

press release

Standard Chartered and IFC to invest up to US\$1.0 billion to boost global trade in emerging markets

Renews their trade finance partnership with a third series of the Global Trade Liquidity Program

6 March 2017, Vietnam – Standard Chartered has agreed with IFC (International Financial Corporation), a member of the World Bank Group, to continue their trade finance partnership under the Global Trade Liquidity Program (GTLP) with a total investment of an additional US\$1.0 billion. Aimed at boosting global trade in emerging markets by increasing the amount of financing available, the third series of the GTLP comes at an essential time when many global banks are pulling back their support due to increasing compliance costs and higher capital requirements for trade under Basel III.

Through Standard Chartered's strong presence in emerging markets and established trade finance capabilities, the Bank will originate a portfolio of trade finance transactions of up to US\$1.0 billion through emerging market issuing banks (EMIBs) with the IFC participating up to 50% of the portfolio or up to US\$500 million. These EMIBs will further extend the financing to local importers and exporters in their presence countries to promote global trade.

Alex Manson, Global Head, Transaction Banking, Standard Chartered said "Facilitating global trade and commerce is at the core of what we do as an international Bank. Renewing this partnership with IFC underscores our commitment to support and promote economic growth and help bridge the global trade finance gap; through GTLP, we expect to provide more than US\$5 billion to support trade across our footprint over the next three years."

Originally established in 2009 in response to the global financial crisis, the prior facilities have been well-utilised, supporting over US\$10 billion combined in total trade, demonstrating significant impact by facilitating a large volume and number of transactions in lower income countries, with about 20% being used to support small and medium enterprises. The GTLP provides much-needed liquidity, helping commercial utilisation banks to increase their credit limits, manage risk and support trade in challenging emerging markets.

Marcos Brujis, Global Director of the Financial Institutions Group at IFC, said "Trade is the lifeblood of the global economy, a key driver of growth and job creation and a direct means of reducing poverty. IFC's partnership with Standard Chartered, and this renewal of the successful GTLP facility, is a key part of IFC's strategy to boost trade globally, creating new markets and new opportunities for lower income countries."

Global Trade Liquidity Program is a portfolio-based trade finance initiative that combines the efforts of IFC and commercial utilisation banks (UBs), such as Standard Chartered, to boost support for trade finance in emerging markets. It has proven to be a highly effective means of providing financing to facilitate trade within emerging markets and address the lack of trade finance to underserved importers and exporters in developing countries. Under the risk-sharing model, IFC invests in pools of eligible trade transactions issued by EMIBs for up to a 50% participation or up to US\$500 million, with the remaining amount held by the private sector UBs.

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Standard Chartered

We are a leading international banking group, with around 84,000 employees and a 150-year history in some of the world's most dynamic markets. We bank the people and companies driving investment, trade and the creation of wealth across Asia, Africa and the Middle East. Our heritage and values are expressed in our brand promise, Here for good.

Standard Chartered PLC is listed on the London and Hong Kong Stock Exchanges as well as the Bombay and National Stock Exchanges in India.

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About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with 2,000 businesses worldwide, we use our six decades of experience to create opportunity where it's needed most. In FY16, our long-term investments in developing countries rose to nearly \$19 billion, leveraging our capital, expertise and influence to help the private sector end extreme poverty and boost shared prosperity. For more information, visit www.ifc.org

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