

## Export Credit Finance 28<sup>th</sup> – 30<sup>th</sup> August, 2023 Lilongwe, Malawi



### Introduction

Development Finance Institutions have a pertinent role to play in providing local currency funding for projects being structured and or financed by such international financial institutions as Export Credit Agencies including US Exim, China Exim, SACE and ECIC. Export Credit Agencies (ECAs) offer loans, loan guarantees and insurance to help domestic companies ameliorate the risk of selling goods and providing services in overseas markets.

This practical and interactive course is designed for professionals seeking to build and improve their knowledge of Export Credit, in order to widen their understanding both of the range of products offered by ECAs and of their modus operandi. Further, participants will not only be introduced to ECAs' approach and methodology but will also benefit from real-life transactions case studies.

The SADC DFRC is undertaking this programme in collaboration with the Export Development Fund (EDF) of Malawi.

### Course Objectives

To provide participants with a clear understanding of the basic principles relevant to export credit finance, including main features of ECAs products relevant to Export Credit and Credit Insurance, from the regulatory framework governing the product to the nature of risks covered. The course will focus on the range of products offered by ECAs, the structuring of transactions and the relevant due diligence process, thereby improving participants' financial structuring skills in developing and undertaking projects.

After completion of the course, participants should be able to: identify the main features of Export Credit related products as well as Financial Guarantees and Surety products; understand the key elements of the due diligence process necessary for the underwriting of transactions; and review internal procedures and how the evaluation process is carried out.

### Methodology

The methodology will be highly participatory combining lectures with group discussions, exercises and practical case studies, which will be used to evaluate key issues arising from the classroom interaction, and ensure that the training is highly interactive and practical.

### Target Group

Project Officers, Business/Investment Analyst, Portfolio Executives

## Facilitators

**Sindiso Ndlovu** is currently the Acting Head of the Political, Economic, Analysis & Research (PEAR) Unit at ECIC and her key focus areas are country risk analysis, risk pricing and insurance product development. She represents ECIC on various media platforms and contributes to the Corporation's publications that identify trade and investment opportunities on the continent. She has over 17 years' experience in the export credit insurance industry, having previously worked as an Economic Researcher. Sindiso holds a Master's Degree in Development Finance from the University of Stellenbosch (USB), and Management & Leadership certificates from Wits Business School and GIBS, amongst other qualifications.

**Mr. Paul Mojalefa**, a deal originator at ECIC with 17 years' experience in the areas of Financial Modelling, Project Finance, Public Private Partnerships, Debt Capital Markets, Telecoms Finance and ECAs. Prior to ECIC, Paul has worked on the capital raising of numerous projects for Africa Rising Capital. These include, for instance, hydroelectric power projects in Zambia and Malawi, a cement project in Malawi, an agricultural milling plant in the Northern Cape, and for Huawei Technologies. He has led project finance teams in projects such as rolling out a CDMA project in Malawi, the setting up of Telkom's mobile arm, the refinancing of Zambia's Zamtel's fibre-optic network. Paul holds a Bachelor of Commerce degree in Management Sciences as well as an Honors Degree in Econometrics both from the University of Pretoria.

DAY 1	
0830 - 0900	<b>Registration</b>  <b>Welcome Remarks</b> <b>Official Opening</b>  <b>Group photo</b>
0900 - 1015	<b>Workshop Introduction</b>  <b>Global and continental economic and political situational analysis</b> <ul style="list-style-type: none"> <li>➤ Trade trends</li> <li>➤ Investment trends</li> <li>➤ Africa focus – Trade and investment opportunities</li> </ul>
1015 - 1030 <b>Refreshment break</b>	
1030 - 1130	<b>Introduction to the ECA world</b> <ul style="list-style-type: none"> <li>➤ The role of ECAs</li> <li>➤ Different business models</li> <li>➤ Products and business lines of ECAs</li> </ul>
1130 - 1300	<b>International Regulatory Framework and the Arrangement on Officially Supported Export Credits</b> <ul style="list-style-type: none"> <li>➤ OECD Consensus</li> <li>➤ OECD Working Groups</li> <li>➤ OECD Country Risk Classification</li> <li>➤ Eligibility criteria</li> <li>➤ Commercial Interest Reference Rates (CIRR) Pricing and related aspects</li> </ul> <b>Overview of other ECAs associations</b>
1300 - 1400 <b>Lunch Break</b>	
1400 - 1530	<b>Country and sovereign risk assessment (ECIC)</b> <ul style="list-style-type: none"> <li>➤ Country risk ratings</li> <li>➤ Sovereign risk analysis</li> </ul>
1530 - 1545 <b>Refreshment Break</b>	
1545 - 1630	<ul style="list-style-type: none"> <li>➤ Case studies on country and sovereign risk assessment</li> </ul>
DAY 2	
0900 - 1015	<b>Overview of ECIC</b> <ul style="list-style-type: none"> <li>➤ Historical background</li> <li>➤ Facts and figures</li> <li>➤ Export credit products</li> <li>➤ Buyer's credit</li> <li>➤ Investment insurance</li> <li>➤ Eligibility criteria</li> </ul>
1015 - 1030 <b>Refreshment break</b>	
1030 - 1300	<b>Overview of credit insurance products</b> <ul style="list-style-type: none"> <li>➤ Political risk insurance</li> <li>➤ Surety / Bond</li> <li>➤ Guarantee for working capital and advance payment facilities</li> <li>➤ Short term products</li> <li>➤ Case studies</li> </ul>

1300 - 1400	<b>Lunch Break</b>
1400 - 1515	<b>Project risk evaluation process</b> <ul style="list-style-type: none"> <li>➤ Use of the Risk Breakdown Structure</li> <li>➤ Using Sensitivity Analysis and Simulations</li> <li>➤ Risk mitigation strategies</li> <li>➤ Case studies/Exercises</li> </ul>
1515 - 1530	<b>Refreshment Break</b>
1545 - 1630	<b>The role of a development bank</b> (Information sharing platform) <ul style="list-style-type: none"> <li>➤ Direct and indirect lending</li> <li>➤ Eligibility criteria</li> </ul> <b>Experience and collaboration of ECAs and DFIs</b> <ul style="list-style-type: none"> <li>➤ Business trends</li> <li>➤ New products development</li> <li>➤ Challenges</li> </ul> <b>Way forward</b>
<b>DAY 3</b>	
0900 - 1000	Case study on commercial risk assessment (mining sector project)
1000 - 1015	<b>Refreshment Break</b>
1015 - 1300	Case study for risk evaluation of a power/energy project  Programme Evaluation  Closure
1300 - 1400	<b>Lunch Break</b>
14:30	Social event/Tour