

Project finance

Documentation check list

December 2016

In order to be able to review project finance applications, we need the following information:

1. Brief description of every **project sponsor**:
Company history, establishment date, legal form, ownership, subsidiaries, core activities, total assets
Data on sponsor's experience in the host country and in the project's industry
Explanation of how the project relates to the sponsor's strategic direction/goals
2. **Annual reports** of the past three years for every project sponsor; additional requirements in the case of project finance for activities in existing plants: detailed **structured data** for the past three years and budgets for the next five years on **revenues** (including a breakdown of export versus domestic foreign currency revenues, if any, for non-convertible currencies; revenue mix by customer, country, and product) and **expenses** (in detail; in the case of non-convertible currencies these may be grouped separately)
3. Summary of the project concerned, including name, location, purpose, organisational form, ownership, equity, security structure, status of licenses/approvals, local partners, marketing and distribution, financing
4. Brief characterisation of the role of the **host country**. For projects with currencies that are not completely freely convertible: description of the measures to avoid **transfer risk** (e.g. escrow account)
5. Schematic representation of the **contract structure** and the significant existing or intended contractual relationships and **security**
6. **List of references** of the general contractor and/or most important **suppliers** as far as known; list of references of comparable projects to document the proven **technological feasibility** and the experience in the host country and continent
7. Information on **operator**/management company: company history, ownership, core activities, list of references, documentation of relevant experience in industry and host country
8. Independent **feasibility study** reporting on the project's economic and financial viability and political and environmental acceptability; information on the level of expertise of the experts used (in terms of subject area and geographic region; e.g. list of references)
9. **Environmental and social impact assessment** (ESIA); in line with local and international standards
10. The following information, if not already included in the feasibility study or in the environmental and social impact assessment:
 - a. Technical description, flow sheet, layout
 - b. Detailed derivation of estimated **operating costs** (price and quantity details)
 - c. **Procurement situation** for raw materials and supplies, including corresponding contract documents
 - d. Description of the **management**, training of staff, staff costs and qualifications
 - e. Report on **environmental and social aspects**
 - f. Discussion of the amounts and appropriateness of the **investment value** and the risks regarding **time and cost overruns**
 - g. **Timetable** for construction and commissioning, milestones
 - h. **Market information** on the project's products/services, including the price and volume trends for the past 5 to 10 years; competitive situation, current and future supply and demand situation; forecast, identification and

geographic location of main customers; marketing and logistics strategy; description of the planned marketing activities and marketing agreements/off-take agreements (e.g. take-or-pay agreements)

- i. **Detailed project costs**, broken down by main categories of the key construction and commissioning cost items, interest over construction period, financing of working capital
- j. Projected **procurement of funds**, including source, amount, currency, time of input
- k. **Cash flow projection** over the repayment term of the requested export-credit-insured loan (including sensitivity analysis: a realistic base scenario, an optimistic and a pessimistic scenario); explanation of how any cash deficits will be covered
- l. Derivation and assumptions of the **cash flow projection**, including basis for sales quantity and prices, operating and administrative expenses, depreciation, amortisation and impairment losses, taxes, inflation, exchange rate movements.

Description of your project

1. **Project name**
Location / country
2. **Subject of the project**
3. **Production capacity**
4. **Contact person**
5. **Project memorandum**
Date, author
6. **Feasibility study**
Date, author
7. **Environmental and social impact assessment (ESIA)**
Date, author
Financial adviser
Name, address
8. **Consulting engineer**
Name, address
9. **Supplier(s)**
10. **Total project value** (EUR 'ODD)
11. **Austrian portion of the total project value** (EUR 'ODD)
12. **Foreign portion of the total project value incl. local costs for the Austrian goods or services to be delivered** (%)
13. **Requested amount of cover** (EUR 'ODD)
Type of guarantee
14. **Securities offered**
15. **Operator**
Name
Ownership
Brief description of owner(s)
Capital
Qualifications

16. Management

Company, name of manager
Qualifications / references

17. Marketing of products

Company
Qualifications
Quantities, prices, contract terms

18. Details on equity

Source
Time and form of contribution
Amount

19. Use of funds/financing requirements (EUR '000)

- Project development
- Deliveries of goods
- Performance of services
- Construction, land development
- Assembly
- Interest on building finance, financing costs
- Taxes
- Reserve
- Working capital

Total

20. Procurement of funds/amount, source¹ (EUR '000)

- Equity (see item 17)
- Shareholder loans
- Local financing
- Market financing
- International financial institutions (e.g. IFC, EBRD, ADB)
- State-supported export loans
thereof OeKB

Total

¹ Capital contributions in kind or in non-convertible currency should be shown separately or marked.