

【NEWS RELEASE】

August 31, 2022

Sumitomo Mitsui Banking Corporation

Signing of Funded/Unfunded Risk Participation Agreement with the African Development Bank

TOKYO, August 31 2022 --- Sumitomo Mitsui Banking Corporation (SMBC, President and CEO: Makoto Takashima) announced today that it had signed an agreement for a USD 200 million Trade Finance Funded/Unfunded Risk Participation Program (the Program) with the African Development Bank (“AfDB”) on 28th August 2022. SMBC has become the first commercial bank in the world to conclude this type of funded Risk Participation Agreement with the AfDB.

The Program is designed to facilitate trade with Africa. The AfDB provides international confirming banks with partial risk coverage and funding on a portfolio of trade finance transactions to encourage financial institutions to provide trade finance solutions to exporters and importers, thereby expanding trade opportunities in Africa.

The AfDB is Africa’s premier multilateral development financial institution, established to contribute to the economic development and social progress of African countries, and to financially support the undertaking of infrastructure-related projects within regional member countries.

SMBC became the first Japanese bank to conclude a Unfunded Risk Participation Agreement with the AfDB under its Trade Finance Program in May 2016, and has been providing trade finance to its clients for their trade transactions.

The AfDB appreciates SMBC’s continuous support for trade in Africa. The Program was concluded to further develop the existing collaborative relationship between the AfDB and SMBC coinciding with TICAD 8, held in Tunisia later in August 2022, by adding liquidity support from the AfDB to the scope of collaboration, in addition to the existing unfunded risk guarantee.

SMBC will contribute to the sustainable economic growth of African countries by enhancing its ability to provide clients with solutions and developing its risk-taking function through collaboration with the AfDB, including utilisation of the Program.

Overview of the African Development Bank

Founded	:	1964
Headquarters	:	Abidjan, the Republic of Côte d’Ivoire
Regional Member Countries	:	54 countries (Africa)
Non-Regional Member Countries	:	27 countries, including Japan and the USA