## Korea-India Financial Package

### Comparison Table of EDCF / EDPF / ECA Loans

<table>
<thead>
<tr>
<th></th>
<th>EDCF</th>
<th>EDPF</th>
<th>ECA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Account / Financial Source</strong></td>
<td>Korea Government / Government Budget</td>
<td>KEXIM / Capital Market</td>
<td></td>
</tr>
<tr>
<td><strong>Purpose of Support</strong></td>
<td>Official Development Assistance</td>
<td>Facilitation of Export</td>
<td></td>
</tr>
<tr>
<td><strong>Financial Terms</strong></td>
<td>Highly concessional</td>
<td>Less concessional</td>
<td>Commercial</td>
</tr>
<tr>
<td><strong>Borrower</strong></td>
<td>Ministry of Finance</td>
<td>Central Government &amp; Central Bank</td>
<td></td>
</tr>
<tr>
<td><strong>Loan Amount</strong></td>
<td>Up to 100% of total project cost</td>
<td>Up to 85% of total project cost</td>
<td>- Direct Loan : Up to 85% of export contract value</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Overseas Business Loan : Up to 90% of the funds required</td>
</tr>
<tr>
<td><strong>Currency Denomination</strong></td>
<td>Korean Won</td>
<td>Foreign currency</td>
<td>Foreign currency (hard currency)</td>
</tr>
<tr>
<td><strong>Interest Rate</strong></td>
<td>0.15%~1.5%</td>
<td>3%~4%</td>
<td>Libor + 3% ~ Libor + 6%*</td>
</tr>
<tr>
<td><strong>Maturity</strong></td>
<td>25<del>40 years (including 7</del>10 years of grace period)</td>
<td>Up to 15 years (including a grace period with maximum 5 years)</td>
<td>- Direct Loan : Up to 10 years after project completion</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Overseas Business Loan : Up to 30 years (including maximum 5 years grace period)</td>
</tr>
<tr>
<td><strong>Repayment Method</strong></td>
<td>Semi-annual installments after the grace period</td>
<td></td>
<td>- Direct Loan : Semi-annual basis</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Overseas Business Loan: periodic installments of at least once a year</td>
</tr>
<tr>
<td><strong>Procurement Method</strong></td>
<td>EDCF-standard (Tied)</td>
<td>EDPF-standard (Untied)</td>
<td>Non-involvement in Procurement process (Tied)</td>
</tr>
<tr>
<td><strong>Loan Appraisal</strong></td>
<td>Korea Government</td>
<td>KEXIM</td>
<td>KEXIM</td>
</tr>
</tbody>
</table>
Workshop for India-Korea Financial Package

EDCF Operations Department 1
Infrastructure Finance Department
Global Business Development Group

The Export-Import Bank of Korea
2018. 09. 27
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KEXIM Overview

Profile

- **Establishment**
  - In 1976, pursuant to "The Export-Import Bank of Korea Act"

- **Equity Structure**
  - Gov’t 72.9%
  - Bank of Korea 11.2%
  - Korea Development Bank 15.9%

- **Overseas Network**
  - 4 Subsidiaries
  - 24 Rep Offices

- **International Ratings**
  - Aa2 / AA / AA- (all stable)

Key Operations

- **Export Credit Agency**
  - Loans
    - Export
    - Import
    - Overseas Investment
  - Guarantees
    - Financial
    - Project-related

- **Gov’t Entrusted Fund**
  - **EDCF**
    - The Economic Development Cooperation Fund
  - **IKCF**
    - The Inter-Korean Cooperation Fund
Global Network

- 24 Representative Offices, 4 Overseas Subsidiaries, and 3 Liaison Officers in 27 Countries; 8 Officers Dispatched to Multilateral Development Banks/International Organizations
- 205 MOUs with 175 institutions in 63 countries (as of July 2018)

**Overseas Subsidiaries**
- KEXIM BANK U.K (London)
- KEXIM Asia (Hong Kong)
- KEXIM Vietnam Leasing (HCM City)
- PT. KOEXIM Mandiri Finance (Jakarta)

**Secondee to Multilateral Development Banks / International Organizations**
- ADB(3)
- IDB(1)
- IBRD(1)
- IIC(1)
- EBRD(1)
- OECD(1)

**Liaison Officers**
- Iran
- Saudi Arabia
- France

Most Extensive Global Network Among Financial Institutions in Korea
Introduction on EDCF Financing
EDCF Overview

“... in order to assist industrial development and economic stabilization of the developing countries and to promote economic cooperation or interchange between Korean and such countries.”

(Economic Development Cooperation Fund Act, Article 1)

- Established by EDCF Act (1986) and Enforcement Decree(1987)
- Entrusted by Ministry of Economy and Finance, Korea Eximbank is responsible for the operations of EDCF, including project identification, appraisal, execution of loan agreement.
- Support partner countries by extending concessional loans for infrastructure projects
Volume has consistently increased committing about US$ 15 billion to 54 countries with 385 projects so far. Asia accounts for more than two-third in portfolio and well diverse by sector.
Operation Principles of EDCF

**Sustainable Growth of Partner countries**
- Align with partner’s dev. priorities
- Aim at economic dev. and welfare

**Economic Ties between Korea and Partner countries**
- Focus on strategic areas
- Increase economic transactions

**Smart Fund Management under Resource Constraint**

1. **Select and Concentrate**
   - Mid-term fund operation strategy
     - Focus on priority partners
     - Focus on priority sectors

2. **Smart Financial Package**
   - Customized financial solution
   - Comprehensive regional and sector development

3. **Collaborative Partnership**
   - Development awareness and participation (Assembly, COSs, Academia, etc.)
   - Domestic and international partnership
EDCF’s Priority Sectors

Transport: Railways, Metro, Airport
Energy: Renewable Power, Smart grid
ICT: e-Government, Intelligent Transport System (ITS)
Health: Hospital, Medical equipment
Education: Educational equipment, Vocational training
Regional Development: Rural development, Urban Development
Introduction on EDCF

**EDCF Safeguard Policy**

- EDCF has prepared a **Safeguard Policy** in 2016, corresponding to the environmental and social sustainability.

**Objective**

- Avoid adverse impacts of projects on the environment and affected people.
- Help the borrowers to strengthen their safeguard systems and develop the capacity to manage environment and social risks.

**Procedure**

- **Borrower**
  - E&S Screening Form
  - E&S Impact Assessment
  - Agree to Info. Disclosure
  - E&S Reporting

- **EDCF**
  - Screening & Categorization
  - Impact & Plan Review
  - Info. Disclosure
  - Monitoring
ESIA (Environmental and Social Impact Assessment report) shall be prepared by the borrowers.

IESE (Initial Environmental and Social Examination report) shall be prepared by the borrowers.

If the proposed project will have involuntary resettlement impacts and likely have direct or indirect impacts on indigenous communities, RP (Resettlement Plan) shall be prepared in addition to the ESIA or IESE report.
Overall Process of EDCF Loan

Project Cycle

1. Project Identification
2. Preparation
3. Loan Request
4. Appraisal
5. Government Arrangement & Loan Agreement
6. Project Implementation
7. Project Evaluation

Korean Gov.

Government Agreement (A/G)

Country Program Mission → Policy Dialogue
(Formulating EDCF Mid-term Pipeline)

Government Decision on EDCF Loan

Pledge of EDCF Loan

Government Arrangement (A/R) / Framework Arrangement (F/A)

Korea Eximbank

EDCF Appraisal Mission

F/S Assistance (If necessary)

Partner Country

Government Agreement (A/G)

Feasibility Study (F/S)

Loan Request

Pledge Acceptance

Government Arrangement (A/R) / Framework Arrangement (F/A)

Loan Agreement

EDCF prior consent on Bidding documents/Bid evaluation/Contract signing

(1) Employment of Consultant

(2) Procurement of Contractor

Disbursement

Completion Evaluation, Ex-post Evaluation
**Project Identification**

### CPS & EDCF Policy Objectives
- Establishing
  - Strategy for the development of priority areas in partner countries

### CPM (Country Program Mission)
- Formulating
  - Indicative Mid-term Pipeline

### Policy Dialogue
- Finalizing
  - Mid-term Pipeline

---

**CPS (Country Partnership Strategy)**
- Korea’s strategic document for cooperation for development of partner countries

**EDCF Policy Objectives**
- EDCF’s medium-term strategic plan and objectives

**CPM (Country Program Mission)**
- Develop specific candidate projects focusing on its priority areas

**Policy Dialogue**
- Select specific candidate projects focusing on priority areas at the national level
EDCF supports Project Preparation through **the EDCF Technical Assistance (T/A)**

Request process for F/S and EDCF Loan goes **through Diplomatic Channel**

* Development Finance Bureau, Ministry of Economy and Finance.
Appraisal

① Korean Government requests to KEXIM → ② KEXIM performs appraisal Mission → ③ KEXIM reports the result to MOEF → ④ MOEF makes a decision on EDCF Loan support

**Pre-appraisal**
- Appraisal Request (MOEF)
- Eligibility Check: ODA, Commercial viability (EDCF)
- OECD Notification (EDCF)

**Questionnaire**
- Legal & Project Questionnaire (EDCF)
- Answers to LQ/PQ (Borrower)

**Field appraisal**
- Appraisal Mission (EDCF Mission team + Borrower)
- Signing Minutes of Discussion (EDCF Mission team + Borrower)

**Appraisal Report**
- Appraisal Report to MOEF (EDCF)
- Loan Approval (MOEF)
Introduction on EDCF

Government (AG/AR/FA) & KEXIM (LA)

- **Pledge**: Commitment of EDCF Loan by Korean Government
- Agreement & Arrangement & Framework Arrangement (Government) / Loan Agreement (KEXIM)

### Agreement
- States to support economic development and promotions of economic Cooperation
- General considerations of EDCF Projects

### Arrangement
- Stipulate project information, loan amount, terms and conditions, etc.
- Most information in the Pledge is described as a form of the Arrangement
  ✓ (Framework Arrangement) General Principles of EDCF replaceable for Arrangement

### Loan Agreement
- Documents pertaining to EDCF Loan Agreement
  - General Terms and Conditions / Guideline for Procurement
  - Guideline for the Employment of Consultants / Disbursement Procedures
Project Implementation

- Employment/Procurement process goes under the responsibility of Partner Country
- **KEXIM’s prior consent** on each phase of Employment and Procurement to secure transparency
- **Bidding participants** for Consultant and Procurement shall be **limited to Korean companies**

### Consultant Employment
- Consultants for detail design, supporting bidding procedure including bidding documents drafting, construction supervision, etc.
- **Short-list → RFP → Invitation for Bidding → Bid Evaluation → Award of Contract**

### Procurement
- Competitive bidding among Korean companies, Direct Contracting, International Competitive bidding, etc.
- **Advertisement and Bid Opening → Bid Evaluation → Award of Contract**

### Disbursement
- Procedures: Commitment (Letter of Credit), Direct Payment, Reimbursement
- Minimum amount of each disbursement shall be more than Thirty Million Korean Won or its equivalent
Project Evaluation

**Project Cycle**
- Preparation, Loan request
  - Appraisal
  - Loan Agreement
  - Employment · Procurement
  - Implementation
  - Project Completion
  - Operation & Maintenance

**Evaluation Works**
- Set the performance indicator
- Review on lessons from the past projects in the same sector
- Mid-term Monitoring
- Review of Project Completion
- Evaluation (projects, sectors, theme, etc.)
  - FEEDBACK to the next projects
Types of EDCF Loans

- **Development Project Loan**
  - Loan to the partner government / public entities for infrastructure projects (e.g. to build roads, bridges, railways, hospitals, vocational training centers, water supply facilities etc.)

- **Equipment Loan**
  - Loan to the partner government / public entities to procure equipment and other materials needed for development projects

- **Program Loan**
  - Loan to the partner government to assist them in pursuing comprehensive sectorial or thematic development plans and programs

- **Sector Development Loan**
  - Loan to the partner government for a large number of sub-projects in a specific sector or sub-sector with simplified procedures

- **Compact Loan**
  - Loan to the partner government for small-sized EDCF loans of up to 7 million USD with simplified procedures
    - Interest Rate: No Interest
    - Procurement: CB or LCB among Korean SMEs
Introduction on EDPF Financing
Overview of EDPF

• Purpose

  • Economic Development Promotion Facility (EDPF) was officially introduced in 2016

  • EDPF aims to promote economic cooperation between Korea and partner countries

  • The facility is designed to support socially important infrastructure projects in line with partner countries development strategy
Overview of EDPF

**Key features**

- EDPF is a Less Concessional Loan Program (ODA)
- Korea Eximbank funds financial resources for EDPF from capital markets
- EDPF mobilizes large amount of financing for infrastructure development projects
- Tenders open to competitive bidders including Korea, partner countries and etc.
- EDPF develops projects in cooperation with EDCF and Export Credit

**Operating system**

- **Korean government**: policy guidelines, high-level policy consultations with partner countries
- **Korea Eximbank (KEXIM)**: project identification, preparation, project appraisal, loan negotiation/documentation, approval, implementation/monitoring, and evaluation
Basic Terms & Conditions

**Borrower**

- Central government
- Central bank

Loans to local governments or other agencies must be secured by **sovereign guarantee**.

**Loan Amount**

- Up to 85% of the total project cost
Basic Terms & Conditions

Maturity

- Up to 15 years (including a grace period with maximum 5 years)

Repayment Frequency

- Equal installment on semi-annual basis

Interest Payment

- Semi-annual
## Basic Terms & Conditions

### Comparison of Key Financial Programs

<table>
<thead>
<tr>
<th></th>
<th>EDCF</th>
<th>EDPF</th>
<th>Export/Investment Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Account</strong></td>
<td>GoK</td>
<td>KEXIM</td>
<td>KEXIM</td>
</tr>
<tr>
<td><strong>Financial Resources</strong></td>
<td>GoK</td>
<td>K-EXIM</td>
<td>KEXIM</td>
</tr>
<tr>
<td><strong>Financial Terms</strong></td>
<td>Highly concessional</td>
<td>Low concessional</td>
<td>Commercial</td>
</tr>
<tr>
<td><strong>Procurement Guidelines</strong></td>
<td>EDCF-standard (Tied)</td>
<td>EDPF-standard (Untied)</td>
<td>Non-involvement in Procurement process (Tied)</td>
</tr>
</tbody>
</table>
Introduction on ECA Financing
ECA Financing

As of the end of Dec 2017, the amount of outstanding loans which consist of project finance and corporate finance supporting Korean companies conducting overseas business, was KRW 69.2 trillion.

Outstanding financial guarantees and performance guarantees reached KRW 38.8 trillion.

Loans Outstanding

<table>
<thead>
<tr>
<th>Year</th>
<th>Loans Outstanding (KRW tn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>37.4</td>
</tr>
<tr>
<td>2010</td>
<td>39.3</td>
</tr>
<tr>
<td>2011</td>
<td>45.7</td>
</tr>
<tr>
<td>2012</td>
<td>44.7</td>
</tr>
<tr>
<td>2013</td>
<td>48.5</td>
</tr>
<tr>
<td>2014</td>
<td>58.1</td>
</tr>
<tr>
<td>2015</td>
<td>67.6</td>
</tr>
<tr>
<td>2016</td>
<td>74.0</td>
</tr>
<tr>
<td>2017</td>
<td>69.2</td>
</tr>
</tbody>
</table>

Guarantees Outstanding

<table>
<thead>
<tr>
<th>Year</th>
<th>Guarantees Outstanding (KRW tn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>45.2</td>
</tr>
<tr>
<td>2010</td>
<td>44.2</td>
</tr>
<tr>
<td>2011</td>
<td>42.5</td>
</tr>
<tr>
<td>2012</td>
<td>39.4</td>
</tr>
<tr>
<td>2013</td>
<td>41.6</td>
</tr>
<tr>
<td>2014</td>
<td>48.1</td>
</tr>
<tr>
<td>2015</td>
<td>57.1</td>
</tr>
<tr>
<td>2016</td>
<td>53.6</td>
</tr>
<tr>
<td>2017</td>
<td>38.8</td>
</tr>
</tbody>
</table>

※ Source: KEXIM. as of 2017
Excludes call loans, inter-bank loans in foreign currency and other loans.
Summary of Financial Facilities

Export-Related Loans

- **Exporter**
  - Export Promotion Loan
    - Overseas Market Develop
    - R&D, Facility Capital etc.
  - Export Growth Loan
    - Support for SMEs
  - Export Project Loan
    - Manufacturing Capital

- **Foreign Entities**
  - Export Facilitation Loan
    - *Direct Loan*
      - Project Finance
      - Structured Finance
      - Untied Two Step Loan

Overseas Business-Related Loan

- Overseas Investment Loan
- Overseas Project Loan
- **Overseas Business Loan**
  - *Project Finance*
    - Corporate Finance
- Overseas Business Facilitation Loan

Guarantee

- Financial Guarantees
  - Export-Related Financial Guarantee
  - Overseas Business-Related Financial Guarantee
- Performance Guarantees
  - Performance Bond
  - Advance Payment Bond
  - Warranty Bond, etc.

Indirect Financing

- Interbank Credit Facility
- Rediscount

Trade Financing

- Forfaiting
- Export Factoring
Direct Loans are extended to foreign buyers or foreign governments purchasing Korean goods and services.

Government support (e.g. repayment guarantee) may be needed to ensure the repayment of the loan.
### Export Facilitation Loan

#### Direct Loan

<table>
<thead>
<tr>
<th>Terms &amp; Conditions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Borrower</strong></td>
<td>Foreign government or Foreign importers</td>
</tr>
</tbody>
</table>
| **Loan Amount**    | Up to 85% of export contract value + local cost of up to 30% of export contract value  
|                    | Determined based on the amount of Korean contents, i.e. Korean goods and services |
| **Interest Rate**  | Fixed rate ($CIRR + ECA risk premium$) or Comparable floating rate ($Libor + margin$)  
|                    | * $CIRR$ : $Government$ $bond$ $yield + 100bps$ |
| **Repayment Term** | Up to 10 years after project completion |
| **Eligibility**    | Down payment : no less than 15% of export contract value  
|                    | Korean contents : at least 10% of export contract value for road, railway, airport, seaport, etc.  
|                    | (25% for power, petrochemical, etc.) |
### Case in Point – Direct Loan

**India Telecom Network Project**

<table>
<thead>
<tr>
<th>Category</th>
<th>Detail</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Scope</strong></td>
<td>▪ Export of Telecom network equipment including base transceiver stations, etc.</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td>▪ USD 11.5 billion</td>
</tr>
</tbody>
</table>
| **Project Details** | ▪ Exporter: Korean company  
 ▪ Importer: Indian company  
 ▪ Guarantor: Parent company of the importer  
 ▪ Guarantor’s international credit rating: BBB+ |
| **KEXIM Financing** | ▪ Loan U$440 million  
 ▪ Guarantee U$310 million                                                           |

**Project Structure**

- **LENDERS**
  - KEXIM
    - Guarantee
  - Commercial Banks

- **Indian Importer**
  - Repayment Guarantee
  - Loan
  - Sales Contract

- **Indian Parent Company of the Importer**
  - Equipment Supply

- **Indian Subsidiary**
  - Equipment Supply

- **Korean Parent Company**
  - Equipment Supply
Overseas Business Loan

Project Finance

- Overseas Business Loan in the form of project finance is extended to a project company (SPC) in which a Korean company has equity shares of more than 10 percent.

- Government support such as Minimum Revenue Guarantee (MRG) or Availability Payment (AP)* may be needed to alleviate the revenue risk.

* AP is a payment made to a concessionaire from the government regardless of whether the project asset is actually used or not. The concessionaire receives the payment as long as the asset is “available” for use by the public.
Overseas Business Loan

Project Finance

Terms & Conditions

- **Borrower**
  - Project Company (Foreign Company in which Korean companies have equity shares)

- **Loan Amount**
  - Up to 90% of the funds required (100% for natural resources)
  - Determined based on the amount of Korean contents including Korean goods and services, O&M revenue and dividend

- **Interest Rate**
  - Libor based floating rate (Libor + margin) or Comparable fixed rate

- **Repayment Term**
  - Up to 30 years including 5 years grace period (7 years for natural resources)

- **Repayment Method**
  - Principal shall be repaid in periodic installments of at least once a year

- **Eligibility**
  - Korean investor should hold at least 10% of equity throughout the life of the loan
Case in Point – Project Finance

Turkey Motorway Project

<table>
<thead>
<tr>
<th>Category</th>
<th>Detail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Scope</td>
<td>Construction of motorway including the suspension bridge</td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>EUR 3.1 billion (D:E=74:26)</td>
</tr>
<tr>
<td>Project Details</td>
<td>Build-Own-Transfer (BOT)</td>
</tr>
<tr>
<td></td>
<td>Sponsor: Korean companies, etc.</td>
</tr>
<tr>
<td></td>
<td>EPC: Korean consortium</td>
</tr>
<tr>
<td></td>
<td>O&amp;M: European company</td>
</tr>
<tr>
<td></td>
<td>Government support</td>
</tr>
<tr>
<td></td>
<td>- Minimum Traffic Guarantee (MTG)</td>
</tr>
<tr>
<td>KEXIM Financing</td>
<td>Loan EUR 310 million</td>
</tr>
<tr>
<td></td>
<td>Guarantee EUR 290 million</td>
</tr>
</tbody>
</table>

![Project Structure Diagram]
Interbank Credit Facility is offered by Korea Eximbank to foreign banks in the form of credit line that can be utilized for loans to local clients of the foreign banks.

Current Interbank Credit Facility in India: ICICI, SBI, AXIS BANK
### Case in Point – Interbank Credit Facility

#### Ireland Floating Storage Re-gasification Unit Project

**Project Structure**

<table>
<thead>
<tr>
<th>Category</th>
<th>Detail</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project scope</strong></td>
<td>▪ Construction of 170,000 CBM Floating Storage Re-gasification Unit (FSRU)</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td>▪ USD 226 million (D:E=70:30)</td>
</tr>
<tr>
<td><strong>Project Details</strong></td>
<td>▪ Exporter : Korean company</td>
</tr>
<tr>
<td></td>
<td>▪ Importer(Project Co.) : Irish SPC</td>
</tr>
<tr>
<td></td>
<td>▪ Ship Owner : Turkish company</td>
</tr>
<tr>
<td><strong>KEXIM Financing</strong></td>
<td>▪ Loan U$158 million</td>
</tr>
</tbody>
</table>

**Credit Line**

- KEXIM
- Turkish Bank

**Direct Payment**

- Sub-Loan
- Equity

**Sales Contract**

- Foreign Company A

**SPONSOR**

- Foreign Company A
### Project Scope
- Construction of 380MW combined cycle power plant (CCPP) and LNG import terminal

### Total Project Cost
- USD 995 million (D:E=54:46)

### Project Details
- EPC: Korean company
- LNG supply: France company
- Offtaker: Panamanian company
- O&M: U.S. company

### KEXIM Financing
- Loan U$100 million
## Overall Process for ECA Financing

<table>
<thead>
<tr>
<th>Project Phase</th>
<th>Developer (Foreign Gov., Sponsor)</th>
<th>KEXIM (Lender)</th>
<th>Time required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Phase</td>
<td>F/S</td>
<td>Project Identification (Foreign Gov't, Korean company)</td>
<td>Case by Case (1~2yrs)</td>
</tr>
<tr>
<td></td>
<td>Sponsor Group Formation</td>
<td>L/I, if necessary</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bidding &amp; Award (Korean Company)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Construction | Loan Application | • Due Diligence*  
• Negotiation of Terms & Conditions | 3 ~ 12 months |
| | | • Loan Approval  
• Loan Syndication (if necessary) | |
| O&M (Sales) | Disbursement | Monitoring | 3 ~ 6 months |

* Due Diligence: review of ① project economics ② technical/ market/ environmental/social/legal issues, etc.

- Korean companies participate in the project as Sponsors and/or project contractors (EPC, O&M, etc.)
- In case of large-scale project, it may be needed to raise the funding from multiple banks through a loan syndication.
India-Korea Financial Package
**Summary of India-Korea Financial Package**

**Joint Statement (May 2015)**

- Agreed to provide U$ 10 billion during Prime Minister Modi’s visit to Korea in 2015

  *The Ministry of Strategy and Finance and the Export-Import Bank of Korea expressed their intention to provide US $10 billion for mutual cooperation in infrastructure, comprising Economic Development Cooperation Fund (US $1 billion) and export credits (US $9 billion) for priority sectors, including smart cities, railways, power generation and transmission, and other sectors to be agreed.*

**5th Finance Minister’s Meeting (June 2017)**

- (EDCF) Signed an Agreement(A/G) between GOK and GOI for EDCF financing
- (ECA) Signed a Memorandum of Understanding between the Export-Import Bank of each countries for ECA financing in the limit of US $9 billion

**Working Group Meeting**

- Has been held quarterly basis (July 2017, Nov 2017, and May 2018), along with representatives of Korean side (MOEF, KEXIM) and Indian side (MOF, Exim India)
- Operated as a single channel to discuss issues on the financial package and to identify and update the list of candidate projects
Projects for India-Korea Financial Package

Bandra Government (E) Housing Colony Project

- (Objective) Creating a Green, Modern township for government employees and a new modern High Court Complex
- (Scope) (i) High Court Complex, (ii) Government quarters (6,588 units), (iii) Administrative Buildings, (iv) Transit quarters (500 units), (v) Residential flats and commercial buildings, etc.
- (Current Stage) GOK and GOI agreed to the Terms of Reference (TOR) for M/P (‘18.9) GOK accepted GOI’s M/P application (‘18.9)

Nagpur-Mumbai Super Communication Expressway Project

- (Objective) Establishing Intelligent Transport System (ITS) for making the Nagpur-Mumbai Expressway safe and efficient
- (Scope) (i) Integrated Traffic Management System (ITMS) including E. Call System, ATCCS, CCTV, HSWIM, VIDS, VMS, Free Wi-fi, etc. (ii) Integrated Transportation Center and Local Transportation Center, (iii) Software for ITMS, etc.
- (Current Stage) GOK suggested EDCF provides assistance for F/S on the grant basis (‘18.8)
Thank you!

Q&A