



# Exploring Collaboration Opportunities with Korea Eximbank

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THE EXPORT IMPORT BANK OF KOREA

# I. Korea Eximbank at a Glance

# Overview

## Our Mission

*To develop the national economy through promotion of international economic cooperation*

## Our Vision

*We Finance Global Korea*



### Who We Are

- Korea's **Official Export Credit Agency** with a mandate to support Korea's export and help Korean companies better respond to international business opportunities
- **100% government-owned** policy bank
- International credit ratings **equivalent to the Sovereign ratings**

Moody's Aa2

S&P Global  
Ratings AA

FitchRatings AA-



### What We Do

- Loans
- Guarantees
- Investment
- Advisory Services
- Economic Development Cooperation Fund(EDCF)
- Inter-Korean Cooperation Fund(IKCF)



### Our Focus Area

- Infrastructure
- Industrial Plant
- Natural Resources Development
- Overseas Business of Korean Firms
- Support for SMEs
- New Growth Industries

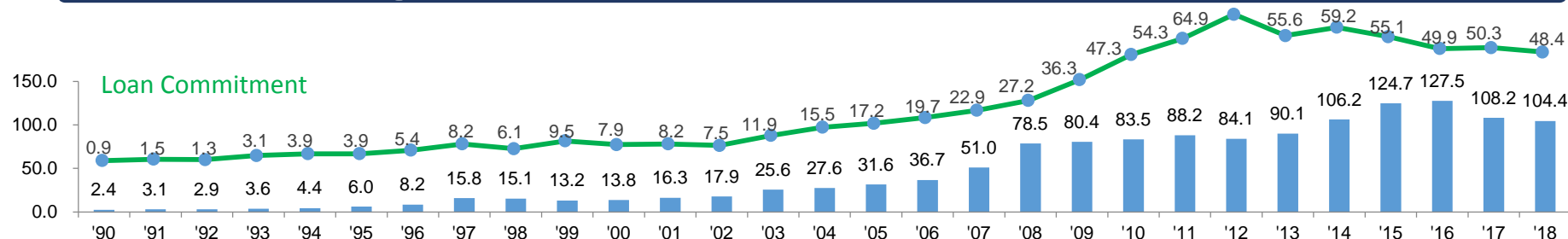


# Performance Highlights

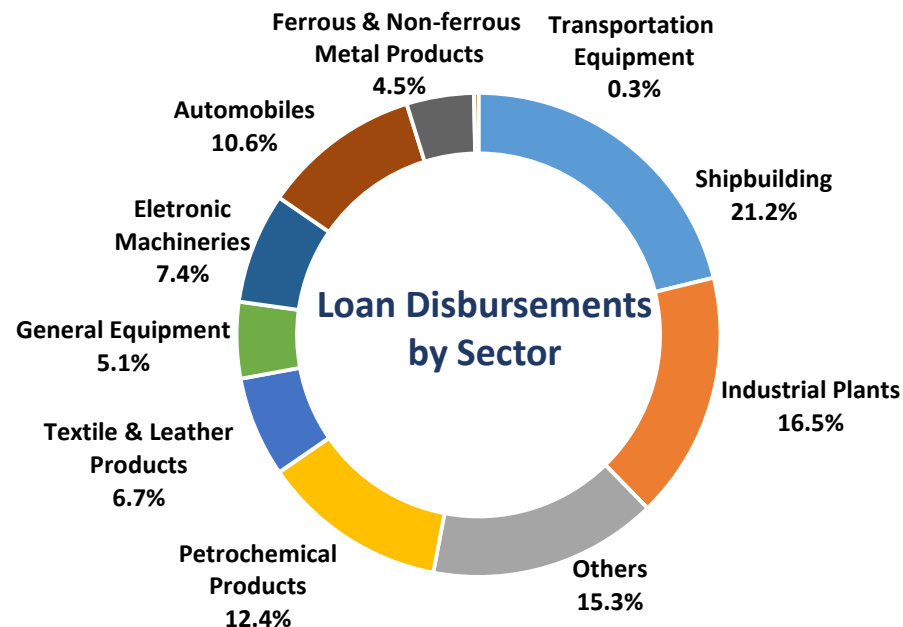
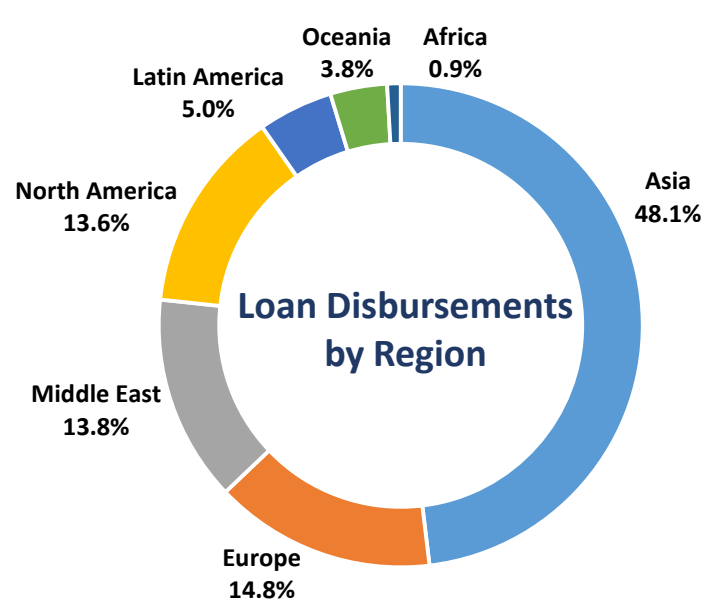
As of the end of 2018, the total outstanding loans and guarantees was approx. **USD 93.4 billion**

## Total Outstanding of Loans & Guarantees(1990-2018)

(Unit: KRW trillion)



## Loan Disbursement by Region & Sector(2016-2018)



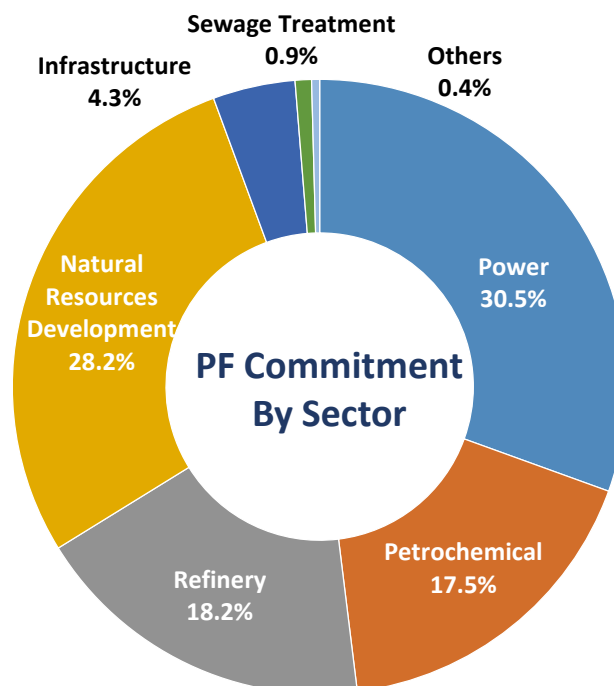
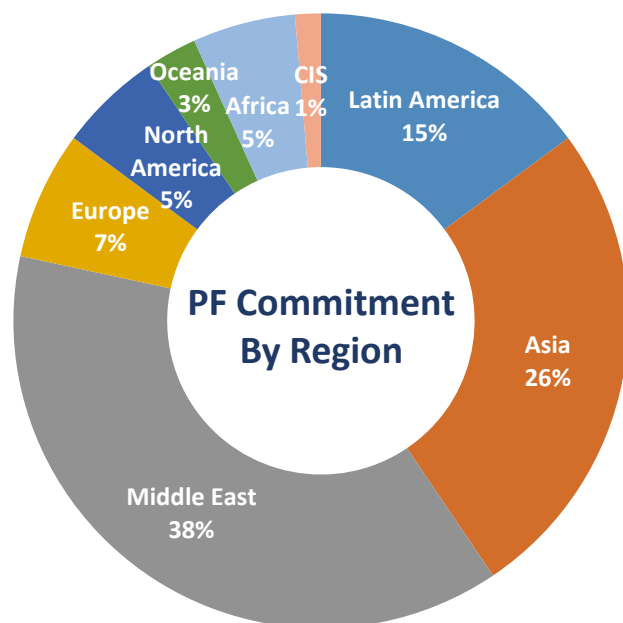
# KEXIM's PF Transactions

- Since 1999, we have actively participated in the global project finance market, providing USD 25.3 billion for 74 PF projects

(Unit: USD million)

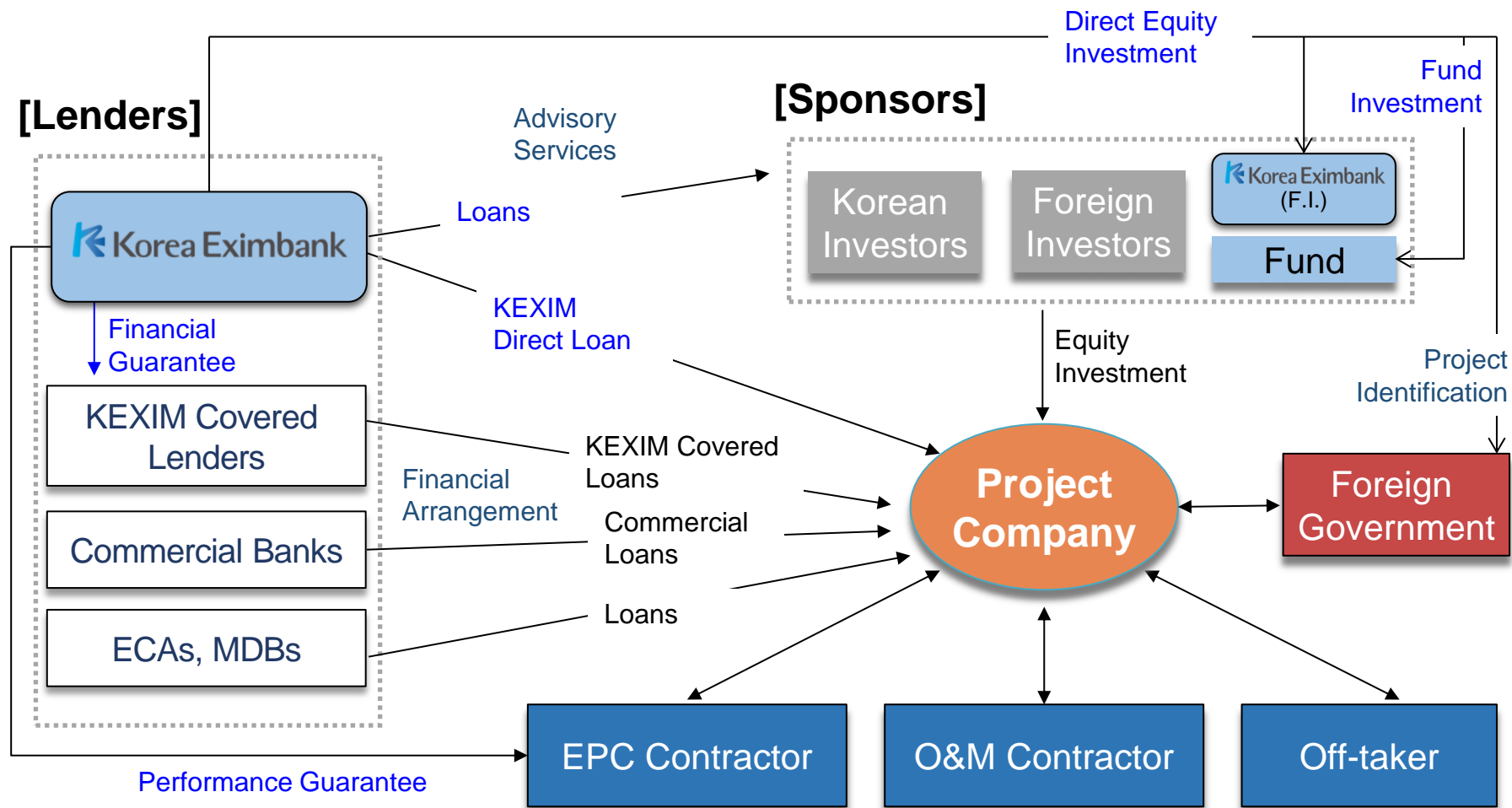
Year	2000	2005	2008	2009	2010	2013	2015	2016	2017	2018
No. of Projects	3	2	3	3	6	7	2	3	4	5
Commitment	124	520	1,500	871	2,485	4,744	1,245	682	1,926	2,942

## PF Commitment by Region & Sector(1999-2018)



# Finance Solutions in PF-type Projects

- KEXIM's support for PF-type projects ranges from loans, guarantees, equity investment to financial advisory & arrangement services



# KEXIM in Global PF Market

## Key KEXIM-Supported PF Transactions

(Unit: USD million)

Year	Project	Project Cost	Total Debt	KEXIM's Commitment
2018	Peru Mina Justa Copper Mine	1,766	900	200
	Oman Duqm Refinery	8,797	4,660	700
	Turkey Çanakkale Bridge	3,130	2,850	740
2017	Mozambique Coral South FLNG	8,021	5,000	1,000
2016	Oman Liwa Plastics	6,302	3,800	360
2015	US Sabine Pass LNG Facility Expansion	18,975	14,320	1,000
2014	Oman Refinery and Petrochemicals	3,794	1,743	600
2013	Australia Roy Hill Iron Ore	12,037	7,200	1,000
	US Sabine Pass LNG	12,582	8,913	750

## KEXIM's Presence in Global PF Market

### MULTILATERAL DEVELOPING COUNTRY EXPOSURE BY INSTITUTION

IDFI	Direct lending	Guarantees	Exposure	Deals no
1 Kexim/ K-Sure	1,718	1,048	2,767	8
2 China Export Import Bank	2,560	—	2,560	2
3 JBIC/Nexi	2,051	373	2,424	7
4 CESCE	500	1,250	1,750	2
5 IFC/World Bank/MIGA/IBRD	1,496	—	1,496	18
6 Serv	—	1,484	1,484	2
7 EKF	183	855	1,038	7
8 Sinosure	—	1,012	1,012	1
9 ADB	869	—	869	6
10 IDB Invest/IDB	740	113	853	13



Mining Deal of the Year: **Mina Justa**

Petrochemical Deal of the Year: **Duqm**

Turkish Deal of the Year: **Çanakkale**

\* Source: PFI League Tables 2018 & PFI Awards 2018

## II. Drivers of Collaboration in Global PF Market

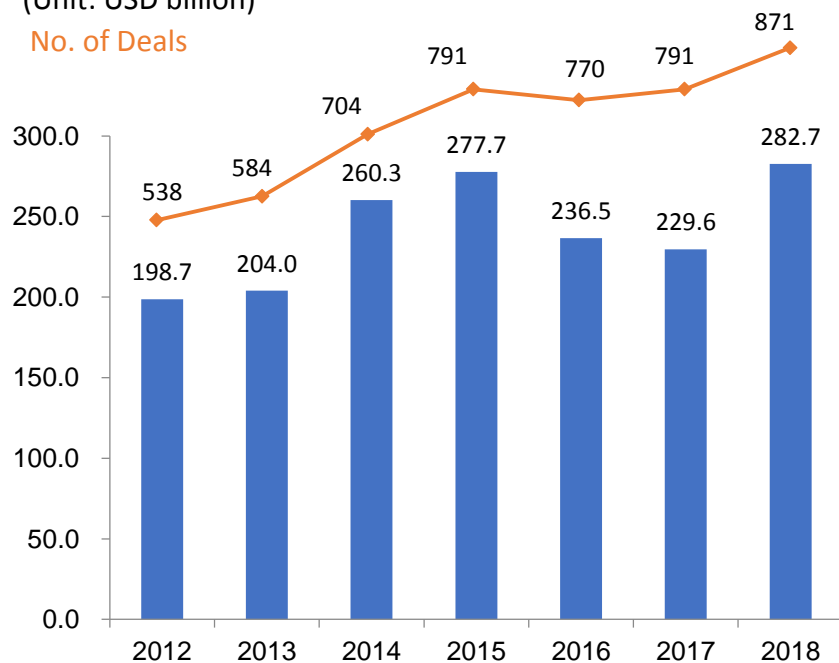
# Current State of Global PF Market

- The global PF loans have been growing in number and size in recent years
- ECAs' involvement in PF activities remains strong and plays a critical role in getting deals done

## Global PF Loans in Number and Size

(Unit: USD billion)

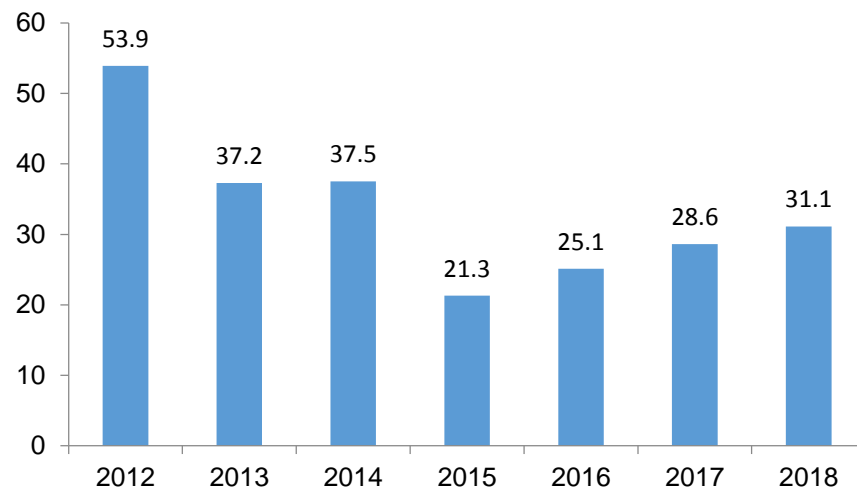
No. of Deals



\* Source: PFI

## Multilaterals' PF Exposures

(Unit: USD billion)



# Drivers of Collaboration in Global PF Market

## Major Factors Driving ECAs Becoming Increasingly Involved in PF Market



### Rise of Mega Deals

- **Multi-billion-dollar deals** increasingly becoming a norm
- **Continued need for ECA support in large-scale projects**
  - ✓ especially in Oil & Gas, Natural Resources Development, Power and Infrastructure sectors
- **Constraints in the commercial bank's participation in medium & long-term, riskier financing**
  - ✓ stricter regulatory framework such as Basel III, KYC and AML



### Growing Needs for Multi-source Financing

- **Sponsors diversifying financing means** as mega projects continue to emerge
- Increase of **multi-national consortium** based projects

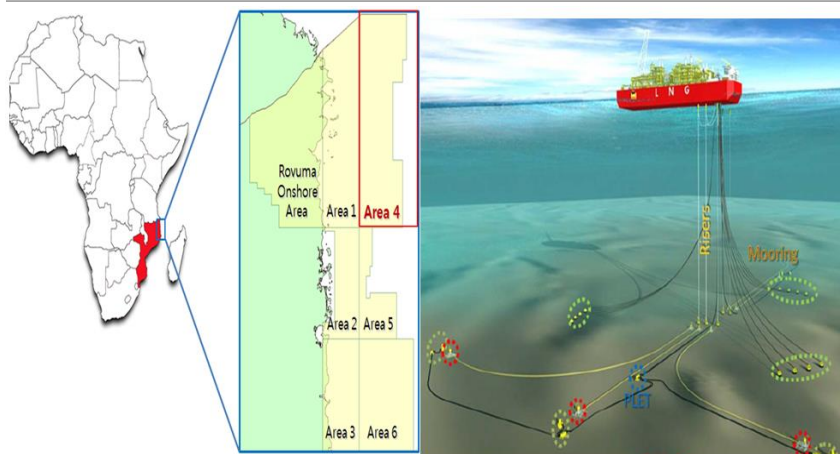


### Towards Emerging Markets

- Exporters seeking **new trade and business opportunities**
- Many ECAs involved in **pathfinder** or **first-in-country deals**

# III. Case Studies : *KEXIM Financed PF Projects*

# Case 1: Mozambique Coral South FLNG



## Key Features

- One of Africa's largest-ever project financings
- The first FLNG project financing
- Involvement of multi-national ECAs
- The pathfinder role of ECAs contributed to achieving the successful financial close amid challenging circumstances

## Financing Sources

(Unit: USD million)

	Institution (Commitment)	Total
<b>KEXIM</b>	Direct Loan(510), Guarantee(490)	1,000
<b>Other ECAs</b>	<b>K-Sure</b> (800), <b>SACE</b> (700), <b>Bpifrance</b> (450), <b>Sinosure</b> (1,550)*	3,500
<b>Commercial Banks</b>	International	400

\* Sinosure covered lenders: China Exim, Bank of China and ICBC

<b>Location</b>	Offshore waters of the Coral gas field in Area 4 Block of the Rovuma Basin, 50km from the north-eastern coast of Mozambique
<b>Description</b>	Design, construction and operation of a floating LNG plant and the related facilities for the treatment and liquefaction of the gas produced (3.4 Mtpa)
<b>Sponsors</b>	KOGAS(10%), eni(50%), CNPC(20%), Galp(10%), ENH(10%)
<b>EPC</b>	Samsung Heavy Industries-Technip-JGC Consortium (Korea-France-Japan)
<b>Off-take</b>	LNG: a subsidiary of BP , Condensates: Spot market
<b>Project Cost</b>	USD 8.0 billion
<b>Total Debt</b>	USD 4.9 billion (D:E=61:39)
<b>Financial Close</b>	November 2017

## Case 2: Oman Duqm Refinery



<b>Location</b>	Special Economic Zone at Duqm in the south-eastern coast of Oman
<b>Description</b>	Construction of refinery with a capacity to process 230,000 barrels per day, on-site utilities, infrastructure and storage and off-site facilities
<b>Sponsors</b>	Oman Oil Company(50%), Kuwait Petroleum Europe(50%)
<b>EPC Package</b>	[Package 1] Daewoo Engineering & Construction-Tecnicas Reunidas(Korea-Spain) [Package 2] Samsung Engineering-Petrofac(Korea-UK) [Package 3] Saipem-CB&I(Italy-US)
<b>Feedstock Supply &amp; Off-take</b>	Oman Trading International, Kuwait Petroleum Corp.
<b>Project Cost</b>	USD 8.8 billion
<b>Total Debt</b>	USD 4.7 billion (D:E=53:47)
<b>Financial Close</b>	January 2019

### Key Features

- The largest oil & gas project financing in 2018
  - ✓ The largest project financing in EMEA in any sector in 2018
  - ✓ The largest ever project financing in Oman to date
  - ✓ Petrochemical Deal of the Year(PFI Awards 2018)
- ECAs' engagement as pathfinders
- Multi-source financing from ECAs, commercial banks and Islamic financing institutions
  - ✓ The largest ever Islamic facility in an Omani project financing

### Financing Sources

(Unit: USD million)

	Institution (Commitment)	Total
<b>KEXIM</b>	Direct Loan(490), Guarantee(210)	2,250
<b>Other ECAs</b>	<b>UKEF</b> (800), <b>CESCE</b> (750)	
<b>Commercial Banks</b>	International(1,075), Local(645)	1,720
<b>Islamic Facility</b>	Kuwait Finance House, Boubyan Bank, Warba Bank, Arab Petroleum Investment Corporation, Ahli United Bank Kuwait	690

# Case 3: Turkey Çanakkale Bridge



## Key Features

- One of the most high-profile construction projects undertaken by the Turkish government
  - ✓ The world's longest suspension bridge(3.6km)
  - ✓ PPP project globally funded and developed
- Multi-source financing from ECAs, MDB, Islamic facility and commercial banks(both local and international)
- ECAs acting as anchor lenders to achieve a successful financial close in challenging circumstances

## Financing Sources

(Unit: EUR million)

	Institution (Commitment)	Total
<b>KEXIM</b>	Direct Loan(310), Guarantee(290)	1,035
<b>Other ECAs</b>	<b>K-Sure</b> (400), <b>EKF</b> (35)	
<b>MDB</b>	<b>ICIEC</b> <sup>1)</sup> (100)	100
<b>Commercial Banks</b>	International(200), Local(776)	976
<b>Islamic Facility</b>	Kuwait Finance House, Kuveyt Türk <sup>2)</sup>	200

1. Islamic Corporation for the Insurance of Investment and Export Credit (a member of the Islamic Development Group)
2. A subsidiary of Kuwait Finance House in Turkey

<b>Location</b>	North-west corner of Turkey (traversing Tekirdag and Çanakkale provinces across the Dardanelles Strait)
<b>Description</b>	Construction of 6 lane suspension bridge(3.6km), Malkara-Çanakkale motorway(88.4km) and access roads
<b>Sponsors</b>	Daelim Industrial(25%), SK Engineering & Construction(25%), Limak(25%), Yapi Merkezi(25%)
<b>EPC</b>	Daelim Industrial-SK Engineering & Construction-Limak-Yapi Merkezi JV
<b>Project Cost</b>	EUR 3.1 billion
<b>Total Debt</b>	EUR 2.3 billion (D:E=74:26)
<b>Financial Close</b>	March 2018

# Thank You for Your Attention!



We Finance Global Korea