



IIB's successful experience of Schuldscheindarlehen issue discussed at Euromoney Forum in Frankfurt

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On March 14, the participants of the 6th International Schuldschein Forum, organized by the Euromoney business magazine, discussed the emerging opportunities and latest trends of the Schuldscheindarlehen (SSD) market. Both issuers and investors from Europe and Asia, which use this type of traditional German debt instrument, attended this international annual event in Frankfurt (Germany).

Deputy Head of the International Investment Bank's (IIB) Structured and Debt Finance Department, Mr. **Csaba Pásztor**, presented the case study of IIB's SSD issues, which were successfully placed in April and in December 2017.

SSD combines the flexibility and benefits of bilateral loans and private placements. According to Mr. Pásztor, international development banks, commercial banks and corporates prefer to raise funds through that tool because of its relatively low costs, tailor made tenor, interest rate and volume.

Among the most important benefits of SSD, IIB's representative mentioned that financial authorities as well as German legislation do not consider it as a security, so there is no need for additional approval from regulators, no need for ISIN. *"The SSD issue is a great opportunity to diversify the sources of funding and to expand the investor base,"* - said Mr. Pásztor.

The 2017 has registered a record high volume of Schuldschein issues that exceeded EUR 30 billion, with 190 deals. Over the last 10 years, this originally German-based instrument has become globally known. Last year, a "green" Schuldschein was introduced to the market, meeting the needs of "green" and sustainable development investors, which significantly increases the value of this product.