



## Press Release

Wednesday, 13<sup>th</sup> May 2015

### **KCB Group and eBiashara (Africa) Ltd Sign Supply Chain Finance Deal**

Nairobi, 13 May 2015 – KCB Group and eBiashara (Africa) Ltd, an integrated online financial provider have entered into a partnership to launch a Supply Chain Finance (“SCF”) programme that will see the early settlement of invoices between Buyers and Suppliers in Kenya.

The partnership comes at a time when there is increased concern on how SMEs can have access to working capital. This is compounded by existence of stretched commercial terms between buyers and sellers that includes delays in invoice settlement.

As part of its SME transformation agenda, KCB is launching a Reverse Factoring programme by working with key buyers and established supplier base to automate the early payment of approved invoices. The programme is a buyer led invoice discounting method and is based on the buyer introducing it to his/her suppliers.

In this arrangement, eBiashara will supply the IT platform that allows the bank to offer on-line invoice discounting services that can process hundreds of invoices simultaneously at low cost while at the same time helping the bank



with training, product development and the on-boarding of buyers and suppliers.

Speaking during the signing ceremony, KCB Head of Trade Finance and Financial Institutions Mr. George Mutiga lauded the partnership saying that it comes at a very good time when SMEs have been the focus of financial institutions to enhance growth.

Building on our expertise in trade financing, we see tremendous opportunities in Supply Chain Financing that will benefit both our Corporate and SME client base to build much more efficient value chains. Reverse Factoring allows us to accelerate payments to Suppliers at extremely fast turn-around-times, and provide timely liquidity for entrepreneurs to build and grow their businesses”, he said.

The Bank’s effort to promote the SMEs industry has seen it get voted as the Best Trade Finance Bank in Kenya for the past 3 years by Global Trade Review with the latest one being an award as the First Runners-Up in the Best Commercial Bank in Micro-Finance Category during the just concluded Bankers Awards. The awards are a clear testimony of its continued efforts to make a difference in the lives of SME partners.

On his part, the Director of eBiashara, Mr. Maarten Susan said that receivable financing is one of the fastest growing areas in financial services space, with an annual global transaction volume of USD 2.3 trillion dollars.



“We see increasing interest throughout Africa by Banks and Corporates to develop SCF solutions that really work, are cheap to access, and create innovative financial solutions that take advantage of credit ratings of the strongest players in the chain”, he said.

He added that reverse factoring programmes stand to benefit all stakeholders since no software investments are required at either buyer or supplier side. Accessibility of Reverse Factoring will have a positive impact on the smaller SMEs that currently have ongoing off-take agreements with buyers but find it difficult to access working capital or expand operations due to stretched credit limits.

### **About KCB Group**

*KCB Bank Group is East Africa’s largest commercial Bank that was established in 1896 in Kenya. Over the years, the Bank has grown and spread its wings into Tanzania, South Sudan, Uganda, Rwanda and Burundi completing the East African circuit in the year 2012. Today KCB Bank Group has the largest branch network in the Region of 242 branches, 962 ATMs and 10,102 agents offering banking services on a 24/7 basis in East Africa.*

*This is complemented by mobile banking and internet banking services with a 24hour contact center services for our customers to get in touch with the Bank. The Bank has a wide network of correspondent relationships totaling over 200 banks across the globe and our customers are assured of a seamless facilitation of their international trade requirements wherever they are.*

### **About eBiashara**

*eBiashara is a joint venture between Financial Access Capital Partners and Telemedia Africa Ltd. The two companies combine thorough banking expertise and on-the-ground IT*



*solutions. eBiashara is the first commercial offspring of the Finance4Agriculture (“F4A”) programme aimed at stimulating the financing of Food & Agriculture. Under the terms of F4A eBiashara has been mandated to implement world-class SCF product solutions for financial institutions at highly discounted rates. eBiashara is powered by ASYX technology.*

***For further information please contact:***

***Elizabeth Okunda***      ***0724-114 111***      ***Email: [elizabeth.okunda@financialxs.com](mailto:elizabeth.okunda@financialxs.com)***

***Judith Sidi Odhiambo***      ***Email: [jsodhiambo@kcb.co.ke](mailto:jsodhiambo@kcb.co.ke)***