

# TRADE CREDIT SOLUTIONS

# Supporting Agricultural Trade in Tanzania

#### **Overview**

This case study highlights how UA Specialty facilitated a significant agricultural trade transaction in Tanzania, overcoming financing challenges and boosting agricultural productivity.

#### **Transaction Details**

Client:

Trader

Country:

Tanzania

**Transaction Type:** 

Off Balance Sheet Trade Finance

**Transaction Value:** 

US\$ 76 million

Challenge: The trader required financing to import 500,000

MT of UREA 46 Fertilizer. The challenge was securing

favourable financing terms.

Solution:

UA Specialty structured and arranged the transaction, sourcing supply at competitive prices and providing an off-balance-sheet

trade finance solution.

Impact:

The fertilizer importation significantly increased agricultural productivity in Tanzania, supporting food security and driving

economic growth.

## The Challenge

The Tanzanian trader faced difficulties in securing adequate financing for a large-scale fertilizer import. Traditional financing options proved restrictive and costly, hindering their ability to meet the country's agricultural demands.

### **UA Specialty's Solution**

UA Specialty stepped in to provide a comprehensive trade finance solution. This involved:

- **Sourcing:** Identifying and securing a reliable supply of UREA 46 Fertilizer at competitive prices.
- **Structuring:** Developing an off-balance-sheet trade finance structure tailored to the trader's specific needs.
- **Arranging:** Facilitating the entire transaction, from initial negotiation to final settlement, ensuring a smooth and efficient process.

## The Impact

The successful importation of 500,000 MT of UREA 46 Fertilizer had a significant positive impact on Tanzanian agriculture:

- Increased Agricultural Productivity: Farmers gained access to essential nutrients, leading to higher crop yields.
- **Enhanced Food Security:** The increased productivity contributed to greater food security within the nation.
- **Economic Growth:** The agricultural sector experienced substantial growth, benefiting the overall Tanzanian economy.

#### Conclusion

This case study demonstrates the effectiveness of UA Specialty's trade credit solutions in supporting agricultural trade and driving economic development. By providing innovative financing and expert structuring, UA Specialty empowers traders to overcome challenges and contribute to the growth of their respective economies. The ability to source a reliable supply at favourable prices and deliver bespoke off-balance-sheet trade finance solutions proves to be extremely valuable.