

Press release
Luxembourg, 13 May 2019

BIL and Office du Ducroire sign the first framework agreement to finance companies' international growth

Banque Internationale à Luxembourg (BIL) and Office du Ducroire (ODL) announce the signature of a framework agreement aimed at increasing issuance of loans to finance Luxembourg companies' international trade. It is the first deal of its kind agreed between ODL and a bank.

International growth is a real challenge for any company, but especially small and medium-sized enterprises. Researching new clients, setting up and even adapting products to the local market require big investment. Moreover, the import-export business is cash-hungry: a foreign client may ask for an extended payment deadline, and in the case of a foreign supplier, a large down payment may be required. The company's ability to mobilise substantial financial resources is key.

The agreement signed between BIL and ODL answers this challenge. It facilitates companies' access to funding for import-export projects through a bank loan insurance policy that partially covers the borrower default risk.

"Through this deal with ODL, we will be able to strengthen our support for the Luxembourg economy by helping companies with their international development plans. This insurance has been eagerly awaited by businesses in the country, and we are happy to be the first bank to offer it", said Marcel Leyers, Chairman of the Executive Committee of Banque Internationale à Luxembourg.

"The fact that exporters often have trouble accessing the funds needed for their international development led us to launch this new product, which is supposed to provide leverage by protecting banks partially against the risk of non-reimbursement of the loans. This cover will allow banks to open higher credit facilities for Luxembourg companies' international operations, while keeping their risk at an acceptable level," explained Arsène Jacoby, Chairman of ODL.

ODL's bank loan insurance supplements BIL's range of business services. From a company's foundation to takeover, to the financing of investments and innovative or international projects, the bank accompanies small and large firms through each stage of their development.

To find out more about this bank loan insurance available from BIL and ODL, visit www.bil.com/trade-finance



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About Banque Internationale à Luxembourg (BIL):

Founded in 1856, Banque Internationale à Luxembourg (BIL) is the oldest multi-business bank in the Grand Duchy. It has always played an active role in the main stages of the development of the Luxembourg economy. It currently operates in retail, private and corporate banking, as well as on capital markets. Employing more than 2,000 people, BIL is present in the financial centres of Luxembourg, Switzerland (since 1984), Denmark (since 2000) and the Middle East (since 2005).

www.bil.com

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About Office du Dueroire:

ODL, created in 1961, is a public institution that offers two different tools to help Luxembourg companies in their international activities:

- financial support for promotion and exhibition costs
- insurance solutions for international trade and investment risks.

www.odl.lu

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