

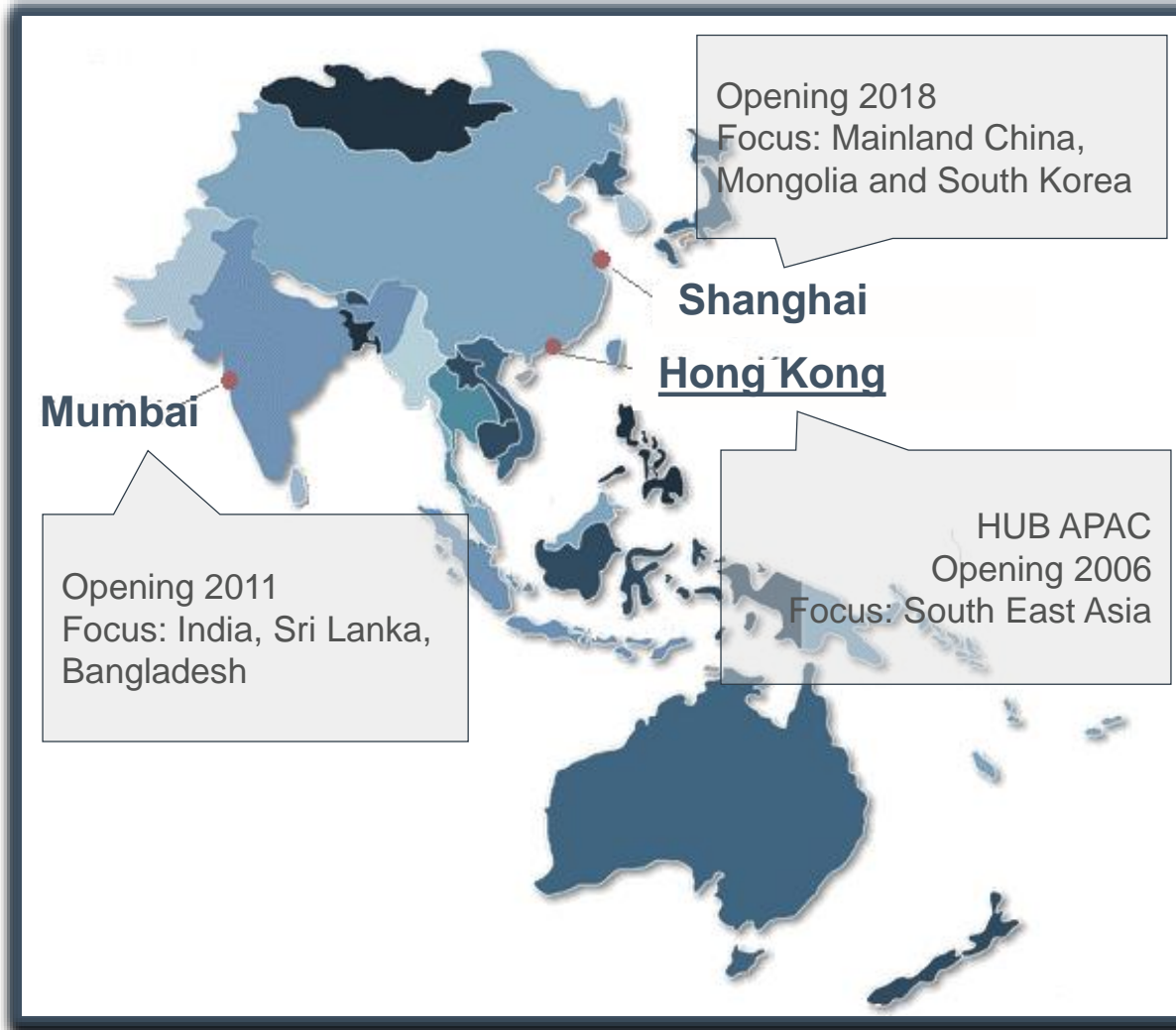
Seizing opportunities in the Petrochemical sector with SACE and SUMEC ITC



A quick overview

28-10-2021

SACE: APAC Region and China



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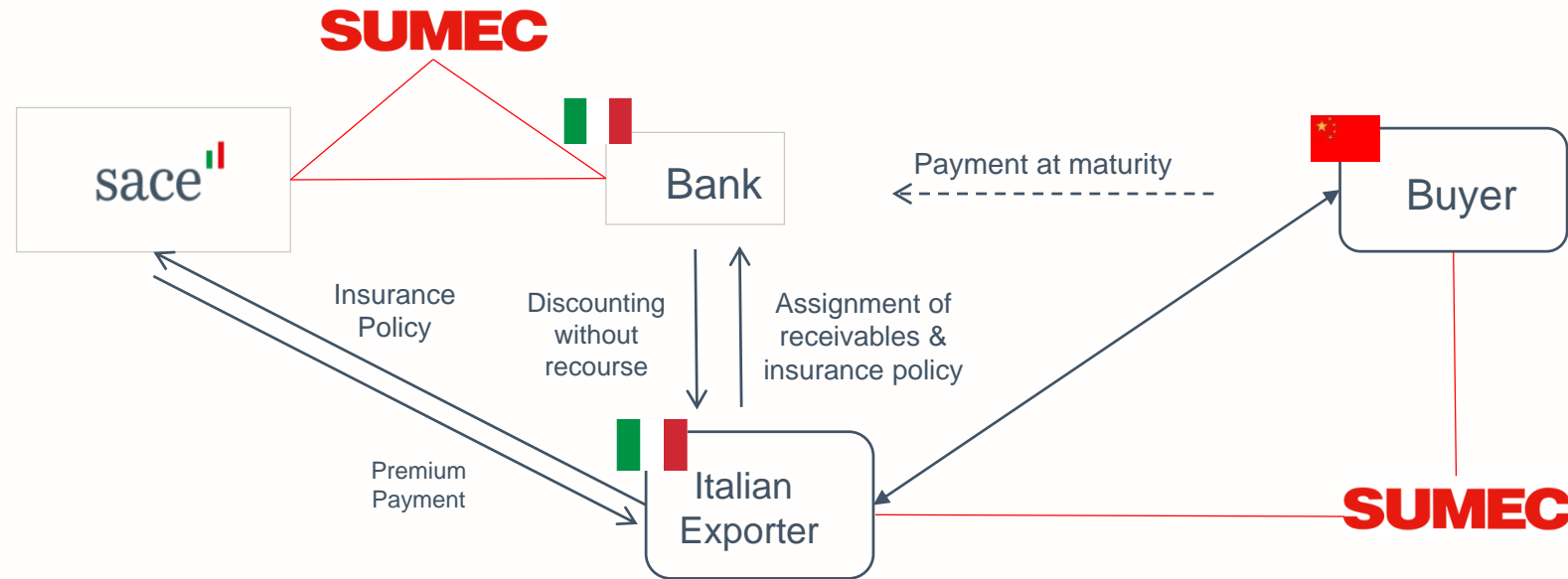
Risks insured in APAC Region

Main sectors for SACE:
Oil&Gas, Infrastructure, Chemical Petrochemical and Power

Other sectors of strategic interest:
Automotive, AgriBusiness, Food, Furniture, Fashion, Pharma&Health

SACE SHANGHAI
1st European Export Credit Agency with a direct presence in mainland China

Supplier Credit



Subject to OECD Consensus rules for Export Credit

HOW IT WORKS

- **Sace**, after analyzing the buyer's creditworthiness, **issues to the Italian Exporter an Insurance Policy** covering up to 85% of the export contract value (min 15% down payment), normally below € 5/6 mln
- **The insurance policy covers up to 95-100%** for non-payment, caused by political and commercial events
- **Italian Supplier can obtain liquidity** through discounting receivables without recourse upon assignment of them to the bank, together with the SACE insurance policy

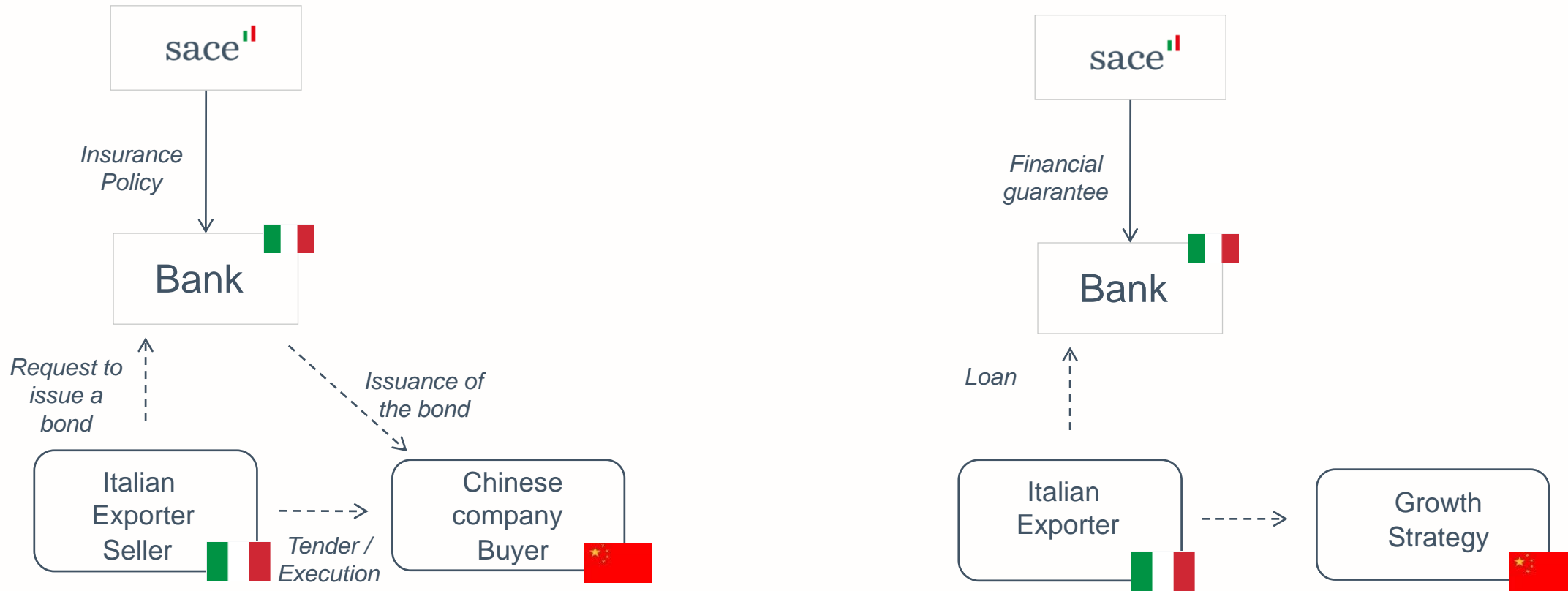
ROLE OF SUMEC

- **Sumec offers administrative support** to exporter and buyer during the commercial negotiation and after the signing of the contract
- **Sumec provides Sace with the latest financial statements together with some additional documents** (i.e. company information, business plan). Moreover, Sumec informs Sace about potential negotiations ongoing between Italian exporters and Chinese buyers
- **Sumec directly manages the relation with the discounting bank** in order to get easier the process and reducing the possible critical issues

BENEFIT FOR THE EXPORTER

- **The exporter offers an attractive financing solution** that supports Chinese buyers in getting access to deferred payment contracts when purchasing capital goods from Italy
- **The exporter can use the supplier credit to be more competitive in terms of financial offer**
- Through Sumec, the exporter has the **opportunity to reduce the complexity of doing business in China**

Issuance of contractual guarantees



HOW IT WORKS

- **Sace**, after analyzing the exporter's creditworthiness, **issues to a bank Italian an Insurance Policy** covering 50% - 70% of the bond
- The exporter increases the credit limits with banks with competitive solutions in terms of pricing

Contacts

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