



HRVATSKA BANKA ZA OBNOVU I RAZVITAK



Bank of INTESA SANPAOLO



UniCredit Group



## PRESS RELEASE

### HBOR's LOAN PORTFOLIO INSURANCE FOR MORE THAN HRK 5.2 BILLION IN LIQUIDITY LOANS

*Zagreb, 5 May 2020 - Zagrebačka banka, Privredna banka Zagreb, OTP banka and Slatinska banka signed with HBOR the Portfolio Insurance Agreement for Exporters' Liquidity Loans – COVID-19. These banks, together with Erste banka and Hrvatska poštanska banka that signed this Agreement a few days ago, enabled the granting of altogether more than HRK 5,2 billion in liquidity loans covered by HBOR's insurance.*

The use of HBOR's loan portfolio insurance facilitates and accelerates the granting of new funds for maintaining liquidity of exporters and indirect exporters.

In accordance with the in advance agreed eligibility criteria and insurance costs, the banks will independently decide on the loans to be included into the portfolio **insured by HBOR up to 50 percent of the amount of principal, regular contracted interest, interest during disbursement period and interest during grace period.**

New liquidity loans with a grace period of up to one year and a maturity period of up to five years may be included in the insured portfolio under this programme.

Beneficiaries of insurance under these Agreements are the banks that approve new loans for liquidity to exporters, tourism sector included, and to indirect exporters. Exporters are defined as business entities that have generated at least 20% of their income from exports in the last business year, for which the official financial statements are available.

Pursuant to the amendments to the Export Credit Insurance Regulation that came into force on 30 April, the banks will be able to use portfolio insurance also for approving liquidity loans to indirect exporters, i.e. exporters' suppliers. Indirect exporters are defined as business entities that have generated at least 40% of their income from sales to exporters in the last financial year.

*"HBOR's loan portfolio insurance created one of the major conditions for facilitating and accelerating the procedure of approving funds for financing liquidity. Amendments to the Export Credit Insurance Regulation introduced the possibility of including loans to indirect exporters into the insured portfolio, which enables a significantly larger number of entrepreneurs to make use of this benefit", said Tamara Perko, President of the Management Board of HBOR.*

*"By entering into this Agreement with HBOR, we continue to provide support to our clients whose operations have been affected by COVID-19 outbreak and who have consequently been confronted with a number of challenges and unpredictable liquidity pressures. This Programme will provide a faster and*

---

*easier access to the needed funding sources for exporters in all industries, it is a proof of a coordinated response to market needs in these challenging times and a good example of synergy between HBOR and commercial banks with a common goal of supporting our entrepreneurs. Zagrebačka banka will continue to support the efforts of the Government of the Republic of Croatia and HBOR aimed at creating and implementing solutions for maintaining our clients' businesses and preserving jobs",* stressed **Romeo Collina**, Chairman of the Management Board of **Zagrebačka banka**.

*"Since the outbreak of the COVID-19 crisis, Privredna banka Zagreb (PBZ) has been proactively and continuously undertaking a series of activities to help its clients, and we started with the first measures intended to help businesses in early April. In addition to the Bank's existing measures (deferral of loan repayment, loans for liquidity and rescheduling of loans), the implementation of this Agreement with HBOR will further facilitate exporters' funding and operations, tourism industry included",* pointed out **Dinko Lucić**, President of the Management Board of **Privredna banka Zagreb**.

*"This crisis has directly and indirectly affected the entire economy, not only in the domestic market, but also in all world markets. However, bearing in mind the structure of the Croatian economy, it is expected that certain export activities will be among the most affected ones, tourism industry included. From the very start of the crisis, we have been implementing all available measures to assist the economy in direct contact with business clients, including moratoriums on loans, rescheduling of loan obligations, liquidity loans and direct support measures for the health sector. We welcome HBOR's portfolio insurance programme, which will make this economic recovery measure even more accessible to our clients in this sector",* said **Balázs Békeffy**, President of the Management Board of **OTP banka**.

*"In this way, we wish to express our pleasure to be the first small bank that has entered an agreement with HBOR, together with several large banks, on this important Programme for our exporters. In exceptional and difficult circumstances caused by the coronavirus pandemic, access to working capital is crucial for the functioning and survival of businesses, and the cooperation between our Bank and HBOR provides our clients a high-quality and secure liquidity funding possibility necessary to continue operations in foreign markets and maintain competitiveness",* stressed **Andrej Kopilaš**, President of the Management Board of **Slatinska banka**.

### **Obtaining of the European Commission's consent to the programme**

*This product required the approval of the European Commission, primarily to apply significantly lower premium rates for the portfolio insurance in relation to market premiums.*

*This measure will remain in effect until 31 December 2020 and will be available for use by exporters in all sectors.*