



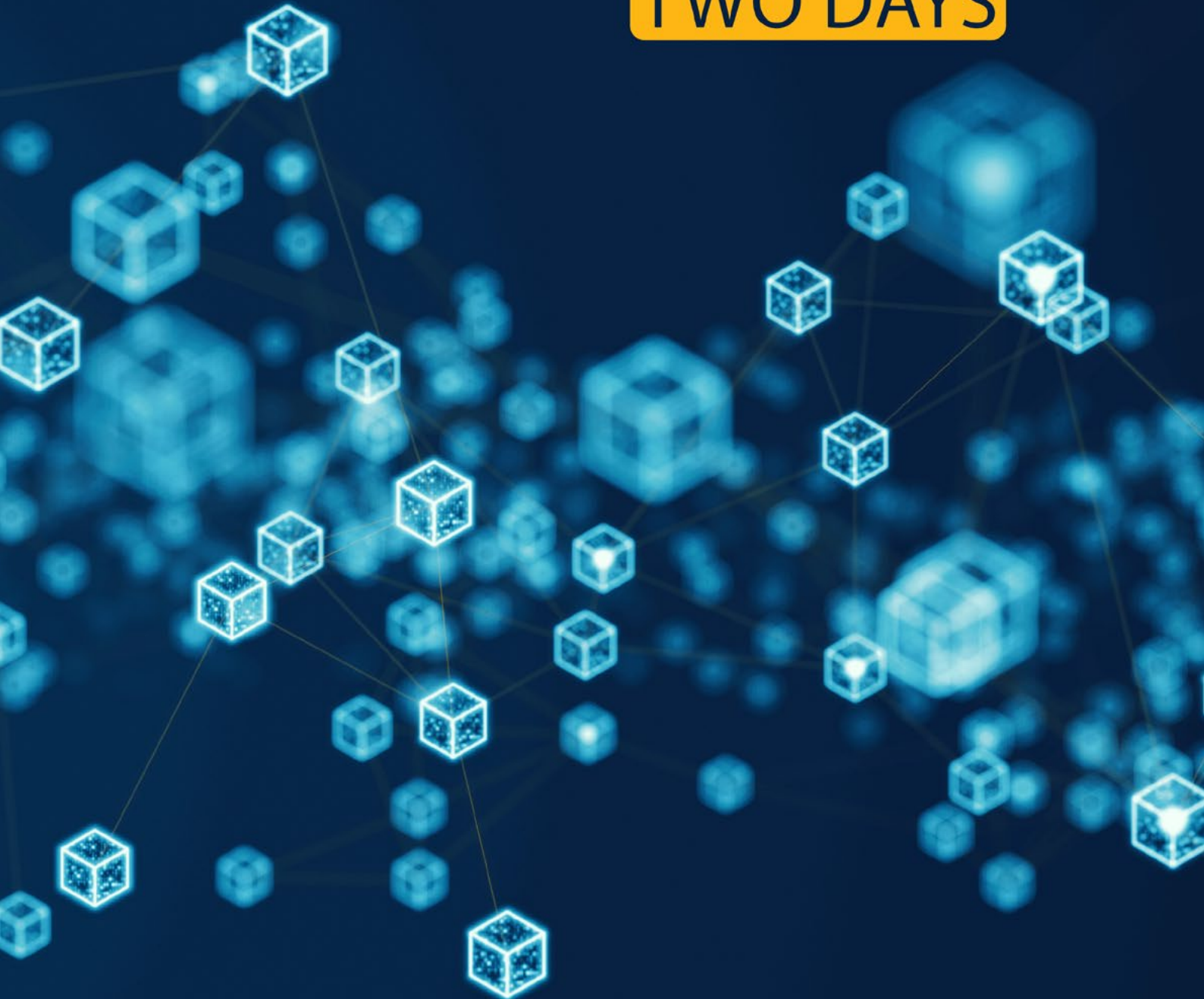
CENTRAL BANK OF EGYPT  
Egyptian Banking Institute



EUROMONEY  
LEARNING SOLUTIONS

# SUPPLY CHAIN FINANCE IN SME'S

**TWO DAYS**



## Course Objectives

By the end of these virtual live sessions, participants will understand the following:

- What supply chain is, what it's not and how it works
- The fundamental processes which drive supply chain finance
- The key performance indicators or metrics for working capital
- Be able to structure supply chain finance

## Course description

This highly interactive set of sessions, albeit virtually, will be practical, with real life examples and case studies and exercises to demonstrate the principles.

## Day one

### Session 1 - Understanding an SME Business

- Overview of financial risk and business risk
- Summary of the key issues that the banker has to focus on in a lending situation to SME's
- Deciding on the criteria for client selection – what are the characteristics of businesses that you want to deal with?
- Exercise: Participants consider the key risks faced by selected SME' with a view to deciding whether they are potentially suitable customers

### Session 2 - Evaluation of Risk in the Operating Cycle

- Business risk - what is the nature and viability of the business assets?
- Financial Risk - how much outside financing is required to complete the operating cycle?
- Performance Risk - how well are expenses controlled?
- Management Risk - management are the key to identifying and minimising all risks in a business - are they capable and experienced?

### Session 3 - The Operating Cycle of a Business and how it is Financed

- An overview designed to stimulate participants into thinking how a business cycle works and how it is financed

## Target audience

The following participants will benefit from this series of modules:

- Bankers
- Auditors
- Financiers
- Lawyers
- Trade finance practitioners

- Exercise: Looking at the business risks, financial statements and management issues relating to an assigned case study company. Participants will critique these factors and the implications for lending

### Session 4 - Variations of Supply Chain Finance

- Accounts Payable;
  - Approved payable finance (Reverse factoring)
  - Dynamic discounting
- Receivable Finance;
  - Receivable purchase
  - Invoice discounting
  - Factoring
  - Forfeiting
- Other Supply Chain Finance:
  - Pre-shipment or purchase order-based finance
  - Inventory finance (warehouse finance)
- Related:
  - Documentary trade finance
  - Bank payment obligation
  - Asset-based lending
  - Payments and foreign exchange

## Day Two

### Session 5 – Success Factors in Supply Chain Finance

- Strategies, goals and financing decisions
- Marketing the structure
- Who do we partner with – the key risks
- Selecting the right structure
- Spend analysis
- Supplier on-boarding
- Legal considerations
- Accounting considerations

### Session 6 – Fee Structure for SCF

- Overview of fee structure
- Transfer of title:
  - The buyer and supplier
  - Type of legal instrument for collateral
  - Underlying instrument used for the financing
- Limits and thresholds – decision constraints
- Payments conditions and trigger dates
- Risks:
  - Risk is wholly on the supplier with no recourse
  - Risk is wholly on the supplier with possible form of recourse
  - Risk is wholly on the buyer without recourse to the supplier
  - Risk is shared in some agreed proportion between the parties
- Benefits:
  - Tangible
  - Intangible
- Costs

### Session 7 - Buyer Centric Supply Chain Finance solutions

- Corporate payment options
- Corporate systems
- Implementing a buyer-led SCF program

### Session 8 - Seller Centric Supply Chain Finance solutions

- Traditional – factoring, distributor finance and non-traditional
- Credit enhancing receivables for SCF
- Exchanges for receivables not credit enhanced

### Session 9 – Egyptian Economy and the SCF Market

- Review of the key aspects of the economy and SCF
- Trade trends impact on SCF
- Basel III impact on SCF

### Session 10 – Summary and Close



## Andre Lanser Bio

Andre is a consulting trainer as well as a corporate finance practitioner and he has delivered courses around the world in the areas of Credit, Corporate Finance, Valuation and Financial Modelling both for Corporates and Banks. Andre originally qualified as a Chartered Accountant, completing articles with PricewaterhouseCoopers. He started his career with a subsidiary of Commercial Union, involved in the steel manufacturing industry. His experience ranged from systems implementation, credit assessment of the highly risky construction industry customers, heading up the finance functions to successfully turning the business around and then selling the

company through a trade sale. He later joined Commercial Union in the investment back-office function, reengineering the investment back office and later headed-up a team who implemented a new investment management system for both the back office and the front office.

His commercial experience includes restructuring and turning around a Steel Manufacturing operation, consulting to a Pharmaceutical company involved in medical devices for both Government and Private Hospitals and an in depth knowledge of the citrus industry, consulting to South African Airways and extensive work at Hanover Acceptances property company, Dorrington in London.

His career then spanned over 15 years in the Venture Capital and Private Equity arena, where he has gained a vast amount of experience in the corporate analysis and valuation field. He is a specialist in developing and training finance related courses, including corporate credit related topics, credit analysis and cash flow analysis with a special focus on the banking sector, derivatives, and financial modeling courses. His training experience spans a period of more than 15 years.

For DCGT Andre has successfully written/delivered courses for clients such as Arrow Pharmaceutical, Shell Oil, IBM, Komercni Banka, Societe Generale, Fortis Bank, Raiffeisen Group, Islamic Development Bank, Banco Santander, Standard Bank, Westpac, Commercial Bank of Qatar, Bank of Cyprus, ING, Bank of Cyprus, Rabobank, Eurohypo, Standard Chartered, Erste Bank and numerous others throughout the globe. Specific work in the Gulf Region: Islamic Development Bank, Saudi Airline and SABIC in Saudi Arabia. Financial reporting and IFRS training to banks in the Emirates, Qatar and Kuwait, which include Noor Islamic Bank, NBK and QNB. He is a trainer for the South African market for Continuing Professional Development (CPD) in IFRS.

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