The Export-Import Bank of the United States (EXIM) and Ghana Export-Import Bank (GEXIM) have entered into a cooperative framework agreement to finance the export of U.S.-produced goods and services for Ghana’s “One District, One Factory” (1D1F) program to promote industrial development through the establishment of small-scale industries in each of Ghana’s administrative districts.

Under the framework agreement, EXIM seeks to support the export of goods and services manufactured in or originating from the United States to Ghana by providing guarantees of commercial loans made by private-sectors lenders (to be determined) to support financing to be raised by GEXIM for the purpose of on-lending to qualified Ghanaian small and medium-sized enterprises (SMEs) to finance their purchases of U.S. exports.

GEXIM seeks to support the Ghanaian government’s 1D1F program by extending EXIM-guaranteed financing to qualified SMEs in administrative districts throughout Ghana.

EXIM and GEXIM will develop a lending structure to utilize EXIM’s medium-term loan guarantees under which GEXIM will serve as the borrower and the principal source of repayment for financing that GEXIM will on-lend to Ghanaian SMEs.

All such EXIM-guaranteed loans would be secured by an assignment by GEXIM to the participating lender of all principal, interest, fees, other payments, and any security interests arising in connection with the GEXIM on-lending facility.

All transactions would be approved individually and are subject to EXIM’s due diligence in finding reasonable assurance of repayment and compliance with all other EXIM requirements and policies.

The nonbinding cooperative framework agreement was signed on April 4, 2019, and will remain in effect through April 3, 2022.

NEXT STEPS: EXIM – Please contact Bonnie Cybulko, vice president (acting), Industrial and Project Finance Divisions at bonnie.cybulko@exim.gov; GEXIM – Please contact William Obeng, general manager, Corporate Banking at WObeng@eximbankghana.com.