

August 29, 2016
Sumitomo Mitsui Banking Corporation

Signing of a Letter of Intent with the African Development Bank

Tokyo, August 29, 2016 -- Sumitomo Mitsui Banking Corporation (SMBC, President and CEO: Takeshi Kunibe) announced today that it had signed a Letter of Intent (LOI) with the African Development Bank (“AfDB”) on August 27, during the Sixth Tokyo International Conference on African Development (TICAD VI), to signal their continued cooperation in fields such as trade finance and project finance.

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

SMBC became the first-Japanese bank to conclude a Risk Participation Agreement (RPA)* with the AfDB under its Trade Finance Program on May 26 of this year, and has been providing trade finance to its clients for their trade transactions.

Under the LOI, SMBC and the AfDB, in addition to intensifying trade finance covered by the RPA, will collaborate in project finance and other fields. This will enable SMBC to contribute to the sustainable economic growth and development of African countries by enhancing its ability to support its clients’ African operations by actively collaborating with the AfDB.

(* Risk Participation Agreement (RPA) under the AfDB's Trade Finance Program

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

Overview of the AfDB

Established:	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