



## Case Study

# *British International Investment:* De-risking of Citi SSA Trade Portfolio

### The Client

- British International Investment (BII), the Development Finance Institution of the UK Government
- BII was founded to help develop the local economies in South Asia and Sub-Saharan Africa
- BII currently has a \$7bn investment portfolio which is expected to grow to £9bn by 2025

### The Challenge

BII is mandated to support companies that help certain developing and emerging economies. With limited presence in its target countries, it is challenging for BII to find opportunities to deliver on its mandate.

Citi has unparalleled presence in Sub-Saharan Africa and long running client relationships across the continent. However due to capital and risk appetite constraints, Citi needs to turn down business that could be otherwise originated.

### The Solution

BII and Citi looked for a solution that:

- Leverages Citi's local presence across Sub-Saharan African and its client relationships to have access to opportunities to support local economies
- Leverages Citi's infrastructure to extend financing to clients and manages and services a continent-wide portfolio of assets
- De-risks Citi's balance sheet so that capital can be redeployed so that clients can continue being serviced

### The Result

BII and Citi have entered into a trade asset purchase partnership whereby

- Citi will extend financing to its clients in Sub-Saharan Africa
- Financing that meets certain pre-agreed parameters and eligibility criteria will be offered to BII for their outright purchase

The initiative will result in:

- BII having access to opportunities to deliver on its mandate by leveraging Citi's client relationships and robust origination and servicing capabilities
- Citi will de-risk its balance sheet and release capital that will allow it to continue servicing its clients in the region