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TIJARA

Provincial Economic Growth Program

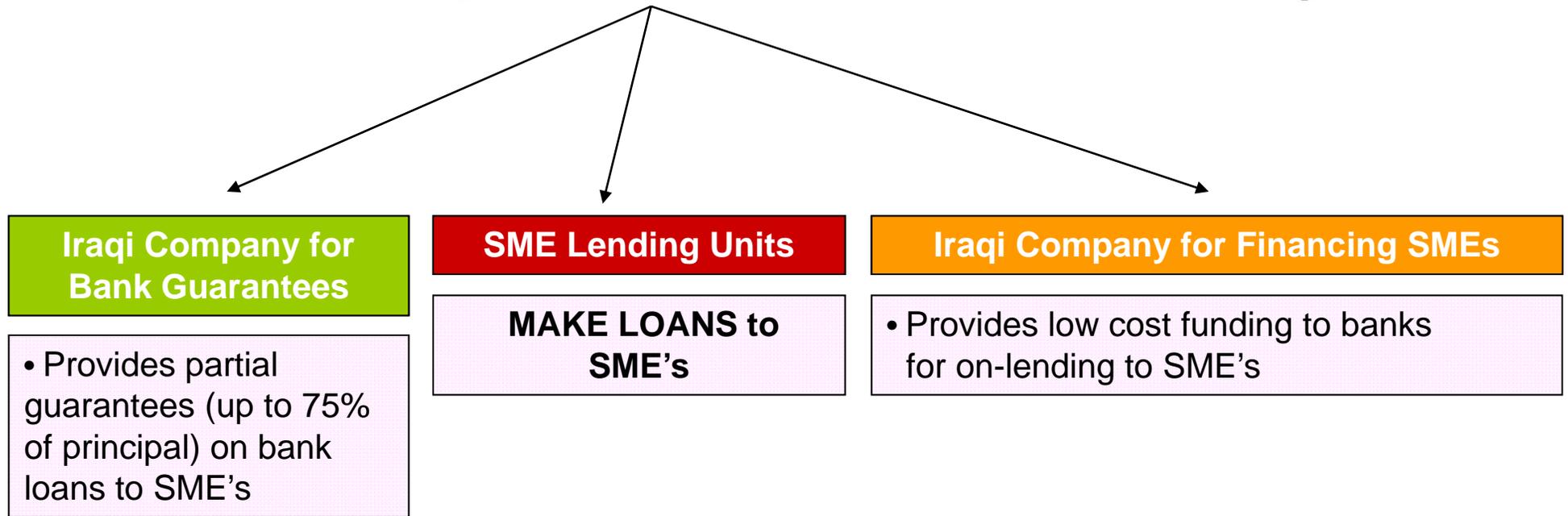
KIRKUK BANKING CONFERENCE

June 2009





Development of SME Bank Lending



SUSTAINABLE and INTEGRATED SME FINANCE PLATFORM



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Iraqi Company for Bank Guarantees

- Established in November 2006
- Functions as Credit Insurance Company via Partial Guarantees (up to 75% of principle) of bank loans to SME's
- 330 guaranteed loans disbursed since April 2008 (up to June 15, 2009)
- 16 member banks (13 shareholders plus 3 participating banks).
- \$4.4 million paid-in capital
- USAID conditional matching grants up to \$5 million
- Licensed by the Central Bank of Iraq as a Non-Banking Financial Institution (NBFI)

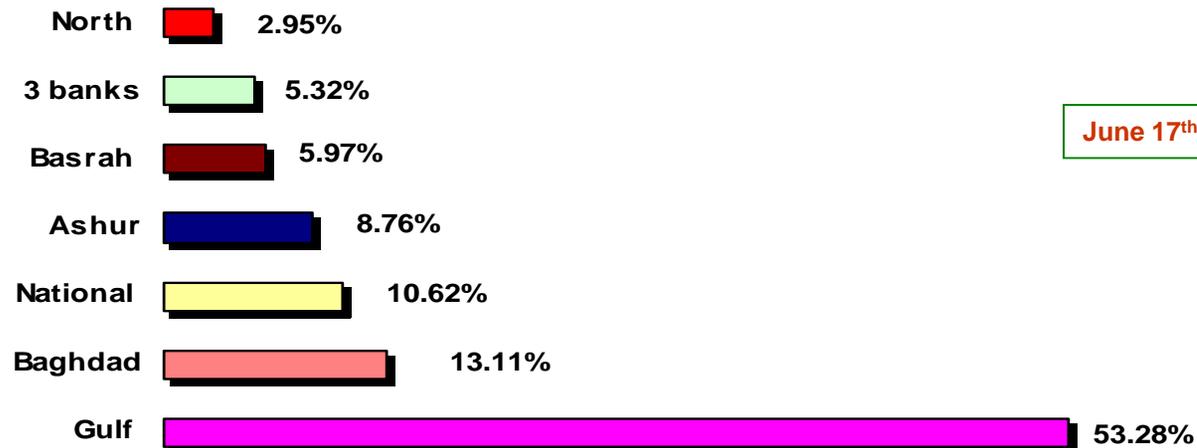


ICBG Guaranteed Loans

Amount of Guaranteed Loans by Member Banks

- Gulf Bank : \$ 3,784,000
- Ashur Bank : \$621,813
- Bank of Baghdad : \$931,150
- National Bank : \$754,000
- Basrah Bank : \$423,735
- North Bank : \$209,600
- Three Other banks: \$ 377,632
- IMEB Bank : \$137,632
- Sumer Bank: \$40,000
- Mosul Bank : \$200,000

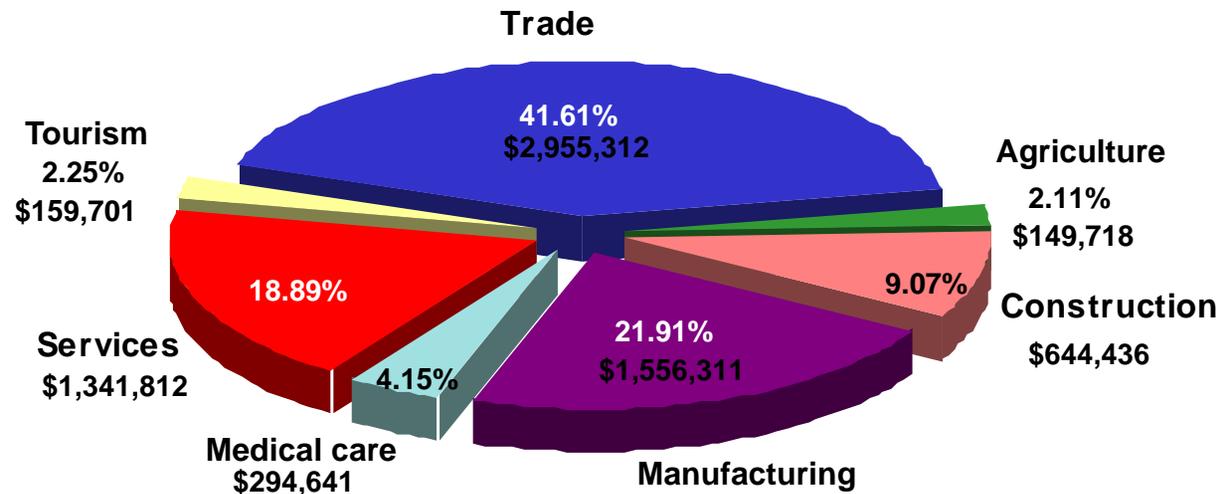
Members Participation in Total Amount of Guaranteed Loans



Concentration by Sector (in USD)

Total: \$ 7,101,930

As of June 17th 2009





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SME Lending Units

ICBG member banks - nine members were selected as follows:

- **Ashur Bank**
- **Basrah Bank**
- **Bank of Baghdad**
- **Gulf Bank**
- **Iraqi Middle East Bank**
- **Mosul Bank**
- **National Bank**
- **North Bank**
- **Sumer Bank**

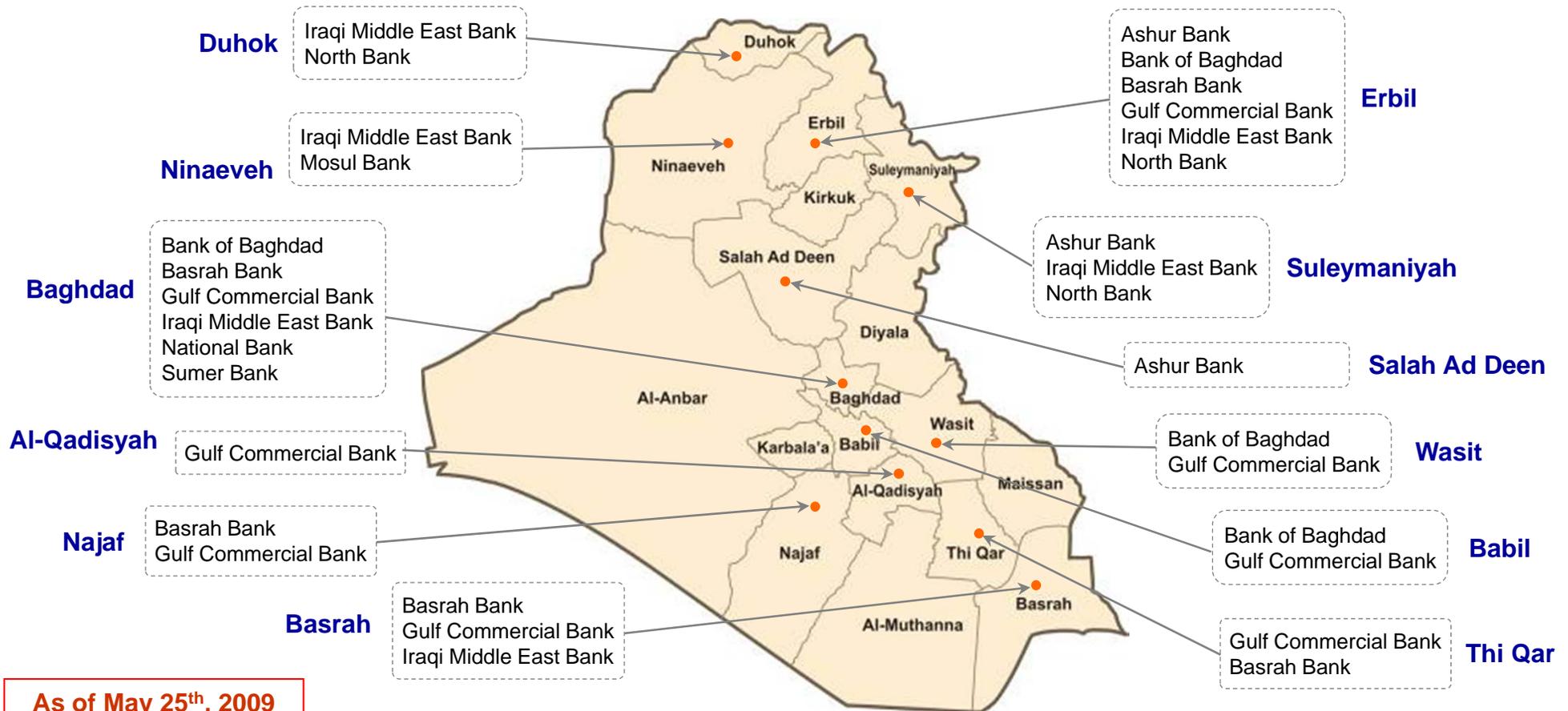
Launched mid June 2008, the program covers:

- * **9 banks with**
- * **33 branches in**
- * **12 governorates**



Network of SME Lending Units Under Development

Operating in 33 branches of 9 ICBG Member Banks present in 12 Governorates



As of May 25th, 2009



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Iraqi Company for SME Financing

- Non-Bank Financial Institution (NBFI) incorporated in May 2009
- Major activity is to lend to banks to fund their SME loan portfolios
- 9 Shareholders Banks operating in-house SME lending units
- USAID grant “starter capital” of \$6 million in June and Sept \$3,000,000 distributions
- 130 loans at 30 September, 2009
- Shareholders add \$3 million by Q1 2010

- Goals at March 31st, 2010:
 - 300-350 loans outstanding
 - \$9.4 million SME loans financed by:
 - ➤ \$6.0 million USAID grant.
 - ➤ \$1.5 million shareholders loan capital (taken from the \$3 million addition)
 - ➤ \$1.9 million bank loan participation
 - Additional potential donors advised



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Thank you!