of integration processes** in the territory of its member states.

The Bank's member states are **Russia, Kazakhstan, Armenia, Tajikistan, and Belarus**. Other states may join EDB Establishing Agreement.

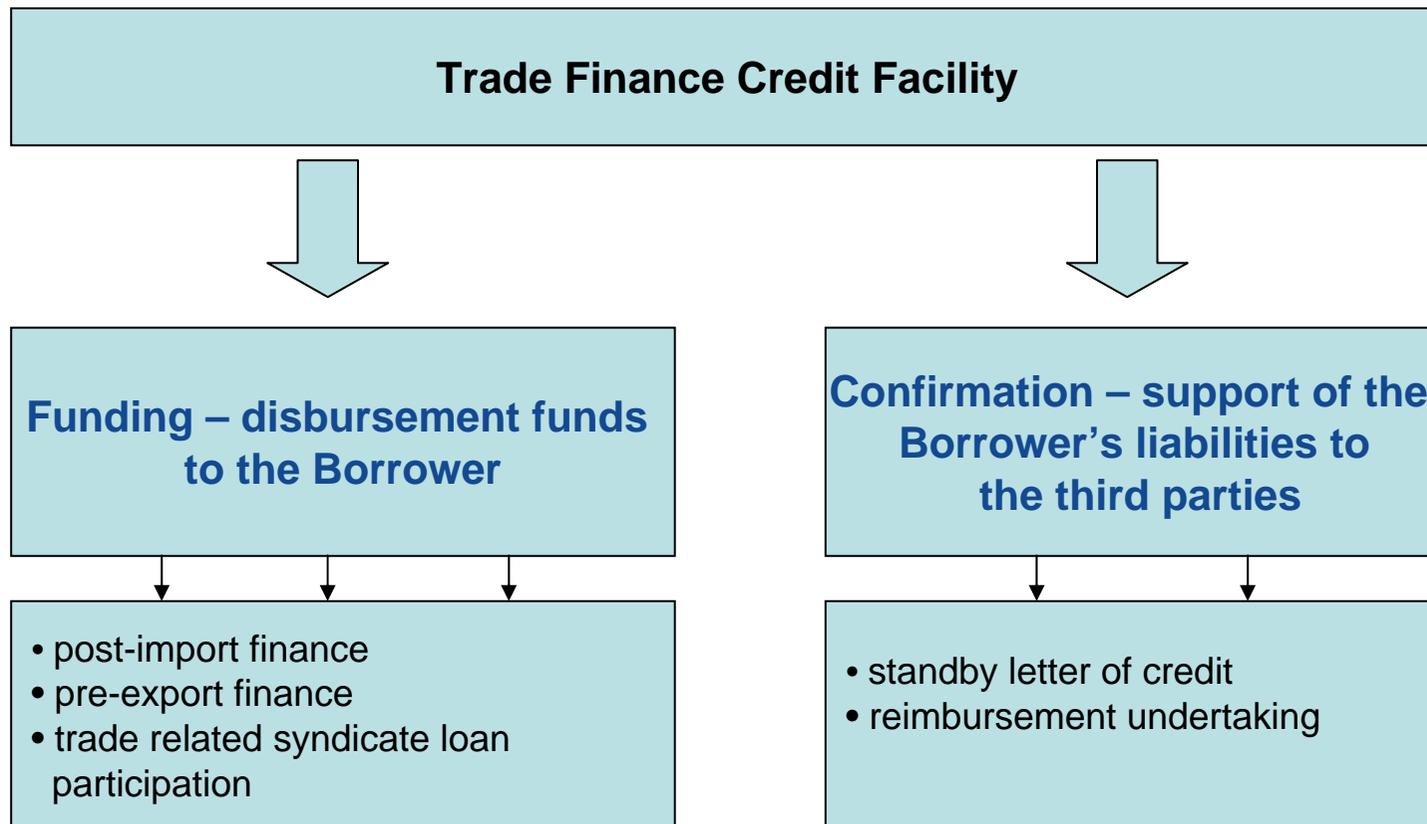
EDB's Trade Facilitation Program is focused on:

- expanding the investor base for the financial institutions developing trade financing
 - trade facilitation and deepening integration processes between EDB's member states
 - creation of favorable conditions for the exporters and importers and providing them with the access to new markets
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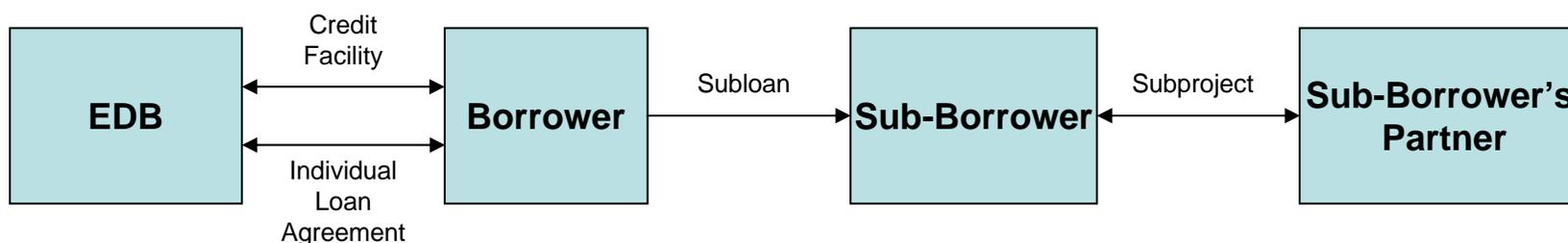
Prerequisites for participation in the EDB's Trade Facilitation Program

External factors	Internal factors	Activities
<ul style="list-style-type: none">• Financial institution• Incorporation in one of the member states• Licenses and approvals	<ul style="list-style-type: none">• Stable financial condition• EDB's compliance procedures• External auditor	<ul style="list-style-type: none">• Existing trade finance portfolio• Trade finance development strategy

EDB Instruments

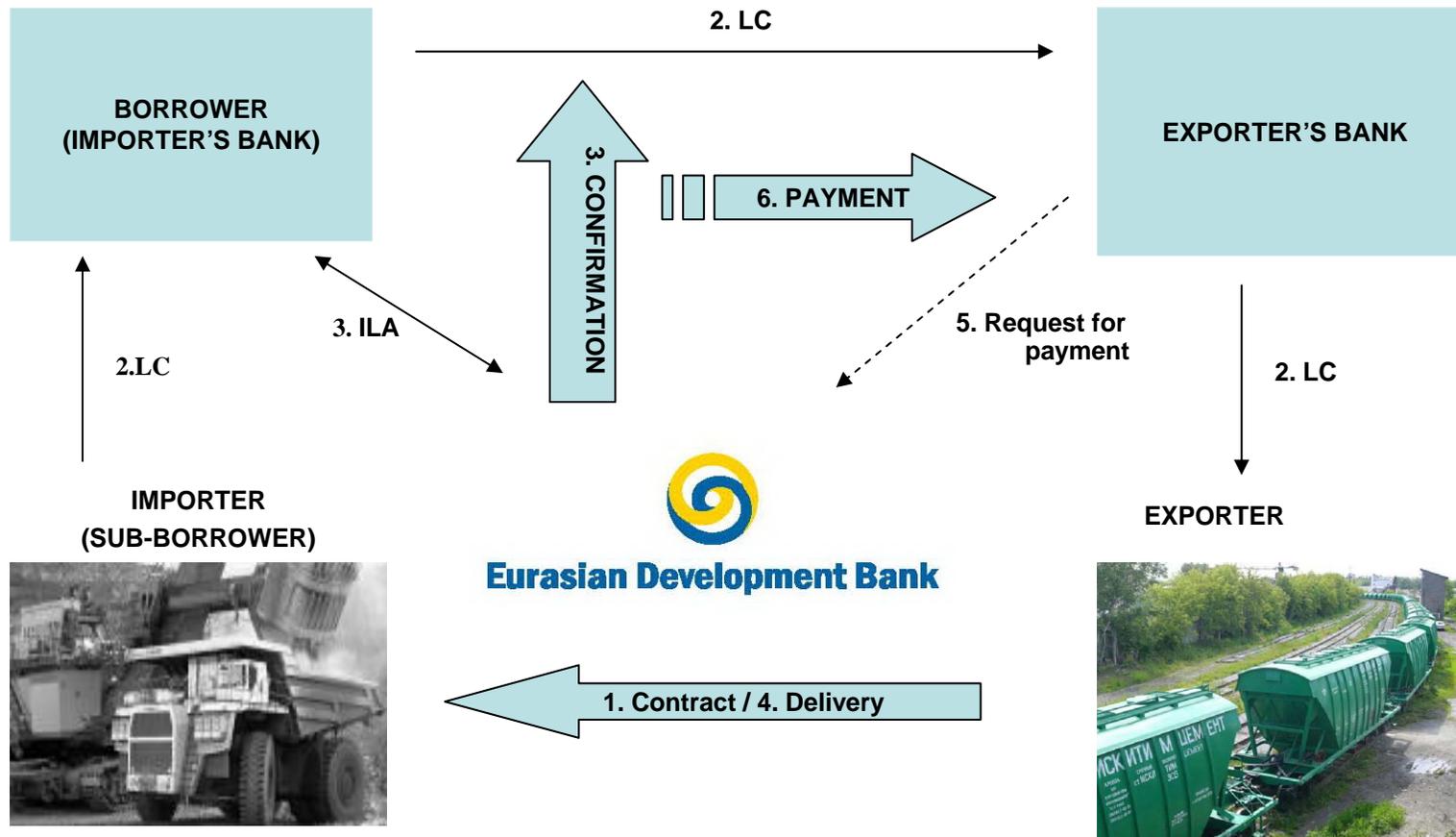


Funding

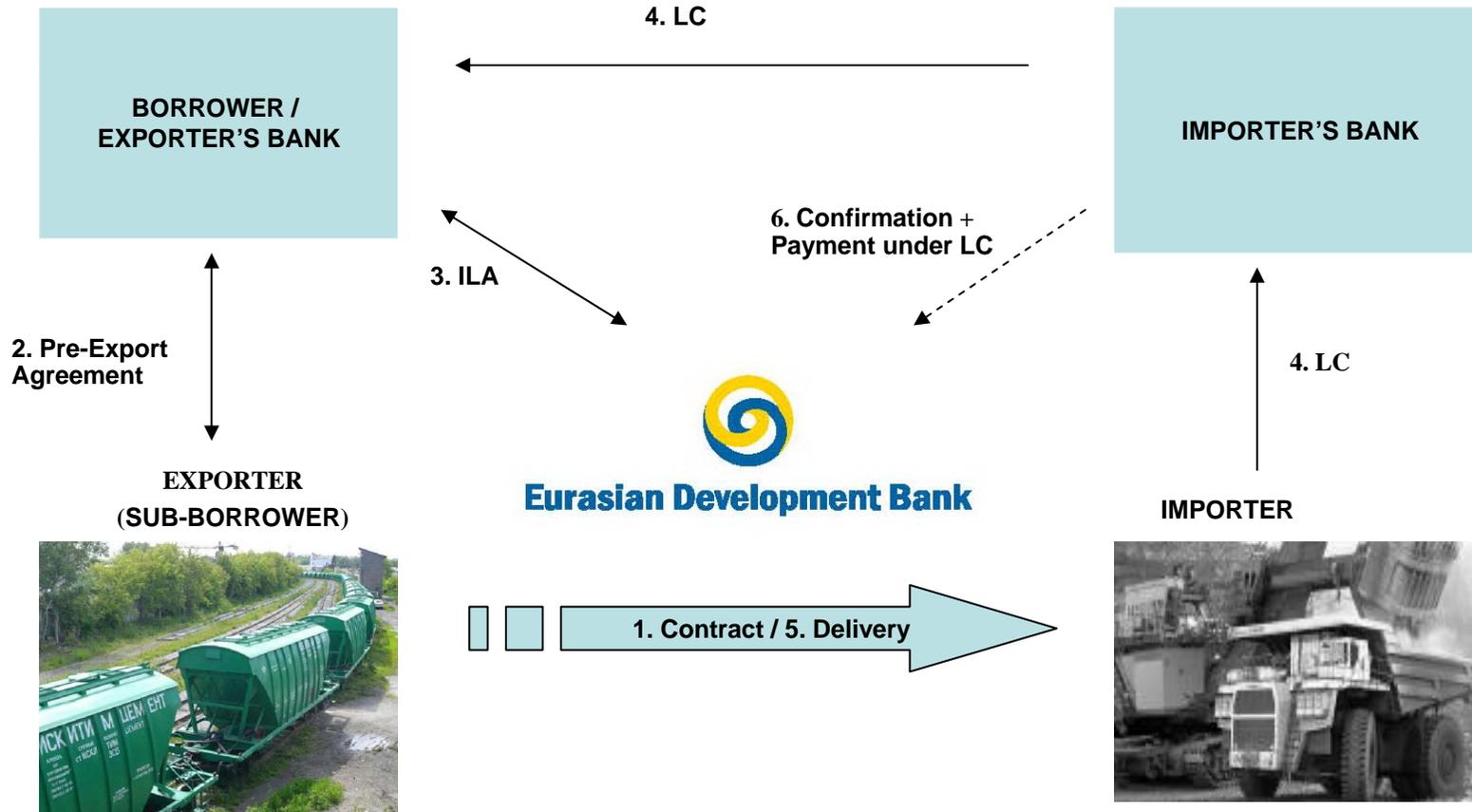


1. EDB and the Borrower enter into the Framework Agreement where they agree on all the terms and conditions of the facility;
 2. To finance individual export-import transaction EDB and the Borrower sign individual loan agreement based on the terms and conditions of the Framework Agreement;
 3. The Borrower uses these funds to finance its Subloan to its client – the Sub-Borrower;
 4. The Sub-Borrower uses the funds of the Subloan to finance its obligations under the Subproject (export-import transaction) with his partner.
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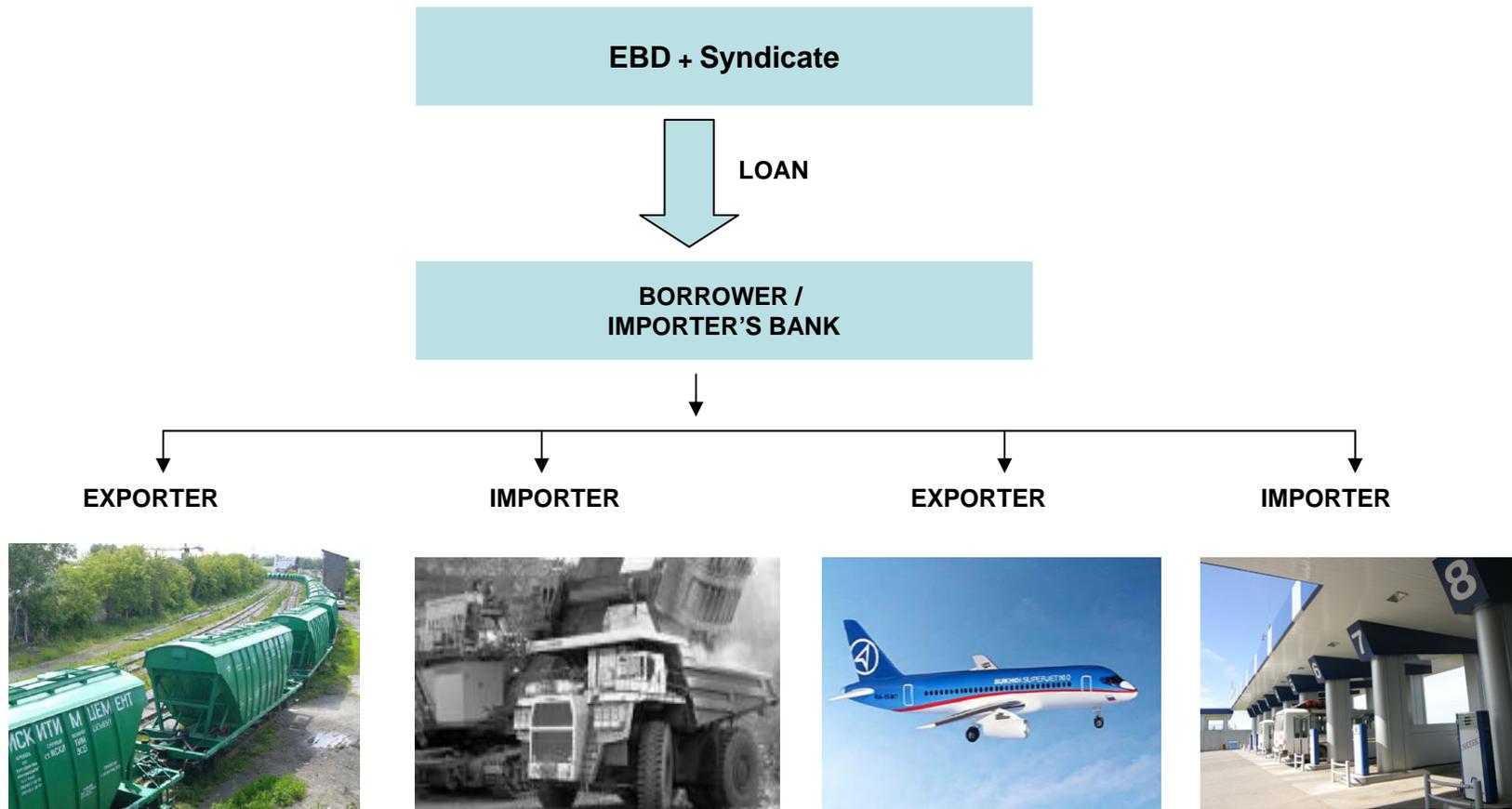
Post-import finance



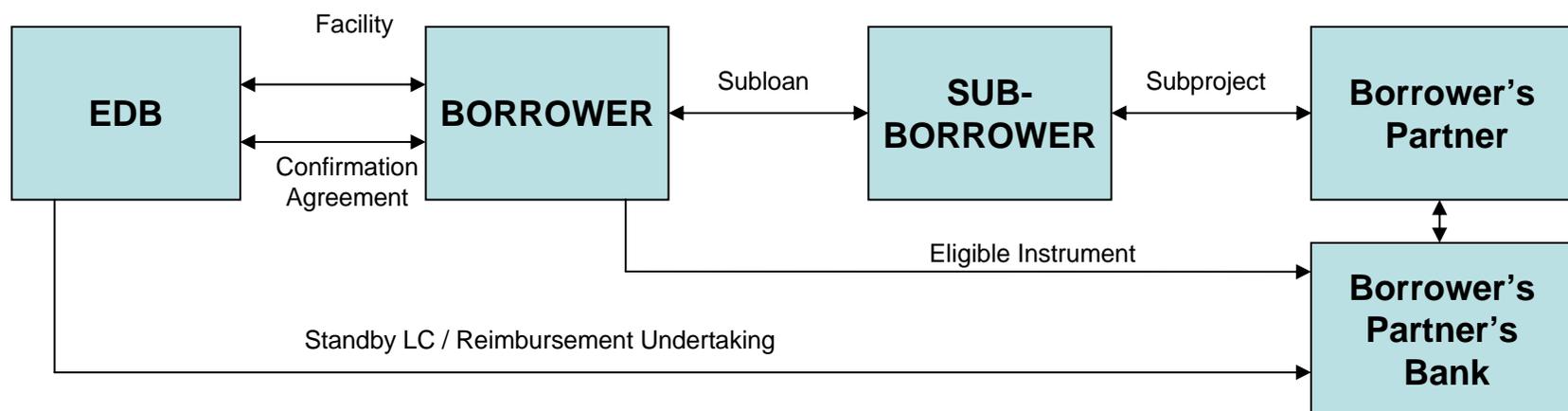
Pre-Export Finance



Syndicated Loan



Confirmation of EDB



1. EDB and the Borrower enter into the Framework Agreement where they agree on all the terms and conditions of the facility;
 2. EDB and the Borrower sign individual confirmation agreement based on the terms and conditions of the Framework Agreement;
 3. Borrower issues the Eligible Instrument (any documentary LC or guarantee) in favor of the Bank of the Borrower's Partner;
 4. Based on the terms of the confirmation agreement EDB issues its confirmation in favor of the confirming bank.
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Main features of the facility

Term of the facility	Up to 24 months
Term of the subprojects	From 3 to 12 months
Currency	US dollars, euro, Russian rubles, tenge
Covenants	General, financial and information covenants
Geography	Not less than 60% of the facility amount should support export and import between EDB member-states
Subproject amounts	Not less than US\$100,000 and up to 25% of the facility amount
Interest rate	Interest on each subloan and the confirmation fee amount is determined individually for every subproject

Prohibited activities

- Activities using forced and child labor
 - Production and distribution of tobacco and alcohol
 - Gambling industry
 - Production of armaments and munitions
 - Cash foreign exchange
 - Investing into any securities
 - Activities prohibited by the legislation of member-states or international conventions relating to biodiversity and cultural protection
 - Real estate transactions including transactions with land, residential and commercial construction
 - Production and distribution of any products that are illegal in the corresponding EDB member-state
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Contacts

Ms. Nazira Satbekova

Head of Capital Markets, Corporate Finance

Tel. +7 (727) 244-61-49, Fax. +7 (727) 244-65-70, e-mail: snn@eabr.org

Ms. Madina Kassymbayeva

Senior Specialist, Capital Markets, Corporate Finance

Tel. +7 (727) 244-40-44, ext. 69-11, Fax +7 (727) 244-65-70,
e-mail: kmm@eabr.org
