



IIB forum in Slovakia: search for new, effective trade finance options and solutions

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[Trade Finance Support Programme](#) (TFSP), initiated several years ago by the International Investment Bank's (IIB), has recently seen an upsurge in demand and relevance. The number of participating banks and counterparties is on the rise, while the geographical footprint of the programme is expanding and its product range is becoming more diversified. The TFSP supports trade relations between various countries and counterparts. It is no coincidence that this Programme was recognized as the best in the Asia Pacific Region among development banks in 2017 by the Association of Development Financing Institution in Asia and the Pacific.

One of the areas in which the TFSP enjoys the strongest demand is conducting seminars and broad-based discussions under the aegis of the IIB on trade finance issues.

Thus, the search for effective ways to solve relevant problems in the area of trade finance became the keynote theme for the international IIB **Trade Finance Forum**. This event was held by the Bank for the first time on 6-7 December in Bratislava, Slovakia as part of the business agenda of the IIB's 108th Council Meeting.

The forum was attended by over 50 trade finance bankers and experts from East and Central Europe, Mongolia, as well as third countries, including representatives from a total of 13 countries, including Belarus, Turkey, Poland, Italy, Belgium and Austria.

The IIB organized a single discussion platform, the participants of which addressed current issues pertaining to transactions and expanded the list of their business partners from among the banks that participate in TFSP. The number of these partners has been growing steadily, since both IIB member states and other countries are eligible to join the Programme. This significantly broadens the IIB's ability to provide support to its shareholders.

The opening speech at the forum was delivered by deputy Chairman of the IIB Board Denis Ivanov. He highlighted the need for coordinated actions between financial institutions to assist in multilateral economic and trade cooperation, which is one of the key priorities of the IIB's mission.

The speakers of the forum analyzed features related to bank guarantees in Italy, Poland, and Mongolia, as well as mutual relations between financial institutions and International Chamber of Commerce (ICC) arbitration. Most of the banks provide trade finance instruments that are subject to the ICC's unified rules. However, many issues involve aspects associated with the various jurisdictions of the guarantor banks, as well as specific features related to blockchain technology.

The ability to engage in trade finance operations under international sanctions was another key topic explored at the forum, given that Russia is an IIB member state. The panel featured a

representative of a sanctioned Russian bank, who addressed specific transactions in the current environment.

“Nowadays, development banks are becoming increasingly active in holding workshops, seminars, forums and conferences devoted to trade finance, while new products are being rolled out, including those based on blockchain technology. This means that the role of international finance institutions as the promoters of educational processes is becoming more significant and noteworthy. The IIB’s experience shows that TFSP is an effective and practical instrument in fostering the development of export-import relations of the IIB’s member states. The Programme not only offers partners an expanded product line, but is also continuously developing, reacting rapidly to ever new market challenges”, Mrs. **Mariia Minaeva**, moderator and speaker, head of the IIB’s Trade Finance and Documentary Transactions Division noted with regard to the proceedings of the forum.

Other attendees of the forum also expressed their opinions.

“The IIB Trade Finance Forum is an excellent platform focused on implementing performance enhancing trade finance solutions that encourage new business opportunities. Due to the IIB coverage we have managed to materialize several projects in Armenia, Belarus and Mongolia, and we expect this Trade Finance Forum to bring much more”, - said Head of FI Trade Finance Team of Ceskoslovenska obchodni banka, a. s., Mrs. **Alla Červenková**.

Director of a Trade finance department of the Golomt Bank, Mrs. **Bolormaa Beth Gantumur**, said: *“TFSP has supported greatly the Golomt Bank’s trade finance operations in Mongolia, meaning that lots of local SMEs and corporates benefited because of the programme.”* She stressed that the Forum provided great opportunities for *“the networking with the colleagues”* and was very useful to have *“updates about recent changes in the area of TF.”*

The IIB’s trade finance forum was a unique industry event for the region of Central and Eastern Europe. The meeting drove home that face-to-face communication, as well as the discussion of issues and problems related to trade finance continues to elicit keen interest among the banking community and is more effective than webinars or video conferences.

Such forums also create a laid-back atmosphere in which financial institutions can establish communications, at the basis of which lies the IIB’s reliable mediation as a guarantor bank. Furthermore, the IIB displays its expertise, operational efficiency, and result-oriented mindset on a daily basis, without changing its conservative approach to the credit evaluation of borrowers. This makes cooperation with the IIB even more reliable whether as a guarantor bank or a reimbursing bank.