



KNOWLEDGE SHARING SESSION ON
FINANCIAL OPPORTUNITIES
OF
MYANMAR'S EXPORTER MARKET

—— SPEAKER : MARIO JORDAN FETALINO III ——



KYOPAY

Overview of Myanmar's Export Market

'18 Total Export

15.4

Billion USD

YoY Average Export Growth

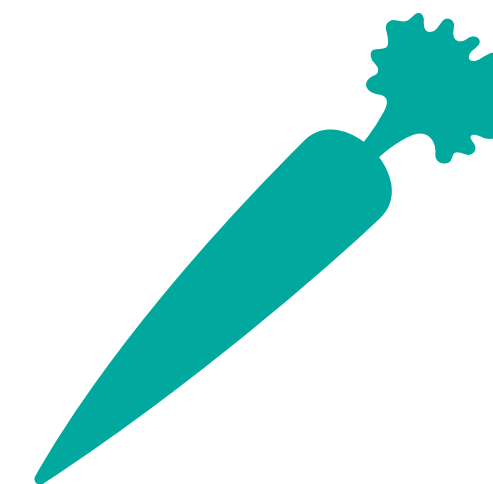
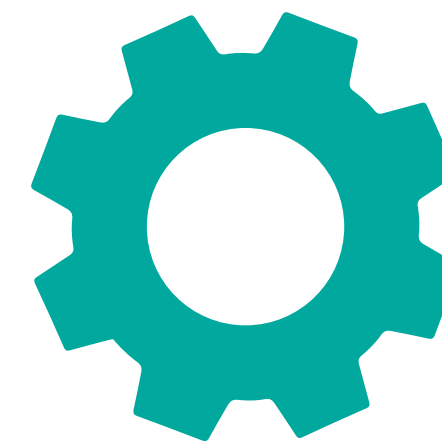
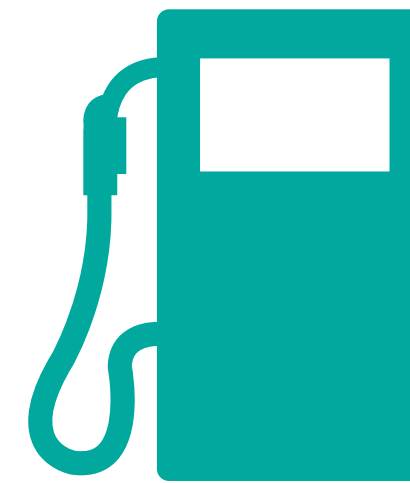
14.8%

'18 Export - GDP Ratio

21.6%

Major Exports By Commodity

By Commodity



Major Exports By Country

By Country

CHINA - 33%

THAILAND - 18%

JAPAN - 8.3%

INDIA - 3.4%

HONG KONG - 3.4%

Growing Demand for Myanmar products

National Export Strategy 2020 - 2025 focus

- Agriculture, & Fruits and Vegetables
- Digital Economy
- Gems and Jewelry
- Industrial Art Products

Barriers that hinder the growth of Myanmar's exporter market

**Capacity
Building**

**Access to
Finance**

**Access to
Data**

Financial Solutions available to Exporters

- **Letter of Guarantee**
- Offered by Myanmar local and Foreign Banks
- Most require the ff: Bill of Exchange, Commercial Invoice, Packing List, Bill of Lading, Insurance Policy, etc.
- Some banks still require immovable collateral / corporate guarantees



Letter of Credit



Factoring / Forfaiting

- **Purchase of Invoice Receivable**
- Currently not available in Myanmar
- Usually Non - Recourse to exporter
- 80% - 90% of the value of your export receivable
- Most require the ff: Invoice Receivable copy and delivery documents

Trade Finance

- **Indemnity for unexpected loss of good during transport**
- Offered by selected insurance companies
- Usual coverage are : theft / robbery

Cargo Insurance



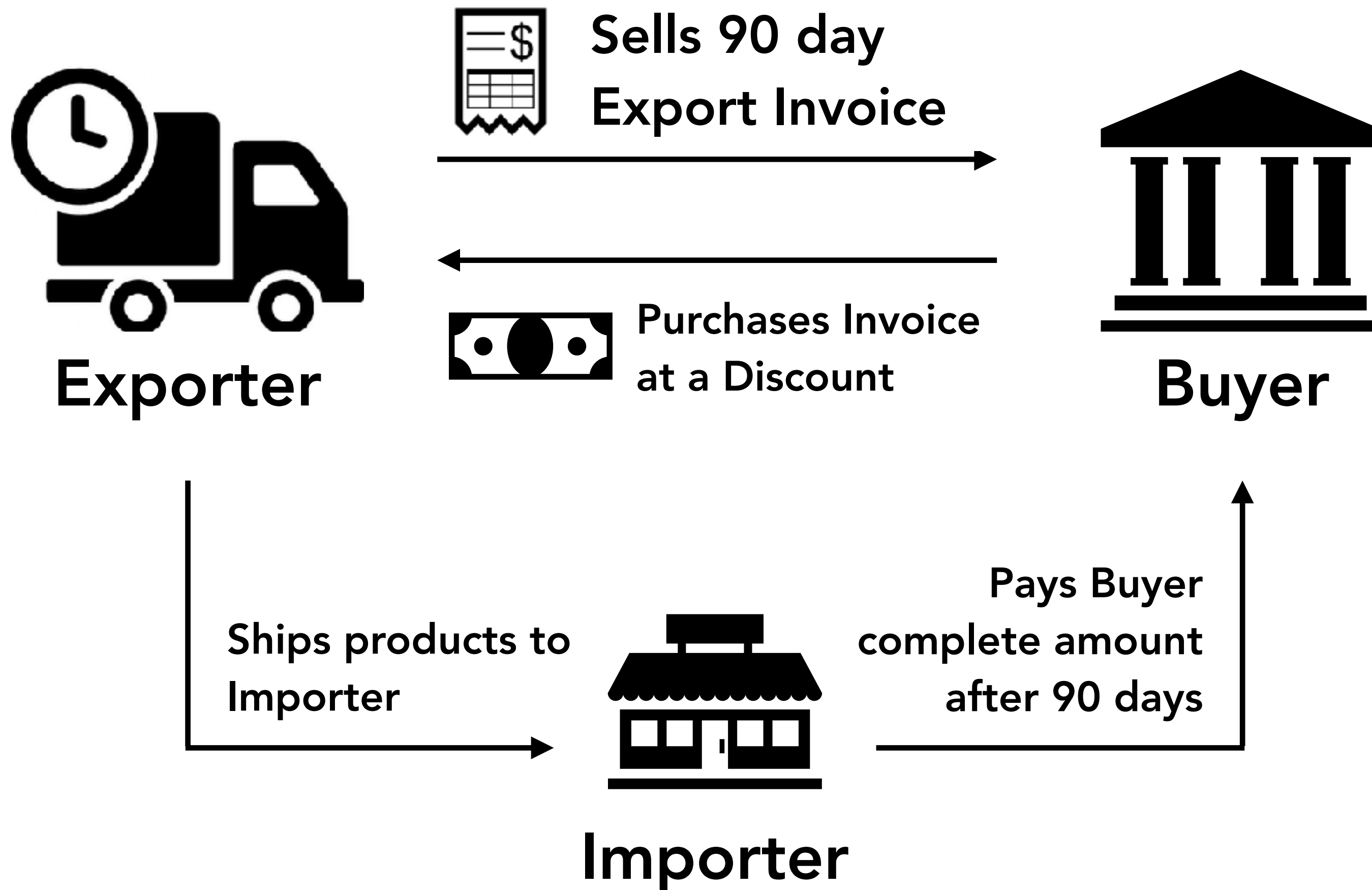
Lending Facilities

- **Short / Long Term Loans**
- Offered by Myanmar local and Foreign Banks
- Need for immovable collateral / corporate guarantees
- Basis of credit is on the Exporter





Export Factoring / Forfaiting



International Factoring Member Associations



Facilitating Open Account - Receivables Finance





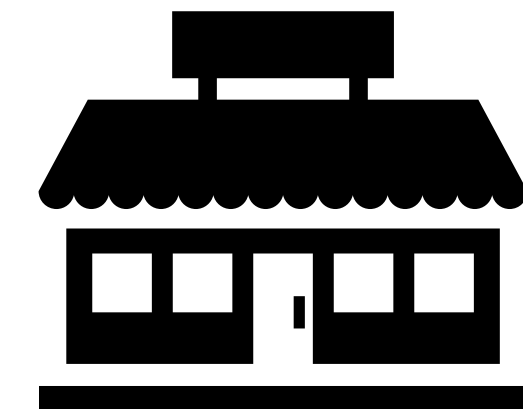
Myanmar
Exporter



Myanmar FCI
Factor Member



India FCI
Factor Member



India
Importer



Cross Border Factoring Model



Facilitating Open Account – Receivables Finance

Case Studies



FCI Exporter : China,
Hong Kong, Malaysia
FCI Importer : Germany



FCI Exporter : Turkey
FCI Importer : Germany,
Czech Republic



FCI Exporter : Egypt
FCI Importer : Canada, US,
Poland, Greece



Our current coverage

China	Germany	UK Great Britain	Poland	Austria	Portugal
Taiwan	Netherlands	Iceland	Belgium	Denmark	Netherlands Antilles
Singapore	France	Switzerland	Hungary	Finland	Liechtenstein
Australia	Japan	Estonia	Spain	Slovak Republic	Luxemburg
HongKong	Greece	Italy	Ireland	Sweden	Norway



Growth Points

Cross Border Factoring

Improved Payment Collection

- Alternative source of working capital
- Deal with local bank in receiving payments
- Early repayment of invoice

Fair Credit Worthiness

- Basis of Credit is a combination of the exporter and the importer

Digitization of Manual Storage

- Invoice Receivables and supporting documents will be uploaded and kept in an online platform for monitoring and record keeping

Save on Exporting Costs

- Reduce currency risks
- Reduce payment transfer costs



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