

EBRD Trade Facilitation Programme

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European Bank
for Reconstruction and Development

Central Europe and the Baltic states

- 01 Croatia
- 02 Czech Republic
- 03 Estonia
- 04 Hungary
- 05 Latvia
- 06 Lithuania
- 07 Poland
- 08 Slovak Republic
- 09 Slovenia

* The EBRD has excluded the Russian Federation and Belarus from receiving funding for projects or technical cooperation, following the invasion of Ukraine.

Southern and eastern Mediterranean

- 30 Egypt
- 31 Jordan
- 32 Lebanon
- 33 Morocco
- 34 Tunisia
- 35 West Bank and Gaza

South-eastern Europe

- 10 Albania
- 11 Bosnia and Herzegovina
- 12 Bulgaria
- 13 Kosovo
- 14 Montenegro
- 15 North Macedonia
- 16 Romania
- 17 Serbia

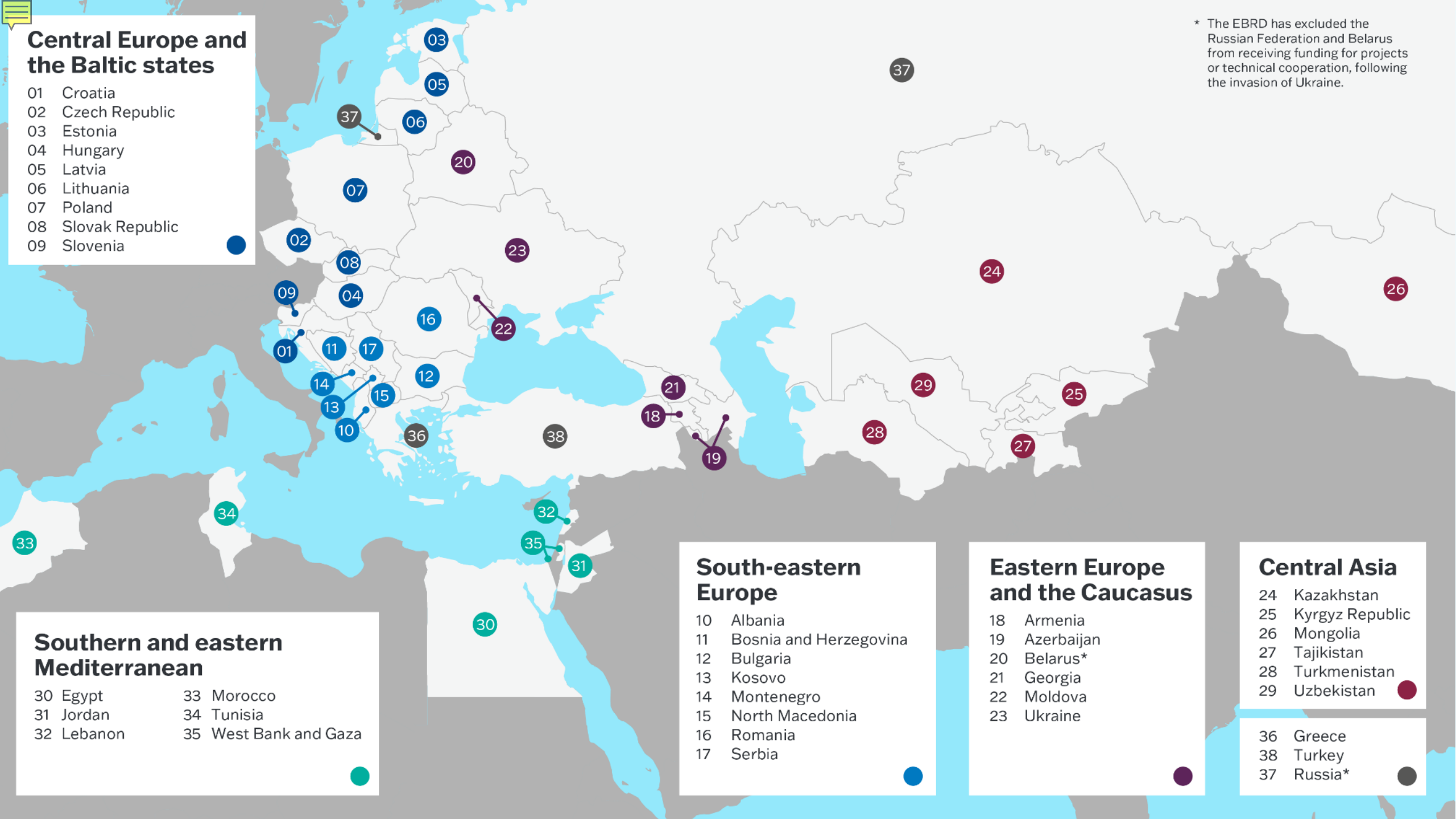
Eastern Europe and the Caucasus

- 18 Armenia
- 19 Azerbaijan
- 20 Belarus*
- 21 Georgia
- 22 Moldova
- 23 Ukraine

Central Asia

- 24 Kazakhstan
- 25 Kyrgyz Republic
- 26 Mongolia
- 27 Tajikistan
- 28 Turkmenistan
- 29 Uzbekistan

- 36 Greece
- 38 Turkey
- 37 Russia*



Facilitates financing of all stages of the trade chain



What TFP Offers?

Access to finance

Guarantee and Cash

Capacity development

Donor funded trade finance training and advisory services to issue banks

Individual Advisory Services

Donor funded

TFP Products

Access to finance

Capacity development

Policy dialogue

Guarantees

Letters of Credit

Guarantees

Stand-by-letters of credit

Bid Bonds

Performance Bonds

Any other eligible instruments

Revolving Credit Agreement

Pre-Export

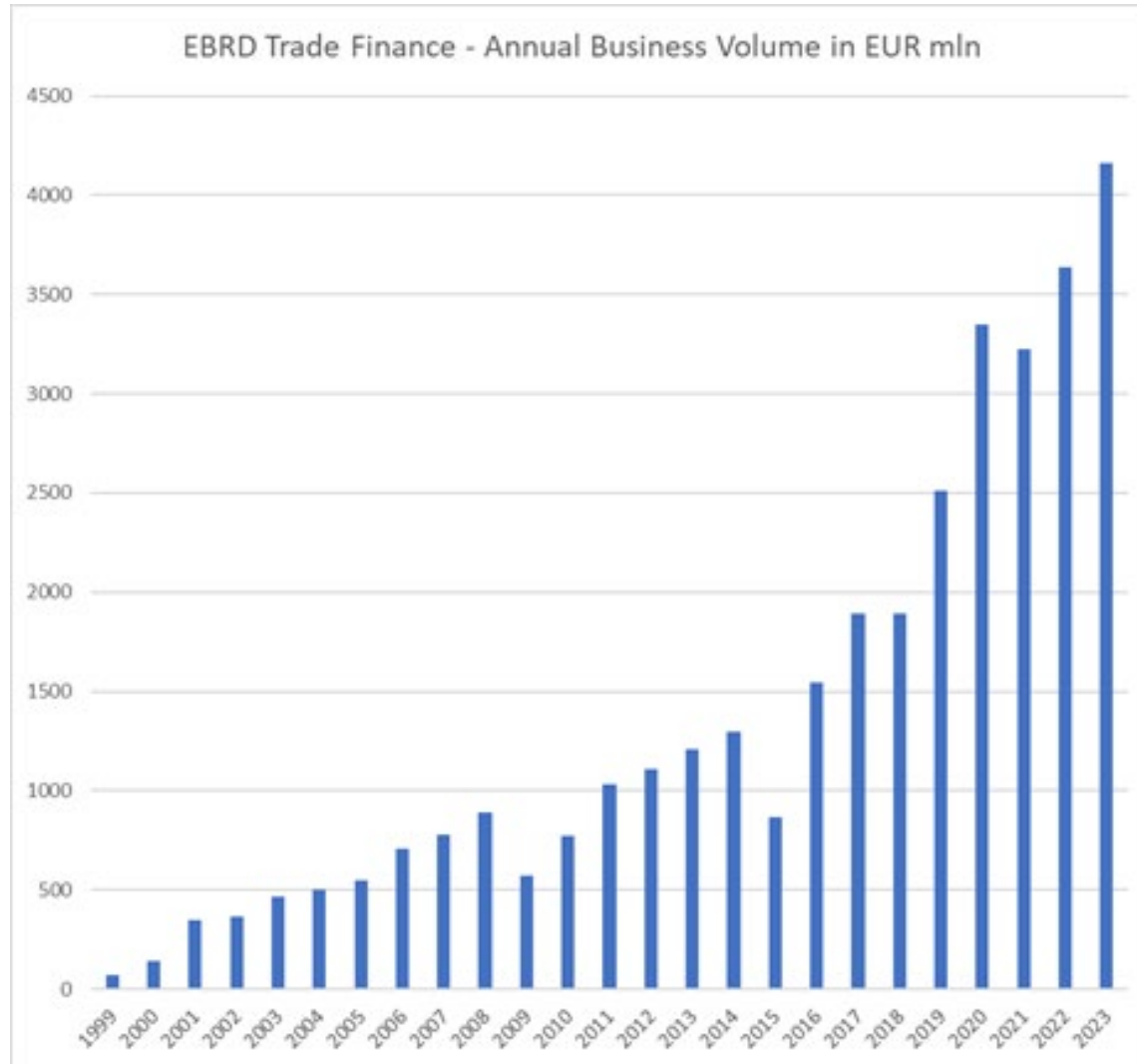
Post-Import

Local Distribution

Factoring

Invoice financing

Trade Facilitation Programme (TFP)



Established

1999

Issuing banks

120+

Number of operating countries

30

Number of transactions

32,000+

Total transaction value since 1999

€33+ billion

Confirming banks

800+

TFP - Ranking No of Transactions by Country

1,916 Transactions in 2023



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- | | |
|------------------------|----------------------------|
| 1. Tunisia | 13. Lebanon |
| 2. Egypt | 14. Tajikistan |
| 3. Ukraine | 15. Jordan |
| 4. Serbia | 16. Moldova |
| 5. Morocco | 17. Kazakhstan |
| 6. Turkiye | 18. Romania |
| 7. Greece | 19. Kyrgyz Republic |
| 8. Uzbekistan | 20. Kosovo |
| 9. Mongolia | 21. North Macedonia |
| 10. Georgia | 22. Azerbaijan |
| 11. Armenia | 23. Montenegro |
| 12. West Bank and Gaza | 24. Albania |

EBRD Projects to Facilitate International Trade



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I. E-Learning Courses



II. Face to face workshops



III. Networking events to enable industry collaboration



IV. Policy dialogue



EBRD Contribution to Regulatory and Procedural Barriers to Trade



EBRD provides **Technical Assistance** to its **clients** and **partner governments** to increase capacity and improve access to global markets and value chains, thereby complementing the efficacy and impact of the Bank's investments. This technical assistance is provided through two complementary pillars:

- Developing the capacity of businesses by engaging in export development activities and fostering new trade links through promoting Business-to-Business (B2B) sessions and trade and investment matchmaking opportunities.
- Supporting the development of global trade strategies and providing accredited economic diplomacy training for representatives of Countries of Operations' Foreign Services to strengthen their capacity to undertake promotional activities and raise awareness of market opportunities.

EBRD EU study on sustainable transport connections between Europe and Central Asia

- Total infrastructure investment needs. Focus on **priority soft components that hamper trade including:** Digitisation of transport documents (paperless cross border trade, e-TIR/e-CMR implementation, Increased interoperability (alignment of weight/dimension standards), Improved tariff structures (transparent tariff setting, removal of cross-subsidisation, regional tariffs).

An aerial photograph of a large cargo ship sailing on the ocean. The ship is viewed from above, showing its deck with numerous stacked shipping containers. A semi-transparent teal rectangular box is overlaid on the center of the image, containing the text. The background of the slide is a dark, textured pattern.

Compliance

Correspondent Banking



International Trend of “de-risking”

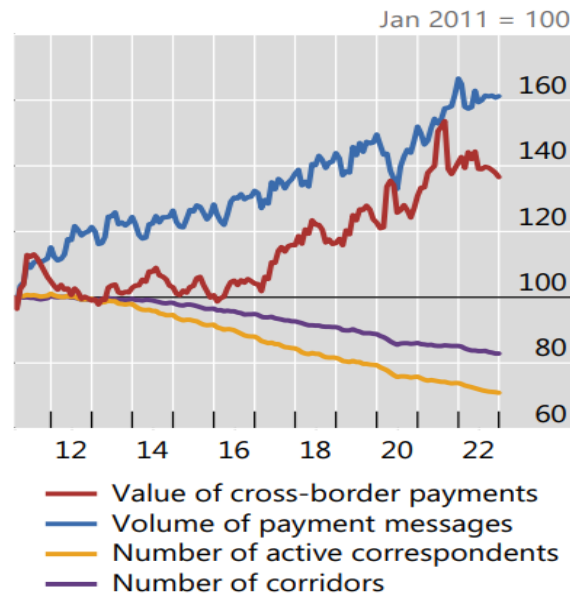
According to data from Bank for International Settlements (BIS), the value and volume of cross-border payments have been increasing, while correspondent banking relationships and number of corridors have contracted (graph A) and the trend is global (graph B). Emerging markets are particularly affected by the shrinking of correspondent banking corridors (graph C).

(source: *BIS Sources: Rice et al (2020); CPMI (2023)*)

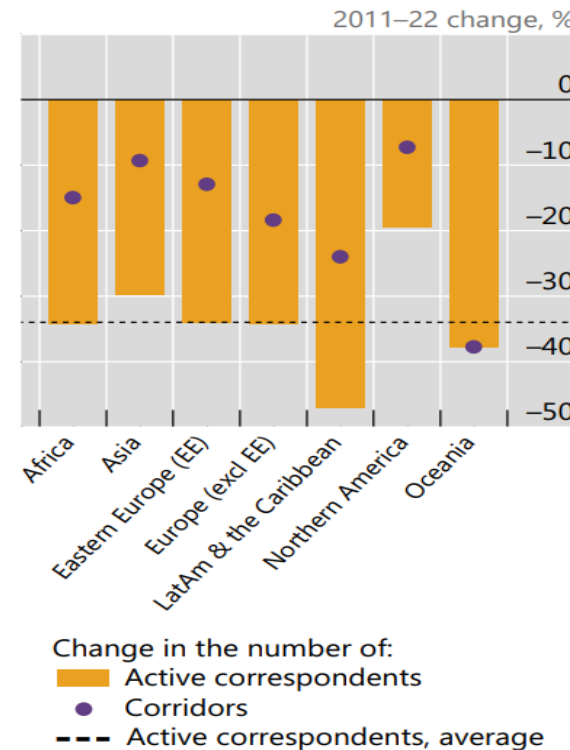
Correspondent banking relationships have been declining

Graph 2

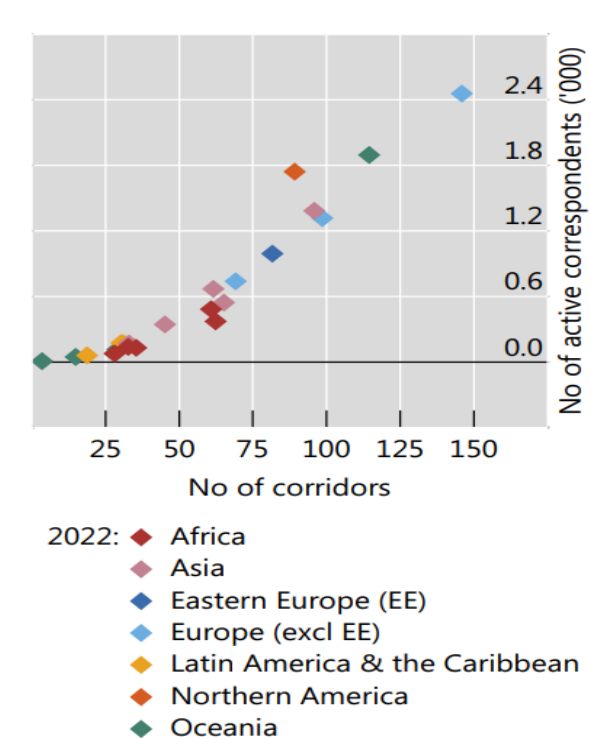
A. Banks have been retreating¹



B. The decline is global²



C. Some regions are less connected²





Why Commercial Banks Are De-Risking: Key Factors



- Commercial Banks have been suspending correspondent banking relationships for following reasons:
 - change in **business strategy**, especially after the financial crisis
 - increased **KYC and compliance requirements** (AML and CFT matters)
 - cost of compliance vs **profitability**
- Over the years, KYC and AML requirements have become stricter and more complex, making compliance more time-consuming and costly procedure.
- Commercial Banks have started to review their exposures to their customers and correspondent banks that may entail a higher risk of money laundering, terrorism financing or breach of sanctions regulations.

Global Percentage Change in the Number of Correspondent Banks



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TFP Objectives



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Capacity Building

- To assist EBRD partner banks to upskill and professionalise their Trade Finance and Compliance Teams
- To help mitigate and prevent the International Trend of 'De - risking'
- To encourage trade finance initiatives
- To prevent AML/Sanctions breaches and corruption
- To enhance compliance standards
- To promote strong CDD/KYC procedures



Find out more about TFP compliance activities by scanning the QR code

Capacity Building

- Since 2018, TFP has been transforming technical assistance model by strengthening ties with the International Compliance Association (ICA), the largest professional association of compliance specialists.
- This collaboration enabled EBRD partner banks to train staff to the standards of leading international banks, minimise the costs of compliance and facilitate trade in the EBRD's regions.

Characteristics of the training programme:

- Specialised trade-based compliance training
- Internationally recognised qualifications awarded by the ICA in association with University of Manchester (Alliance Manchester Business School)
- Candidates can attend an official EBRD/ICA qualification award ceremony.
- Complimentary one-year exclusive membership with the ICA with access to the Continuous Professional Development Centre, networking events, In Compliance magazine and library of online resources.

Capacity Building

- In 2020, the TFP engaged with the Association of Certified Anti Money Laundering Specialists (ACAMS) to support capacity building in **Georgia, Moldova, and Ukraine**, through the implementation of sustainable AML/Counter-Terrorism Financing (CFT)/sanctions and broader anti-financial crime skills and knowledge building including professional certification, live and online training, conferences/symposia.
- Unlimited access to ACAMS Enterprise Membership for Anti Financial Crime resources for a year.
- Over **70 bank professionals** from **30 institutions** participated in the course and certified.
- Launch of **ACAMS Eurasia Chapter** in April 2021. The ACAMS Eurasia Chapter brings together board members located in 7 countries: **Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Moldova and Ukraine**. ACAMS chapters are local professional networks that organise regular learning and networking events in local regions to support compliance professionals' continuous study and learning in the area of compliance.



Compliance Workshops in Armenia and Georgia



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Individual Advisory Services

- The TFP team collaborated with the **National Bank of Georgia**, the **Central Bank of Armenia** and local representatives of the International Chambers of Commerce (ICC) to deliver two-day workshops for the banking sectors in Armenia and Georgia, focusing on **enhancing the role of compliance in international trade**.
- The workshops, expertly led by an EBRD consultant, provided an in-depth examination of various compliance aspects, including **international sanctions risk, regulatory frameworks, correspondent banking, financial crime compliance, and trade-based money laundering**.
- A total of 150 banking professionals from Armenia and Georgia participated in these workshops.



SAVE THE DATE



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Digitalisation in De-risking of Correspondent Banking

10 October 2024, Bratislava, Slovakia

Event to showcase digitalisation in correspondent banking as one of the possible solutions to significantly raise the level of comfort and reduce the cost of transaction due diligence and sanctions compliance on the correspondent bank's side, by organising a forum and show-casing the positive effects of digitalisation