International
TRADE FINANCE

Bretton Woods arrangement faces US review

Teeing up potentially landmark change to the global development finance system, US President Donald Trump has ordered a review which could see his administration withdraw its support for the International Monetary Fund (IMF) and the World Bank. In a blitz of activity within its first few weeks of operations, the new White House team is concurrently targeting the closure of the US Agency for International Development (USAID), the world's biggest aid donor, as part of a push to slash federal spending and purportedly eliminate corruption. It has also reportedly frozen investments and grants approved by the US International Development Finance Corporation (DFC), which helps secure private sector investments in emerging markets.

The priorities of the second Trump administration have emerged swiftly, causing shudders across markets and triggering deep disquiet among those who value the norms and institutions of the post-Cold War. During his first weeks in office, Mr Trump has pulled the US out of the World Health Organization – and has signed an executive order calling for a general review of US funding and involvement in the United Nations (UN). This has cast uncertainty on the leadership role his country has played as the top donor to UN, for which the IMF and World Bank both act as specialised agencies. Mr Trump has also teed up a range of possible trade actions that would move the US further away from extant World Trade Organization rules, including across-the-board tariffs and ending US free trade with China.

The threat to US membership of the IMF and World Bank comes from a 4 February White House executive order, stipulating that all international intergovernmental organisations of which the US is a member will be reviewed to determine if they are "contrary to the interests of the US" and "can be reformed". Upon the conclusion of the six-month review, the Secretary of State will report the findings to the President, providing "recommendations as to whether the US should withdraw from any such organisations, conventions, or treaties", the order said.

The notion that the US might disengage from both the IMF and World Bank, institutions which were created by the post-war Bretton Woods Conference 80 years ago, have been brewing awhile. Sources in the G20 have told the BBC that seven years ago, during his first term, Mr Trump's team suggested abolishing the IMF at the 2018 Buenos Aires Summit. Overseas aid and USAID have been in the crosshairs since 2017, when Mr Trump slashed development assistance in the early days of his first term.

Such options were magnified after the April 2023 publication of the 'Project 2025' blueprint. This emerged from the American conservative think tank The Heritage Foundation in anticipation of Mr Trump winning the 2024 presidential election. Authored by figures who are now key White House staff,

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Editor's letter

According to Swift, the renminbi is now one of the world's top three currencies for trade finance, with a 6 per cent share in December 2024. At a time when the yuan's cheaper funding costs are boosting its appeal, bankers expect the Hong Kong Monetary Authority's imminent CNY100bn ($13.9bn) trade financing liquidity facility to further lift the use of yuan trade financing, when the currency swap measure is introduced at end-February. "The HKMA's facility can help Hong Kong banks expand their loan balances when borrowers may be less keen to borrow in USD, by lowering the funding cost for banks to do so," said Michael Makdad, senior equity analyst at Morningstar.

The occasional pitfall attached to the trade finance arena can be seen in the situation facing creditors of Stenn Technologies in the wake of the invoice financier's collapse in December. The company's Stenn Assets UK and Stenn International subsidiaries reportedly have a combined £156m ($194m) estimated deficiency of assets, according to filings at Companies House. Further, there is an outstanding $978m tied to notes issued by Stenn to investors that were backed by invoice financing loans, according to a separate document filed by Interpath Advisory, which has stepped in as Stenn's administrator.

In the export credit agency (ECA) sphere, the Export-Import Bank of the US (EXIM) is set to re-approve a huge $4.7 bn loan for the controversial $20bn Mozambique LNG project in coming weeks, with ECAs from the Netherlands and UK anticipated to follow suit by the project owner and operator TotalEnergies. Chief executive Patrick Pouyanne said he expects a prior loan approval by EXIM to be restored "fairly quickly" under the new US Trump administration. The scheme – where construction was frozen in 2021 due to violent unrest in the northern Cabo Delgado region - will become the biggest gas project in Africa if it proceeds as planned.

Maintaining efforts globally to find alternatives to traditional US dollar and euro-denominated trade and project financing, the African Development Bank (AfDB) has proposed a 'gold standard' style currency arrangement backed by critical minerals. Under the plan, a "non-circulating currency", to be known as African Units of Account, would be created, backed by a diversified basket of Africa's proven critical commodities provided by countries participating in the scheme. This could replace local currencies in certain payment transactions, helping overcome foreign currency volatility and convertibility risks which potentially threaten sponsors of privately financed independent power projects across the continent.

"By leveraging Africa's resource wealth, we can create an environment that attracts investment at lower costs and accelerate infrastructure development," said Auguste Claude-Nguetsop, partner and head of financial services at KPMG Southern Africa.

Kevin Godier

Organisation index

Some of the organisations, banks and companies referred to in this issue of ITF

Project 2025 contends that "the World Bank…and the International Monetary Fund espouse economic theories and policies that are inimical to American principles of free market and limited government principles." It calls for the US, the largest shareholder at both Bretton Woods organisations, to withdraw from both institutions and terminate its financial contributions.

Asked about the proposals in the Project 2025 agenda that call for the US to withdraw from the IMF, spokesperson Julie Kozack said the Fund has a long history of working with successive US administrations and anticipates continuing that work with the IMF's largest shareholder. "We are a global institution. We have a clearly defined mandate to support economic and financial stability, globally, and to ultimately support growth and development in the world economy," Ms Kozack said.

USAID decimation

In a massive clue that his administration has no hesitations in challenging the financial status quo, Mr Trump called on 7 February to "close down" USAID amid reports that his administration plans to cull all but a few hundred of the agency's 10,000 global staff members. Trump administration officials have smeared the agency's spending as unnecessary, wasteful, politically motivated and in conflict with the president's foreign policy and ideological agenda.

After an executive order that put a 90-day freeze on all US foreign assistance, many employees at USAID – which spent roughly $38bn in fiscal year 2023 and accounts for 40 per cent of global foreign aid - were locked out of offices. Officials and federal officers have subsequently turned away scores of USAID staffers who showed up for work at its Washington headquarters, despite a court temporarily blocking the executive order.

The Trump administration's swift dismantling of the six-decade-old aid agency and its programmes worldwide were attributed to fraud and corruption at USAID. Examples of the criticism include suggestions that USAID has been involved in at least 30 foreign countries in funding media operations that align with US foreign policy interests. Some governments have alleged that the agency has been used as a cover by the CIA for covert regime change operations in their countries.

US Secretary of State Marco Rubio announced that some of the agency's operations – especially critical humanitarian projects - would continue under the State Department. "I have long supported foreign aid. I continue to support foreign aid," Rubio told media on a visit to Costa Rica. "But foreign aid is not charity." In a letter to Congress, Mr Rubio has said that some parts of USAID might be absorbed by the State Department and the remainder may be abolished.

Among the frozen programs is USAID's Africa Trade and Investment initiative. ATI's work in 50 African countries has leveraged more than $200m in grants and subcontracts into more than $400m in co-investments from the private sector and $1.6bn in trade deals.

While USAID manages aid projects in roughly 100 countries, its profile pales beside the IMF and World Bank, both also based in Washington DC. Created by Western powers after World War Two to help fund the rebuilding of war-blighted Europe, both have evolved to be key providers of finance to emerging markets. While the IMF provides last resort lending for nations in financial trouble, surveys economies and provides technical advice, the World Bank gives money and cheap loans to developing countries for poverty alleviation and development. The latter's 2024 loans, grants, equity investments, and guarantees to partner countries and businesses amounted to $117.5bn.

For the project and trade finance community, the bank's International Finance Corporation and Multilateral Investment Guarantee Agency have long been a regular source of official support for transactions in emerging markets. The IFC's Global Trade Finance Program has facilitated over $105bn in trade finance for more than 168,000 businesses over the past 20 years, while its Global Trade Liquidity Program has supported over $53bn in global trade volumes through some 24,000 transactions over the same period. Meanwhile, MIGA's guarantees have been deployed widely to secure flows of investment and finance to lesser developed countries. In Bangladesh, for example, MIGA recently proposed a seven-year cover package to help pay for much-needed gas imports (ITF 883/5).

Nonetheless there have been allegedly huge disparities in the World Bank's record-keeping. As much as $41bn in climate finance disbursed by the World Bank over the past seven years is unaccounted for, according to an Oxfam International report published in October ((ITF 878/9). This said the amount cited is equivalent to nearly 40 per cent of all climate funds disbursed over the 2017-2023 period by the bank, which is the largest multilateral provider of climate finance.

Some members of the Trump administration are reported to be particularly critical on the World Bank's lending to China, as geopolitical tensions between Beijing and Washington have lifted. The US' position as the leading voting shareholder in both the IMF (17 per cent) and World Bank (15.83 per cent) provides it with veto

BoE head flags concerns

Illustrating the anxieties emerging around the world among other traditional financial institutions, the Governor of the Bank of England (BoE) Andrew Bailey has urged continued US support for the two Bretton Woods institutions. Mr Bailey said he was following events in this respect "extremely closely", stressing that it is "very important that we don't have a fragmentation of the world economy". He told the BBC on 7 February that "a big part of that is that we have support and engagement in the multilateral institutions, institutions like the IMF, the World Bank, that support the operation of the world economy. That's really important."

powers and was a key driver of China's creation in 2016 of the rival Asian Infrastructure Investment Bank.

DFC impact

Evidence has also emerged that investments and grants approved by the DFC have been abruptly frozen. According to a 6 February report by Impact Alpha, fund managers and project managers have been told by the DFC that such commitments are on hold pending a review of their projects.

The Trump administration created the institution in 2020 specifically to focus on overseas private sector investment. The DFC approved transactions totalling over $12bn in the 2024 fiscal year, ending last September, and $3bn more through the end of 2024. Some observers have connected events at the DFC with a new executive order signed by Mr Trump, requesting a blueprint for a US sovereign wealth fund. A DFC source told ITF that "DFC will faithfully execute and comply with all executive orders and remains committed to advancing development finance initiatives that align with US foreign policy and national security objectives of the Trump administration.

Finance

AfDB proposes new 'gold standard' in Africa backed by critical minerals

Continuing the search for alternatives to traditional US dollar and euro-denominated financing, the African Development Bank (AfDB) is proposing a 'gold standard'' style currency arrangement backed by critical minerals. The concept, first floated last year by the Abidjan-based multilateral, aims to leverage Africa's vast reserves of cobalt, copper, lithium, manganese, rare earth and other critical minerals. The bank has underlined that the initiative could help lift increase renewable energy investments into the continent, by reducing the cost of capital for clean energy projects.

The AfDB's plan is contained in a report, entitled New Mechanism for Mitigating Currency Risk to Support Africa's Energy Transition. Launched by the AfDB and KPMG South Africa during the late January Africa Energy Summit held in Dar es Salam, Tanzania, the report argues that African countries can use the mechanism to overcome the foreign currency volatility and convertibility risks which threaten the affordability and sustainability of the privately financed independent power projects (IPPs) emerging across the continent.

Under the plan, a "non-circulating currency", to be known as African Units of Account (AUA), would be created, backed by a diversified basket of Africa's proven critical commodities provided by countries participating in the scheme. This would guarantee levels of exchange rate stability that are typically absent from the participating countries, enabling revenues from electricity sales denominated in local currencies to be paid at an agreed rate to a designated settlement agent. This agent would then sell an equivalent amount of minerals to generate dollars, ensuring the repayment of loans for energy projects.

"The idea borrows from the Gold Standard that anchored global currency stability," the AfDB said in its report, without giving a timeline for introducing the currency. "It further builds on the CFA-Euro peg in Francophone countries, which is backed by a pledge of external reserves," the AfDB said, adding that a basket of critical commodities would hold its value "better than any African currency". The AfDB itself uses units of account, whose standard currency code is XUA, for accounting between state members.

At a time when critical minerals have become key elements for the global energy transition and electric vehicles, the new financing mechanism was developed as a means of leveraging Africa's vast critical minerals endowments. Despite holding about 30 per cent of the world's critical mineral reserves, the 54-nation region only attracts 3 per cent of global energy investments annually, with just 2 per cent, or $40bn, directed toward green investments last year, according to the AfDB. The bank contends that previous electrification attempts in Africa have stalled because developers need to borrow in hard currency to pay for equipment, while their revenue streams expose them to some of the world's most volatile exchange rates.

"The demand for critical minerals will continue to grow exponentially over the next 30 years, and Africa's role in the global energy transition cannot be overstated," said Auguste Claude-Nguetsop, partner and head of financial services at KPMG Southern Africa. He commented: "To unlock this potential, it is essential to implement innovative financing mechanisms that address currency and convertibility risks. By leveraging Africa's resource wealth, we can create an environment that attracts investment at lower costs and accelerate infrastructure development."

The AfDB move follows growing efforts by emerging market countries to find ways of navigating the risks posed by their dependence on hard global currencies for trade and other transactions. Pushing back, incoming US President Donald Trump threatened on 30 January to impose 100 per cent tariffs against BRICS nations if they moved to replace the dollar as their reserve currency.

One market observer highlighted the reaction to a previous attempt to a carve out a new currency for Africa in 2000, when Colonel Muammar Gaddafi, then head of Libya, proposed the adoption of a new gold-backed currency, the gold dinar. "When Gaddafi announced that he was going to use it for Libyan oil trading, this move was seen to have the potential to seriously undermine the global hegemony of the dollar," he told ITF. "French President Nicolas Sarkozy also called Libya a threat to the financial security of the world, most likely because this would have reduced the influence and reach of the CFC Franc zone."

Yuan trade finance set to lift in Hong Kong

The introduction of the Hong Kong Monetary Authority's (HKMA) new CNY100bn ($13.9bn) trade financing liquidity facility is expected by bankers to further lift the use of yuan trade financing, at a time when the Chinese currency's cheaper funding costs are boosting its appeal.

Expected to be launched by late February, the initiative between the HKMA and the People's Bank of China (PBoC) aims to strengthen the position of the Hong Kong Special Administrative Region (SAR) as a global offshore yuan financing hub, enhancing the financial connectivity with mainland China (ITF 883/3). The currency swap measure, unveiled in mid-January, will offer one-, three- and six-month funds, with interest rates referencing onshore interest rates plus a premium of a quarter of a percentage point, providing banks in the city with a stable source of relatively lower-cost yuan funds to support customers' trade financing needs.

"We have seen rising interest from corporates for [yuan] trade finance since 2023 following the US dollar rate hikes," said Wu Bin, head of trade and working capital sales for Citi in Japan, North Asia and Australia. Quoted in a 3 February report in the South China Morning Post (SCMP), Mr Wu said that companies in Hong Kong could now be further encouraged to use yuan-based trade financing to "achieve cost efficiency and facilitate international trade in a dynamic macro environment".

"The HKMA's facility can help Hong Kong banks expand their loan balances when borrowers may be less keen to borrow in USD, by lowering the funding cost for banks to do so," said Michael Makdad, senior equity analyst at Morningstar.

Carmen Chan, Standard Chartered's head of trade and working capital for Greater China and North Asia, said she viewed the HKMA facility as a "carved-out liquidity pool" for trade finance without the speculative impact of the capital market, against a background of ongoing fluctuations in interest rates. Also quoted by the SCMP, she commented: "In the past, when the geopolitical situation was not that complex, the US dollar was a relatively stable option." In today's more complicated macro environment, however, using that currency to settle trades could "add an uncertainty", prompting companies to consider other currencies, she observed.

Hong Kong has been the most significant offshore yuan hub since Beijing started taking steps to internationalise the yuan. Nonetheless, because the offshore yuan Hong Kong interbank offered rate (Hibor) was usually higher than the onshore yuan rate, this has affected the development of offshore yuan trade finance in the city in the past two years, Mr Wu said. Critically, whereas the three-month offshore yuan Hibor fluctuated from 1.81 per cent to 3.84 per cent in the last six months, the onshore three-month Shanghai interbank offered rate (Shibor) ranged far more tightly from 1.64 per cent to 1.88 per cent.

The HKMA said in a 7 February statement that it would launch the new facility on 28 February. Hong Kong banks are planning to form a working group this quarter to draw up measures to attract more emerging market customers to the financial hub and support the city's role as an offshore yuan centre.

Renminbi use

According to Swift, the banking industry's messaging network system, the renminbi is now one of the world's top three currencies for trade finance, with a 6 per cent share in December 2024, compared to a 2.1 per cent share four years ago. Ms Chan said the yuan's use in trade finance was finding new impetus, especially among companies in sectors such as electric vehicles, solar panels and engineering, procurement and construction.

Rising yuan deployment comes as Chinese companies "are looking to capture new opportunities in other regions," said Ms Chan, pointing to uncertainties with traditional trading partners such as the US and Europe amid tariff threats. She highlighted that trade flows between China and Southeast Asia, Africa and the Middle East have been growing, with many companies using Hong Kong as a "superconnector".

Stenn creditors eye major hits

A potential shortfall of almost $200m is reportedly facing creditors of Stenn Technologies in the wake of the invoice financier's collapse in December. Stenn Assets UK Ltd. and Stenn International Ltd., the London-based company's UK subsidiaries that went into insolvency, have a combined £156m ($194m) estimated deficiency of assets, according to filings at Companies House. According to Bloomberg, which reported the filings on 30 January, HSBC Holdings Plc is owed £28m by one of the units.

Stenn collapsed into administration on 4 December following an application from HSBC Innovation Bank in the UK High Court (ITF882/1). The trade finance company, once valued at about $900m – and backed by some of the world's biggest banks and investors – unravelled when HSBC became suspicious that some of its transactions were fraudulent.

The filings show that Stenn Assets UK had a deficiency of assets for creditors of £65m, while Stenn International's deficit was £91m. About £58m of this is owned to Stenn's parent company in Luxembourg, according to a claim lodged with administrators.

Stenn's founder and chief executive Greg Karpovsky signed off on the filings as accurate – and has claimed that the company owes him £2.7m, Bloomberg said in late January. The two subsidiaries do not cover the entirety of operations at Stenn, which sold notes to investors that were backed by invoice financing loans. There was an outstanding $978m tied to this operation, according to a separate 22 January document filed by Interpath Advisory, a consulting and restructuring firm that took over as Stenn's administrators.

Stenn's downfall carries echoes of Greensill Capital, another lightly regulated trade finance company in London which unravelled in 2021 (ITF 803/1). Valued at over £5bn only a year before it fell in an insolvency, the supply chain finance provider remains the subject of criminal and civil cases. Just days after Stenn's shutdown, Kimura Capital, another private commodity financier for SMEs, also announced the closure of its London-based trade finance business (ITF 803/3).

EC survey highlights stable SME access to trade credit lines

A European Commission (EC) and European Central Bank survey has found that the availability of trade credit remained stable during 2024 for small businesses across the European Union (EU), despite myriad challenges including rising costs and tighter lending conditions. Publishing the results of its annual SMEs' access to finance (SAFE) survey on 15 January, the EC found that 73 per cent – or nearly three-quarters of respondents – said there had been no change in the full availability of their requested trade credit facilities.

A further 16 per cent received most or a limited amount of their requests. With just 6 per cent of the SMEs noting that their access to trade finance facilities deteriorated last year, the EC said in its report that this suggested "increasing stability in trade credit conditions". It concluded that access to facilities "remains generally available for those who seek it".

The survey was based on feedback concerning the economic situation from April to September 2024, collected from 16,000 European businesses, gathered through interviews carried out from September to October 2024. Around a third (32 per cent) of the respondents said they see trade credit as a relevant source of financing. Over 92 per cent of the canvassed businesses were SMEs, coming from EU27 as well as Iceland, Liechtenstein, and Norway and since this year from Albania, Bosnia and Herzegovina, Moldova, Montenegro, North Macedonia, Serbia, Türkiye, and Ukraine.

Continued late payments

A "persistent" difficulty faced by SMEs is late payment by private sector buyers, the report noted. Nearly half of the canvassed SMEs reported problems with late payment in the previous and current two quarters. 13 per cent described this as a regular issue, while around a third of respondents said late payments impact their ability to pay suppliers. 16 per cent said it has delayed loan repayments or created additional financing requirements.

The survey called on policymakers to continue finding ways to address late payment, and to support the development "of alternative financing sources beyond traditional bank lending". The EC has taken aim at late payments, proposing in late 2023 to limit all payment terms to a maximum of 30 days, with fixed fees and interest automatically added to overdue amounts. However, those plans were later shelved, after a lack of support from several EU member states – and warnings from the banking industry that it would no longer make a reasonable return from funding supply chain finance programmes if payment terms were restricted to 30 days.

Through a wider lens, the overall survey findings "suggest that while the acute phase of recent crises may have passed, SMEs face a complex set of challenges that could constrain their growth and development in the coming years," the report said. "Rising costs, tightening lending conditions and lower growth expectations point to an increasingly complex operating environment that is affecting both business performance and outlook," it noted.

The survey indicated that nearly four in ten of the canvassed businesses experienced increased interest rates. Almost a third with plans to grow in the next two to three years saw the most important limitation to accessing finance in the future as interest rates or prices being too high.

Forfaiting

LFC joins trace:original ecosystem

Maintaining the steady momentum behind trade finance digitisation, London Forfaiting Company (LFC) has joined the trace:original open ecosystem provided by Swedish fintech Enigio. In a 4 February release, Enigio said that LFC is transacting live with fully digital trade documents, as part of a broader strategy to enhance its document management processes, improve security, and optimise transaction flows.

"Following a thorough risk assessment, we have identified the collections business as an area that stands to benefit from this development," said Lorna Pillow, chief operating officer and deputy chief executive at LFC. She underlined that LFC is "committed to the digitisation of trade finance instruments", and that the company has already observed measurable benefits.

"This strategic initiative is already yielding positive results, enhancing operational efficiency, and providing an improved experience for LFC clients. Moving forward, we aim to extend this concept to our forfaiting offering," Ms Pillow said.

Enigio's chief executive Patrik Zekkar emphasised that LFC's involvement with trace:original "is a pivotal step forward for digital trade", pointing to the importance of industry collaboration in accelerating the transition to digital trade finance.

Enigio noted in late 2024 that trace:original became the first digital trade solution to complete the ICC's DSI Digital Trade Reliability Assessment, validating its ability to securely manage digital trade documents with the same

OECD export credit rates

Minimum interest rates for officially supported export credits

	15 Feb 14 Mar	15 Jan 14 Feb
Australian dollar 3 yrs	4.82	4.82
Australian dollar 10 yrs	5.43	5.36
Canadian dollar 3 yrs	3.89	3.95
Canadian dollar10 yrs	4.29	4.16
Czech koruna 3 yrs	4.59	4.60
Czech koruna 10 yrs	5.13	5.07
Danish krone 3 yrs	2.96	2.67
Danish krone 10 yrs	3.22	3.15
Euro 3 yrs	3.17	2.92
Euro 10 yrs	3.60	3.28
Hungarian forint 3 yrs	7.33	7.22
Hungarian forint 10 yrs	7.64	7.31
Japanese yen 3 yrs	1.71	1.60
Japanese yen 10 yrs	2.20	2.08
Korean won 3 yrs	3.57	3.59
Korean won 10 yrs	3.82	3.77
N. Zealand dollar 3 yrs	4.75	4.65
N. Zealand dollar 10 yrs	5.55	5.53
Norwegian krone 3 yrs	4.81	4.64
Norwegian krone 10 yrs	4.88	4.60
Polish zloty 3 yrs	6.37	6.20
Polish zloty 10 yrs	6.97	6.78
Swedish krona 3 yrs	3.05	2.91
Swedish krona 10 yrs	3.32	3.10
Swiss franc 3 yrs	1.14	1.03
Swiss franc 10 yrs	1.38	1.32
UK pound 3 yrs	5.15	5.07
UK pound 10 yrs	5.66	5.43
US dollar 3 yrs	5.33	5.22
US dollar 10 yrs	5.63	5.39

Following the CIRR reforms, ITF will publish the shortest tenor (3-year) and longest tenor (10-year) CIRR rate for each participant in the OECD Consensus. The CIRR rates for the full range of government bond maturities (over 3, 4, 5, 6, 7, 8, 9 and 10 years) can be found at http://www.oecd.org/trade/topics/export-credits/documents/cirrs.pdf

Rates published monthly, normally around mid–month. A premium of 0.2 is to be added to the credit rates when fixing at bid. Interest rates may not be fixed for more than 120 days.

A CIRR is fixed for each currency, including the euro, that is used by participants in the Consensus. CIRRs are subject to change on the 15 of each month.

legal recognition and protection as paper documents (ITF 881/18). In 2023, Lloyds Banking Group announced a €3m investment in Enigio, after helping fintech group Mercore complete the UK's first digital bill of exchange transaction, via trace:original (ITF 856/20).

Project finance

Mid-2025 launch earmarked for AEB

Having missed a January 2025 start-up deadline, the proposed Africa Energy Bank (AEB) is set to start operations by mid-year at its headquarters in Abuja, Nigeria, once sufficient capital has been raised.

The AEB is being established by the African Petroleum Producers Organization (APPO) in collaboration with the African Export Import Bank (Afreximbank) to help plug a project finance gap in Africa. It was formed to offer an alternative source of finance for oil, gas and other energy projects on the continent due to the withdrawal of many foreign institutions from lending for fossil fuel developments as pressure from environmental groups has shifted investment dollars away from climate-warming oil and gas projects (ITF 871/3; 866/1).

"We are in the capital raising phase. A number of countries have already put in the money, (so) we are talking to a number of countries to bring in the capital so that we can start trading," said Afreximbank senior executive vice president Denys Denya. "Definitely we'll start trading this year," he told Reuters on 3 February at Africa's annual Mining Indaba in Cape Town. "We're hoping that we can start trading before the half-year stage," he was quoted as saying.

The AEB's initial share capital of $5bn will be subscribed to by 18 member countries of APPO, their state oil companies and other investors (ITF 877/5). Mr Denya said Afreximbank is not yet disclosing funding commitments from the countries joining the AEB. He said countries – including South Africa – that were not members of APPO had indicated interest in being part of the bank.

Nigeria won the hosting rights for the establishment of the AEB headquarters in July 2024, after fierce competition with Ghana, Algeria, South Africa, and Benin (ITF 873/5). The Nigerian government set 28 January 2025 as the deadline for commencing operations at the AEB (ITF 879/4). The secretary general of APPO, Farouk Ibrahim, said on 1 November that 50 per cent of the funds needed for AEB take-off was already available.

Agencies

EXIM to re-approve Mozambique LNG loan, predicts TotalEnergies

Financing from the Export-Import Bank of the US (EXIM) for the controversial $20bn Mozambique LNG project is expected to be approved in coming weeks, with other credit agencies to follow in the months after, the project's lead sponsor has indicated.

Patrick Pouyanne, chief executive of the scheme's majority owner and operator TotalEnergies, said on 5 February that the French energy giant is waiting for loan re-approvals from the US, UK and Dutch export credit agencies (ECAs) before lifting a force majeure that has been in place since 2021 on the project, located along the country's northern coast.

While reporting TotalEnergies' fourth-quarter earnings, Mr Pouyanne told reporters that he expected a prior loan approval by EXIM to be restored "fairly quickly" under the Trump administration. EXIM has yet to disburse any funds to Mozambique LNG, having previously agreed a $4.7 bn loan for the project. This must now be re-approved, after construction on the project was frozen in 2021 due to violent unrest in the northern Cabo Delgado region near the project site.

The project's estimated $15bn financing roster entails commitments from eight ECAs, 19 commercial banks, and the African Development Bank. The financing includes direct loans and guarantees of up to $1.15bn extended by UK Export Finance. An appeal by Friends of the Earth that the British government wrongly decided that funding the project is compatible with the Paris Agreement on climate change was rejected in early 2023 by London's Court of Appeal (ITF 841/5). However, the UK government is seeking legal advice on whether its 2020 commitment to finance the project is still binding, the Financial Times reported on 4 February, citing sources familiar with the matter.

Another major participant is Japan Bank for International Cooperation, which signed a $3bn project loan in mid-2024. JBIC has been a target for a group of more than 100 NGOs which have warned on the scheme's potential to exacerbate climate change and perpetuate human rights abuses, among a myriad of concerns.

Mr Pouyanne said in July 2024 that the situation for the project had improved, to the extent that moving ahead with construction might be possible by the end of last year. He told the reporters on 5 February that the project completion date would need to be pushed back to 2029-2030, from a previously planned 2027.

The LNG project intends to extract 65 trillion cubic feet of natural gas in the offshore Rovuma Basin and pipe this to an onshore LNG processing plant on the Afungi Peninsula. Should the scheme proceed as planned it will become the biggest gas project in Africa.

Germany widens, simplifies excred programme

The German government has adopted a comprehensive package of measures designed to widen access to its export credit guarantees, against changing economic and geopolitical landscapes. Announced in a 23 January statement, the six measures will see the export credit programme managed on behalf of the German state by Euler Hermes Aktiengesellschaft opened up to more companies, with simplified procedures.

"The current economic situation of the export industry and the changing balance of power in international competition make adjustments to the foreign trade instruments necessary," said Robert Habeck, Federal Minister for Economic Affairs and Climate Action. "Our goal is to preserve and secure industrial value creation in Germany. In this way, we are securing industrial jobs in particular, strengthening our economic sovereignty, resilience and future viability."

The circle of potential customers for German export credit cover has been broadened by introducing a so-called 'Flex&cover' approach, taking account of the international business models increasingly operated by German companies. Whereas the origin of goods has hitherto been a central criterion for eligibility for Euler Hermes Aktiengesellschaft funding, Flex&cover focuses on the German 'footprint' that the entire export firm provides. To be determined on a company-by-company basis, this includes the extent to which aspects of research and development, tax liability, investment activities, employment and training and production are located in Germany.

Product changes

In addition, the new measures contain changes to the existing product portfolio. This includes incentives for importers abroad with a strong credit rating that wish to expand their supplier base in Germany. The 'Shopping Line' cover' programme provides improved conditions in the areas of payout, repayment and remuneration.

Meanwhile the target group of the forfaiting guarantee introduced in 2023 will be expanded to include retail companies – with the coverage ratio raised from 80 to 95 per cent and the payment linked to the first delivery or service and no longer to operational readiness. This will have "a correspondingly positive effect on the exporter's liquidity", said the statement.

Further, in response to an increased demand for guarantees from German exporters, the German government has decided to lift the guarantee framework per company from €80m to €120m. "In justified exceptions, this amount can also be exceeded", the statement explained.

In the light of the Ukraine conflict, coverage policy for Germany's defence industry has also been changed so that relatively limited hedging options for armaments have been expanded, while policy for arms exports will be adapted to other sectors.

Faster procedures

To help further speed up the application process and processing of export credit guarantees, the internal processes of environmental, social and human rights verification will be simplified.

Detailed information on the new coverage policies, resolutions and product improvements can be found at www.exportkreditgarantien.de.

Development finance

Over $50bn pledged to African electrification programme

Multilateral lenders and global development finance institutions have pledged well over $50bn towards the Mission300 project that aims to connect at least 300 million Africans to energy by 2030, more than halving the energy access gap on a continent where nearly 600 million people lack electricity connections. The commitments were made in late January during the Mission 300 Africa Energy Summit held in the Tanzanian commercial capital of Dar es Salaam.

Mission 300 was launched jointly by the African Development Bank (AfDB) and the World Bank in April 2024. Financial pledges have also come from France's Agence Francaise de Developpement (AFD), the Islamic Development Bank (IsDB), the Asian Infrastructure Investment Bank (AIIB), and the OPEC Fund for International Development (OFID). Already financing projects on the continent, these institutions have now committed to channelling more funds towards bridging the continent's energy gap.

The AfDB and World Bank have led the way with a plan to allocate $48bn in financing for Mission 300 through 2030, a sum which they said may evolve to fit implementation needs. The IsDB Group pledged $4.65bn in financing and insurance in support of Mission 300, while the AIIB – which has over ten members drawn from Africa - committed a sum of between $1bn and $1.5bn. Jin Liqun, AIIB president, said the bank is already considering Mission 300 projects in several countries on the continent, including in Kenya and Rwanda.

A $1bn sum was pledged by each of the AFD and OFID, with the latter institution noting the possibility of adding another $1bn over the next two years based on how African countries commit to Mission 300.

Additionally, the World Bank Group and AfDB launched Zafiri, an investment company that supports private sector-led solutions, such as renewable mini-grids and solar home systems. The Zafiri anchor partners will invest up to $300m in a first phase and mobilise up to $1bn in terms of permanent equity

The African Guarantee Fund, which was established by the AfDB and the governments of Denmark and Spain in 2011, said it will spearhead an initiative to mobilise a hefty $5bn of guarantees, targeting financing for SMEs in the distributed renewable energy sector, comprising off-grid power supplies, such as solar home systems and mini grids.

In September 2024, prominent climate organisations – including the Rockefeller Foundation, Global Alliance for People and Planet and Sustainable Energy For All - announced the formation of a technical assistance facility to help the AfDB and World Bank jump-start Mission 300. The Rockefeller Foundation said the aim is to ultimately raise $90bn or more from a range of public funds, concessional and philanthropic finance and commercial commitments.

The Tanzania summit also saw 30 African heads of state and government signing a landmark declaration committing to concrete reforms aimed at expanding access to reliable, affordable, and sustainable electricity across the continent. 12 countries - Chad, Côte d'Ivoire, Democratic Republic of Congo, Liberia, Madagascar, Malawi, Mauritania, Niger, Nigeria, Senegal, Tanzania, and Zambia - presented detailed National Energy Compacts that set targets to scale up electricity access, increase the use of renewable energy and attract additional private capital.

Multilaterals

ITFC allocates $1.5bn for Egypt

The International Islamic Trade Finance Corporation (ITFC) has signed its 2025 annual work programme with Egypt, valued at $1.5bn. Announcing the initiative on 4 February, the ITFC said the move is part of the broader five-year, $6bn framework agreement between the two parties, designed to support key sectors of the Egyptian economy in line with the country's goals for sustainable economic development.

A member of the Islamic Development Bank (IsDB) Group, ITFC said its 2025 programme for Egypt includes trade finance operations to support the energy and food security sectors, as well as SMEs, with a focus on projects benefiting the Egyptian General Petroleum Corporation and the General Authority for Supply Commodities (GASC). It stressed that the programme also encompasses a wide range of initiatives to promote trade and business development, including the Arab African Trade Bridges Program, the second phase of the Aid for Trade Initiative for Arab Countries, and various initiatives designed to support Egyptian exporters, SMEs and women-led businesses.

Sherif Farouk, Egypt's Minister of Supply and Internal Trade, highlighted the ITFC's allocation of $700m to the GASC. "The cooperation with the ITFC has not only been a financial commitment, but also a main pillar in the state's efforts to secure its strategic needs of basic goods, enhance the Ministry of Supply and Internal Trade's capacity to face emergency challenges, and ensure market stability."

Since 2008, ITFC has committed over $18.7bn to Egypt, financing key sectors such as energy, food security, and supporting SMEs and women entrepreneurs.

ICD support

Another IsDB member, The Islamic Corporation for the Development of the Private Sector (ICD), also signed its 2025 country work program for Egypt. ICD said on 4 February that one key intention is to provide $100m in new financing to support private sector projects in Egypt.

Forfaiting country list — 1st Quarter 2025

EUROPE

Country	Years Max
Austria	5
Belarus	1
Belgium	5
Bosnia-Herzegovina	2
Bulgaria	3
Croatia	3
Cyprus	0
Czech Republic	3
Denmark	5
Estonia	2
Finland	5
France	5
Georgia	1
Germany	5
Gibraltar	5
Greece	1
Hungary	2
Iceland	1
Ireland	3
Italy	3
Latvia	2
Liechtenstein	5
Lithuania	2
Luxembourg	5
Macedonia	3
Malta	5
Netherlands	5
Norway	5
Poland	3
Portugal	3
Romania	3
Russia	1
Serbia	*
Slovakia	2
Slovenia	1
Spain	5
Sweden	5
Switzerland	5
Turkey	1
Ukraine	*
UK	5

ASIA PACIFIC

Country	Years Max
Australia	5
Bangladesh	1
Brunei	3
China	5
Hong Kong	5
India	5
Indonesia	3
Japan	5
Kazakhstan	2
Macau	5
Malaysia	5
Mongolia	*
New Zealand	5
Pakistan	*
Philippines	3
Singapore	5
South Korea	5
Sri Lanka	*
Taiwan	5
Thailand	5
Uzbekistan	1
Vietnam	2

AMERICAS

Country	Years Max
Argentina	*
Bahamas	3
Barbados	3
Bermuda	3
Bolivia	1
Brazil	3
Canada	5
Cayman Islands	3
Chile	5
Colombia	5
Costa Rica	1
Dominican Republic	1
Ecuador	1
El Salvador	*
Guatemala	1
Honduras	*
Mexico	5
Nicaragua	*
Panama	2
Paraguay	1
Peru	5
Puerto Rico	*
Trinidad & Tobago	1
Uruguay	2
USA	5
Venezuela	*

MIDDLE EAST

Country	Years Max
Bahrain	3
Iraq	*
Jordan	3
Kuwait	3
Lebanon	*
Oman	3
Qatar	3
Saudi Arabia	3
UAE	3
Yemen	*

AFRICA

Country	Years Max
Algeria	2
Angola	2
Benin	*
Botswana	1
Burkina Faso	*
Cameroon	*
Cote d'Ivoire	2
Equatorial Guinea	1
Egypt	1
Ethiopia	*
Gabon	*
Ghana	*
Kenya	1
Libya	*
Mali	*
Mauritania	*
Mauritius	3
Morocco	3
Namibia	2
Niger	1
Nigeria	2
Rwanda	1
Senegal	2
South Africa	3
Tanzania	1
Togo	*
Tunisia	*
Uganda	1
Zambia	*

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Detailed above, is an updated list of countries and credit periods which can currently be considered. For your ease of reference, recent changes are indicated in brackets either (deteriorated) or (improved).

In addition to being able to discount bills of exchange, promissory notes and deferred payment letters in these markets, London Forfaiting can also consider adding their silent confirmation to unconfirmed letters of credit dependent on specific transaction details. For many exporters, premium increases, market rate additions, non availability and additional restrictions continue to make silent confirmations of unconfirmed letters of credit a cost effective alternative to credit insurance.

Please contact London Forfaiting at the office below to discuss indicative terms for any of your current and future business. Alternatively, you can always visit their website at www.forfaiting.com, to check the latest Country List on line or obtain general information on forfeiting and the other services they provide.

The above information is kindly provided by the **London Forfaiting Company**.

Emerging markets risk indicators

Africa — Fitch downgrades Mozambique

Fitch Ratings has downgraded Mozambique's long-term foreign currency issuer default rating (IDR) to CCC from CCC+, reflecting what it terms as "the country's financing strains, domestic debt service risk and wide deficit". According to the rating note, unresolved political and social unrest have hit the fiscal position at a time of elevated government financing needs and uncertainty over external financing. The 7 February note said that post-election protests have dented government revenues and economic activity and complicate fiscal adjustment – and that large financing needs pose a significant vulnerability. "FX reserves are forecast to be broadly stable, at $3.7bn at end-2025, although political difficulties bring risks to IMF and other donor funding," Fitch said.

Coface downgraded Botswana's country risk rating from A4 to B, underlining that Botswana's economy "remains quite unidimensional" in its heavy dependence on diamonds and mining, adding that growth was "considerably below potential" in 2023. "While Botswana's governance remains sound relative to monetary and fiscal policies, and the management of public debt, little progress has been made in terms of diversification, which is necessary to make the economy less vulnerable to cyclical shifts in the diamond industry," Coface said.

Fitch Ratings downgraded Gabon's long-term foreign currency IDR to CCC from CCC+, reflecting the agency's liquidity concerns. "Limited regional debt market access, a dearth of large official creditor financing and high external amortisations have resulted in severe strains on domestic and external government liquidity and rising arrears to suppliers and official creditors," Fitch noted on 24 January. In late December, Egypt and the IMF reached a staff-level agreement on the fourth review under the Extended Fund Facility, enabling the country to receive $1.2bn of the larger $8bn agreed in March 2024. Credendo singled out the North African country's "very weak public finances" as its most pressing risk. In FY 2023/2024, Egypt hosted the highest public interest payments burden in world, estimated at above 70 per cent of public revenue.

Côte d'Ivoire's President Alassane Ouattara announced on 1 January that France has been requested to withdraw most of its military contingent. The move, which Paris has agreed to, followed November 2024 announcements from both Chad and Senegal regarding the closure of French military bases within their territories. "This development is part of a broader trend of African states rejecting Western influence and security actors," observed Credendo senior country risk analyst Louise Van Cauwenbergh.

Ghana's short-term (ST) political risk rating was lifted by Credendo from 6/7 to 5/7. The Belgian insurer said the economy has progressed encouragingly under its three-year IMF programme, while FX reserves had increased by 67 per cent, year-on-year, by August 2024, lifting import cover to 2.3 months. Credendo demoted Uganda from category 4/7 to 5/7 in its ST risk ratings. It said on 4 October that FX reserves have reached their lowest level in years, after IMF liquidity from 2023 was used. Tunisia's economic and liquidity prospects have improved, with expected 2024 GDP growth of around 1.6 per cent driven by rising tourism and private transfers.

Country	Preferred payment terms	Coface grading	Moody's sovereign rating	Fitch country ceiling	Credendo short-term political risk rating	Credendo medium- to long-term political risk rating	D&B rating
Algeria	CLC	D	—	—	3	5	5
Angola	CLC	C	B3	B-	5	6	5
Benin	ILC	B	B1	BB-	5	6	–
Botswana	OA	B	A3	—	1	3	4
Burkina Faso	CLC	D	—	—	6	7	–
Burundi	CLC	D	—	—	7	7	–
Cameroon	CLC	C	Caa1	B+	5	6	6
Central African Republic	CIA	D	—	—	7	7	–
Chad	CLC	D	—	B	5	7	–
Comoros	CLC	—	—	—	5	7	–
Congo (Republic)	CLC	C	Caa2	B-	5	7	6
Cote d'Ivoire	CLC	B	Ba2	BB	4	5	5
Djibouti	CLC	C	—	—	4	7	–
DR Congo	CLC	D	B3	—	6	7	
Egypt	ILC	C	Caa1	B	6	6	5
Equatorial Guinea	CLC	D	—	—	5	7	–
Eritrea	CIA	E	—	—	7	7	–
Eswatini	CLC	—	B2	—	4	5	–
Ethiopia	CLC	C	Caa3	B-	6	7	6
Gabon	CLC	C	Caa2	B-	5	7	6
Gambia	CLC	—	—	—	4	7	–
Ghana	CLC	C	Caa2	B-	5	6	6
Guinea	CLC	C	—	—	6	7	–
Guinea-Bissau	—	—	—	—	5	7	–
Kenya	ILC	C	Caa1	B	5	7	5

Emerging markets risk indicators

Africa (continued)

Country	Preferred payment terms	Coface grading	Moody's sovereign rating	Fitch country ceiling	Credendo short-term political risk rating	Credendo medium- to long-term political risk rating	D&B rating
Liberia	CLC	D	—	—	7	7	–
Libya	CIA	E	—	—	7	7	6
Madagascar	CLC	C	—	—	4	7	–
Malawi	CLC	D	—	—	7	7	6
Mali	CLC	D	Caa2	—	6	7	–
Mauritania	CLC	C	—	—	3	6	–
Mauritius	OA	A4	Baa3	—	2	3	4
Morocco	ILC	B	Ba1	BB+	2	4	5
Mozambique	CLC	D	Caa2	B-	7	7	6
Namibia	ILC	B	B1	BB	3	6	4
Niger	CLC	D	Caa3	—	6	7	–
Nigeria	CLC	C	Caa1	B-	5	6	6
Rwanda	ILC	A4	B2	BB-	4	7	–
Senegal	ILC	B	B1	—	5	5	5
Seychelles	ILC	—	—	BBB-	2	5	–
Sierra Leone	CLC	D	—	—	5	7	6
South Africa	ILC	C	Ba2	BB	3	4	5
Sudan	CIA	E	—	—	7	7	7
Tanzania	ILC	B	B1	B+	4	6	5
Togo	ILC	C	B3	—	4	6	–
Tunisia	CLC	C	Caa2	B-	6	6	6
Uganda	ILC	C	B3	B+	5	6	5
Zambia	CLC	D	Caa2	B-	5	7	5
Zimbabwe	CIA	E	—	—	7	7	6

Americas — Coface upgrades Guyana

Coface has lifted its country risk rating for Guyana from C to B. Announcing the move, Coface said GDP has increased by a hefty double-digit figure - averaging 39.7 per cent per year in 2020-2023 - since the start of oil extraction in late 2019. Coface said it expects the country to continue to record robust growth in the coming years. It commented: "International oil majors should continue to invest in upstream exploration given the early success of current operations and the significant offshore potential in Guyana. Total oil production in the country is seen rising to over 1.6 million barrels daily by 2030." Non-oil activities will also be boosted by the oil sector's trickle-down effect. Moody's Ratings upgraded Argentina's long-term foreign currency and local currency issuer ratings to Caa3 from Ca, citing the effects of President Javier Milei's first year in office. The 24 January upgrade "reflects our view that the government's forceful policy shift has enabled fiscal and monetary adjustment that is helping to address economic imbalances and to stabilize external finances, decreasing the likelihood of a credit event," Moody's explained. To help address 2025 bondholder obligations, Buenos Aires has begun talks with the IMF to replace a $44bn financing package expired at end-2024.

Panama faces a risk of losing its investment grade rating in 2025, after Moody's revised the country's BBB- rating outlook to negative from stable in December. With Fitch already rating Panama below investment grade, the Ministry of Economy and Finance has acknowledged external concerns about deteriorating fiscal balance and potentially unsustainable debt growth. Standard & Poor's also recently downgraded the sovereign rating to BBB-. Fitch upgraded El Salvador's long-term foreign currency issuer default rating to B- from CCC+, following a similar Moody's move. The 7 January hike "reflects the reduction in financing needs and easing of financing constraints supported by the regaining of market access, and recently announced IMF program", noted Fitch. Net international reserves reached $3.7bn in November, up from $2.8bn in January 2024. Coface lifted its country risk rating for Costa Rica from B to A4, noting robust growth in recent years. It said a solid balance of payments lifted FX reserves to $13.4bn in mid-2024, worth over 7 months of imports.

Credendo downgraded Mexico's business environment risk from D/G to E/G. After rapid depreciation of the peso in H2, 2024, "currency volatility is likely to continue in the coming months due to [US President] Trump's unpredictability and greater uncertainty around his trade policies, given the United States' position as Mexico's top trade partner", Credendo said. It forecast 2025 economic growth at 1 per cent. In October, Credendo downgraded its ST political risk rating for Honduras, from 2/7 to 3/7, citing deteriorating liquidity. "Amid persistent current account deficits, foreign exchange reserves have steadily decreased since 2021" to an "adequate" level of almost 4 months of imports in June 2024, said Credendo.

Emerging markets risk indicators

Americas (continued)

Country	Preferred payment terms	Coface grading	Moody's sovereign rating	Fitch country ceiling	Credendo short-term political risk rating	Credendo medium- to long-term political risk rating	D&B rating
Anguilla	ILC	—	—	—	4	6	–
Antigua and Barbuda	ILC	—	—	—	4	7	–
Argentina	CLC	D	Caa3	B-	6	7	6
Aruba	ILC	—	—	BBB-	2	4	–
Bahamas	ILC	—	B1	—	4	4	–
Barbados	CLC	C	B3	B+	3	4	–
Belize	CLC	C	Caa1	—	3	5	–
Bermuda	30/SD	—	A2	AA	2	3	–
Bolivia	CLC	D	Caa3	B-	7	7	6
Brazil	ILC/OA	B	Ba1	BB+	2	4	5
Cayman Islands	SD	—	Aa3	—	2	3	–
Chile	OA	A4	A2	A+	2	3	4
Colombia	ILC	C	Baa2	BBB-	3	5	5
Costa Rica	ILC	A4	Ba3	BBB-	3	5	4
Cuba	CIA/CLC	E	—	—	7	7	6
Dominica	ILC	—	—	—	4	6	–
Dominican Republic	ILC	B	Ba3	BB-	3	4	4
Ecuador	CLC	D	Caa3	B	5	6	6
El Salvador	CLC	D	B3	B+	5	7	5
Grenada	ILC	—	—	—	4	6	–
Guatemala	ILC	C	Ba1	BBB-	2	4	5
Guyana	ILC	B	—	—	4	4	–
Haiti	CIA/CLC	E	—	—	7	7	–
Honduras	ILC	C	B1	—	3	4	6
Jamaica	ILC	C	B1	BB	3	5	5
Mexico	OA	B	Baa2	BBB+	2	3	4
Montserrat	ILC	—	—	—	4	7	–
Netherlands Antilles	OA	—	—	—	2	5	–
Nicaragua	CLC	D	B2	B+	5	6	6
Panama	OA	B	Baa3	A+	3	4	3
Paraguay	ILC	B	Baa3	BBB-	3	4	5
Peru	OA	B	Baa1	A-	1	3	5
Puerto Rico	CLC	—	B2	BB	2	2	–
St Kitts	SD	—	—	—	4	5	–
St Lucia	ILC	—	—	—	4	7	–
St Vincent	ILC	—	B3	—	4	5	–
Suriname	CLC	D	Caa1	CCC	4	6	–
Trinidad & Tobago	ILC	B	Ba2	—	3	3	5
Turks & Caicos Islands	SD	—	—	—	2	2	–
Uruguay	ILC	A4	Baa1	A-	3	3	4
Venezuela	CIA	E	C	CC	7	7	6

Emerging markets risk indicators

Asia — Pakistan seeks Chinese rescheduling

Pakistan has requested China to reschedule $3.4bn in official debt maturing in September 2027, to help bridge its foreign funding gap. Deputy Prime Minister Ishaq Dar made the formal request during an early February visit to Beijing, the Express Tribune reported on 8 February. Pakistan has been asked by the IMF to identify financing sources to fill an external financing gap of $5bn for the three-year programme period following the Fund's September 2024 bailout package. Local media noted that Islamabad recently secured a $1.2bn Saudi oil facility and took a $300m loan from United Bank to help bridge its financing gap. Fitch Ratings said that securing sufficient external financing remains a challenge for Pakistan, with FX reserves remaining low relative to over $22bn of public external debt which matures this fiscal year. Coface lowered its country risk rating for Bangladesh from C to D, stressing that the banking sector faces a liquidity crisis due to high non-performing loans, slow deposit growth and loan recovery. It said FX reserves are under pressure, struggling to stay above the $20bn figure sufficient to cover around 3.5 months of imports. The Asian Development Bank projected GDP growth to slow to 4.3 percent in FY2025, reflecting a subdued outlook amid political uncertainty, supply disruptions and tight monetary policy. Moody's downgraded Bangladesh's long-term issuer and senior unsecured ratings to B2 from B1 in mid-November, citing "heightened political risks and lower growth". 123 correspondent banks from 30 trading partners have opened special accounts in India to facilitate international trade transactions in rupees and other local, minister of state for commerce and industry Jatin Prasada said on 7 February. The central bank has also entered arrangements with the UAE, Indonesia and Maldives for encouraging settlement of cross-border trade in Indian rupees, Mr Prasada said.

Moody's Ratings upgraded Sri Lanka's long-term foreign currency issuer rating to Caa1 from Ca, in a 23 December move "driven by the conclusion of the restructuring of Sri Lanka's international bonds held by private sector creditors, which reduces the default risk on new and future issuances". Three days earlier, Fitch upgraded Sri Lanka's long-term foreign currency issuer default rating to CCC+, from Restricted Default. To bolster its export-driven economy, South Korea announced a record KRW360trn ($244bn) trade finance package, up by KRW5trn from 2024. The move anticipates potential policy shifts linked to the second US Trump administration.

Country	Preferred payment terms	Coface grading	Moody's sovereign rating	Fitch country ceiling	Credendo short-term political risk rating	Credendo medium- to long-term political risk rating	D&B rating
Afghanistan	CIA	E	—	—	7	7	7
Bangladesh	CLC	D	B2	B+	4	4	6
Brunei	ILC	—	—	—	2	2	–
Cambodia	CLC	C	B2	—	3	6	5
China	ILC	B	A1	A+	1	2	4
Fiji	ILC	—	B1	—	3	5	5
Hong Kong	OA	A3	Aa3	AAA	1	2	3
India	ILC	B	Baa3	BBB–	2	3	4
Indonesia	OA	A4	Baa2	BBB	1	3	4
Korea (North)	CLC	E	—	—	7	7	–
Korea (South)	OA	A2	Aa2	AA+	1	1	3
Laos	CLC	D	Caa3	B-	6	7	–
Macau	ILC	—	Aa3	AAA	1	2	–
Malaysia	OA	A3	A3	A	2	2	3
Mongolia	CLC	C	B2	BB-	4	7	–
Myanmar (Burma)	CLC	D	—	—	7	6	7
Nauru	ILC	—	—	—	3	5	–
Nepal	CLC	C	—	BB-	3	6	6
New Caledonia	ILC	—	—	—	2	4	–
Pakistan	CLC	D	Caa2	B-	5	7	6
Palau	ILC	—	—	—	6	4	–
Papua New Guinea	CLC	B	B2	—	4	5	5
Philippines	OA	A4	Baa2	BBB+	2	3	4
Singapore	OA	A2	Aaa	AAA	1	1	3
Sri Lanka	CLC	D	Caa1	B-	6	7	6
Thailand	OA	A4	Baa1	A-	2	3	4
Vanuatu	ILC	—	—	—	3	4	–
Vietnam	ILC	B	Ba2	BB+	2	4	4

Emerging markets risk indicators

Eastern Europe/CIS — Russian credit crunch brewing – CMASF

The Moscow-based Center for Macroeconomic Analysis and Short-Term Forecasting (CMASF) has underlined that despite strong overall growth, Russia's non-defence economy has been stagnant since mid-2023. A late January CMASF report said a credit crunch began in November-December, due to amount of credit pumped into the defence industry, much of it on variable rates. It said Russian banks are opting to restructure bad debt discreetly, mitigating the risk of failing capital ratio requirements. The Council of the European Union (EU) has renewed its restrictive measures on Russia for a further six months, until 31 July 2025, linked to Moscow's military aggression against Ukraine. "This will continue to deprive Moscow of revenues to finance its war," said EU High Representative Kaja Kall.

Ukraine is the largest recipient of US humanitarian and economic aid but has not been excepted from US President Trump's decision to freeze all funding from USAID. Kiev has received more than $34bn in non-military assistance through USAID in three years of war. Credendo upgraded Armenia's medium- to long-term (MLT) political risk grading to category 5/7 from category 6/7. The move "was motivated by various factors notably related to the improvement of the financial situation and a decrease in risk related to the political situation", said Credendo, noting a peace agreement being negotiated with Azerbaijan. Debt service is moderate, but "is expected to increase with Eurobond maturities due in 2029 and 2031", Credendo said. Credendo's short-term and MLT political risk classifications for Moldova have a stable outlook, the insurer affirmed on 7 November. The 2024 current account deficit was estimated to occupy 11 per cent of GDP, from 15.8 per cent in 2022. "Gross foreign exchange reserves are sufficient and on a steady increase," said Credendo. Coface upgraded Albania's country risk rating from C to B, stressing robust GDP growth predicted at 3.5 per cent in 2025. Moody's upgraded Albania's long-term foreign and local currency issuer ratings to Ba3 from B1 in mid-October, citing sustained improvements in economic and fiscal strength. The European Bank for Reconstruction and Development (EBRD) said it set a new operational record in Central Asia by investing €2.26bn through 121 projects in six regional economies last year. Uzbekistan and Kazakhstan were the leading recipients of the EBRD funding (€938m and €913m respectively). Elsewhere in Central Asia, EBRD provided €88m in Tajikistan and €52m in Kyrgyzstan.

Country	Preferred payment terms	Coface grading	Moody's sovereign rating	Fitch country ceiling	Credendo short-term political risk rating	Credendo medium- to long-term political risk rating	D&B rating
Albania	ILC	B	Ba3	—	2	4	5
Armenia	ILC	B	Ba3	BB	4	5	–
Azerbaijan	ILC	B	Ba1	BBB-	3	4	5
Belarus	CIA/CLC	D	C	—	7	7	6
Bosnia and Herzegovina	CLC	C	B3	—	5	6	6
Bulgaria	OA	B	Baa1	A-	1	2	4
Croatia	OA	A3	A3	AAA	1	3	3
Estonia	OA	A3	A1	AAA	1	1	4
Georgia	CLC	B	Ba2	BBB-	4	5	5
Greece	OA	A4	Ba1	AA-	1	5	3
Hungary	OA	A4	Baa2	A	2	4	4
Kazakhstan	ILC	B	Baa1	BBB+	2	5	5
Kosovo	CLC	—	—	BBB-	3	6	–
Kyrgyzstan	CLC	C	B3	—	3	6	6
Latvia	OA	A4	A3	AAA	1	2	4
Lithuania	OA	A4	A2	AAA	1	1	4
Moldova	CLC	C	B3	B+	6	6	–
Montenegro	ILC	C	Ba3	—	2	6	–
North Macedonia	CLC	C	—	BBB-	3	5	5
Romania	OA	A4	Baa3	BBB+	1	2	4
Russia	CIA/CLC	D	Ca	BBB	7	7	6
Serbia	ILC	C	Ba2	BBB-	2	4	4
Slovenia	OA	A3	A3	AAA	1	3	5
Tajikistan	CLC	D	B3	—	4	7	6
Turkmenistan	CIA/CLC	D	—	BB-	6	7	5
Ukraine	CIA/CLC	D	Ca	B-	4	7	6
Uzbekistan	ILC	B	Ba3	BB-	4	5	6

*WR = withdrawn rating

Emerging markets risk indicators

Middle East — S&P affirms Iraq ratings

S&P Global Ratings affirmed its B- long-term and B short-term foreign and local currency sovereign credit ratings on Iraq on 7 February, providing a strong message on the country's FX reserves. "Despite OPEC+ production cuts continuing into at least the first half of 2025, we expect Iraq's sizable oil export volumes will support external surpluses and foreign exchange reserves remaining in excess of $100bn over 2025-2028," said an S&P statement. It said a continuing stable outlook reflects the agency's view that Iraq's FX reserves will continue to comfortably exceed debt-servicing obligations over the next 12 months. "This largely offsets significant risks from the country's political uncertainty, weak institutional framework, and lack of economic diversification." Coface upgraded Oman from C to B. It said the government has taken "significant steps to stabilise its public finances, reducing external debt and improvement of fiscal metrics". Coface said growth will bounce back in 2025 to 3.5 per cent, from 2 per cent in 2024, driven by greater domestic consumption, robust foreign investment, tourism and downstream hydrocarbon.

Saudi Arabia started 2025 on a funding spree to propel its Vision 2030 economic transformation plan. Italian export credit agency SACE committed $6.6bn in new facilities, following a $12bn bond sale by the Kingdom and a $7bn Islamic loan from 20 banks. The country's 2025 funding needs are estimated at SAR139bn ($37.06bn), the National Debt Management Center said. Just over SAR100bn is needed to cover the budget deficit, with the remainder used to repay maturing debt. Saudi Arabia's overall bond funding last year amounted to around $50bn. In November, Moody's upgraded the country's credit rating from A1 to Aa3, noting that "economic diversification has continued to progress", further reducing Saudi exposure to oil market developments. Türkiye's macroeconomic figures indicate that its more orthodox monetary policies from mid-2023 are paying off. Although "persisting large short-term external debt and high reliance on short-term capital flows still weigh on the liquidity situation", gross FX reserves have increased sharply, said Credendo.

Ending a two year plus political void, Joseph Aoun, a general of the Lebanese Armed Forces, was elected as Lebanon's president on 9 January. Saudi Arabia and other donors subsequently hinted at their willingness to provide aid to Lebanon, which has wallowed in an economic and financial crisis following a 2019 financial collapse.

Country	Preferred payment terms	Coface grading	Moody's sovereign rating	Fitch sovereign rating	Credendo short-term political risk rating	Credendo medium- to long-term political risk rating	D&B rating
Bahrain	ILC	C	B2	BB+	3	6	4
Iran	CIA/CLC	E	—	—	7	7	6
Iraq	CLC	E	Caa1	B–	7	7	6
Israel	OA	A4	A2	AA	4	3	4
Jordan	ILC	C	Ba3	BB	5	5	5
Kuwait	OA	A4	A1	AA+	4	3	4
Lebanon	CLC	D	C	CCC+	7	7	6
Oman	ILC	B	Ba1	BBB-	3	4	4
Palestine	CLC	D	—	—	7	7	–
Qatar	OA	A3	Aa2	AA+	2	2	3
Saudi Arabia	OA	A4	Aa3	AA-	2	3	3
Syria	CIA	E	—	—	7	7	7
Turkey	ILC	C	B1	BB-	5	5	5
United Arab Emirates	OA	A3	Aa2	AA+	2	3	3
Yemen	CIA/CLC	E	—	—	7	7	7

Glossary

CAD = Cash against documents
CIA = Cash in advance
CLC = Confirmed letter of credit
ILC = Irrevocable letter of credit
NA = Not available
OA = Open account
SD = Sight draft;
30/SD to 180/SD — days sight draft
WR = Withheld rating

Sources

Coface, EDC, Fitch, Moody's, Credendo, D&B.

Development finance update

AZERBAIJAN: The European Bank for Reconstruction and Development (EBRD) invested €35m in Ganja's water management systems.

More than 300,000 people living in the country's second-largest city stand to benefit from the improvements. The EBRD loan will be co-financed by a grant of up to €5m from the European Union. The proceeds will finance the construction of a water supply pipeline, wastewater collection pipes and water reservoirs, as well as stormwater management systems and other supporting infrastructure. The project is the third in Ganja under the EBRD's flagship Green Cities programme, which helps cities to identify, prioritise and tackle their most pressing environmental challenges.

BELIZE: The World Bank board approved a new project to help advance the 'blue' economy.

The bank said the $32.23m initiative will focus on improving the management of coastal and marine resources, increasing safe water supply, and reducing land-based pollution in targeted urban areas. It noted that Belize ranks third among small island developing states in disaster risk. Its renowned barrier reef - the largest in the northern hemisphere - has dramatically declined from a 'fair' to a 'poor' health rating, due to overfishing and habitat loss. Only 18 per cent of the population is served by sanitation systems. Over 50% of the population depend on agriculture and fisheries, making them highly vulnerable to environmental disruptions. The new Belize Blue Cities and Beyond Project will address these challenges through strategic policy and infrastructure interventions. The project is funded through the World Bank's International Development Association ($23.5m), alongside grants from the Global Environment Facility ($3.76m), the PROBLUE multi-donor Trust Fund ($4m), and the Global Facility for Disaster Reduction and Recovery ($0.96m).

BRAZIL: The Inter-American Development Bank (IADB) approved a $150m loan to implement PRODIGITAL.

It said PRODIGITAL is a joint programme with the Brazilian Development Bank (BNDES) to advance digital transformation in Brazilian states and municipalities with more than 100,000 inhabitants and enhance public services for citizens. BNDES will contribute an additional $30m. Projects chosen from a group of eligible initiatives will be able to receive $2m to $40m in financing. PRODIGITAL will also provide technical assistance to build up states' and municipalities' institutional capacities. The funding is the ninth operation approved by the IADB under its 2021 Conditional Credit Line for Investment Projects, which is called Brasil Mais Digital. The IADB loan has a 24.5-year repayment period, a six-year grace period, and an interest rate based on the Secured Overnight Financing Rate.

MAURITIUS: The African Development Bank (AfDB) approved a $160m senior corporate loan to support AXIAN Telecom.

AfDB said the loan will expand digital access and financial inclusion in nine African countries. It will accelerate the modernisation and expansion of AXIAN's network infrastructure, with a focus on 4G and 5G deployment; while also driving digital innovation in its operations, enabling expansion to more countries. A key focus of the funding is to address gender disparities in access to financial services. Over $10m will be dedicated to empowering 22,000 women entrepreneurs in Madagascar through AXIAN's Mvola platform.

PARAGUAY: The OPEC Fund for International Development (OFID) arranged a $50m syndicated loan for Banco Continental.

OFID said it will contribute $25m from its own resources as A-lender and has also mobilised a $25m B-loan from Commercial Bank of Dubai (CBD). OFID also acted as sole bookrunner, mandated lead arranger and facility agent. The funding will support Banco Continental's efforts to expand lending to SMEs and support the agricultural sector in Paraguay by "driving economic growth and bolstering food security through the provision of finance", OFID said. It highlighted that the syndication marks a milestone in its mission to mobilise financing for the development needs of partner countries, noting that CBD is one of the largest banks in the UAE, while the financing represents its first operation in Paraguay.

SERBIA: The European Bank for Reconstruction and Development (EBRD) invested €807m in 2024.

EBRD said it supported a record 37 projects across all sectors of the economy, taking its in-country portfolio of active projects past the €3bn mark. It also mobilised €395m from other investors. €494m of EBRD's investments was directed towards the green economy transition, with the highlights including a €105m loan for the construction of a large solar thermal plant in Novi Sad. In the finance sector, over €340m in loans and trade finance was extended to Serbian banks.

SWEDEN: Development finance institution Swedfund committed €40m to the Emerging Africa & Asia Infrastructure Fund (EAAIF).

EAAIF will use the investment to address infrastructure gaps in Africa, the Levant and South and Southeast Asia by supporting projects focused on climate action and sustainable development. Where appropriate, these projects may receive technical assistance from EEAIF's parent, the Private Infrastructure Development Group.

Two weeks in trade finance

AZERBAIJAN: The credit insurance sector hosted a substantial increase in premiums for 2024, with collections reaching AZN5.2m ($3.05m).

The figure marked a rise of AZN3.4m ($1.9m), equivalent to 2.8 times the amount collected in 2023. The data was obtained by Trend from the Central Bank of Azerbaijan. The broader Azeri insurance market also demonstrated growth, with total premiums for 2024 hitting AZN1.3bn, up 10.7 per cent year-on-year.

BANGLADESH: Eastern Bank Limited (EBL) tapped a $35m loan from the International Finance Corporation (IFC).

"This partnership with IFC will help us extend working capital and trade finance solutions to local corporates and small, and medium enterprises," said Ali Reza Iftekhar, managing director of EBL.

CANADA: Export Development Canada (EDC) said it provided over C$250m ($173.6m) in financial solutions to the media and entertainment sector over the past year.

It said its direct financing and loan guarantees – plus its knowledge solutions - supported industry frontrunners like Cineflix Media, Sphere Media and Lionsgate Canada, helping create the liquidity to fuel their international growth plans. "By supporting these cutting-edge Canadian companies, EDC is helping foster growth in this sector and creating new opportunities for Canadian exporters," said Guillermo Freire, senior vice-president, Mid-Market Group at EDC.

ESWATINI: Standard Bank announced the close of a ZAR567m ($30.2m) deal to fund the 13.5MW Lower Maguduza Hydropower Project.

The bank acted as a mandated lead arranger for the transaction. Marking one of the first independent power producers to close in Eswatini, the project was sponsored and developed by African Clean Energy Developments, which will continue to provide construction management services. The project enables Eswatini – which imports approximately 80 per cent of its power – to achieve energy security by generating the power internally.

FRANCE: Crédit Agricole CIB made senior appointments within its newly launched global trade and commodities product line.

Paris-based Dominique Honoré assumed the role of global head of global trade and commodities. She was most recently head of the bank's global products and structuring team, and has held senior roles spanning trade finance, supply chain finance and cash management. She has previously headed trade and supply chain finance at Royal Bank of Scotland in Paris, and before that worked for UniCredit, ANZ Investment Bank and Crédit Lyonnais. Also based in Paris, Vincent Gancel was appointed deputy head, also maintaining his role as head of commodities. Mr Gancel was appointed global head of commodity finance in 2015, before becoming co-head of corporate and investment banking at CA Indosuez Switzerland in 2022.

GLOBAL: The Climate Investment Funds (CIF) Capital Markets Mechanism (CCMM) raised a $500m inaugural bond.

Listed on the International Securities Market of the London Stock Exchange, the 3-year bond attracted orders worth over $3bn from investors globally. Final pricing was fixed at 36.6 basis points over 3-year US Treasury, resulting in a re-offer semi-annual yield of 4.838 per cent. The bond marked the first issuance under CCMM's borrowing programme, announced in November 2024 at COP29. The CIF supports projects in developing countries focused on low-carbon technologies such as renewable energy, energy efficiency, sustainable transport, energy storage and industry decarbonisation. The CTF aims to mobilise capital at scale and channel it through six multilateral development banks.

INDIA: Tradewind Finance announced funding for new clients in the forging and bunkering industries.

It said an exporter of forging products shaped from metal secured a credit facility worth $650,000, providing added cash flow that supports its expansion into the Middle East and helping to ensure a smooth supply chain. The new bunkering client supplies marine fuels and lubricants to ships on both coasts of India. Tradewind structured a $2m credit facility for the bunker supplier, which it is using to source its fuel reserves.

KENYA: The Multilateral Investment Guarantee Agency (MIGA) issued $49.5m in guarantees to Globeleq Africa Limited.

MIGA said the guarantees protect the UK-based company's investments in Globeleq Menengai Geothermal Limited and Malindi Solar Group Limited of Kenya. The guarantees cover the risk of breach of contract for up to 20 years for the greenfield 35MW Menengai Geothermal project and 17 years for the 40MW Malindi Solar project. Both projects are supported by a letter of support from the Kenyan government, which provides a backstop in cases where payment failures occur due to political events.

MALAWI: Lotus Resources signed term sheets worth $38.5m to support the restart and ramp up of its Kayelekera uranium project.

Lotus said it signed two five-year equipment finance term sheets for up to $18.5m in aggregate with Standard Bank

Two weeks in trade finance

and First Capital Bank. It said the proceeds would be used for the purchase or refinance of equipment including cranes, vehicles, machinery and other equipment. Lotus also signed a term sheet for a two-year $20m working capital facility with Standard Bank to address cash requirements until expected positive cashflow from Kayelekera, where production is expected to restart in Q3. "The financing banks provided these facilities on very competitive pricing and terms because of the quality of the Kayelekera Project and their confidence in the progress of the restart programme," said Lotus managing director Greg Bittar.

POLAND: The Export and Investment Fund of Denmark (EIFO) extended an €800m project finance guarantee for the Baltica 2 offshore wind farm.

Developed by Denmark's Ørsted and Poland's PGE, the 1,498MW project includes large export contracts for Siemens Gamesa Renewable Energy, Semco Maritime, and Cadeler, "with significant Danish content", EIFO said. The senior financing also includes the European Investment Bank and European Bank for Reconstruction and Development as participants, alongside a consortium of international banks. EIFO's guarantee marks the second offshore Baltic wind farm to be financed by EIFO, following its December 2023 commitment to provide €1bn of financing for the Baltic Power 1,140MW offshore wind project.

QATAR: Intesa Sanpaolo and SACE extended a €150m Push Strategy transaction to facilitate Italian exports in Qatar.

SACE provided a financial guarantee for the facility issued by Intesa Sanpaolo through IMI Corporate & Investment Banking Division to Estithmar Holding, a publicly listed company engaged in strategic sectors such as healthcare, services, real estate, tourism, and specialised contracting. In return, Estithmar committed to fostering business matching opportunities with Italian companies across its key sectors of interest.

SAUDI ARABIA: The International Islamic Trade Finance Corporation (ITFC) unveiled its new Environmental and Social (ES) policy.

ITFC said the policy reinforces its commitment to embedding sustainable practices across its trade finance operations, recognizing the essential role trade finance and trade development can play in mitigating climate change and promoting social equity. ITFC said it aims to reduce its carbon footprint while supporting its member countries in achieving sustainable economic growth. This new ES policy is focused on 5 key areas: environmental action; sustainable and inclusive trade finance; empowering for sustainable impact; innovative treasury solutions; and credible assessment and disclosure.

SPAIN: Banco Sabadell signed an agreement with CESCE to launch a debtor portfolio valuation service for its clients.

The aim is to quickly assess the commercial risks of Banco Sabadell customers. Access to the new service will be through the bank's online banking, which will provide users with access to CESCE's CESNET platform. The portal will allow Banco Sabadell business customers, with a turnover of less than €6m, to make real-time valuations of a maximum of 20 debtors.

UAE: Etihad Credit Insurance (ECI) joined the KYC Blockchain Platform, marking a first for the insurance sector.

Led by the Dubai Department of Economy and Tourism, the platform aims to improve ease of doing business, company KYC compliance, and customer data quality. "We are pleased to be the first export credit agency to join the UAE's KYC platform," said Raja Al Mazrouei, ECI's chief executive. "This step enables the ecosystem to quickly improve the verification process of consumer identities and build unified procedures by leveraging blockchain technology."

UAE: TradeAssets, a Dubai-based company specialising in digital trading of trade finance assets, was acquired by Veefin Group.

The TradeAssets platform facilitates the trading of trade finance assets like letters of credit, guarantees, open account payables and receivables, including Islamic products. The purchase, via its subsidiary Estorifi Solutions, marked Veefin Group's fifth acquisition in the past eight months, expanding the global working capital technology entity to ten companies.

UAE: Fitch Ratings affirmed Etihad Credit Insurance's (ECI) insurer financial strength rating at AA- (Very Strong) and its long-term issuer default rating (IDR) at AA-.

Fitch said the ratings align with the long-term IDR of the UAE, mirroring "an extremely high probability of support from the UAE authorities, if needed, given its systemic importance to the UAE and its specific government policy role in the diversification of the UAE's economy". Fitch also stressed ECI's 'very strong' capitalisation, noting an additional AED750m ($204m) committed by the UAE treasury to support ECI's growth plans and the absence of any financial debt in ECI's capital structure. Fitch also views ECI's reinsurance panel as strong and well-diversified, comprising companies rated A and above, allowing ECI to underwrite limits of up to AED500m per risk. "We view ECI's underwriting practices and risk-management standards as prudent and disciplined," Fitch said.

Two weeks in trade finance

UK: Christine Cary joined the WTW brokerage as director of multinational trade credit in the UK.

Ms Cary is the first UK hire for WTW's multinational trade credit team, where she is responsible for growing the broker's trade credit business. She worked most recently as client director for Aon's credit solutions division for five years. Before this, she spent two years as head of key partnerships at Coface's UK and Ireland division, after a spell as business development manager at Allianz Trade. Her career began as a credit insurance broker at BPL.

UK: A partnership between UK Export Finance (UKEF) and Ulster Bank helped a Northern Ireland firm expand into new markets.

UKEF said it deployed its General Export Facility (GEF) behind a finance package issued by Ulster Bank for Maxflow, a Cookstown-based manufacturer of industrial pressure washers and power products. The move marked the first time that Ulster Bank and UKEF have worked in partnership to issue a trade loan facility for a Northern Ireland business. Ulster Bank's financial support also recently included a multi-million pound package for a management buyout.

UK: Squire Patton Boggs hired trade finance specialists Philip Prowse and Jameel Tarmohamed as partners.

Based in London, within the law firm's financial services practice group, both partners joined from Stephenson Harwood. The company said they "will play an active role in bolstering the firm's trade finance capabilities across Europe, including the recently opened Geneva offices." Mr Prowse specialises in commodities trade finance, with particular focus on the financing behind international supply of energy, hard commodities, and soft commodities. Mr Tarmohamed advises banks, corporates, traders and investors on structured trade and commodity financings across multiple jurisdictions.

UKRAINE: The Export and Investment Fund of Denmark (EIFO) guaranteed a $420m financing to expand a wind farm.

Denmark's Vestas said on 22 January that it has received a 384MW order for the second phase of DTEK's Tyligulska project in Ukraine. Vestas will be supplying and commissioning 64 wind turbines. "It is a great opportunity to support renewable energy in the war-torn country," said Peder Lundquist, EIFO's chief executive. "EIFO has now financed over 15 Ukrainian projects with Danish businesses across critical sectors, including energy, water, and agriculture, and we are still hungry for more," he added. The combined first and second phase of Tyligulska will have a 498MW capacity, making it Ukraine's largest wind energy project.

US: Former Congressman Spencer Bachus III was appointed interim president and chair of the Export-Import Bank of the US (EXIM) board.

Mr Bachus is serving a second term on EXIM's board, having been nominated by President Trump in his first term and confirmed by the Senate in May 2019 to be a member of EXIM's board. He was nominated by President Biden for a second term and was confirmed by the Senate in December 2023. Mr Bachus served as the ranking member and chairman on EXIM's Financial Services Committee from 2006 to 2012, and chairman emeritus until his retirement.

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Subscription orders and back issues, sales and renewals: Call +44 (0)1245 820158
• email: admin@intltradefinance.co.uk
ISSN 1478–5544
Published 21 times a year by: Kevin Godier, 8 Storms Way, Chelmsford, Essex, CM2 6NU, UK. • Tel +44 (0) 1245 820158
Website: https://www.intltradefinance.co.uk

Printed by: Premier Print Group, London