

SBLC International Payment Guarantee

FOR SMOOTH AND SECURE INTERNATIONAL COMMERCIAL TRANSACTIONS

ETC's International Payment Guarantee Standby Letter of Credit (SBLC) is a financial solution designed to secure international trade transactions for African banks and their corporate clients.

This service provides an **irrevocable payment guarantee**, ensuring reliable and secure transactions.

OUR OBSERVATION

In the context of international trade in and with Africa, payment security and trust between trade partners are crucial. The SBLC Payment Guarantee helps overcome challenges related to economic instability and political uncertainties, facilitating international exchanges and reducing financial risks for both exporters and importers.

INSTITUTION DE GARANTIE ET DE
TRADE FINANCE
Technical and financial services for
investment and international trade projects

ETC
EXPORT, TRADING
& COOPERATION



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OBJECT	RISK	INSTRUMENT	SWIFT INTERBANK MESSAGE	OBLIGOR	GUARANTEE / CONFIRMING	BENEFICIARY
Payment guarantee for international trade transactions.	Risk of non-payment by the importer after receiving the goods as agreed.	Standby Letter of Credit (SBLC)	FIN MT760	Importer's bank / Importer	Export trading & cooperation (ETC)	Exporter / Foreign supplier



WHAT IS IT ?

The **SBLC Payment Guarantee is an irrevocable banking commitment** issued by the importer's bank, ensuring that the seller (exporter) will receive payment, provided the documents presented comply with the specified terms and conditions. It secures commercial transactions by confirming that payment will be made once the contractual conditions are met.

WHO CAN BENEFIT ?

- **African banks:** to secure their clients' transactions and strengthen their credibility with international partners.
- **Corporate clients:** exporting companies of goods and services wishing to guarantee payment from their foreign buyers.
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WHEN TO REQUEST IT ?

- To secure **international trade transactions.**
- When there is a lack of **trust between trade partners.**
- In the presence of high **political or economic risks.**
- To facilitate **access to international markets** for the exporting company.
- To benefit from **flexible and secure payment terms.**

THE ADVANTAGES

- **Payment security:** Guarantees payment to exporters provided the terms of the guarantee are met.
- **Risk reduction:** Minimizes the risks of non-payment and commercial disputes.
- **Transaction facilitation:** Simplifies and accelerates international trade exchanges.
- **Trust reinforcement:** Establishes a trust-based relationship between importer and exporter.
- **Access to favorable credit terms:** Allows negotiation of advantageous payment terms and improves cash management.
- **Regulatory compliance:** Ensures that transactions comply with international and local regulations.

PRICING

FORMULA : $TAEG = (FDD/DDP) + (FDE/DDP) + CDE$

- TAEG = Taux Annuel Effectif Global / Annual Global Rate
- FDD = Frais de dossier (Taux indicatif 0,5% flat) / Application FEE (Indicative rate 0.5% flat)
- FDE = Frais d'émission de la garantie (Taux indicatif 0,25% flat) / Issuing Fees (Indicative rate 0.25% flat)
- DDP = Durée du prêt (année) / Tenor (year)
- CDE = Commission d'engagement (Taux annuel selon Notation financière*) / Commitment fee (annual rate according to financial rating)

*voir tableau

SILENT RISK SUB-PARTICIPATION	TRANSACTION TO BE GUARANTEED	MAXIMUM RATE GUARANTEED	TENOR	RISKS COVERED	GENERATING FACTS	COMMITMENT
Yes	Up to 5 Millions €	Up to 80% of the transaction	on a case by case basis depending on transaction	Non-payment risk	Maturity default declared by the lender	Periodic reporting