



itfc

International  
Islamic Trade  
Finance Corporation

# **ITFC the Leading Trade Solutions Provider**



# About **ITFC**

The International Islamic Trade Finance Corporation (ITFC) is a member of the Islamic Development Bank (IsDB) Group. It was established with the primary objective of advancing trade among the Organization of Islamic Cooperation (OIC) member countries, which would ultimately contribute to the overarching goal of improving the socio-economic conditions of the people across the world.

Commencing operations in January 2008, ITFC has provided more than US\$70 billion of financing to OIC member countries, making it the leading provider of trade solutions for these member countries' needs. With a mission to become a catalyst for trade development for OIC member countries and beyond, the Corporation helps entities in member countries gain better access to trade finance and provides them with trade-related technical assistance Programs, which would enable them to have the necessary tools to successfully compete in the global market.

## Vision

ITFC is the leading provider of trade solutions for OIC Member Countries' needs

## Mission

ITFC is a catalyst for trade development among OIC Member Countries and beyond

# WHAT WE OFFER

## Trade Finance

We offer Shariah-compliant trade finance to public and private sector entities within and beyond Member Countries, with a focus on intra-OIC trade. Our financing benefits farmers, cooperatives, manufacturers, refineries, traders, and service providers.

We provide a range of products, including import, pre-export, and export finance, buyer's credit, structured commodity financing, supply chain financing, and lines of credit, facilitating trade across the value chain.

## Financing Mechanisms:



### Direct Financing:

ITFC purchases the goods from the supplier, on behalf of the beneficiary, and sells them immediately to the beneficiary with deferred payment arrangement. Title of goods is transferred immediately from ITFC to the Beneficiary.



### Line of Financing:

It is designed to ultimately benefit SMEs. Banks / FIs act as Intermediary (Lines Agents) between ITFC and the end beneficiaries, whereby ITFC signs Murabaha Agreement with end beneficiary (SME) against a Guarantee from the Bank/FI.



### Murabaha Financing with FIs:

It is designed to ultimately benefit SMEs. ITFC signs a Murabaha contract with the bank (the bank is the counterparty to ITFC); who signs a second Murabaha contract with the SME.



### Deferred Murabaha (Structured Commodity Finance):

ITFC purchases the goods and holds the title until it is sold to the beneficiary. The goods may be sold (i.e. transfer of title) in one or several sale transactions to the beneficiary during the financing period.



### Co-Financing & Syndication:

In this mode of financing, ITFC, acting as a Mudarib (lead arranger or co-arranger), invites one or more Financial Institutions to participate in the financing.

# Integrated Trade Solutions

In line with the ITFC Strategic direction, Integrated Trade Solutions are extended, which fuse trade finance with trade development components, tailored to tackle the trade development challenges faced by Member Countries. In this context, ITFC seamlessly incorporates its trade development interventions, encompassing Trade Related Technical Assistance (TRTA), into the framework of its trade finance solutions when conceptualizing and executing thematic and regional trade integration and development initiatives.

## Flagship Programs

# 5

### Active Flagship Programs



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## Integrated Trade solutions

# 36

**Integrated Trade solutions** implemented to provide member countries with financial and technical support to build their trade capacity.

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## Targeted Interventions

# 45

**Tailored Targeted Intervention project** implemented to support to OIC member countries include Trade Facilitation, Trade Promotion and Trade Related Technical Assistance (TRTA) Projects/ Programs.

# Supporting Critical Sectors

Since 2008, ITFC has approved more than of

**US\$70 billion**

of trade financing for OIC member countries, supporting below strategic sectors:

## Sustaining the Energy Security in the OIC REGION:



- Access to energy is a key driver of economic and social development. Access to energy supply has multiple impacts on productivity, people's health, education, food security, and so on.



- Therefore, improving access to energy is crucial to unlocking the potential for faster economic and social development. In this context, ITFC has been considering supporting the energy sector of Member Countries since its establishment in 2008 as one of the main pillars of its strategy in its interventions in the country.



- As such, ITFC has remained a steadfast partner in providing financing to secure fuel in order to maintain stability for electricity generation reaching large number of disadvantaged populations. Since 2018, ITFC has disbursed over US\$ 46 billion with the sole purpose of securing access to energy in OIC member countries.

# Access to Finance for SMEs

SME segment is considered as one of the major components of real economy in Member Countries, particularly as SMEs play a crucial role in job creation and revenue generation. Given the obstacles faced by SMEs to access financing and given the challenges faced by the Corporation to reach SMEs directly (lack of proximity, cost of credit due diligence & processing, monitoring etc.),

ITFC has been providing financing solutions to SMEs through partnerships with local financial institutions by extending lines of financing. Since inception in 2008, the cumulative approvals in favor of private sector and SME clients stands at US\$ 17.8 billion, representing 25.0% of the trade finance portfolio.

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# Enhancing Food Security

## IsDB Group's Food Security Response Program (FSRP)

As part of the IsDB Group's Food Security Response Program, ITFC targets to provide US\$4.5 billion over the coming 3.5 years (2022 July-2025) to address the immediate needs of Member Countries, including access and affordability of food staples. Key response initiatives include the design of capacity-building and technical assistance programs to mitigate food security challenges in Member Countries.

In 2022, ITFC approved 15 operations worth US\$1.8 billion, which is 50% above the target set for that year. Total disbursements for these operations reached US\$366 million. ITFC's financing under the FSRP was a balanced portfolio between the strategic import commodities (such as grains, edible oils, fertilizers, and other agriculture inputs) and the support of key export commodities.

## A Dependable Partner in Times of Crisis

ITFC has played a significant role in supporting its member countries and partners during the COVID-19 crisis. It has acted as a dependable partner by offering financial assistance and trade-related solutions to mitigate the economic impact of the pandemic. ITFC has provided various forms of support, including:



**Trade Finance:** ITFC has continued to facilitate trade finance and provide liquidity support to ensure the flow of essential goods, including medical supplies and food, during the pandemic. This support has been crucial in maintaining the stability of supply chains.



**Emergency Financing:** ITFC has offered emergency financing to member countries to address the immediate healthcare and economic challenges posed by the pandemic. This has been essential in helping countries respond to the crisis effectively.



**Capacity Building:** ITFC has conducted training and capacity-building programs to assist member countries in improving their healthcare and trade-related capabilities to respond to the pandemic.



# ITFC IN NUMBERS

**Financial and Operational Highlights  
2008-2023 (up to August 2023)**



Authorized Capital

**US\$3  
billion**



Subscribed Capital

**US\$857.7  
million**



Paid- Up Capital (Par Value)

**US\$745.6  
million**



Cumulative Trade Finance  
Approvals (2008-Aug.2023)

**US\$73  
billion**



Cumulative Disbursements  
(2008-Aug.2023)

**US\$61.3  
billion**



Trade Finance Approvals for 2022

**US\$6.8 billion**

Trade Finance Disbursements for 2022

**US\$7.4 billion**



Trade Finance Approvals for 2023 (Aug.)

**US\$ 4.49 billion**



Trade Finance Disbursements for 2023 (Aug.)

**US\$ 3.85 billion**

## Trade Finance Approvals for 2022 by Sector



**Energy**

**US\$3.98  
billion**



**Food & Agriculture**

**US\$1.85  
billion**



**Financial**

**US\$719  
million**



**Others**

**US\$268  
million**

## Cumulative Trade Finance Approvals by Sector (2008-2022)

**Food and Agriculture**

**Asia & Middle East**

**US\$7.4  
billion**

**Africa**

**US\$3.4  
billion**

**Energy**

**Asia & Middle East**

**US\$35  
billion**

**Africa**

**US\$10.9  
billion**

## Trade Finance Approvals by Sector 2023 (Aug.)

**Food and Agriculture**

**US\$ 1.35  
billion**

**Energy**

**US\$ 2.18  
billion**

**Financial Sector**

**US\$620  
million**

**Others**

**US\$ 329  
million**

**Trade Finance Approvals for 2022 by Region**

**Asia & Middle East**

**US\$4.8  
billion**

**Africa**

**US\$2  
billion**

**Cumulative Trade Finance Approvals by Region (2008-2022)**

**Asia & Middle East**

**US\$51.2  
billion**

**Africa**

**US\$17.3  
billion**

**Private Sector Approvals for 2022**

**US\$757 million**

**Intra-OIC Trade Support for 2022**

**US\$4.9 billion**

**Number of  
Member Countries  
Served**

**23**

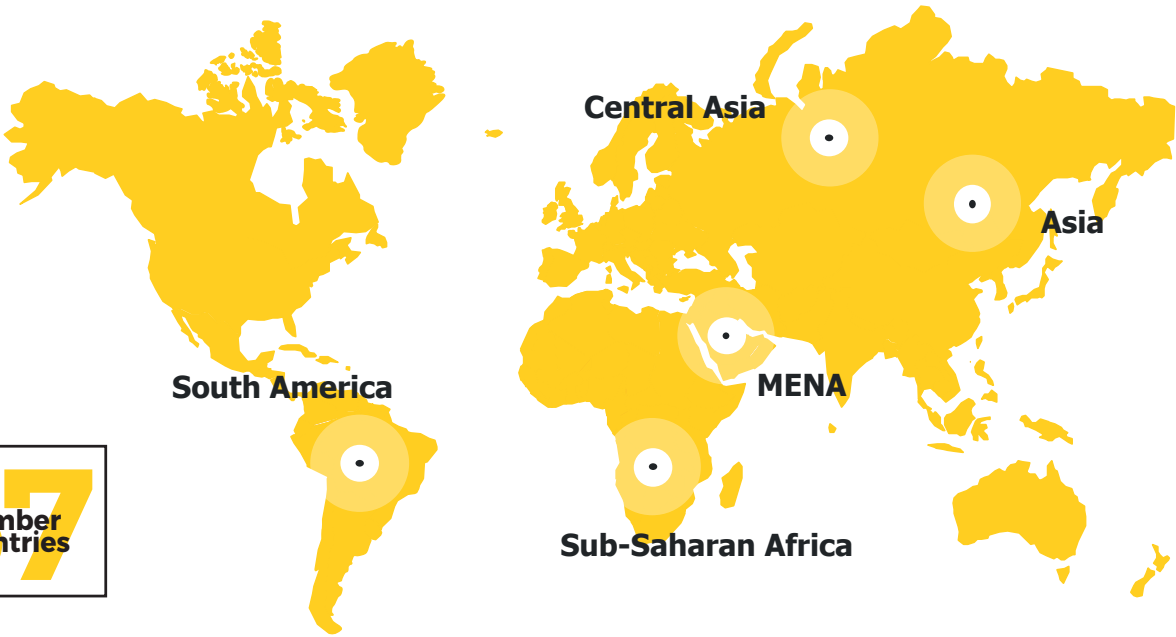
**Number of  
Operations  
in 2022**

**121**

**Least Developed  
Member Countries  
Portfolio Share in 2022**

**37%**

# Where we operate



**57**  
Member  
Countries

# Where we are



## Jeddah - Kingdom of Saudi Arabia

Headquarters

P.O. Box 55335, Jeddah 21534, Kingdom of Saudi Arabia.  
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## Dubai - UAE Office

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