



Exim Bank extends US\$ 20 Million Credit Line to Mozambique

Export-Import Bank of India (Exim Bank) has, at the behest of Government of India, extended a Line of Credit (LOC) of US\$ 20 million, to Government of Mozambique, to support India's exports of equipments, goods and services to Mozambique.

Under the LOC to Mozambique, the entire 100% of FOB contract value would be reimbursed by Exim Bank to the Indian exporters, whose contracts are approved by both sides, upfront upon the shipment of goods. Government of Mozambique has nominated Banco de Mozambique (central bank of the country) as the executing agency from Mozambique side.

Mozambique has registered strong real GDP growth in recent years which is expected to continue in 2004 and 2005, driven by output from the industrial mega-projects that are coming on stream, as well as by investment and robust performance in a range of other sectors. In 2004, real GDP growth is expected to rise to 8%, owing to the high levels of foreign direct investment directed towards large-scale investment projects, including the expansion of the Mozal aluminium smelter and the construction of a gas export pipeline to South Africa.

India's exports to Mozambique amounted to US\$ 64.74 million during the year 2003-2004, registering a growth of 38% over the

previous year. Non-basmati rice, man-made yarn and made-ups, transport equipments, machinery and cotton yarn made-ups were the principal items in India's export basket to Mozambique in the year 2003-04. The just concluded LOC of US\$ 20 million is expected to give boost to the Indo-Mozambique trade further, as there is considerable demand in Mozambique for Indian capital goods for infrastructure projects, rural electrification and transport sectors.

Exim Bank's LOCs afford a risk-free, non-recourse export financing option to Indian exporters. Exim Bank has in place a number of Lines of Credit for promoting India's exports to countries in Africa, Asia, Latin America, East Europe and Russia.

For further information, please contact :

Mr. P. R. Dalal
General Manager
Export-Import Bank of India
Centre One Building, Floor 21, World Trade Centre Complex
Cuffe Parade, Mumbai 400 005
Tel. : (022) 22162073/22185272 Extn. 2200
Fax : (022) 22182460
E-mail : eximloc@eximbankindia.com
Website : www.eximbankindia.com/loc.html