



**European Bank**  
for Reconstruction and Development



**FCI**

Facilitating Open Account – Receivables Finance

**Jordan**

# Secrets of Factoring demystified

22 October 2020

10:00 - 14:00 Amman (GMT+3)

**REGISTER [HERE](#) TO THE FREE ONLINE CONFERENCE BEFORE 21 OCTOBER 12:00**



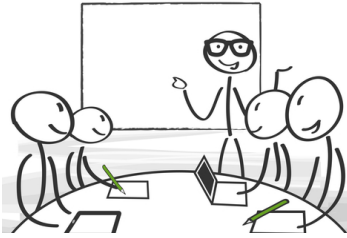
**Chaired by Kamola Makhmudova, Senior Banker, EBRD**

**Event by Invitation only for EBRD partners banks  
and Central Bank of Jordan**

**Venue: Online**



**Funded under the EU4Business  
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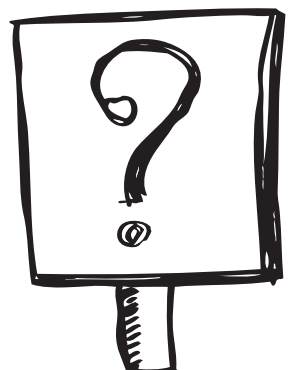


EBRD and FCI joined forces for an online conference to present Factoring and Receivable Finance. Factoring continues to grow successfully both in mature and in emerging markets. Through their control methods and permanent monitoring of the receivables of their clients, factoring companies or factoring divisions/departments of banks are able to provide more financing than traditional lenders to Small and Medium-sized Enterprises (SMEs) and at the same time limit their credit risk to acceptable levels.

Companies use Factoring as a flexible source of financing as it facilitates the much-needed access to finance by corporates and SMEs thereby improving their competitiveness based on the focus on Open Account Trade, which has proven to be most effective system during periods of financial and economic challenges. A typical service provided by a Factor includes investigating the creditworthiness of the seller's buyers, assuming credit risk on those same buyers and providing credit protection against the debtor default and/or bankruptcy.

Ultimately, the Factor provides the seller a guarantee of the debtors' inability to pay, prompt collection of accounts receivable, manages the receivables ledger, and provides financing through immediate cash advances against outstanding and assigned receivables.

The European Bank for Reconstruction and Development's (EBRD) Trade Facilitation Programme (TFP) in collaboration with FCI decided to organize online events, focusing on a regional view on factoring, offering attendees a unique opportunity, not only to discuss the current state of the industry, new challenges and products & markets development, but also to network with players from the same region.



## OBJECTIVES

The objectives of the online regional conference are:

- To support the attendees in furnishing them with the required knowledge to establish factoring operations and how to provide SMEs to have access to financing and receivables management services
- To attract the awareness of the industry stakeholders and the potential users of the product
- To enhance the understanding in various aspects of factoring including;
  - Advantages of factoring for various parties in the economy and comparison to traditional trade finance products
  - Legal basics and benefits of a regulatory framework
  - Mechanics, operations and risks management of factoring and its positive impact on the economy during the times of crisis
  - Global trends in different markets
- The current state of the factoring market in the “country” - Understanding of necessary changes to the “country” legislation
- Analysis of required changes in banking regulation, perception & approach of the financial institution, regulators and potential users in the specific “country”
- The online regional webinars will target the regulator, issuing banks, potential clients and other stakeholders in the industry.

## About EBRD - European Bank for Reconstruction and Development

The European Bank for Reconstruction and Development (EBRD) was established to help build a new, post-Cold War era in Central and Eastern Europe. It has since played a historic role and gained unique expertise in fostering change in the region - and beyond -, investing more than €145 billion in a total of over 5,700 projects.

The EBRD, owned by 64 countries and two intergovernmental institutions, is supporting the development of market economies and democracies.

*Our values:*

A clearly defined set of standards governs all our work as we strive to develop a sound investment climate and promote environmentally and socially sound and sustainable development.

*Commitment to the market and entrepreneurship*

The EBRD is committed to furthering progress towards ‘market-oriented economies and the promotion of private and entrepreneurial initiative’. This has been its guiding principle since its creation at the beginning of the 1990s and, new challenges and the welcoming of new countries to the EBRD world notwithstanding, will continue to be its mission in years to come.

## About FCI

FCI was set up in 1968 as an umbrella organisation for independent factoring companies around the world. Today it has grown into the world’s representative factoring network and association with more than 400 members in 90 countries.

When FCI started, domestic factoring was only available in North America and in a few European countries. The concept of cross-border factoring was still new and restricted by its lack of geographic reach. Recognising the potential for international factoring, the founding FCI members realised that an umbrella organisation was needed, firstly to introduce factoring in countries where it was not yet available, and secondly to develop a framework for international factoring, which would allow factoring companies in the country of the exporter and the importer to work closely together.

*“This document has been produced with the financial assistance of the European Union. The views expressed herein are those of Consultant and can therefore in no way be taken to reflect the official opinion of the European Union”.*



## ONLINE CONFERENCE PROGRAM THURSDAY 22 OCTOBER 2020: 10.00 - 14.00

- 10.00 – 10.10      **Welcome Remarks**  
Dr Maher Sheikh Hasan, Deputy Governor, Central Bank of Jordan  
Mr. Philip ter Woort, EBRD Director for Jordan
- 10.10 – 10.30      **The World of Factoring & Receivables Finance**
  - Global & Regional Industry Overview
  - Mechanics of Factoring
  - Risks, Opportunities, Challenges, Education
  - The Factoring Industry Overview and the Impact of COVID-19Mr. Peter Mulroy, FCI Secretary General  
Ms. Betül Kurtulus, FCI Regional Director of CEE, SEE & ME
- 10.30 – 10.50      **Advantages of Factoring and Comparison to Traditional Trade Finance**
  - Current challenges in accessing finance for SMEs how Factoring benefits SMEs' growth
  - Why Factoring is an attractive product for banks/NBFIs to offer
  - Innovating and providing more financing solutions to SME'sMs. Daniela Bonzanini, FCI Excom Member, Head of International Banca IFIS S.P.A.
- 10.50 – 11.00      SHORT BREAK
- 11.00 – 11.45      **Legal Basics & Benefits of a Regulatory Framework**
  - Policy overview on access to finance and financial inclusion in the local market
  - Key elements of an enabling legal framework
  - Key features of a Factoring law& factoring agreement
  - Markets that did not implement clear Factoring laws & problems faced when an enabling legal framework is not adopted
  - Overview of the situation from the perspective of similar countriesMr. Edward Wilde, Lawyer – FCI Legal Committee Member - Author of Law Books
- 11.45 – 11.55      SHORT BREAK

11.55 – 13.00

## **Panel Discussion and Q&A with EBRD TFP Partner Banks:**

### **Current Status of Factoring in Jordan**

- Opportunities & Challenges facing the Receivables Finance industry
- How can Cross-Border Factoring participate in the promotion of the economic growth in Jordan and the ME?

Moderator: Ms. Kamola Makhmudova, Senior Banker, Financial Institutions, EBRD

Panelists:

- Mr. Mohammed Burjak, COO, Bank Al Etihad
- Ms. Noor Halawa, Center Head, Housing Bank for Trade and Finance
- Ms. Ruba Musha'sha', General Manager of Takhseem - Factoring Solutions, Invest Bank
- Mr. Ammar ALSa'id, Head of SME, Jordan Ahli Bank

13.00 – 13.10

SHORT BREAK

13.10 – 13.35

## **Panel Discussion and Q&A with other Financial Institutions:**

### **Current Status of Factoring in Jordan**

- Opportunities & Challenges facing the Receivables Finance industry
- How can Cross-Border Factoring participate in the promotion of the economic growth in Jordan and the ME?

Moderator: Peter Mulroy, FCI Secretary General

Panelists:

- Mr. Basel Araj, Ass. General Manager, Arab Jordan Investment Bank
- Mr. Basel AL-HUSSEIN, Dubai Branch Manager-ITFC UAE, International Islamic Trade Finance Corporation
- Mr. Yasser Mohd Tahboub, Executive Manager Head of Transaction Banking, Bank of Jordan

13.35 – 13.50

## **Q&A on Legal and Regulatory Framework**

13.50 – 14.00

## **Concluding Remarks**

- Ms. Kamola Makhmudova, Senior Banker, Financial Institutions, EBRD
- Ms. Aysen Cetintas, Education Director, FCI

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## **REGISTER TO THE FREE ONLINE CONFERENCE:**

Please register [here](#) before 21 October 12:00 Jordan time

## BIOGRAPHIES

**Basel Al-Hussein**

Basel Al-Hussein is Regional Head for Middle East and Dubai Branch Manager in the International Islamic Trade Finance Corporation (ITFC), with the responsibility of managing ITFC trade finance operations for several countries in Middle East. He enjoys 17 years of accumulated experience in corporate finance earned from previous roles assumed in leading banks as well as from ITFC.

He delivered distinguished achievements in the area of Islamic finance relates to tailoring several financial solutions for ITFC clients which were rewarded with international recognition awards from Islamic Finance News, Euromoney and Global Trade Review.

Mr. Al-Hussien proudly succeeded in developing the Supplier's Finance Scheme that is considered an effective alternative to the conventional factoring facility offered by traditional banks. The developed mechanism delivers the desired service in a structured way that complies with the Islamic Shari'ah Principles.

**Daniela Bonzanini**

Daniela Bonzanini has a long career background in international trade and factoring and more than 30 years' experience in international factoring.

Her knowledge of the factoring industry has been of great contribution to the development and implementation of new projects mainly focused on innovative products and services.

In 2002 she joined Banca IFIS to start the international activity. She is Director of International, responsible for the development of business and international network. She is also directly involved in the management of the bank's foreign activities as Managing Director of IFIS Finance Sp. z.o.o, the daughter company of Banca IFIS in Poland, and Director of India Factoring and Finance Solutions Pvt. Ltd., the JV established in India in 2009.

Since 2006 she has been Member of the Board of A.I.C.E., Associazione Italiana Commercio Estero in Milano.

She is a speaker at international conferences and a lecturer at University.

She is Chairman of FCI Education Committee, Vice Chairman of FCI Executive Committee and, has been Chairman of FCI in 2013-2015.

**Aysen Cetintas**

Aysen Çetintas is the Education Director of FCI, specialist in receivables finance and speaker at international conferences. She joined FCI in 2008, in charge of FCI's education programmes. Her area of responsibility encompasses implementing the FCI strategy, by giving dedicated focus to the development and implementation of the educational tools for the chain, organising all FCI courses and related workshops/seminars, conducting training events and guiding new members in the process of setting up for the international factoring business.

Aysen has 30 years of experience in the factoring and receivables finance industry at managerial level in various factoring companies and banks. She has a BA degree in Political Science and International Relations from Bosphorus University, Istanbul, Turkey.

## Betül Kurtulus



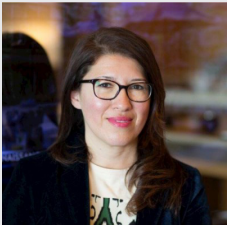
Regional Director for Central, Eastern, and South-Eastern Europe and the Middle East FCI.

Betül Kurtuluş has 25 years' experience in the Factoring and Leasing industry. She started her career at Anderson Consulting and joined the factoring industry in 1992. Prior to Strateji Factoring, Betül worked at Toprak Banking Group. Until 2018, she has been General Manager at Strateji Factoring, also a Board Member of Yatirim Leasing.

Betül Kurtuluş served as a Board Member of the Association of Financial Institutions of Turkey since 2016. The association consists of three major industries, Factoring, Leasing, and Consumer Finance, with a member of 103 finance companies.

Since January 2019, she has been appointed as a Regional Director responsible for Central, Eastern, and South-Eastern Europe and the Middle East. She has a university degree in Economics.

## Kamola Makhmudova



Kamola Makhmudova is a Senior Banker at the EBRD, working in the Financial Institutions department's TFP team. Here she leads the TFP's policy dialogue on the development of trade finance and compliance, access to trade finance for small and medium size businesses, as well as a number of capacity development projects, including the internationally accredited EBRD Trade Finance e-Learning Programme. Her daily work involves approving transactions in all the economies where the EBRD invests, and developing trade finance limits for new partner banks. Kamola is also founder and editor of the EBRD magazine Trade Exchange. Kamola came to the TFP from the EBRD's Transport, Power and Energy Utilities departments, and has broad experience in emerging market economies, working on debt, equity and complex project finance transactions in both the private and public sectors.

Kamola began her career in 1997 at ABN AMRO Bank, where she worked in Corporate Banking and the Customer Services Department.

Kamola's expertise is also recognised externally; she is a member of the Correspondent Banking Coordination Group, at the Financial Stability Board, IMF and WTO on global and regional efforts, to enhance the coordination of capacity development activities, where she represents the EBRD and contributes to the policymaking and thinking on global challenges of de-risking and access to international trade finance. She holds an MBA from the University of Cambridge, and MSC in Accounting and Finance.

## Peter Mulroy



Peter Mulroy is Secretary General of FCI, the world's largest network of factoring companies, with its headquarters in Amsterdam, Netherlands.

Prior to joining FCI, Peter was Senior Vice President, International Regional Manager and Managing Director with CIT's Trade Finance unit in the US, a \$40+ Billion financial services company and one of FCI's original founding members. Peter also served on the management committee of CIT, supporting the global growth strategy of the company. Peter came to CIT through the acquisition of the factoring unit of SunTrust Bank, where he developed their international factoring business. Peter is a past Chairman of FCI, and has served on the FCI Executive Committee for over a decade. He has worked and lived previously in Europe and the Middle East. Peter received his Bachelor's Degree from Rutgers University in New Jersey, studied at the Universität Konstanz in Germany, and his MBA from Thunderbird, School of Global Management in Arizona. As Secretary General, Mr. Mulroy assists banks, regulators and governments from around the world in educating the role and introducing the concept of factoring, a facilitator of liquidity and mitigator of risk for SMEs and Corporates in both domestic and international trade.

## Edward Wilde



Edward Wilde is a member of FCI's Legal Committee, having recently retired from full time practice as a Solicitor (advocate) In London, England. He has over 40 years' experience of resolving legal and practical problems affecting the operations of factoring and asset based lending companies. He has also advised the UK Government on matters where laws such as VAT or bans on assignment should be changed to encourage the development of factoring, as an aid to working capital finance. More recently he wrote a model factoring law for Afrexim Bank to encourage factoring in Africa and which is now before the Nigerian National Assembly. He has written a number of text books about the law relating to factoring. For 25 years he was the honorary Legal Counsel and Secretary to the UK Factors and Discounters Association (now UK Finance) representing 95% of the UK factoring market. For 8 years he was chairman if the Legal Committee of International Factors Group.