



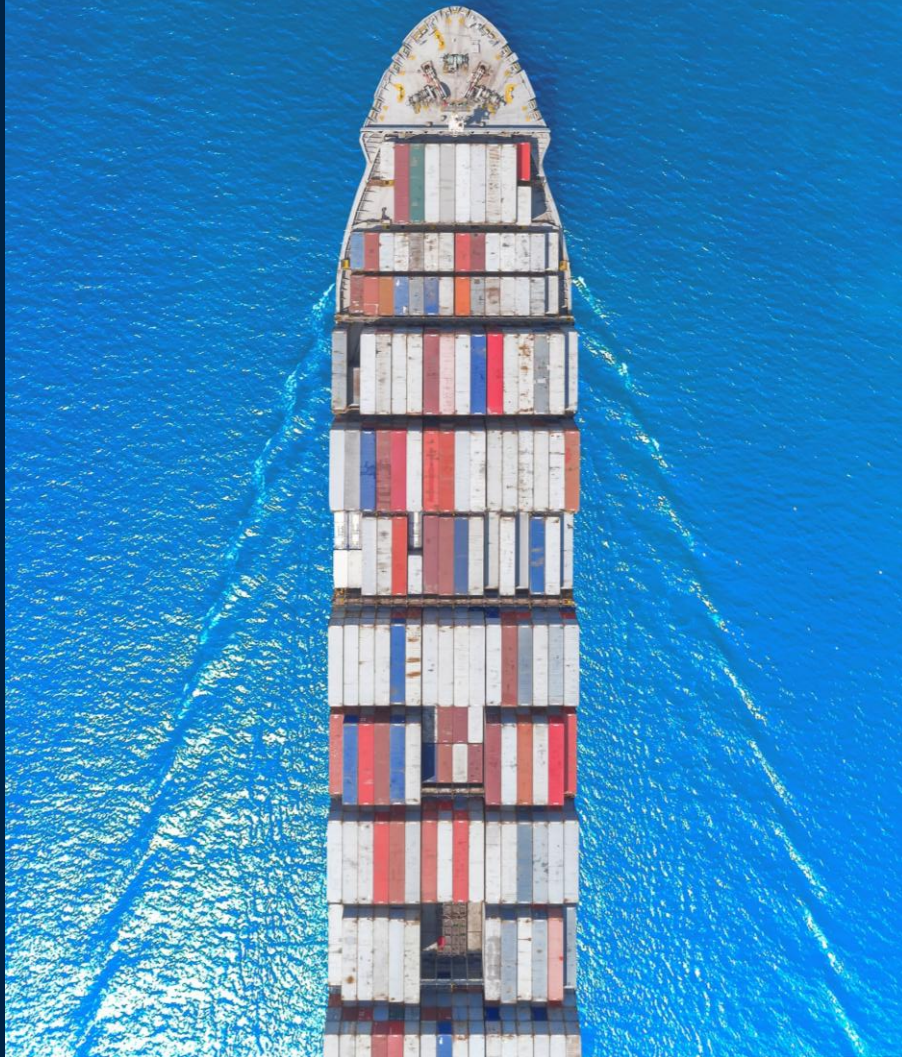
IFC

**International
Finance Corporation**
WORLD BANK GROUP

Trade & Supply Chain Finance

APRIL 2026

AGENDA



01

IFC TRADE & SUPPLY CHAIN
FINANCE

02

KEY PRODUCT FEATURES & DEAL
SPOTLIGHTS

- GTFP
 - GTLP
 - GWFP / GTST
 - GSCF
 - GTSF
-
-

FY25 KEY FIGURES

\$21 bn

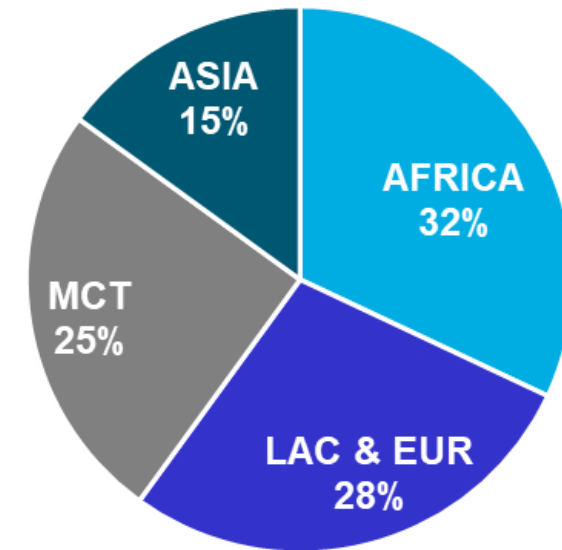
IN SHORT AND LONG-TERM FINANCING (+40% YoY)

54%

COMMITTED IN IDA AND FRAGILE
AND CONFLICT-AFFECTED
ECONOMIES

37%

IN AGRI AND FOOD



CAPACITY BUILDING:
TRAINING PROVIDED ACROSS 23
COUNTRIES. 71 LOCAL BANKS AND
MULTIPLE SMES/TRADE
ASSOCIATIONS

IFC'S TRADE FINANCE PRODUCTS

IFC offers a spectrum of **funded** and **unfunded trade risk mitigation**, as well as trade **working capital** in Emerging Markets

		Primary Objective	Financing Type	Target Clients	Key Features & Focus Area
Financial Institutions Risk	Global Trade Finance Program (GTFP)	Mitigate trade-related risk on a transactional basis for GTFP issuing banks	Unfunded (Guarantees)	EM Issuing Banks, Intl./Regional Confirming Banks	Risk coverage to promote trade finance in emerging markets
	Global Trade Liquidity Program (GTLP)	Support trade-related asset flows in/out of EMs	Funded/Unfunded (Risk Sharing)	Financial Institutions	Portfolio-based risk sharing structures
Corporate Risk	Global Warehouse Finance Program (GWFP)	Export finance using stored commodities as collateral	Funded / Unfunded	Banks, Corporates through FI intermediaries	Collateralization of stored commodities (e.g., agricultural products)
	Global Supply Chain Finance (GSCF & GTSF)	Provide working capital to SMEs in supply chains	Funded / Unfunded	GSCF: FIs with SC platforms GTSF: Corporates	Reverse factoring, receivables discounting, pre-shipment finance
	Structured Trade + Commodity Finance (GTST)	Support systemic trade flows of strategic commodities	Funded / Unfunded	Corporates in targeted supply chains	Focus on food/energy security; lending across supply chain
	GTFP Trade Advisory Services (GTFP AS)	Build operational capacity for trade finance	Advisory Services	Issuing Banks, SME clients	Technical assistance and training

GTFP KEY FEATURES & DEAL SPOTLIGHTS

OVERVIEW

Objective

- GTFP supports and facilitates international trade flows to and from emerging markets by **providing guarantees to cover the payment risks in trade transactions**.
- Enhances banks' capacity for trade financing by **mitigating risk** in challenging markets

Structure

- GTFP offers confirming banks partial or full guarantees to cover payment risk on emerging market issuing banks.
- Up to 100% umbrella coverage** for commercial and country risk
- 3-year maximum tenor** (5 years for selected banks under medium term GTFP)

Covered Instruments

- Letters of credit, trade-related promissory notes, bills of exchange, bid and performance bonds, advanced payment guarantees, and supplier credits for the import of capital goods.

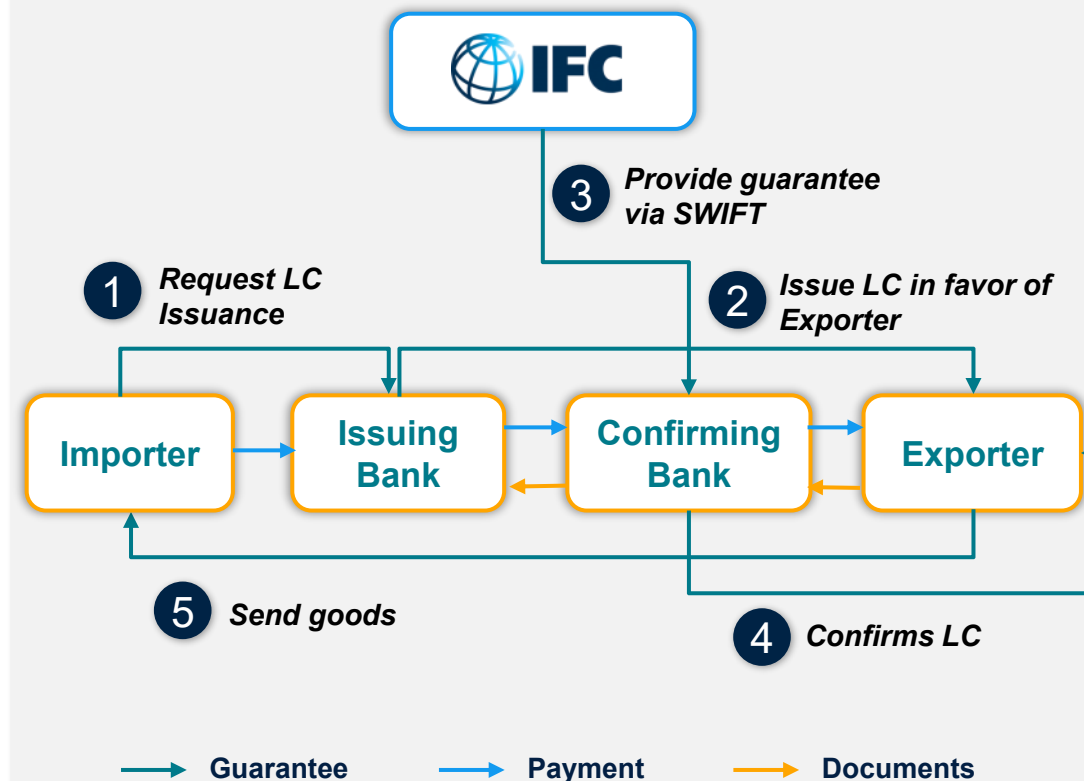
Benefits for Banks

- Expanded geographical coverage
- Enhanced trade line risk coverage in risky countries
- New corresponding banking relationships
- AAA Rated – Basel II benefits**
- Same day issuance

Results

- Over **100,000** trade transactions covered, supporting over **US\$130 billion** in emerging market trade (no losses since 2004 inception)
- FY25: **US\$12 billion** in total commitments

STRUCTURE



LC Confirmation and discounting of deferred payment bills

IFC provided a **guarantee on a regular basis for L/Cs** issued by Pakistani banks to support the export of cotton from Egypt. This enable the Egyptian bank to add confirmation and discount the deferred payment bills to the exporters. Thus, accelerating the receivables and at the same time stretch the payment terms to the buyers.

DEAL FACTS

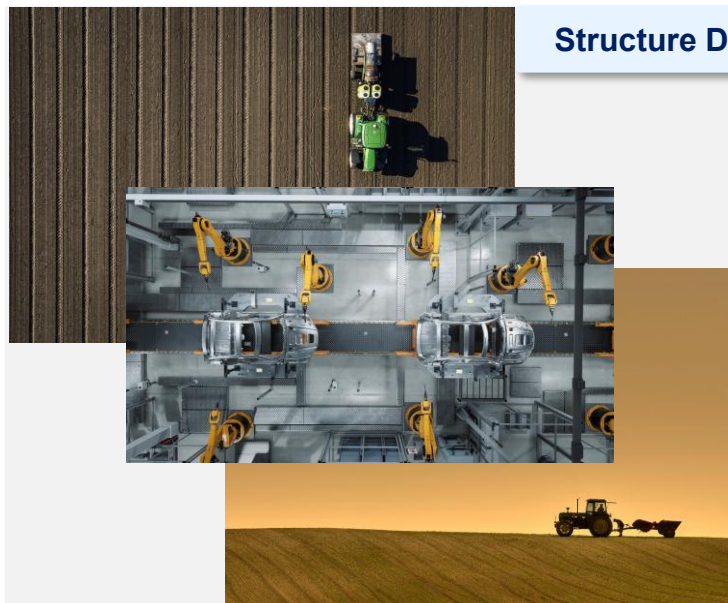
- **Issuing Bank: in Pakistan**
- **Confirming/discounting Bank: in Egypt**
- **Export Destinations: Pakistan**
- **Tenor: 6 month including pre-shipment period**
- **Goods: Cotton**

GLOBAL EQUIPMENT FINANCE FACILITY (GEFF): US\$500MN MEDIUM-TERM EXTENSION OF GTFP

Objective

- To support **imports of equipment and capital goods** by providing **medium-term guarantees (up to five years)** to selected partners.
- To prioritize **climate finance** by encouraging transactions that are eligible for climate change mitigation or adaptation.
- To extend the reach of the existing GTFP by **targeting clients with a strong track record** and experience in handling longer-tenor transactions.

Structure Details



- **Eligibility:** Available to existing GTFP clients with good relationship history and proven ability to manage longer-term deals.
- **Guarantee Tenor:** Up to five years, matched to the life of the capital assets being financed.
- **Repayment:** Gradual amortization/repayment of principal throughout the transaction lifecycle.
- **Coverage Limit:** IFC coverage capped at US\$25 million per individual transaction.
- **Due Diligence:** Standardized risk-based approach, with potential additional ESG screening for transactions exceeding US\$10 million or where equipment is more than 25% of project cost.
- **Legal Framework:** Uses standard GTFP legal documentation and processing procedures.

Benefits

- **Longer Tenor Support:** Enables clients to access financing for up to five years, supporting larger and more complex equipment imports.
- **Climate Finance Focus:** Encourages and prioritizes climate-friendly investments.
- **Streamlined Processing:** Leverages existing GTFP legal and operational frameworks for ease and efficiency.
- **Client-Centric:** Targets established clients, fostering deeper partnerships and supporting their growth and sustainability goals.

IRAQ

- IFC guaranteed a four-year €21 million letter of credit for a private sector bank in Iraq to support the importation of energy-efficient equipment to Iraq, an FCS country.
- Payment was structured on six equally semi-annual instalments after shipment



GTLP KEY FEATURES & DEAL SPOTLIGHTS

OVERVIEW

Objective

- The main objective is to promote emerging market private sector trade **by mobilizing funds, risk mitigation, and channeling credit for trade transactions with issuing banks in EMs**

Structure

- IFC enters into funded or unfunded risk participation agreements (3-year facility with 1-year run-off) in a portfolio of trade transactions led by Originating banks.
- IFC's participation can be up to 50% of the total portfolio while Originating banks retain the remaining credit risk of their respective underlying eligible funded or unfunded trade transactions.

Benefits for Banks

- Risk mitigation:** IFC's AAA rating is effective in managing the effects of Basel regulations.
- Capacity enhancement:** IFC's participation relieves headroom, single-client, and country-exposure constraints, enabling the Originating Bank to grow its trade business in EMs.
- Entrance to new markets:** IFC's extensive network and global reach enables Originating Bank to gain access to new countries and Issuing Banks in emerging markets.
- Large portfolios:** Sizable solutions allow effective and efficient trade portfolio risk management and trade distribution.
- Mobilization:** IFC's participation leverages funding and/or risk mitigation from other sources of investors.
- Ease of administration:** Originating banks deal only with IFC as agent.

STRUCTURE

IFC GTLP

- Provides risk mitigation and funding for portfolio of trade transactions
- Up to 50% risk participation in each underlying transaction**

Originating Bank

- Originates and monitors trade transactions with EM Issuing Banks
- Trade instrument confirmation and funding for Issuing Banks
- Retains $\geq 50\%$ of each trade transaction**

EM Issuing Banks

- Originate trade transactions to finance their importer/ exporter clients
- Increase trade finance instruments using confirmation and funding provided by Originating Bank

```

graph TD
    IFC[IFC] <-->|Co-finance with or counter-guarantee for IFC| PP[Program partners]
    IFC --> OB[Originating Bank]
    OB --> PTT[Portfolio of Trade Transactions]
    PTT --> EMI[Emerging Market Issuing Banks]
    EMI --> IO[Importers / Exporters operating in Emerging Markets]
    
```

DBS DEAL HIGHLIGHTS

- DBS is a Singapore-based bank with a large footprint in trade finance.
- In March 2024, IFC and DBS announced the signing of a \$500 million risk-sharing facility to help stimulate the growth of trade in emerging markets and to support economic development.
- The facility extension expands the availability of trade credit for clients in emerging markets over a three-year span through a risk-sharing structure. IFC and partners contribute \$250 million, and DBS provides an additional \$250 million.
- The program portfolio consists of Emerging Markets Issuing Banks (EMIBs) across the globe and will include climate-eligible transactions (20% of the portfolio) on a best-effort basis.
- IFC has partnered with a number of international banks on GTLP such as Standard Chartered Bank, Citi, HSBC, MUFG, and SMBC.



GWFP KEY FEATURES & DEAL SPOTLIGHTS

OVERVIEW

Objective

- GWFP aims to increase working capital financing available to agricultural producers/traders by leveraging commodities in storage.
- The program supports the agriculture sector by providing banks with liquidity or risk coverage backed by warehouse receipts, which can be used to provide financing in the form of short-term loans or guarantees to agricultural producers and traders.

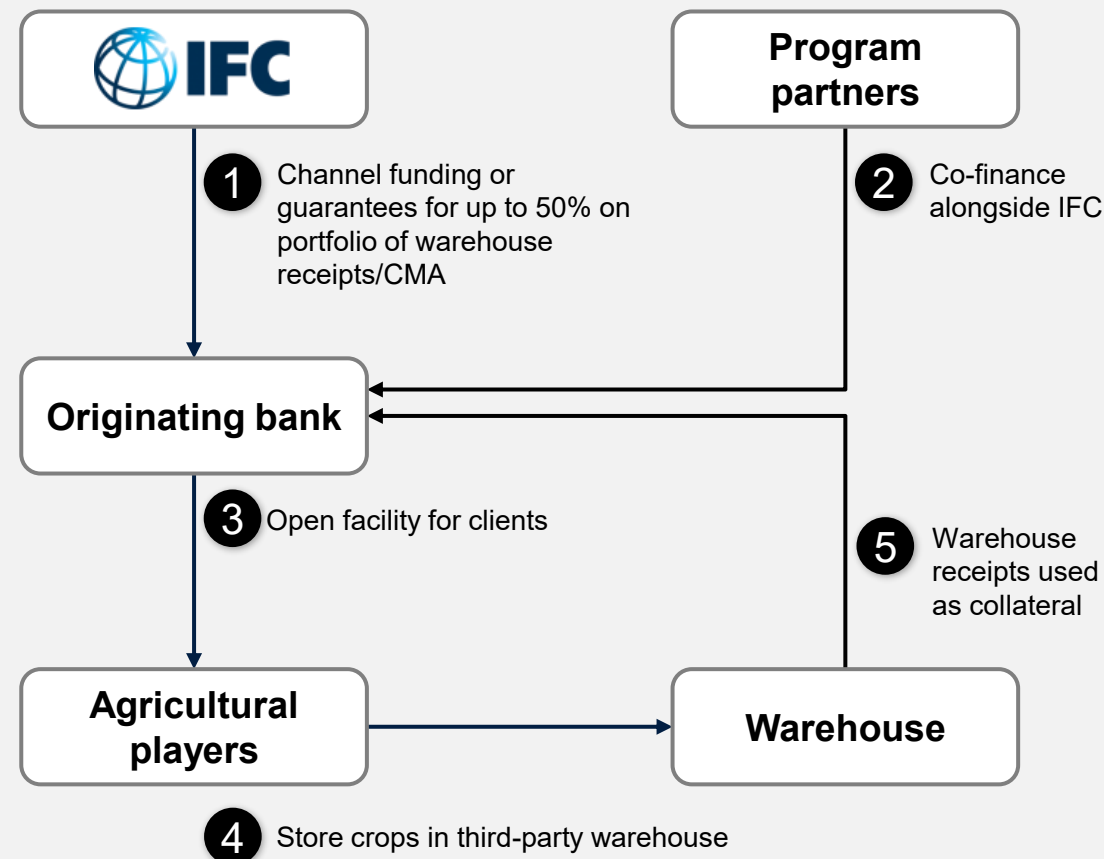
Structure

- IFC offers a short-term loan to a bank or participates in funded or unfunded 50-50 risk sharing structure.
- The structure is tailor-made as long as warehouse financing is involved at some stage of the inventories.
- The facility tenor is one year, extendable up to three years, and beneficiaries are prequalified sub-borrowers.

Benefits

- To **Originating banks:**
 - Expansion of lending capacity to agricultural sector clients against their warehoused commodities.
- To **Agricultural players:**
 - Increase in income by having more flexibility in timing sales to protect against price seasonality.
 - Faster implementation based on delegation from the Board

STRUCTURE



COTTON: PRE-HARVEST LOANS TO GROWERS IN AFRICA

GWFP facilities were used to finance the repayment of pre-harvest loans, the purchase of seed cotton from farmers, the transit and storage of cotton, and to meet other working capital needs.

- **Burkina Faso** (2016-2021): IFC has extended each year a EUR 28.5 million pre-export facility to Sofitex
- **Cameroon** (2016/2017): IFC extended a 1-year, US\$17 million facility to Sodecoton
- **Mali** (2013/2014): IFC extended a 1-year, US\$6 million facility to Compagnie Malienne pour le Développement du Textiles (CMDT)

GWFP loans to banks in Africa

- **Tanzania** (2015-2024): Each year since 2015, IFC has extended a 1-year renewable GWFP loan of US\$20 million to National Microfinance Bank PLC (NMB) for origination of a pool of short-term loans to Tanzanian agricultural companies against acceptable warehouse receipts or CMA as collateral.



IFC also offered advisory services in productivity improvement (including irrigation) and weather insurance solutions through the Better Cotton initiative.

GTSF KEY FEATURES & DEAL SPOTLIGHTS

OVERVIEW

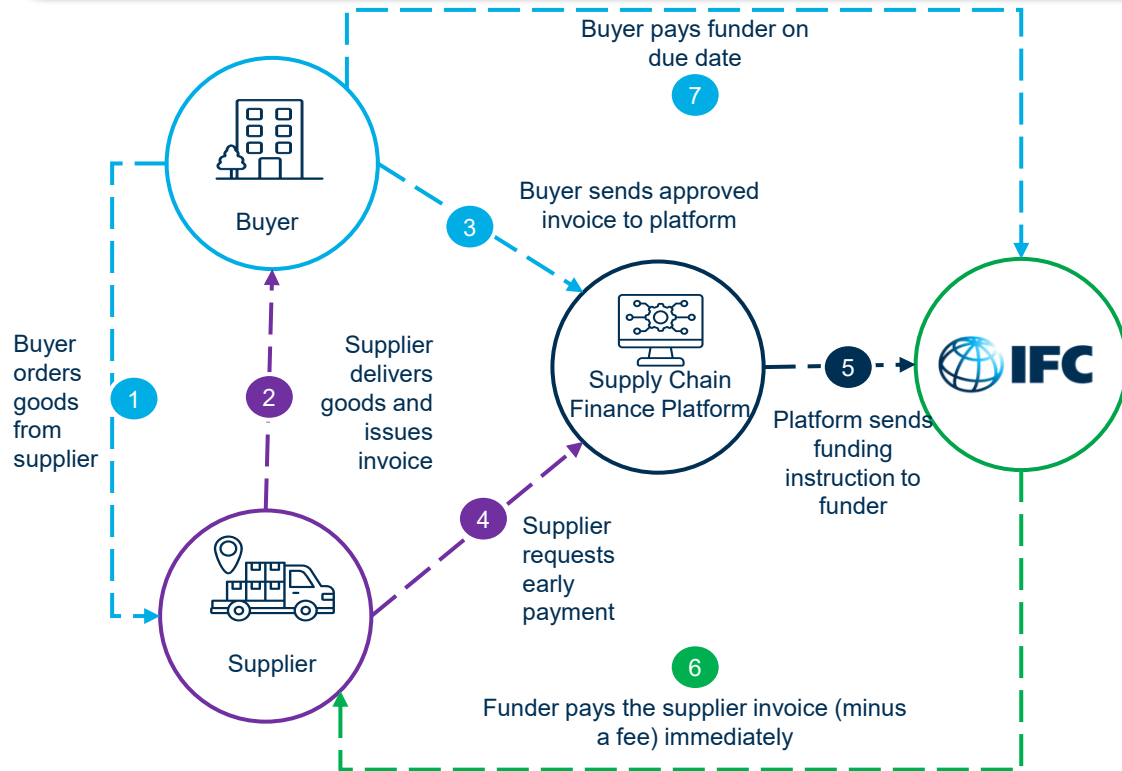
Objective

- Fast supplier financing via approved-invoice discounting
- Pricing tied to buyer credit strength
- Sustainability pricing incentives and advisory
- Expand MSME access via national platforms for domestic buyers (esp. Africa) through National Supply Chain Finance Program (NSCF)

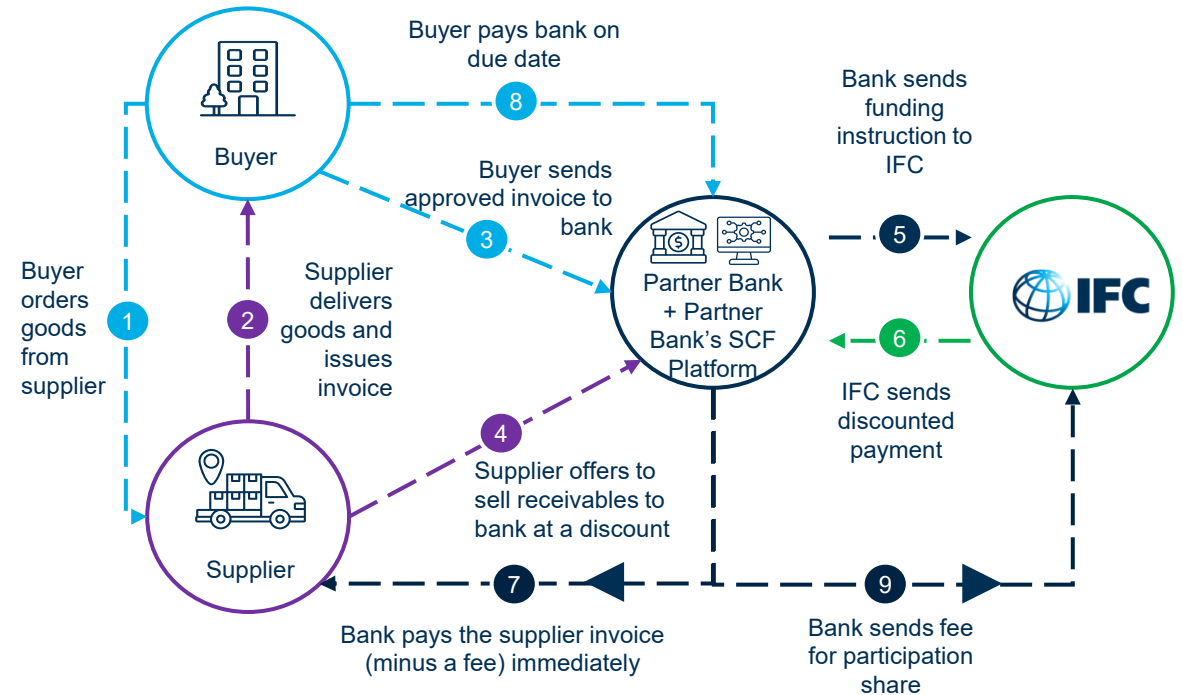
Structure

- ~48-hour disbursement; sustainability-linked pricing (>70% of disbursements);
- Integrated advisory (working conditions, efficiency, decarbonization).
- NSCF: National platforms for domestic “blue-chip” buyers. Initial partnership: C2FO in Nigeria, South Africa, Papua New Guinea

IMPLEMENTATION THROUGH A PARTNER PLATFORM...



...OR THROUGH A PARTNER BANK



SUCCESS OF IFC'S SUSTAINABILITY LINKED PRICING

2025

Sustainability Linked Pricing

Approved in 2025

2024

Sustainability Linked Pricing

US\$750M+ disbursed since inception

2024

Sustainability Linked Pricing

US\$450M+ disbursed since inception

2021

Sustainability Linked Pricing

US\$900M+ disbursed since inception

2016

Sustainability Linked Pricing

US\$9.2B+ disbursed since inception

2015

Sustainability Linked Pricing

US\$3.5B+ disbursed since inception

2014

LEVI STRAUSS & CO.

Sustainability Linked Pricing

US\$7.2B+ disbursed since inception

Jeans maker launches cheap financing for more ethical factories

November 5, 2014

“The [IFC Program] reflects two important trends in globalization. As consumers – and particularly millennials – increasingly fret about the conditions under which their clothes are made, fashion brands are facing greater pressure to ensure their suppliers in places like Bangladesh, Cambodia and Vietnam abide by higher standards. ...The combination of those pressures and the way global supply chains are becoming ever more intricate is also leading multinational companies to build tighter bonds with suppliers and to use new tools to manage them.”— *Financial Times*, Shawn Donnan (2014)

GSCF KEY FEATURES & DEAL SPOTLIGHTS

OVERVIEW

Objective

- IFC provides short-term financing to suppliers selling to large domestic buyers or exporting to international buyers by discounting invoices once they are approved by buyers..

Structure

- IFC provides financing directly to suppliers via web-based supplier finance platforms or indirectly through financial institutions, helping to address a huge shortfall in access to finance for SMEs.

Benefits to Suppliers	Benefits to Buyers	Benefits to Partner FIs
<p>Improved Working Capital & Faster Cash Flow</p> <p>Suppliers can convert sales receivables into immediate cash, receiving payment quickly after buyer acceptance and financing request.</p>	<p>Stable & Connected Supply Chains</p> <p>Stable supply chain for the buyers, and stronger links with the supply chain partners.</p>	<p>Optimization of Economic Capital and Profitability</p> <p>With IFC's AAA rating, via GSCF, partner banks can reduce economic capital requirement for IFC's portfolio, thus improve profitability of the transactions.</p>
<p>Access to Financing without collateral</p> <p>Suppliers can obtain needed financing from the partner banks without collateral and thus reduce dependency on buyer payment schedule.</p>	<p>ESG & Inclusion</p> <p>Achieve the social and environmental objectives of the buyers through tracking of ESG performance of the suppliers and incentivize E&S program in the suppliers' network.</p>	<p>Reduction of impact of FIs de-risking</p> <p>GSCF helps partner banks to continue supply chain finance engagement in emerging markets, particularly in IDA countries.</p>
<p>Sustainability -Linked Incentives</p> <p>Interest rates can be tied to a supplier's environmental and social performance, offering financial rewards for improving sustainability practices.</p>	<p>Potential cost savings</p> <p>GSCF provides suppliers with significant cost savings, and so potentially reduction in cost of goods sold for the Buyers or extension of payment terms.</p>	<p>Risk Mitigation and Business Expansion</p> <p>With up to 50% of risk participation, GSCF helps partner banks to expand their SCF portfolios without taking additional risks.</p>
<p>Access to Lower-Cost Financing and earlier Financing</p> <p>SME funding provided is priced off the credit rating of corporate buyers, which is typically better than that of the SME suppliers.</p>	<p>Quality & Consistency</p> <p>Enhance quality and consistency in the quality of products by coordinating with banks to enable needed financing for producers / suppliers at competitive cost.</p>	<p>Development of SCF markets and Operational Capacity Building</p> <p>Sector-level advisory builds awareness and capacity for SCF, while firm-level advisory provides tailored diagnostics and targeted interventions.</p>

Pre-Shipment Finance

Post-Shipment Finance

Receivables Discounting
Reverse Factoring / Payables Finance

Distributors Finance

REVERSE FACTORING

Through a **buyer-led program**, the **suppliers** have access to funding provided by a bank/factor company.

Cost of financing is **priced off the credit rating of corporate buyers**, which is typically better than the stand-alone credit rating of SME suppliers, thus increasing the competitiveness of SMEs

DISTRIBUTOR FINANCE (FY26 Roll-Out)

The provision of financing for **distributors** of a large corporate manufacturer to cover the holding of goods for re-sale and to **bridge the liquidity gap** until the receipt of funds from receivables following the sale of goods to a retailer or end-customer.

RECEIVABLES DISCOUNTING

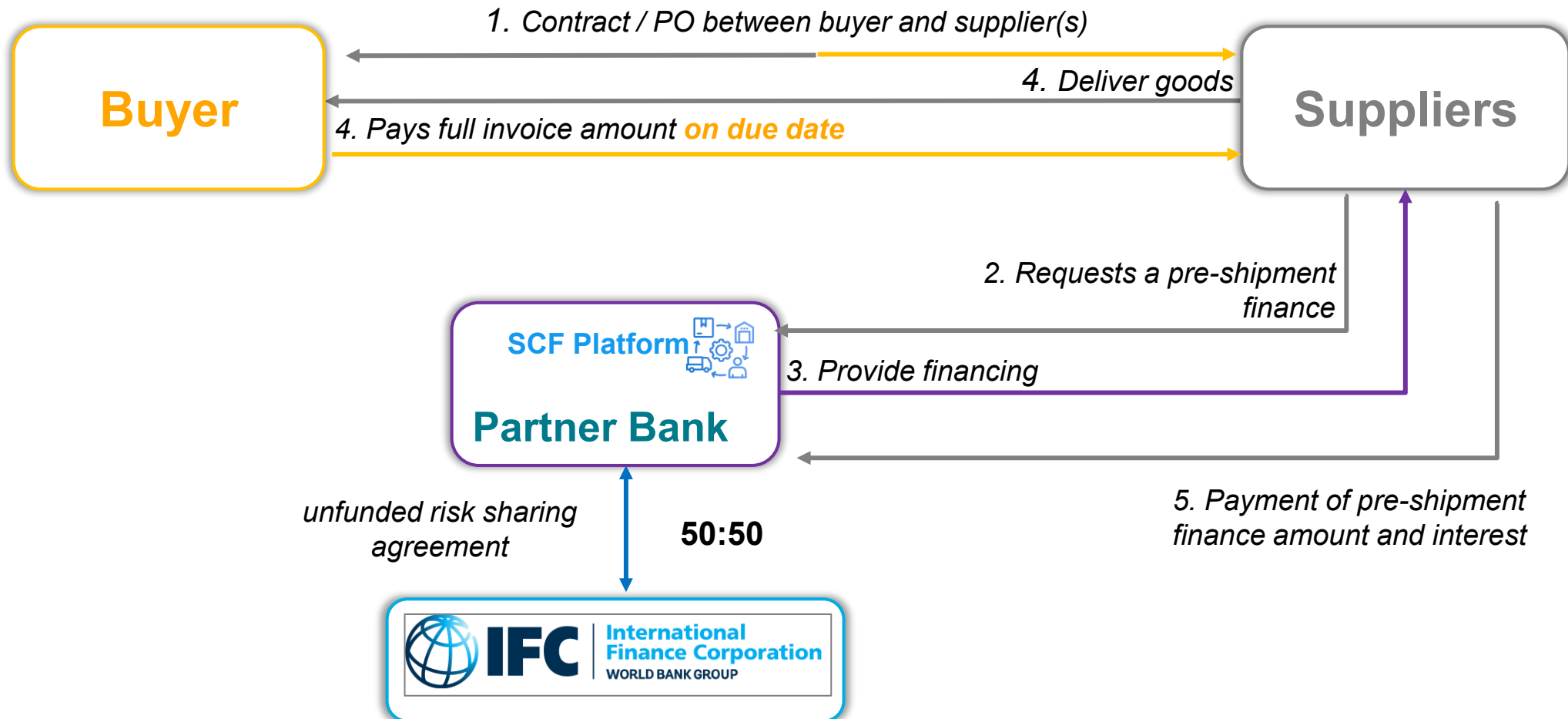
Through a **seller-led program**, the **suppliers** have access to funding provided by a bank by selling individual or multiple invoices / **receivables at a discount**.

PRE-SHIPMENT FINANCE

A **loan** provided by a bank **to a seller** against a Purchase Order from a corporate buyer at pre-shipment stage for the sourcing, manufacture or conversion of **raw materials into finished goods**, which are then delivered to the buyer.

Deal with Global Bank subsidiary in Pakistan \$400 million

- **Sellers:** Large exporters in textile and garment sectors.
- **Pre- and Post-shipment Finance:** Finance of purchase orders and Discount of Invoice/bills.



Thank you!

Q & A

