



**European Bank**  
for Reconstruction and Development



**FCI**

Facilitating Open Account – Receivables Finance

Online Factoring Conference for Kyrgyzstan

# Factoring: Best Industry Practices

27 April 2021

13:00 - 17:10 Kyrgyzstan (CET+4)

**REGISTER [HERE](#) TO THE FREE ONLINE CONFERENCE BEFORE 26 APRIL 17:00**



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

**Venue: Online (Zoom)**

**Simultaneous translation from English to Russian**



Funded under the EU4Business  
Initiative of the European Union

## ONLINE CONFERENCE PROGRAM TUESDAY 27 APRIL 2021: 13.00 - 17.10

13.00 – 13.40

### Welcome Remarks

- Mr. Neil McKain, Director, Regional Head for Kyrgyz Republic, Tajikistan and Turkemistan, EBRD
- Ms. Zhyldyz Sulaimanbekova, Head, Banks Supervision Methodology and Licensing Department, National Bank of Kyrgyz Republic
- Mrs. Kamola Makhmudova, Senior Banker, Financial Institutions, EBRD

13.40 – 14.10

### The World of Factoring & Receivables Finance Global & Regional Industry Overview

- Mechanics of Factoring
- Risks, Opportunities and Challenges
- Factoring during crisis times: COVID-19 pandemic
- Mr. Peter Mulroy, Secretary General, FCI
- Mrs. Betul Kurtulus, Regional Director, FCI

14.10 – 14.30

### Understanding Factoring

→ **What is Factoring ? Why are O/A receivables finance solutions becoming more important?**

→ **Factoring & Invoice Finance Variations**

Mrs. Aysen Cetintas, Education Director, FCI

→ **How does factoring legally work?**

→ **The FCI Two-Factor system**

Mr. Spyros Tsohis, Deputy Education Director, FCI

14.30 – 14.40

SHORT BREAK

14.40 – 15.20

### Legal Basics & Benefits of a regulatory Framework

→ Key elements of an enabling legal framework

→ Purpose and coverage of regulations

→ Essentials for a Factoring law & Matters for a Factoring agreement

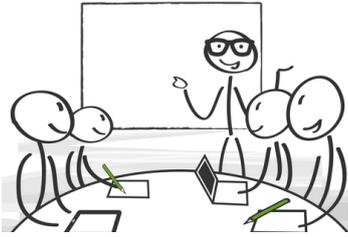
Mr. Edward Wilde, Lawyer – FCI Legal Committee Member - Author of Law Books (Industry Legal Expert)

- 15.20 – 15.35 **Advantages of Factoring and comparison to traditional trade finance**  
**Road map to development of factoring market in an emerging country**  
**Regulatory and digital infrastructure**
- Current challenges in accessing finance for SMEs how Factoring benefits SMEs' growth
  - Why Factoring is an attractive product for banks/NBFIs to offer
  - Role of new technologies in factoring business
- Mr. Panos PAPANATHANAKIS, Excom Member of FCI, Executive Vice-President & CEO, Optima Factors S.A., Greece
- 15.35 – 15.40 SHORT BREAK
- 15.40 – 16.00 **Building factoring business with development financial institutions**
- Mr. Uve Poom, COO, SupplierPlus Group
- 16.00 – 16.40 **Panel Discussion: Current Status of Factoring in Kyrgyzstan**  
"Opportunities & challenges facing the RF industry" & "Innovating and providing more financing solutions to SMEs"
- Moderator: Mrs. Kamola Makhmudova, Senior Banker, Financial Institutions, EBRD
- Market practices:*
- Mrs. Nergis Ayvaz, General Manager, QNB Finans Factoring, Turkey
- Banks & Financial Institutions perception & approach*
- Mrs. Chinara Alybaeva, Head of Global Transaction Banking Department, OJSC Optima Bank
  - Mrs. Natalia Babisheva, Corporate and SME Marketing Regional Director, Demir Kyrgyz International Bank CJSC, Bishkek, Kyrgyz Republic
  - Mrs. Elena Bubnova, Chief Credit Officer, CJSC "Kyrgyz Investment and Credit Bank"
- 16.40 – 17.00 Q&A SESSION
- 17.00 – 17.10 **Concluding Remarks**
- Mrs. Kamola Makhmudova, Senior Banker, Financial Institutions, EBRD
  - Mrs. Aysen Cetintas, Education Director, FCI

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## REGISTER TO THE FREE ONLINE CONFERENCE:

Please register [here](#) before 26 April 16:00 local time

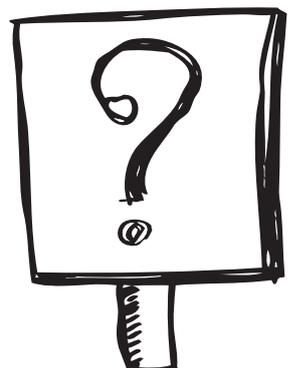


EBRD and FCI joined forces for an online conference to present Factoring and Receivable Finance. Factoring continues to grow successfully both in mature and in emerging markets. Through their control methods and permanent monitoring of the receivables of their clients, factoring companies or factoring 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”.*



## BIOGRAPHIES

### Chinara Alybaeva

Chinara Alybaeva is currently Head of Global Transaction Banking Department for Optima Bank OJSC. Before she has worked for Demir Kyrgyz International Bank in the Treasury Department as Chief Specialist in the Correspondent Banking Department. Prior to it she worked for JSC KRAMDS-Bank and National Bank of the Kyrgyz Republic.

### Natalia Babisheva



Mrs. Natalia Babisheva is currently Corporate and SME Marketing Regional Director, Demir Kyrgyz International Bank CJSC, Bishkek, Kyrgyz Republic. She has worked for the bank since 1993 and had different roles: Branch Director of "DKIB-Main" Branch, Corporate and SME Marketing Director, Deputy Head, Marketing and Corporate Credits Department, Management Associate and Chief Specialist, Senior Specialist in the Correspondent Banking and Public Relations, Assistant of General Manager for the Personnel Administrator

### Elena Bubnova



Mrs Bubnova is currently Chief Credit Officer for CJSC "Kyrgyz Investment and Credit Bank". Before she was Head of Risk Management Department and Head of Treasury and Correspondent bank relations Department for the same bank. Prior, she worked as Head of Treasury for OJSC "Zalkar Bank". She also worked for National Bank of the Kyrgyz Republic as Head of Dealing Operations Unit, Monetary Operations Department and Leading Economist, Refinancing and Placement of Securities Unit.

### 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.

### Nergis Ayvaz Bumedian



General Manager and Member of the Board  
She graduated from the Department of Economics, Boğaziçi University, in 1992. Between 1992 and 1995 she worked for YapıveKredi Bank, and then joined Demirbank T.A.Ş. to work in Corporate Marketing between 1995 and 1997. She started working for QNB Finansbank in 1997 as Corporate Marketing Assistant Vice President. Later on in 1998, she was appointed to be a Branch Manager, and became the Commercial Banking Senior Vice President of QNB Finansbank in 2000. Ayvaz was the Executive Vice President for Commercial Banking of QNB Finansbank between 1st of January 2008 and 8th of June 2009,

when she was appointed as the General Manager of QNB Finansfaktoring. Since 4 November 2009, she has also been acting as a Board Member at QNB Finansfaktoring.

## 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.

## Neil McKain



EBRD Regional Director (Kyrgyz Republic, Tajikistan, Turkmenistan)

Neil joined the EBRD in 1999 and worked for 8 years in headquarters in the U.S. board director's office, co-financing and risk management departments. Before taking on his current position, Neil was Head of Office in Turkmenistan from 2008 - 2011 and Azerbaijan from 2011-2016. Prior to joining the EBRD, Neil worked in Russia with A.T. Kearney on post-privatisation restructuring

and was lecturer in international economic relations at Novosibirsk State University. Neil has an MBA from Cambridge University Judge Business School, an MPhil from Strathclyde University and an MA in economics and international relations from Aberdeen University.

## 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.

## Panos Papatheodorou



Over 25 years of experience at top management level in the factoring industry CEO of Optima Factors SA. Previously served as CEO ( 2007 – 2019 ) at Laiki Factors & Forfaiters SA ( ex Marfin Factors & Forfaiters SA), as CEO at EFG Eurobank Factors (1999-2007) and as set up team member and Marketing Manager at Ethnofact SA (1995- 1999)

Led the set up of four factoring entities (Eurobank Factors Greece , EFG Factors Bulgaria and Marfin Factors in Greece and Serbia)

Key positions in the Executive Committee of the global association for factoring, FCI, since 2010

Involved in the set-up of factoring market frameworks in the region and advised governmental and financial institutions towards the adoption of the appropriate legislative frameworks and functional factoring structures.

## Uve Poom



Uve Poom serves as COO at SupplierPlus - a Supply Chain Finance platform that simplifies invoice finance operations between Corporate Buyers and their Suppliers as well as Financiers investing in receivables. SupplierPlus operates in Nordic, Baltic and Central Eastern Europe markets as well as Ukraine.

Mr. Poom oversees the company's expansion into Ukraine and works closely with DFIs such as the EBRD and IFC. SupplierPlus is executing an awareness-raising initiative named "FactorEd" with the USAID Financial Sector Transformation project in Ukraine. The initiative entails a broad set of activities to ensure that factoring is understood well among trade parties, financiers and policymakers. Mr. Poom also heads the board of Beetroot Academy, a

Swedish-Ukrainian code academy. Before completing his MA at Stanford, Mr Poom spent 5 years as CEO of the Unitas Foundation (founded by 2x Estonian Prime Minister Mart Laar) and as a fundraising consultant at Civitta, a leading independent management consulting firm in the Baltics and CEE.

## Zhyldyz Sulaimanbekova



Zhyldyz Sulaimanbekova - Head of the Department of Supervision Methodology and Licensing of Banks of the National Bank of the Kyrgyz Republic. The department, headed by Zhyldyz, implements the tasks of the National Bank to ensure the stability of the banking system by providing a methodology for banks supervising and licensing the activities of banks.

Zhyldyz worked at the National Bank in all areas of supervision and licensing both in banks and non-bank financial institutions. Department of Supervision Methodology and Licensing of Banks is responsible for the development of banking supervision policy, including issues of control of a new products introduction process in banks, as well as digital banking products.

## Spyros Tsolis



Spyros Tsolis is FCI Deputy Education Director since January 2020. He, along with the FCI Education Director, is responsible for the execution of the FCI Education Strategy and Policy. He represents FCI in International Conferences and also delivers factoring specific trainings in cooperation with Development Banks and other Financial Institutions.

Spyros has 20 years of factoring experience, having been deeply involved in International Factoring Business & FCI during his professional career. Previously, he was working for Eurobank Factors SA, Greece, a leading Factor in SE Europe as Head of International Activities responsible for the Factoring Network Strategy of Eurobank Group. He has also served as a member of the FCI Education Committee since 2013 and as a Vice-Chairman of the BoD at the Hellenic Factors Association.

Spyros has an MSc in International Trade and Finance from Lancaster University, UK and a BA in International Economics from Corvinus University of Budapest.

## 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.