



press release

CDC signs agreement with Standard Chartered to help boost trade finance for businesses in Africa and South Asia

CDC Group plc ("CDC"), the UK's development finance institution, and Standard Chartered Bank ("Standard Chartered") have signed a US\$100 million risk participation arrangement that will help increase the availability of trade finance in developing countries, thereby boosting job creation and economic growth.

The agreement – which is expected to generate an estimated incremental trade volume in excess of US\$1 billion over the three year life of the transaction – will boost the level of trade finance in some of the poorest countries of Africa and South Asia. Under the agreement, the two institutions will bear the risks of local banks involved in supporting trade flows of Standard Chartered's clients. The local banks will be able to pass on the benefits of the facility by offering trade finance to their clients who rely on trade for growth and job creation.

The global financial crisis sharply reduced the availability of trade finance in developing economies and CDC and Standard Chartered have been working to promote trade finance arrangements that maintain and expand financing lines, such as letters of credit and bank guarantees.

Diana Noble, CDC's Chief Executive said:

"Growing businesses in Africa and South Asia continue to find it difficult to get the finance they need from local banks to help them reach international markets. Our arrangement with Standard Chartered will help boost trade finance which is fundamental to economic development.

“This is the first time that CDC has undertaken a bilateral risk-sharing deal and in doing so we’ve been able to target precisely our support to countries in Africa and South Asia that most need it. This is a new way for CDC to get its capital to work and with Standard Chartered we have a partner with an excellent network and understanding of our markets. By working together we can support exporters and importers in poorer countries.”

“We are delighted to be partnering with the CDC for its first bilateral risk-sharing programme. As trade finance leaders across Asia, Africa and the Middle East, we are committed to encouraging global trade – the lifeblood of the world economy – and are pleased to be building on our successful track record of supporting the growth of trade flows through risk sharing programmes,” commented Jiten Arora, Global Head of Sales, Transaction Banking, Standard Chartered Bank.

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Notes to editors

- CDC is the UK government-owned development finance institution that uses its own balance sheet to invest in the developing countries of south Asia and sub-Saharan Africa. It has net assets of £2.8bn.
- CDC’s mission is to support the building of businesses in the poorest countries, creating jobs and making a lasting difference to people’s lives.
- From 2004 – 2011 CDC operated primarily as a fund-of-funds investor, investing in companies through intermediary fund managers.
- In 2012 CDC announced a new strategic plan, with a geographic remit focused on sub-Saharan Africa and South Asia. As well as acting as a fund-of-funds investor, CDC will now also provide debt and direct investment to businesses in these regions.

Standard Chartered – leading the way in Asia, Africa and the Middle East

Standard Chartered is a leading international banking group. It has operated for over 150 years in some of the world’s most dynamic markets and earns around 90 per cent of its income and profits in Asia, Africa and the Middle East. This geographic focus

and commitment to developing deep relationships with clients and customers has driven the Bank's growth in recent years. Standard Chartered PLC is listed on the London and Hong Kong stock exchanges as well as the Bombay and National Stock Exchanges in India.

With 1,700 offices in 68 markets, the Group offers exciting and challenging international career opportunities to over 89,000 staff. It is committed to building a sustainable business over the long term and upholding high standards of corporate governance, social responsibility, environmental protection and employee diversity. Standard Chartered's heritage and values are expressed in its brand promise, 'Here for good'.

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