

Nairobi 10 February 2020

Making use of export credits

Vilde Grønn Larsen, SVP Energy and Industry

The Norwegian «Export Credit Agency» (ECA)

The Norwegian Parliament (Stortinget)

Ministry of Trade, Industry and Fisheries (NFD)

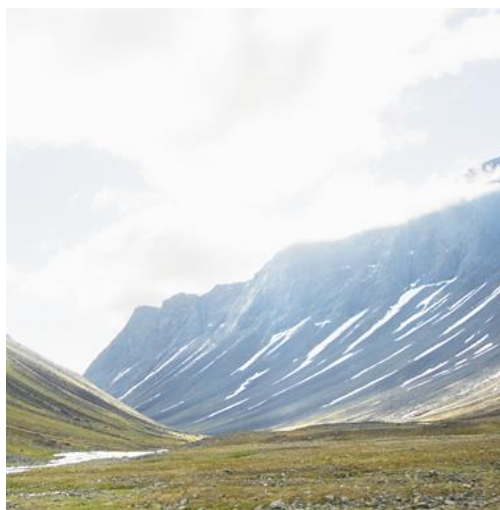
EKSPORTKREDITT
Export Credit Norway

GIEK

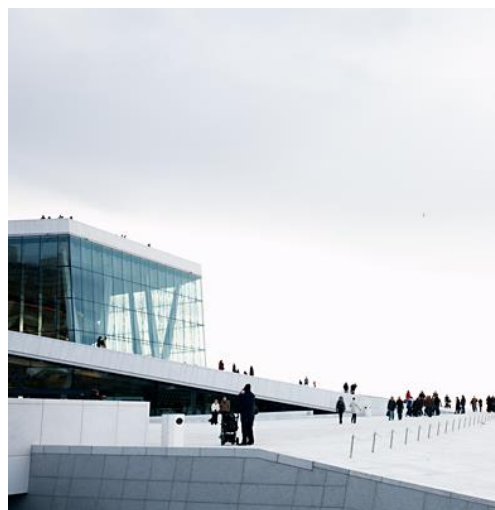
Funding on behalf of the Norwegian Government: Loans guaranteed by banks/financial institutions/GIEK

Guarantees on behalf of the Norwegian Government to Export Credit Norway, banks and others.

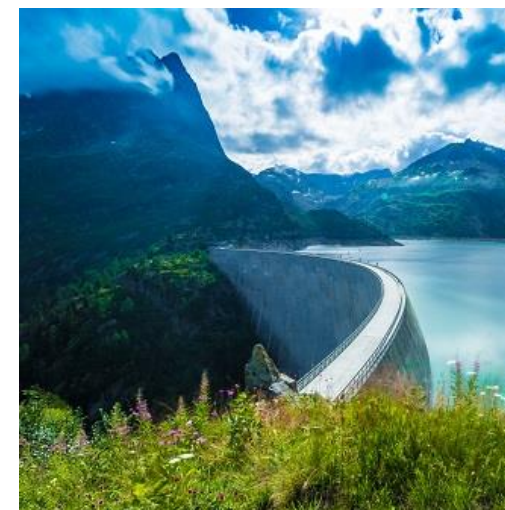
Our mission is to provide competitive financing to buyers of capital goods and services



**STABLE LONG-TERM
FINANCING**



**LOANS FROM THE
NORWEGIAN GOVERNMENT**



**COMPETITIVE
INTEREST RATES**

FINANCING AVAILABLE TO ALL INDUSTRIES

Four types of financing within Energy & Industry

Corporate loans

- ▶ Financing to borrowers with a strong balance sheet
- ▶ Relatively easy to establish



Loan Amount up to 85% of the Export Contract

Repayment Period up to 10 years

Requires collaboration with local/regional bank/DFI

Intra-Company loans

- ▶ Financing of exports from a Norwegian exporter to a foreign subsidiary that buys equipment from the Norwegian parent



Loan Amount up to 85% of the Export Contract

Repayment Period up to 10 years

Requires a financially strong mother company backing the loan

Sovereign loans

- ▶ Financing of exports from a Norwegian exporter to a company or project backed by a sovereign guarantee



Loan Amount up to 85% of the Export Contract

Repayment Period up to 10 years

GIEK may cover both commercial and political risk, up to 100%

Project financing

- ▶ Financing that relies primarily on the project's cash flow for repayment, with the project's assets, rights and interests held as collateral



Up to 70% of the Export Contract

Repayment Period up to 14 years (renewables 18 years)

Requires collaboration with local/regional bank/DFI

How do Export Credit Norway and GIEK participate in Project Finance transactions?

CAPEX

30 %
Equity

Lead Project
Finance
bank

Export Credit Norway and
GIEK expands the loan facility
based on Norwegian content
in the project

Bank collaboration in project financing

Commercial Bank

- 30% or more of the debt, in the form of a loan or a guarantee
- Takes lead, has project financing experience
- Local knowledge is preferable
- Credit assessment and Due Diligence
- Acts as security agent

GIEK

- Guarantees for the loan covering the **Norwegian export contracts** in the project
- Credit assessment and Due Diligence, including social and environmental impact assessment
- Is dependent upon good cooperation with the bank

Export Credit Norway

- Export Credit Norway provides the funding (loan)
- In collaboration with the bank issues complete the Loan documentation and security documents engaging local law firm.
- Conducts KYC, anti-corruption, money laundering control etc.

Working with key partners

- Local or multilateral commercial banks
- Development Finance Institutions (DFIs)
- Sponsors and equity funds
- Credit enhancement

