

YOUR BUSINESS BACKED BY THE FEDERAL REPUBLIC OF GERMANY

EXPORT CREDIT GUARANTEES OF THE
FEDERAL REPUBLIC OF GERMANY

► **Hermes Cover**

Competence Center for German Export Finance as
Representative in Westafrica and Subsaahara Africa



AHK

Delegation der Deutschen
Wirtschaft in Côte d'Ivoire
Délégation de l'Économie
Allemande en Côte d'Ivoire

Supported by:



Federal Ministry
for Economic Affairs
and Energy

on the basis of a decision
by the German Bundestag



Federal Government Guarantees

How do we define our role:

- Euler Hermes AG is mandated as German ECA and manages the Export Credit Guarantees & Untied Loan Guarantees on behalf of the Federal Republic of Germany.
- **Export Credit Guarantees** ("Hermes Cover") protect German exporters, and their export financing banks against political and commercial risks.
- **Untied Loan Guarantees** ("UFK") are being utilized to support raw material projects abroad. They protect lenders in foreign raw material projects from the risk of commercial and political default risks.
- Both promotion instruments play an important role in fostering economic growth as well as protecting and creating jobs.

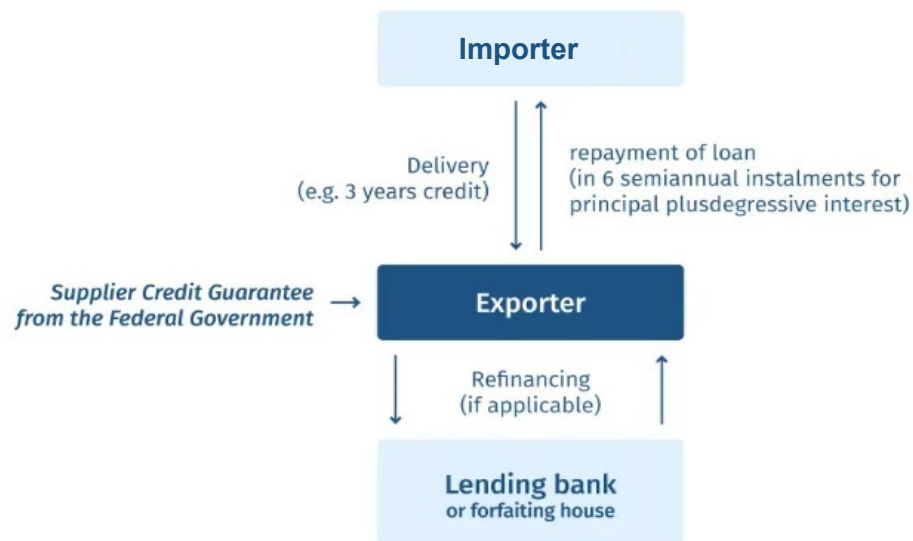
The **German ECA** acts as
intermediate between the
German government
and exporters & banks



Financing options for your imports from Germany

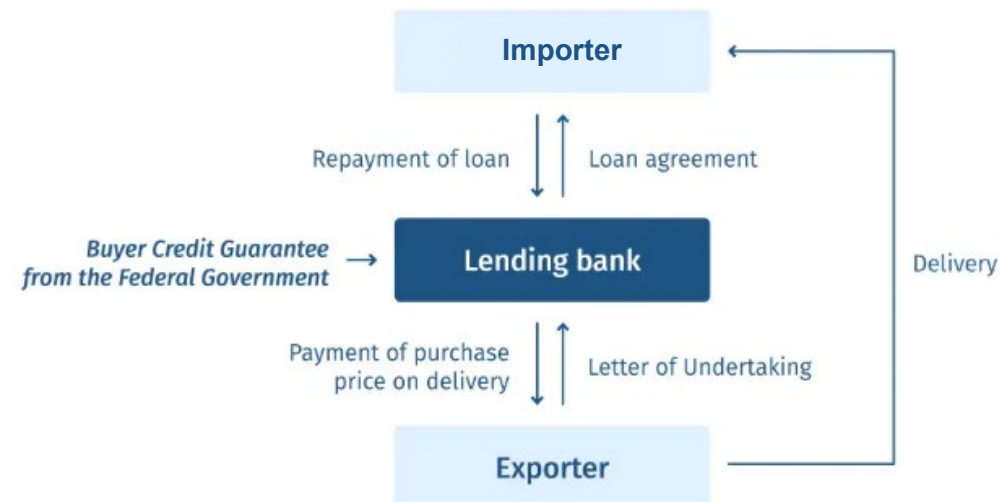
SUPPLIER CREDIT

With supplier credit, the exporter grants the importer a loan. Under a Supplier Credit Guarantee, the Federal Government covers the associated risks and thus enables a bank to purchase the receivable.



BUYER CREDIT

With a buyer credit, a bank grants the foreign buyer (importer) a direct loan for an export transaction. This is a tied buyer credit as the credit or loan is used solely to finance this export transaction.



German ECA support brings multiple benefits for financing your investments



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We reduce financing costs

You benefit from the **AAA rating** which reduces financing costs and thereby contributes to higher profitability for you



We offer preferential terms for climate change projects

You benefit from even more sourcing flexibility and better repayment terms of potentially **up to 22 years**



We offer high-risk capacity

You can benefit from new business opportunities and improve your flexibility and liquidity even for large projects



We cover long tenor credit facilities for up to 15 years

You benefit from reduced refinancing risk, more flexibility and a better financing position



We offer structuring expertise and transparent due diligence

You benefit from high approval rates gain planning certainty for your project implementation

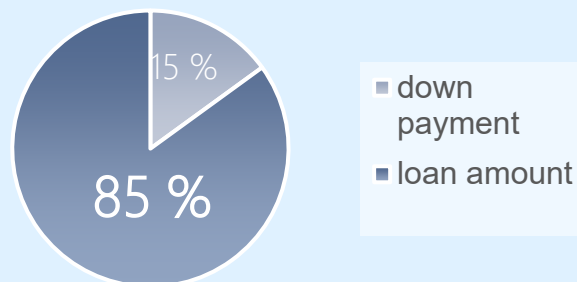
Loan details

Payment terms



monthly, quarterly,
semi-annual and
annual instalments,
Annuities

Credit



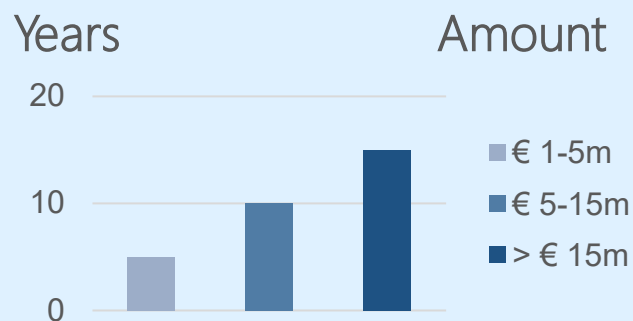
Available for

- Capital and fixed assets
- Transaction is eligible for cover and justifiable in terms of risk

German content



Credit period



Requirements



Financial statement
for the last three
years (audited)



Improved cover conditions for green projects

Loan Period

Green projects benefit from credit terms up to **22 years**.

Eligible Foreign Content

Green projects benefit from the generally permissible foreign share of up to **70 %**.

Down Payment

Green projects benefit from the **waiver of the down payment** requirement for local costs (100 % of local content can be financed).

Cover Ratio

Green projects benefit from an increased cover ratio for financial credit cover for economic and political risks of **98 %** (before: 95 %)

Saving on local currencies

Green projects benefit from **waived surcharge** for local currencies.

The German ECA has a significant track record in providing support worldwide



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Financial year 2024



€17bn

New support



€111bn

Portfolio



€140bn

Budget



143

Countries



#1
Sector

Transport &
Infrastructure



65%

Emerging
Markets



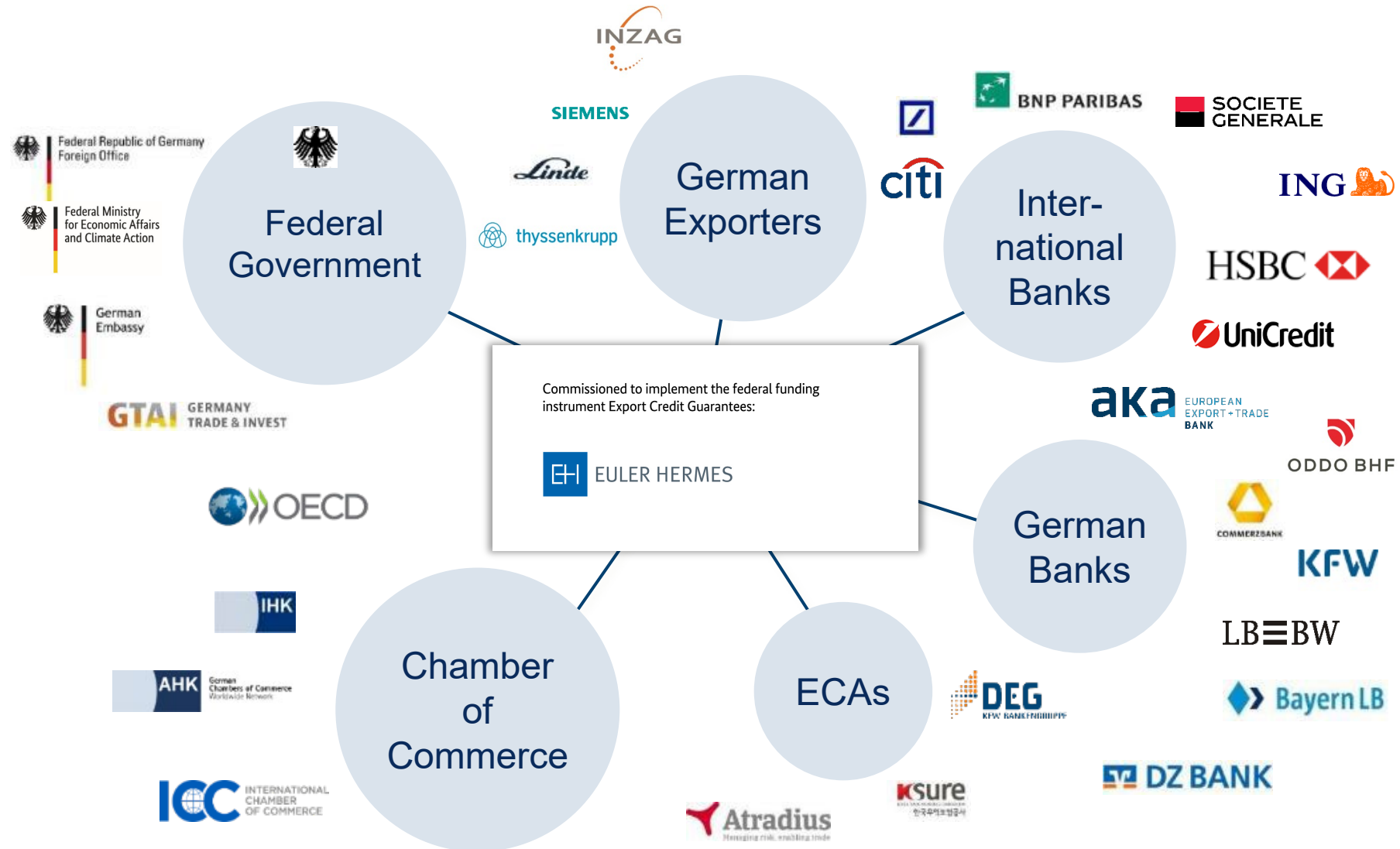
1bn

Renewables





The Ecosystem of German Export Finance





Financing your imports – what does it cost?

Find out an indicative all-in premium
and get your financing schedule



Export Credit Guarantees

Financing your imports and getting ECA cover – What does it cost?

► Find out an indicative all-in premium and get your financing schedule

| BASIC DATA | YOUR FINANCING SCHEDULE |
|---|--|
| Where are you located? Country <input type="text" value="Please select your country"/> | What is the expected total contract value (EUR)? Amount * <input type="text" value="Please input the total contract value in Euro"/> |
| What is your assumption on the interest margin from the financing bank (optional)? Overall Rate <input type="text" value="Please input rate (basis points) in %"/> | How long is the favored repayment period (semi-annual rates)? Repayment Period * <input type="text" value="Please input the repayment period in years"/> |
| <small>The premium is only indicative. Among other assumptions about your cross-border business, we presuppose a moderate to average* creditworthiness of the buyer (*basis is so-called CC3 resp. CC2 in countries with country classification 7).</small> | |
| <input type="button" value="Calculate ->"/> | |

| Type of cost/fee | | Total loan amount | |
|--------------------------------------|------------|----------------------------|--------------------|
| your location | Brazil | contract value (100 %) | €1,000,000.00 |
| Interest on the loan | n/a | - down payment (15 %) | €150,000.00 |
| *ECA premium, payable upfront | €56,600.00 | = loan amount (85 %) | €850,000.00 |
| based on cred period | 5 years | + ECA premium | €56,600.00 |
| All-in (interest + ECA premium p.a.) | 2.42% | = Total loan amount | €906,600.00 |

| Instalment No. | Remaining Capital Amount | Instalment net | Interest | Total instalment |
|----------------|--------------------------|----------------|----------|------------------|
| 1 | €906,600.00 | €90,700.00 | n/a | €90,700.00 |
| 2 | €815,900.00 | €90,700.00 | n/a | €90,700.00 |
| 3 | €725,200.00 | €90,700.00 | n/a | €90,700.00 |
| 4 | €634,500.00 | €90,700.00 | n/a | €90,700.00 |
| 5 | €543,800.00 | €90,700.00 | n/a | €90,700.00 |

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*The premium depends in particular on the country risk and the buyer's presumptive creditworthiness. The values calculated here are indicative only and not binding. The actual premium may differ from this indication. Premia does not include ECA fees which might be charged. Besides, the calculation does not constitute a conclusive statement on the project's eligibility for cover.

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Our next steps together? Let's talk about your projects

- Which projects are you planning?
- Which tenor do you wish?
- Do you know already a German supplier?
- When do you want to start?

Your contacts – please do not hesitate to get in touch

Unsere Finanzexpertinnen in Ihrer Region



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Gefördert durch:



aufgrund eines Beschlusses
des Deutschen Bundestages



Thank you for your attention!

Cover from the Federal Republic of Germany for foreign business

Export Credit Guarantees and Untied Loan Guarantees have been established and effective foreign trade promotion instruments of the Federal Government for decades. Export Credit Guarantees (so-called Hermes Cover) protect German exporters and banks financing exports against political and commercial risks. Untied Loan Guarantees are to support raw material projects abroad regarded as eligible for promotion by the Federal Government.

Both promotion instruments play an important role in fostering economic growth as well as in protecting and creating jobs. Federal Government commissioned Euler Hermes Aktiengesellschaft to manage the federal funding instruments Export Credit Guarantees and Untied Loan Guarantees.

Information on other foreign trade promotion instruments of the Federal Government can be found at www.bmwk.de/en under the heading Promotion of Foreign Trade and Investment.

 **EXPORTKREDITGARANTIEN.DE**

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