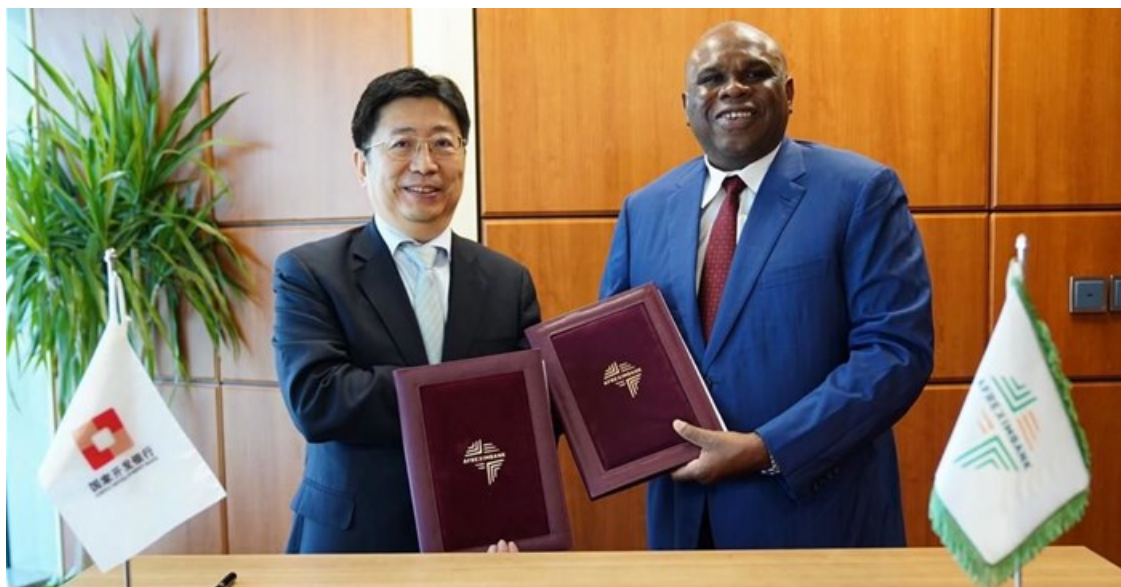


Afreximbank and China Development Bank forge \$400m loan pact for African SME support

In Cairo, the China Development Bank (CDB) inked a development-oriented deal, offering a \$400m term loan facility to African Export-Import Bank (Afreximbank). This funding aims to bolster small and medium-sized enterprises (SMEs) across the African continent.



Source: Afreximbank

The agreement, signed by Tan Jiong, president of CDB, and Benedict Oramah, president and chairman of the Board of Directors of Afreximbank, provides for Afreximbank to deploy the facility to support African SMEs involved in extra- and intra-African trade and those engaged in the productive sectors in Afreximbank member states.

According to the agreement, the facility, which has a seven-year tenor, will be deployed either directly to eligible African SMEs that meet Afreximbank's requirements or indirectly through local financial intermediaries.

Speaking after the signing, Oramah pointed out that African SMEs continue to struggle to access adequate and affordable financing for growing their businesses and said that the CDB facility would help increase the level of financing available to them.

He added that since Afreximbank was receiving the facility as medium to long-term funding at relatively affordable pricing, the bank would transfer the financial advantage in pricing and tenor to the end beneficiaries.

“This facility further strengthens the strategic partnership we have developed with the China Development Bank over the last six years, which has seen CDB make three previous interventions in support of our work at Afreximbank,” continued Oramah.

“It will also enable our two institutions to achieve our respective mandates and developmental outcomes, which include job creation, increased economic activity and increased extra-African trade with China.”

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