

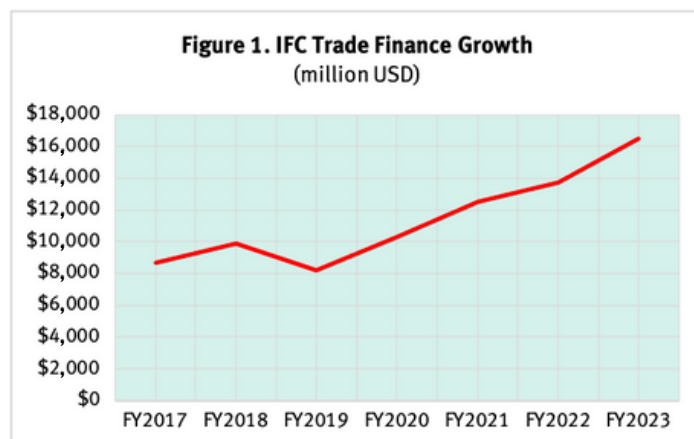
Heike Mainhardt

## Is the World Bank giving billions of trade finance to fossil fuels?

*In 2022, an estimated \$3.7 billion in World Bank trade finance went to oil & gas. This would more than triple the current annual level of fossil fuel finance attributed to the World Bank and cast serious doubts on Bank claims of alignment with the Paris Climate Agreement.*

*– Heike Mainhardt, Urgewald – September 2023*

In the last three years (FY2021-23), the World Bank's private sector arm, the International Finance Corporation (IFC), has provided over \$40 billion in trade finance.[i]. Since FY2019, the IFC has doubled the amount of trade finance (see Figure 1). It now accounts for over 60% of annual funding commitments (see Figure 2). While the IFC may have initially increased trade finance in response to the COVID pandemic, this alone does not explain such continued growth. As was the case after the 2008 financial crisis, trade finance rebounded quickly. Its overall availability exceeded pre-COVID levels by 2022.[ii]



Despite trade finance's vast and still-growing share of the IFC's budget, over 70% of it is given out in secrecy.[iii] The types of goods and businesses it is funding are not even reported to the World Bank's shareholders, i.e., our governments. The public has a right to know where all this money is going.

**The World Bank's Board needs to mandate public disclosure of all trade transactions.**

Of the many concerns surrounding this lack of transparency is the fact that IFC's trade finance can be used for oil, gas or coal and their related goods. This is because the World Bank Group's pledges to end finance for coal and upstream oil and gas only apply to direct finance and not to trade finance, which is considered indirect finance. IFC's coverage of trade transactions is only restricted by IFC's Exclusion List [iv], where we find items such as radioactive materials, but not any oil-, gas-, or coal-related goods.

**The World Bank's Board needs to add oil, gas, coal and their related goods to the Exclusion List.**

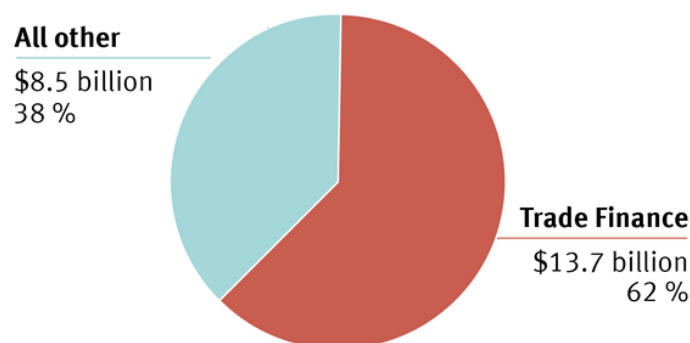
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**Fig.2 IFC Annual Finance Commitments  
FY2022**



**There is no doubt that IFC trade finance is going to fossil fuels – the only question is, how much?**

“Trade finance” is an umbrella term covering many types of financial products that banks, commodity traders and companies utilize to facilitate trade transactions.

In general, trade finance products make trade transactions feasible by either guaranteeing payments or by providing short-term loans as working capital, i.e., cash flow, to pay for supplies and services to produce the goods or to pay for the imported goods themselves. As such, trade finance allows exporters and importers to support and grow their businesses while using and risking little of their own money. Trade finance is usually short-term because it only covers the period of time to complete the trade transaction, typically three to five months.

Every country in the world uses trade finance to import and/or export oil, gas, coal or petrochemicals (e.g., inputs for fertilizers and plastics). Furthermore, in order for most countries to develop a new coal, oil or gas field or to build a new thermal power plant or refinery, they have to import an enormous amount of machinery, pipelines, and other resources. All of this fossil fuel business takes trillions in trade finance. Fuel exports alone in 2021 reached a new high of US\$2.6 trillion.<sup>[v]</sup>

**How much IFC trade finance is going to fossil fuels?**

Despite a severe lack of transparency, the IFC provides some information, which can be used to formulate an estimate, at least for oil and gas transactions. According to the IFC’s 2017 Trade and Commodities Finance Solutions - Product Guide <sup>[vi]</sup>, the IFC has six trade finance product lines (see Figure 3 and Appendix Table 1).

Going forward, IFC forecasts that these two trade programs will support another \$100 billion in trade transactions by 2030,<sup>[viii]</sup> which would average out to \$12.5 billion annually (FY2023-30).

As indicated, the Annual Reports do not provide the total amount of IFC trade finance as they leave out four other trade programs.

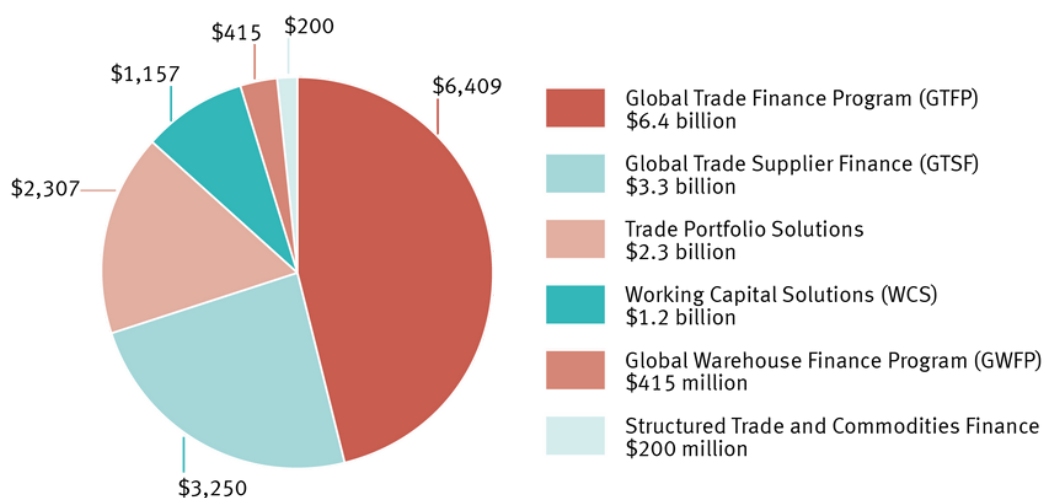
Of these six, aggregated data for the two largest programs – the Global Trade Finance Program and Global Trade Supplier Finance – is provided in the IFC’s Annual Reports.

Over six years (FY2017-22), IFC finance commitments for these two programs alone ranged from \$5.8 billion to \$9.7 billion annually, equating between 35 to 43 percent of total annual funding.<sup>[vii]</sup>

As indicated, the Annual Reports do not provide the total amount of IFC trade finance as they leave out four other trade programs. These programs add another \$3 to \$5 billion annually. In FY2022, these programs accounted for \$4.1 billion bringing the total for IFC trade finance to \$13.7 billion (see Figure 3 and Appendix Table 1).

**Fig 3. IFC Trade Finance Commitments by Program**

**FY2022**  
(million USD)



## IFC Trade Finance Product Lines

### Global Trade Supplier Finance (GTSF):

Digging through the IFC’s projects database, one finds the GTSF program currently provides trade finance through a handful of banks serving four large global companies. From FY2021-23, GTSF made available \$2.3 billion to \$3.3 billion annually in short-term loans and guarantees to finance the supply chains feeding into: McCormick (spices), Barry Callebaut (chocolate), Under Armour (clothing), and Wolverine World Wide (footwear). For the oil and gas trade finance estimate, none of the GTSF finance is included.

### Global Trade Finance Program (GTFP):

The largest trade finance platform is the GTFP, which accounted for \$6.4 billion in FY2022 (see Figure 3 and Appendix Table 3). It provides guarantees to a pre-approved list of banks covering trade-related payment obligations. How it works is a global “Confirming” bank requests an IFC guarantee to cover the payment coming from an importer’s local “Issuing” bank.

Then, IFC’s trade transactions staff approve and issue the guarantee within 48 hours of the request. The IFC does not decline a requested guarantee based on the types of goods unless they are on the IFC’s Exclusion List, which does not include coal-, oil-, or gas-related goods.<sup>[ix]</sup>

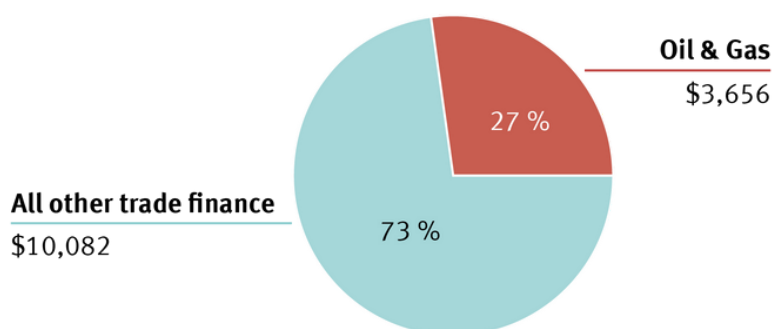
Unlike the GTSF program, GTFP guarantees are not targeted at specific companies and none of the trade transactions are publicly disclosed, not even to World Bank Group Board members. However, data on sectoral distribution of GTFP finance over

FY2006-12 can be found in an assessment by the World Bank Group’s Independent Evaluation Group (IEG).[x]

According to the IEG assessment, across the GTFP platform (FY2006-12), oil and gas accounted for an average of 18 percent (ranging from 15 to 27 percent), metals and minerals (which could include coal) – 14 percent, and agriculture, including petrochemical fertilizers – 20 percent. However, there were sharp differences by region. In Africa, oil and gas averaged 50 percent. The IEG further highlighted that in Nigeria, “54 percent was in the oil and gas industry, in which importers tended to be large commodity brokers.”[xi]

While no trade transactions are disclosed, digging through the IFC’s projects database webpages, one can determine which countries’ Issuing banks are granted access to exceptionally large volumes of GTFP finance, i.e., \$500 million or greater.

**Fig 4. Estimated IFC Oil & Gas Trade Finance  
FY2022**  
(million USD)



For FY2022-23, IFC’s database shows GTFP finance was concentrated in 11 countries (see Appendix Table 3). All but one of these countries were located in Africa or the Middle East / North Africa, which have the two highest regional historical oil and gas rates for GTFP finance, 50 percent and 28 percent, respectively.

In FY2022, two countries had over \$500 million. Nigeria was granted \$1.5 billion and Ethiopia – \$1 billion. Refined petroleum is Nigeria’s top import and Ethiopia’s second largest import.

Additionally, several of the high GTFP-financed countries have large oil and gas infrastructure developments requiring significant machinery and construction material imports, including: Nigeria (\$19 billion, Dangote oil refinery and petrochemical complex); Mozambique (\$15 billion, LNG Areas 1 and 4); Ethiopia and Djibouti (\$4 billion, Ethiopia-Djibouti gas pipeline); Cote D'Ivoire and Guinea (\$25 billion, Nigeria-to-Morocco gas pipeline); and Iraq (\$27 billion, Gas Growth Integrated Project).

Basing the distribution of GTFP finance on the regions where it was committed in FY2022 and using the IEG report’s historical FY2006-12 averages for oil and gas percentage by region, the FY2022 oil and gas estimate for GTFP comes to \$2.8 billion (see Appendix Tables 2 and 3).

This estimate may be on the low side because the war in Ukraine caused oil and gas prices to spike in 2022-23, which most likely would have made the trade finance rates higher than the FY2006-12 average.

The rest of the trade finance product lines in the IFC's Annual Reports are folded into the aggregated figure for long-term finance commitments (even though this trade finance is short-term just like GTFP and GTSF). Trade finance totals for these product lines were developed by gathering data across the IFC's projects database webpages.

### **Trade Portfolio Solutions:**

The IFC includes three product lines into its Trade Portfolio Solutions group: Global Trade Liquidity Program (GTLP), Critical Commodities Finance Program (CCFP), and select Risk Sharing Facility (RSF) operations. Together, they make up the third largest amount of trade finance accounting for \$2.3 billion in FY2022. As the name suggests, these operations provide loans and guarantees covering multi-billion-dollar trade portfolios of large banks. Again, the IFC does not disclose what trade transactions, i.e., traded goods, make up these Bank portfolios.

According to data from the IFC's projects database, in FY2016-23 the IFC provided \$17 billion covering the trade portfolios of eight banks, including seven of the world's top fossil-fuel funders (see Appendix Tables 4 and 5).

Over this period, IFC provided \$5.3 billion to cover the trade portfolio of Citibank, the second largest fossil fuel lender in the world according to research in "Banking on Climate Chaos".<sup>[xii]</sup> In addition, IFC provided \$800 million to MUFG and \$5.3 billion to SMBC, the second and third largest coal lenders in the world, respectively, according to Urgewald research.<sup>[xiii]</sup>

The same large international banks covered by the Trade Portfolio Solutions are also included as confirming banks in the GTFP program. Given the IFC discloses no information on these banks' trade portfolios, the oil and gas trade finance estimate is based on the historical GTFP averages. For FY2022, this resulted in an oil and gas estimate of \$399 million for the Trade Portfolio Solutions group.

Again, this estimate may be considered low due to the war in Ukraine. Moreover, given that two of the largest coal-lending banks' portfolios are involved, it is unfortunate the IEG report did not provide a historical rate for coal to base an estimate on.

### **Working Capital Solutions:**

WCS is a multi-year (typically 3 years), revolving fund facility that makes short-term funding available through banks, which then pass on the funding to meet clients' trade finance and working capital needs, including pre-export and post-import financing.<sup>[xiv]</sup>

While no transactions are disclosed, IFC's projects database reveals which banks and countries receive WCS funds. Over FY2019-23, 35 countries received WCS funding, mainly with annual amounts between \$20 million and \$100 million. Countries receiving larger amounts, over \$100 million, include Brazil, Bangladesh, Tanzania and Nigeria. Nigeria sticks out for a couple of important reasons. It was by far the largest recipient of WCS funding, accounting for \$495 million in FY2022 or 43 percent of WCS program total.

Furthermore, five of the seven banks receiving WCS funding in Nigeria have also loaned money to the \$19 billion Dangote oil refinery (for which IFC has also provided \$150 million [xv]), which is slated to start producing oil later this year. Moreover, for three of these banks, the IFC specified that the WCS facility will support increasing lending to companies “importing petroleum products”, among other goods (see Appendix Table 6 for details).

Without more information, it is difficult to estimate how much WCS funding is going for oil and gas. Thus, the estimate for WCS is only based on Nigeria where petroleum was explicitly supported by WCS operations. The GTFP historical rate for Africa of 50% was used, resulting in \$248 million for WCS in FY2022 (see Appendix Tables 2 and 6).

#### **Global Warehouse Finance Program (GWFP):**

The GWFP focuses on the agriculture sector, including petrochemical fertilizers, offering multi-year, revolving funds for short-term loans and guarantees. The GWFP facilities are set up through banks to benefit individual companies. For example, since FY2020 there has been a \$50 to \$80 million revolving trade finance facility for the Nitron Group “to finance the purchase, storage and transportation of fertilizers for sales in Latin America and Africa.” At this time, petrochemicals are outside the scope of the oil and gas trade finance estimate, but it is important to note they need to be accounted for.

#### **Structured Trade and Commodities Finance (STCF):**

The STCF platform has predominantly focused on covering oil and gas trade in Africa. During FY2017-23, IFC provided a total \$1 billion in revolving trade finance facilities to cover:

Ethiopian Petroleum Supplier Enterprise, Sahara Energy Resources servicing Africa, and Addax Energy owned by Oryx Energies of Switzerland for oil and gas trading in Mauritania and West Africa.

For FY2022, only one STCF client was found in the IFC’s projects database, \$200 million went to Addax Energy. Thus, \$200 million was used for the FY2022 STCF oil and gas estimate (see Appendix Table 2). However, it is important to understand the actual amount of oil and gas trade being covered could be much larger because it is set up as a revolving fund. A single cargo/oil tanker may carry \$200 million-worth of crude [xvi] and, once the trade transaction has been completed, that \$200 million in IFC finance is available for the next oil or gas transaction.

#### **When you add all the IFC trade finance products together, an estimated \$3.7 billion went to oil and gas in FY2022 (see Figure 4 above and Appendix Table 2).**

Except for \$200 million from the STCF program, none of this trade finance is currently accounted for in World Bank Group fossil fuel finance. Including it would more than triple the total fossil fuel finance from an annual average of \$1.4 billion [xvii] to \$4.9 billion. It is important to note, the \$3.7 billion estimate should be considered conservative as it does not account for the impacts of the war in Ukraine. It also only represents oil and gas, since there was not enough information to estimate how much coal-related trade is being covered.

### **Is the World Bank really ending its support for fossil fuels or just calling it “trade finance?”**

An exorbitant amount of IFC money, i.e., more than half its budget, is streaming through banks without any oversight by the Board, without any opportunity for public scrutiny, without any accountability. The easiest way for a big oil company or coal operation to escape attention surrounding public assistance is to cloak it in trade finance. It is a huge loophole that must be closed and evaluated through public disclosure.

There is no doubt the World Bank and IFC are going to deny these findings and claim the figures are inaccurate. They most likely will make statements on the use of trade finance for “clean” energy, energy access and/or for small and medium-size enterprises (SMEs). All of which could be true at the same time that \$3.7 billion is still going to fossil fuels. This could all be cleared up if the IFC would simply disclose their trade transactions.

The continued secrecy surrounding trade finance makes it impossible to determine how much fossil fuel business the IFC is ultimately facilitating and whether the World Bank is actually aligned with the goals of the Paris Climate Agreement.

#### **The World Bank’s Board of Executive Directors needs to:**

▶▶ **Mandate public disclosure of all trade transactions.**

▶▶ **Add coal, oil and gas-related trade transactions to the IFC Exclusion List.**

If necessary, individual exemptions to the exclusion list can always be voted on by the Board.

## Appendix: Data Tables and Methodology

**Table 1. Total IFC Trade Finance FY2017-23 (million USD)**

From IFC Annual Reports	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Long-Term Finance Commitments	11,854	11,629	8,920	11,135	12,474	12,569	NA
Short-Term Finance Commitments: Global Trade Finance Program (GTFP) Global Trade Supplier Finance (GTSF)	6,491	7,398	5,764	6,469	8,195	9,659	NA
<b>Total Annual IFC Finance</b>	<b>18,345</b>	<b>19,027</b>	<b>14,684</b>	<b>17,604</b>	<b>20,669</b>	<b>22,228</b>	<b>NA</b>
Trade Finance Share (GTFP & GTSF)	35%	39%	39%	37%	40%	43%	NA
<b>All IFC Trade Finance</b>							
Trade Portfolio Solutions (GTLP, CCFP, & RSF)*	1,950	1,950	1,600	1,850	2,257	2,307	3,207
Structured Trade and Commodities Finance (GTST)	100	140	40	120	200	200	200
Global Warehouse Finance Program (GWFP)	NA	NA	640	325	375	415	725
Working Capital Solutions (WCS)	127	377	177	1,527	1,517	1,157	1,512
<b>Other Trade Finance Sub-Total</b>	<b>2,177</b>	<b>2,467</b>	<b>2,457</b>	<b>3,822</b>	<b>4,349</b>	<b>4,079</b>	<b>5,644</b>
Global Trade Finance Program (GTFP)	6,491	7,398	5,764	6,469	5,945	6,409	7,575
Global Trade Supplier Finance (GTSF)					2,250	3,250	3,250
<b>Total Trade Finance</b>	<b>8,668</b>	<b>9,865</b>	<b>8,221</b>	<b>10,291</b>	<b>12,544</b>	<b>13,738</b>	<b>16,469</b>
<b>Trade Finance Share of IFC Total</b>	<b>47%</b>	<b>52%</b>	<b>56%</b>	<b>58%</b>	<b>61%</b>	<b>62%</b>	<b>NA</b>

### Sources:

IFC Annual Reports [2022](#) (p.13) & [2021](#) (p.17). Trade finance data for all programs was collected from the IFC's project disclosure webpages as of July 10, 2023. Individual "project" funding amounts were taken from the "IFC's Investment as Approved by the Board" section of each webpage. See selected screenshots at the end of the appendix.

\*Includes Global Trade Liquidity Program (GTLP), Critical Commodities Finance Program (CCFP), and Risk Sharing Facility operations covering trade portfolios.

### Notes:

The IFC's fiscal year (FY) runs from July 1 to June 30.

NA = not available.

Trade finance operations are often multi-year, i.e., it is usually a 2- or 3-year commitment. As such, IFC's annual financial commitment is counted for each year the program exists.

### Methodology:

IFC Annual Reports only include an aggregate figure for the Global Trade Finance Program (GTFP) and the Global Trade Supplier Finance (GTSF). To develop annual finance figures for each of the six separate trade finance programs, Urgewald collected data from the IFC's project disclosure webpages (see Tables 3-6).

However, Urgewald's individual program totals for GTFP and GTSF did not add up to the IFCs reported aggregate total. For example, in FY2022, for GTFP Urgewald found a total of \$6,540 million (see Table 3) and for GTSF a total of \$3,250 million for an aggregate total of \$9,790 million. The IFC's Annual Report total is \$9,659 million or \$131 million less than the Urgewald total for FY2022.



To remain consistent with IFC’s reported figures, Urgewald used \$3,250 for GTSF and subtracted \$131 million from the GTFP to equal \$6,409 million. To avoid any over counting in the oil and gas trade finance estimate, \$131 million was only subtracted from GTFP and not split between the two programs because GTSF does not involve any oil or gas traded goods.

**Table 2. Estimate of IFC Trade Finance for Oil and Gas FY2022**

Trade Finance Product Line	FY2022 Trade Finance (million USD)	FY2006-12 Oil & Gas %	FY2022 Oil & Gas Trade Finance (million USD)
<b>Global Trade Finance Program (GTFP)</b>			<b>2,810</b>
Africa	4,909	50%	2,455
Middle East North Africa	1,000	28%	280
South Asia	500	15%	75
<b>Trade Portfolio Solutions</b>			<b>399</b>
Africa	75	50%	38
Europe and Central Asia	450	14%	63
Latin America	150	3%	5
World	1,632	18%	294
<b>Working Capital Solutions (WCS)</b>			<b>248</b>
Nigeria	495	50%	248
<b>Structured Trade and Commodities Finance</b>	200		<b>200</b>
<b>Total</b>			<b>3,656</b>

**Source:**

FY2006-12 Trade Finance Oil and Gas rates taken from GTFP rates found in IEG, 2013. Evaluation of the International Finance Corporation's Global Trade Finance Program, 2006-12. Independent Evaluation Group (IEG), World Bank, IFC and MIGA, pages 40, 42, & 43.

**Note:**

Sub-totals may not add to match aggregate total due to rounding.

**Methodology:**

To estimate the amount of IFC’s trade finance going to oil and gas in FY2022, Urgewald used GTFP average historical rates for FY2006-12 by region as found in the Independent Evaluation Group’s Evaluation of the International Finance Corporation's Global Trade Finance Program, 2006-12.

These rates remain valid as no changes have been made to trade transaction eligibility for IFC coverage since the 2013 IEG evaluation, i.e., all oil- and gas-related trade transactions are eligible. Urgewald collected annual trade finance data from IFC’s project disclosure webpages. See Tables 3, 4, and 6 for the individual projects that make up the regional FY2022 trade finance totals for each product line (see the cells highlighted in light red).

It should be noted, to remain consistent with IFC Annual Report totals, \$131 million was subtracted from Urgewald's GTFP Africa total in Table 3 (see explanation for Table 1 above), as such Africa sub-total \$5,040 million - \$131 million = \$4,909 million (see Table 2). In an effort to be conservative, it was subtracted from the Africa region because Africa has the largest GTFP historical oil and gas rate.

Lastly, for the Structured Trade and Commodities Finance program, the entire amount of \$200 million is used to cover oil and gas trade of Addax Energy (see IFC Projects 44257 & 44969). Thus, the entire amount goes into the oil and gas trade finance estimate for FY2022.

**Table 3. Global Trade Finance Program (GTFP) FY2021-23**

Project Name	Issuing Bank*	Country	Date Approved or Renewed & Status	Project Number	Guarantee (million USD)		
					FY2021	FY2022	FY2023
GTFP Sterling B.	Sterling Bank PLC	Nigeria	6/28/2021 Active	44726	500	500	500
GTFP Union PLC	Union Bank of Nigeria PLC	Nigeria	3/13/2019 Active	42662	500	500	500
GTFP Corona. MB	Coronation Merchant Bank	Nigeria	1/15/2020 Active	43116	500	500	500
WCS FSDH Merchant Bank [& GTFP]	FSDH Merchant Bank Ltd.	Nigeria	6/30/2022 Active	46132	15	15	15
GTFP Providus B.	Providus Bank PLC (largest shareholder Northwest Petroleum Gas Company 34.8%)	Nigeria	Oct 28, 2022 Active	46233			10
GTFP VISTA Bank Burkina Faso	Vista Bank Burkina Faso	Burkina Faso	12/17/2021 Active	45115		500	500
GTFP ATRI IBB	Interbank Burundi Sa	Burundi	6/20/2022 Active	47088		5	5
GTFP BRIDGE CI	Bridge Bank Group Cote D'Ivoire	Cote D'Ivoire	3/30/2021 Active	43416	500	500	500
GTFP NSIA CIV	NSIA Banque Cote D'Ivoire	Cote D'Ivoire	6/5/2020 Approved	42762	20	20	
GTFP ATRI BICICI	Banque Internationale Pour Le Commerce et L'Industrie De La Cote D'Ivoire	Cote D'Ivoire	3/31/2023 Approved	47781			5
GTFP EAB	East Africa Bank	Djibouti	4/26/2021 Active	44461	500	500	500

GTFP United Ethi	United Bank S.C.	Ethiopia	3/19/2021 Active	42666	500	500	500
GTFP Dashen Ethi	Dashen Bank S.C	Ethiopia	3/19/2021 Active	42667	500	500	500
GTFP ATRI NSIA Guinée	NSIA Banque Guinée	Guinea	4/1/2023, Approved	42761			5
GTFP VistaGui Guinea	Vista GUI	Guinea	2/10/2022 Active	45114		500	500
GTFP ATRI BPM	Banque Populaire Mauritania	Mauritania	3/17/2023 Active	47110			10
GTFP Unico Mozam	NEDBANK Mozambique	Mozambique	3/25/2021 Active	44597	500	500	500
GTFP MIGA Kigali	Bank of Kigali PLC	Rwanda	11/11/2022 Approved	46350			20
<b>Africa sub-total</b>					<b>4,035</b>	<b>5,040</b>	<b>5,070</b>
GTFP IDB IRAQ	International Development Bank (IDB)	Iraq	12/22/2022 Active	42836			500
GTFP ADIB EGYPT	Abu Dhabi Islamic Bank-Egypt SAE	Egypt	10/8/2021 Active	37453		500	500
GTFP AL KURAIMI	Alkuraimi Islamic Bank [KIB Bank]	Yemen, Republic of	10/17/2019 Active	43386	500	500	500
GTFP YKBank	Yemen Kuwait Bank for Trade and Investment YSC	Yemen, Republic of	2/16/2023 Active	40266			500
<b>Middle East North Africa sub-total</b>						<b>1,000</b>	
GTFP Global IME	Global IME Bank	Nepal	5/23/2022 Active	37956		500	500
<b>South Asia sub-total</b>						<b>500</b>	
BOP MAIB MSME Loan [+ GTFP]	Banca Comerciala Moldova-Agroindbank SA	Moldova	3/2/2023 Active	46698			5
<b>Europe and Central Asia sub-total</b>							5
<b>Total IFC GTFP Investment as Approved by the Board</b>					<b>4,535</b>	<b>6,540</b>	<b>7,575</b>

**Sources:**

Data was collected from the IFC's project disclosure webpages as of July 10, 2023. Guarantee funding amounts were taken from the "IFC's Investment as Approved by the Board" section of each project webpage. See also selected screenshots at the end of the Appendix.

\*For the GTFP, the IFC's guarantee is granted to cover the global "Confirming" bank's request for a guarantee on payment coming from a local "Issuing" bank.

**Notes:**

The IFC's fiscal year (FY) runs from July 1 to June 30.

GTFP operations are typically multi-year, i.e., usually renewed annually. As such, IFC's annual financial commitment is counted for each year the program is active. The GTFP guarantee funding amount is taken from the "IFC's Investment as Approved by the Board" section of each project webpage. It must be noted that often the "Project Description" has not updated the funding amount to reflect increases in subsequent project renewals. See the selected screenshots at the end of the Appendix.

Also, it is important to understand that in 2014, the IFC introduced a new \$500 million medium-term GTFP instrument, which allows selected GTFP banks to extend guarantees for up to five years instead of the usual GTFP one-year limit.<sup>[xviii]</sup> The IFC does not explain on what basis it selects these banks. This medium-term GTFP instrument likely explains the \$500 million amount to the select banks in Table 3.

It is reasonable to believe that the banks are selected for the large GTFP allowance because there is a demand for increased imports due to large infrastructure projects. In the case of many of the countries in Table 3, large oil and gas infrastructure is being built, including: Nigeria (\$19 billion Dangote oil refinery and petrochemical complex); Mozambique (\$15 billion LNG Areas 1 and 4); Ethiopia and Djibouti (\$4 billion Ethiopia-Djibouti gas pipeline); Cote D'Ivoire and Guinea (\$25 billion, Nigeria-to-Morocco gas pipeline); and Iraq (\$27 billion Gas Growth Integrated Project).

**Table 4. IFC Trade Portfolio Solutions Program**

Project Name	Bank	Country / Region	Date Approved & Status	Project Number	Loan or Guarantee (million USD)		
					FY2021	FY2022	FY2023
GTLP CITI V Increment	Citibank N.A.	World	10/27/2022 Active	47185 loan			400
GTLP CITI V	Citibank N.A.	World	6/3/2021 Active	45495 loan	600	600	600
GTLP SMBC II	Sumitomo Mitsui Banking Corporation	World	5/2/2019 Active	42104 loan	500		
GTLP SMBC III	Sumitomo Mitsui Banking Corporation RSF	World	3/16/2022 Active	46357 loan		500	500
GTLP SCB IV	Standard Chartered Bank Ltd.	World Region	12/13/2019 Active	41476 loan	350	350	
GTLP SCB V	Standard Chartered Bank Ltd.	World Region	4/23/2023 Active	47186 loan			350
DCM SRT CACIB III	RSF Cred Agricole Corporate and Investment Banking III	World Region	3/31/2021 Active	44927 loan	182	182	182
<b>World sub-total</b>					<b>1,632</b>	<b>1,632</b>	<b>2,032</b>

GTLP Turkiye Citi	Citibank Turkey	Turkey	12/16/2022 Active	46777 loan			100
GTLP SMBC Turkey III	Sumitomo Mitsui Banking Corporation and its affiliates	Turkey, ECA	9/9/2021 Active	45905 guarantee		275	275
SMBC ECA RSF II (Trade and Supply Chain)	Sumitomo Mitsui Banking Corporation	Central Europe	7/26/2019 Completed	42607 guarantee	250		
GTLP SMBC TUR IV	Sumitomo Mitsui Banking Corporation	Turkey	12/21/2022 Active	47724 loan			250
MUFG ECA GTLP	MUFG Bank	Europe, Turkey	10/21/2020 Active	43273 loan	150	150	150
GTLP MUFG ECA Inc [additional]	MUFG Bank	Turkey	6/22/2022 Active	46602 loan		25	25
<b>Europe &amp; Central Asia sub-total</b>					<b>400</b>	<b>450</b>	<b>800</b>
Santander CH RSF	Banco Santander Chile - trade finance assets	Chile	12/20/2019 Completed	43293 guarantee	150	150	
SanCh RSF II	Banco Santander Chile - trade finance assets	Chile	12/13/2022 Active	47313 guarantee			300
<b>Latin America sub-total</b>					<b>150</b>	<b>150</b>	<b>300</b>
BBi IDA RSF [Risk Sharing Facility]	BMCE Bank International PLC (Bank of Africa)	Africa	6/25/2021 Completed	43117 loan & guarantee	75	75	75
<b>Africa sub-total</b>					<b>75</b>	<b>75</b>	<b>75</b>
<b>Total</b>					<b>2,257</b>	<b>2,307</b>	<b>3,207</b>

**Source:**

Data was collected from the IFC's project disclosure webpages as of July 10, 2023.

**Notes:**

Trade Portfolio Solutions program operations, like GTLP, are typically multi-year, i.e., usually renewed annually. As such, IFC's annual financial commitment is counted for each year the program is active.

The IFC's fiscal year (FY) runs from July 1 to June 30.

GTLP = Global Trade Liquidity Program

RSF = Risk Sharing Facility

**Table 5. Bank Totals for IFC’s Trade Portfolio Solutions Program FY2016-23**

Banks	IFC Trade Finance FY2016-2023 (million USD)	World Fossil Fuel-lending Rank	World Coal-lending Rank
Citibank	5,300	2	5
MUFG Bank (Mitsubishi UFJ Financial Group)	800	6	2
Sumitomo Mitsui Banking Corporation (SMBC)	5,300	16	3
Credit Agricole CIB	546	23	
Santander	750	32	
Standard Chartered Bank	3,400	36	
UniCredit	0.750	39	
BMCE Bank International (Bank of Africa)	225		
<b>Total</b>	<b>17,070</b>		

**Sources:**

Data was collected from the IFC’s project disclosure webpages as of July 10, 2023.

Coal finance rankings: [TOP LENDERS GCEL 2022 \(urgewald.org\)](https://www.urgewald.org/top-lenders-gcel-2022)

Fossil fuel finance rankings: [Banking on Climate Chaos 2023 - Banking on Climate Chaos](#)

**Table 6. Working Capital Solutions FY2021-23**

Project Name	Bank	Country	Date Approved or Renewed & Status	Project Number	FY2021	FY2022	FY2023
WCS CR Coronation Merchant Bank	Coronation Merchant Bank Ltd.	Nigeria	6/24/2021 Active	45629	20	20	20
WCS FSDH Merchant Bank	FSDH Merchant Bank Ltd.	Nigeria	6/30/2022 Active	46132		20	20
WCS Crisis Response Zenith Bank	Zenith Bank PLC*	Nigeria	5/28/2020 rolled over	43988	100		
WCS CR Zenith	Zenith Bank PLC*	Nigeria	6/3/2022 Active	45971		250	250
WCS Crisis Response Union Bank Nigeria Plc	Union Bank of Nigeria PLC*	Nigeria	11/16/2020 Active	44042	30	30	30
WCS Crisis Response Access Bank PLC	Access Bank PLC*	Nigeria	6/26/2020 Active	44047	50	50	50

WCS Crisis Response First City Monument Bank	First City Monument Bank Ltd.*	Nigeria	5/28/2020 Completed	44091	50		
FBN Nigeria WCS	First Bank of Nigeria Ltd.*	Nigeria	6/29/2020 Active	43060	125	125	125
<b>WCS Nigeria Total</b>					375	495	495

**Source:**

Data was collected from the IFC’s project disclosure webpages as of July 10, 2023.

**Notes:**

Working Capital Solutions operations are typically multi-year, i.e., usually renewed annually. As such, IFC’s annual financial commitment is counted for each year the program is active.

The IFC’s fiscal year (FY) runs from July 1 to June 30.

\*These five banks have provided direct loans to the \$19 billion Dangote oil refinery and petrochemical complex (see: [Dangote Gets \\$3.3bn Loan From 12 Banks To Build Refinery - Ventures Africa](#)). The IFC also provided \$150 million to the Dangote project (see IFC project number 33744: [Disclosure - Dangote Industries Limited \(ifc.org\)](#)).

In addition, the IFC’s project webpages for the WCS operations of Zenith Bank, Access Bank, and First City Monument Bank, explicitly specify supporting petroleum, stating: “The WCS facility will support the Bank in increasing its lending to ... companies importing raw materials, petroleum products, goods and commodities traders, corporates and Small and Medium Enterprises.”

# Sample IFC Project Disclosure Website Screenshots

GTFP EAB

**Summary of Investment Information**

Project Number 44461	Company Name EAST AFRICA BANK SA	Date SPI Disclosed May 9, 2021
Country Djibouti	Region North Africa and Horn of Africa	Projected Board Date Apr 26, 2021
Environmental Category FI-3	Status Active	Last Updated Date
Department Regional Industry - FIG Africa	Industry Financial Institutions	Previous Events Approved: Nov 11, 2004 Signed: Jun 15, 2020
Sector Commercial Banking - Trade		

**Project Description**  
The proposed project includes an investment of up to US\$5 million in East Africa Bank ("EAB" or the "Bank") in the form of a trade finance guarantee facility for transactions with tenor up to six months.

**Associated Advisory Engagement**  
The project will be supported by an advisory engagement which aims to assist EAB in enhancing its existing global risk management, credit management and trade operations capacities and skills. This will be conducted through a series of workshops and training sessions aiming to build internal capacities.

**Related Environmental Document**  
No related documents.

**Additional Documents**  
No related documents.

**Map**  
A map showing the location of the project in North Africa and Horn of Africa.

**Similar Projects**  
Region: [Dropdown]  
Edita II  
Region: North Africa and Horn of Africa  
Disclosed Date: Jul 31, 2023  
Edita II  
Region: North Africa and Horn of Africa  
Disclosed Date: Jul 31, 2023

**Sponsor / Cost / Location    Development Impact    E&S Category Rationale / Risks and Mitigation    Contacts**

**Project Description**  
The proposed project includes an investment of up to US\$5 million in East Africa Bank ("EAB" or the "Bank") in the form of a trade finance guarantee facility for transactions with tenor up to six months.

**Associated Advisory Engagement**  
The project will be supported by an advisory engagement which aims to assist EAB in enhancing its existing global risk management, credit management and trade operations capacities and skills. This will be conducted through a series of workshops and training sessions aiming to build internal capacities.

**Sponsor / Cost / Location    Development Impact    E&S Category Rationale / Risks and Mitigation    Contacts**

**Project Sponsor and Major Shareholders of Project Company** >

**Total Project Cost and Amount and Nature of IFC's Investment** >

**IFC's Investment as Approved by the Board** v

500.0 million (USD)

Product Line	IFC Investment (million USD)
Risk Management	
Guarantee	500.0
Loan	
Equity	

\* These investment figures are indicative

**Similar Projects**  
Region: [Dropdown]  
Edita II  
Region: North Africa and Horn of Africa  
Disclosed Date: Jul 31, 2023  
Edita II  
Region: North Africa and Horn of Africa  
Disclosed Date: Jul 31, 2023  
Al Baraka Bank Egypt WCS  
Region: North Africa and Horn of Africa  
Disclosed Date: Jul 26, 2023  
CIB SL & Subdebt  
Region: North Africa and Horn of Africa  
Disclosed Date: Jul 6, 2023  
Banque Misr SSL  
Region: North Africa and Horn of Africa  
Disclosed Date: May 26, 2023

Source: <https://disclosures.ifc.org/project-detail/SII/44461/gtfp-eab>



GTFP Union PLC

Summary of Investment Information

Project Number 42662	Company Name UNION BANK OF NIGERIA PLC	Date SPI Disclosed Jun 30, 2020
Country Nigeria	Region Central Africa, Liberia, Nigeria, and Sierra Leone	Projected Board Date
Environmental Category F3-3	Status Active	Last Updated Date
Department CF3S6 - Regional Industry - FIG ME & Africa/FIG Inv Ops - Africa	Industry Financial Institutions	Previous Events Approved : Nov 11, 2004 Signed: Mar 13, 2019
Sector Commercial Banking - Trade		

Project Description  
The project consists of an investment of up to US\$ 40 million in Union Bank of Nigeria Plc ("Union Bank" or the "Bank") in the form of a trade finance guarantee facility for transactions with tenor up to one year. This is part of the GTFP program (<https://disclosures.ifc.org/#/projectDetail/SPI/23898>)

Associated Advisory Engagement

Related Environmental Document  
No related documents.

Additional Documents  
No related documents.

Map

Similar Projects  
Region: [Dropdown]  
Johvents Cocoa  
Region: Central Africa, Liberia, Nigeria, and Sierra Leone  
Disclosed Date: Aug 17, 2023  
Johvents Cocoa  
Region: Central Africa, Liberia, Nigeria, and Sierra Leone

Project Description  
The project consists of an investment of up to US\$ 40 million in Union Bank of Nigeria Plc ("Union Bank" or the "Bank") in the form of a trade finance guarantee facility for transactions with tenor up to one year. This is part of the GTFP program (<https://disclosures.ifc.org/#/projectDetail/SPI/23898>)

Associated Advisory Engagement

Sponsor / Cost / Location    Development Impact    E&S Category Rationale / Risks and Mitigation    Contacts

Project Sponsor and Major Shareholders of Project Company

Total Project Cost and Amount and Nature of IFC's Investment

IFC's Investment as Approved by the Board

500.0 million (USD)

Product Line	IFC Investment (million USD)
Risk Management	
Guarantee	500.0
Loan	
Equity	

\* These investment figures are indicative

Similar Projects  
Region: [Dropdown]  
Johvents Cocoa  
Region: Central Africa, Liberia, Nigeria, and Sierra Leone  
Disclosed Date: Aug 17, 2023  
Johvents Cocoa  
Region: Central Africa, Liberia, Nigeria, and Sierra Leone  
Disclosed Date: Aug 17, 2023  
Indorama Eleme Fertilizer-III  
Region: Central Africa, Liberia, Nigeria, and Sierra Leone  
Disclosed Date: Jul 28, 2023  
Indorama Eleme Fertilizer-III  
Region: Central Africa, Liberia, Nigeria, and Sierra Leone  
Disclosed Date: Jul 28, 2023  
Olam Palm Gabon  
Region: Central Africa, Liberia, Nigeria, and Sierra Leone  
Disclosed Date: Jun 21, 2023

Source: <https://disclosures.ifc.org/project-detail/SII/42662/gtfp-union-plc>

## End Notes

- [i] See Appendix Table 1
- [ii] [After years of decline, banks set for trade finance revenue growth in 2021 | S&P Global Market Intelligence \(spglobal.com\)](#)
- [iii] There are three IFC trade finance programs for which no information is disclosed regarding types of goods, companies, or projects receiving the finance. These include the Global Trade Finance Program (GTFP), the Portfolio Solutions Program, and the Working Capital Program (WCP). In FY21 & FY22, these programs totaled 77% and 73% of trade finance, respectively. See Appendix Table 1
- [iv] [IFC Exclusion List \(2007\)](#)
- [v] [wtsr\\_2022\\_c2\\_e.pdf\(wto.org\)](#)
- [vi] [IFC, 2017. Trade and Commodity Finance Solutions: 2017 Product Guide. International Finance Corporation \(IFC\), World Bank Group](#)
- [vii] IFC Annual Reports [2022](#) (p.13) & [2021](#) (p.17). See Appendix Table 1
- [viii] IFC Annual Report [2022](#) (p.29).
- [ix] Once a request for a guarantee is received via SWIFT (Society for Worldwide Interbank Financial Telecommunications), IFC trade operations staff ensure the trade transaction is eligible for GTFP coverage by determining compliance with IFC's Exclusion List and anti-money-laundering policies – none of which exclude oil, gas, coal or related goods. See pages 56 and 63 of the Independent Evaluation Group's "Evaluation of the International Finance Corporation's Global Trade Finance Program 2006-12." There have been no Board-approved changes to the rules surrounding GTFP eligibility since 2013.
- [x] IEG, 2013. Evaluation of the International Finance Corporation's Global Trade Finance Program 2006-12. Independent Evaluation Group, World Bank, IFC and MIGA. Page 40. [Microsoft Word - GTFP for disclosure final June 6.docx \(worldbankgroup.org\)](#)
- [xi] [Banking on Climate Chaos 2023 - Banking on Climate Chaos](#)
- [xii] [TOP LENDERS GCEL 22.png \(800x2000\) \(urgewald.org\)](#)
- [xiii] IFC, 2017. Trade and Commodity Finance Solutions: 2017 Product Guide
- [xiv] International Finance Corporation (IFC), World Bank Group
- [xv] See IFC project number 33744: [Disclosure - Dangote Industries Limited \(ifc.org\)](#)
- [xvi] The Economist, June 4, 2023 [Who is keeping coal alive? \(economist.com\)](#)
- [xvii] FOE, et. al., 2022. At a Crossroads: Assessing G20 and MDB International Energy Finance Ahead of Stop Funding Fossils Pledge Deadline. Friends of the Earth and Oil Change International, November 2022. Page 28. [At-A-Crossroads-report.pdf \(foeus.wpenginepowered.com\)](#) Note: The \$1.4 billion 2019-21 annual average most likely includes \$200 million for oil and gas from IFC's Structured Trade and Commodities Finance program because this program explicitly covers oil and gas trade.
- [xviii] IFC, 2017. Trade and Commodity Finance Solutions: 2017 Product Guide. International Finance Corporation (IFC), World Bank Group.