

THE INVESTMENT GUIDELINES



The terms and conditions of financing are determined according to the market conditions and the country and project specific risks.

Company Eligibility

1. The majority voting stock must be held by corporations, leading business community and industry private sector from our member countries.
2. Promising private sector projects introduced by experienced entrepreneurs or promoters.
3. Policy-makers, public sector enterprises under privatization, privatization agencies.
4. Financial institutions; development financing institutions; sovereign wealth funds.

Project Focus

Priority is given to projects that contribute to the local economy or intra-regional trade, represent cross border investments and have a strong export potential, which involve substantial jobs creation and transfers of new technologies. Furthermore, consideration is given to the developmental impact of the project on the country or the region, in addition to its financial and technical merits.

Amount Of Finance

The volume of ICD financing for a project is in the range of \$ 5 to 15 million with a minimum financing amount of \$ 2 million. The maximum amount of ICD financing (from its own resources) for a specific project is 50% of the total project investment cost, if the project is an expansion of an existing company or project and 40% of the project investment cost if it is a new or greenfield project. All financing is in US Dollars.

Tenor

Repayment periods are in the range of 5 to 8 years, although in exceptional cases, tenor can be up to 12 years. These tenors are inclusive of grace periods ranging from 1 to 2 years. Short term corporate finance is also provided for tenors of 1 to 2 years.

Collateral

Collateral for ICD finance includes pledges of a variety of assets, bank, corporate or personal guarantees, and assignment of identified receivables to an escrow account. The value of the collateral pledged should usually exceed the value of ICD financing by at least 50 per cent.