



INTERNATIONAL DIVISION: THE HEART OF BCC



International Division is at the heart of BCC and its relationships with the worldwide financial community. It is vital to BCC's fundamental philosophy and plays an important role in providing cohesiveness to the widely spread group in its international correspondent relationships.

The division's 80 staff in London perform a complex task. They are responsible for enhancing BCC's image in the financial market place. They have established a broad-based network of correspondent relationships and market BCC's services to an ever increasing number of banks around the world. The division is also responsible for the servicing of these relationships and ensures that the correspondent banking requirements of our branches are adequately serviced by our correspondents. At the same time the division establishes money market and forex limits for BCC's various dealing rooms and monitors their activities.

The division also maintains close relationships with BCC staff in locations around the world and with officers in correspondent banks through CBRB (Correspondent

Banking Relationship Business). This part of the division comes under the EMP umbrella.

EMP activities are aimed at creating relationships with other banks in order to secure a larger volume of business. It is the function of the International Division to maintain and service these relationships, while providing support and guidance to BCC branches.

Until 1983, International Division largely fulfilled the function of serving BCC branches by creating relationships with other banks to meet their correspondent banking requirements. Since then, however, BCC has used its infrastructure to become a net provider of services to other banks.

In 1986, the group incorporated into its operations Mr Agha Hasan Abedi's concept of the External Market Place, under which each location would market services on behalf of other locations, to the overall benefit of the Group. There are now EMP centres in Bangladesh, France, Hong Kong, India, Indonesia, Japan, Korea, the Middle East, Pakistan, the UK and the US.

LOCAL RESOURCES

In keeping with its prudent approach to liquidity and risk, BCC has always striven to keep cross border exposures to the very minimum. To fund its operations in various geographical locations BCC relies on customer deposits and resources mobilised locally, and, as a further safeguard, it maintains a very high liquidity ratio.

As seen in the aftermath of recent events, BCC has the advantage of a very strong shareholder base and the relationships it has made through International Division with a large number of financial institutions.

PEOPLE AND ORGANISATION

The division is organised in several units, broadly divided into marketing, servicing and monitoring departments.

Mr H. F. Mewawalla, deputy general manager, in addition to his shared responsibilities for overall management, also has marketing and servicing functions with responsibility for India, Japan, Indonesia, Australia, China and Afghanistan.

His special focus is on international trade. In 1988 BCC increased its international trade related transactions by 16%. The International Division and CBRB played a prominent role in this effort.

Worldwide international trade is valued at US\$2.3 trillion and growing. In the countries where BCC has a presence, international trade is valued at US\$1.7 trillion. Mr Mewawalla notes, "Even a small part of such a sum is enormous, and achievement of a share of this is one of BCC's major targets for the next decade." But there are certain prerequisites to gaining a significant proportion of world trade business.

The first essential is the profound conviction of all BCC family members of the importance of this area and a feel for the immense business potential it presents. Secondly, while marketing has always been a strength of BCC, there is a need for an organised effort both in the area of marketing strategy and the upgrading of marketing skills: staff in all branches must become experts on local

conditions, such as the country's economy, local regulations, its commodities and its debt position – and this knowledge must be continuously updated.

Deputy general manager Mr A. D. Raja, who, like Mr Mewawalla, jointly looks after the general management, also has marketing and servicing responsibilities specifically for the Americas, Europe and North Africa. Mr Raja has a special focus on competition in the market place, both in terms of products and in terms of the quality of service provided.

"One must never forget that there are a large number of banks worldwide, all seeking the same business," says Mr Raja. "Members of the bank must have a thorough understanding of BCC, so that they are able to speak knowledgeably about its history, its shareholders, its balance sheet and other important elements of the Group's structure and operations." Nowhere is this more true than for the members of International Division and CBRB globally.

GLOBALLY STRUCTURED OPERATION

The deputy general managers are supported by a core team of highly motivated and energetic area managers.

ASIA

Mr I. Narendar is area manager for India, Afghanistan, Nepal and Indonesia. India is one of the biggest markets in the Third World and since many of its banks do not have overseas branches, BCC makes a point of striving to service the needs and requirements of their overseas business. The chief opportunities for its services lie in imports and exports and in infrastructure related projects. In Afghanistan all major banks are dealt with, assisting in trade with the Far East and India.

Mr Yousuf Husain Abedi is responsible for correspondent banking relations in Pakistan, Oman, Jordan and Sri Lanka. All the locations are important CBRB centres and contain a tremendous potential for correspondent banking business. Mr Abedi, together with



Mr A. D. Nadkarni, also shares responsibility for the money market activities of the Group.

Mr Nadkarni, for his part, has a very specialised and vital role within International Division. He provides an administrative and monitoring function for BCC's 20 foreign exchange dealing rooms around the world. As the Group's foreign exchange business volume increases and the customer base is enhanced, the monitoring function, data assimilation and analysis of dealing room activities will become even more vital over time.

MIDDLE EAST AND AFRICA

Mr M. M. Haq and Mr Husain Naqvi are responsible for the Middle East, where International Division's role as trustee of BCC's image and reputation is especially important, given the Group's shareholder base and strong historical links with the region. While this link is a source of strength it is also a challenge, because a platform already exists for much greater encashment of possibilities than in many other regions. Messrs Haq and Naqvi also see enormous potential for developing further business in Africa, already an important region for BCC.

Mr M. A. Hassan is area manager responsible for Greece, Cyprus, Turkey, Malta, the North African countries and South Africa. He has forged strong links with local banks and central banks in these countries, allowing his area to have up-to-date information on the latest economic and financial situation. Like the other area managers, when he visits the countries in his portfolio, he makes it a point to meet officers from all major commercial banks and central banks, in order to get to know them, ascertain their requirements and understand how they fit into the global banking network.

EUROPE

Mr A. Kureshi's responsibilities lie in France, Switzerland, the Netherlands, Austria, Belgium and Scandinavia. In 1988 BCC received substantial business volume from these countries. They form a very sophisticated market, where

BCC's image is extremely important, and special steps have been taken in this area to nurture and enlarge the relationships in order to remain competitive in a more harmonised European Community by 1992 and beyond. The BCC Group's aim is to raise its profile in Europe, and the task of persuading European banks to continue expanding business with BCC is an ongoing exercise.

West Germany and Eastern Europe fall under the aegis of Mr Faisal Basheer, who was previously manager at BCC's Frankfurt branch. Mr Basheer plays a crucial role in allowing International Division to update its knowledge of Eastern Europe. The political and socio-economic changes under way in Eastern Europe offer BCC new opportunities for increased business.

The Group handles considerable business – including Letters of Credit and International Guarantees – for Hungary, Bulgaria, Czechoslovakia, Poland, Romania, Yugoslavia and the USSR, while having accounts of banks from many of them. Intensive efforts are being made to secure additional business and accounts from the newly established banks in these countries.

THE AMERICAS

As area manager for the US, Canada and Central America, Mr Asad Ansari is constantly strengthening his relationships with banks in these countries. He also offers his support to BCC's correspondent banking operation on the North American continent and has particular responsibility for nurturing and enhancing relations with many institutions in the US. "This is largely on behalf of the Group, since BCC is dollar based," says Mr Ansari.

Mr Omar Miranda is responsible for correspondent banking relations in Italy, Spain, Portugal and Latin America. His focus on regional banks in Italy has achieved considerable success. "They are our natural partners," he says.

UK AND THE FAR EAST

Mr Sen Gupta and his colleague Mr Peter Sidney share responsibility for Hong Kong, Malaysia, Korea, Thailand



and the United Kingdom. Both men hold firm beliefs in the necessity for developing relationships at all levels in other banks. "The personal touch is all important," claims Mr Sen Gupta. While increasing trade links between the UK and the Far East provide a natural business conduit for BCC with its large UK base, the emerging countries of the Far East have penetrated new markets for their exports across the world. As trade flows, so the need for banking services follows and BCC is well placed to service the needs of banks from these countries.

In the UK, although banks have generally been very international in outlook and have their traditional relationships overseas, there are many areas for mutually beneficial co-operation between the British banks and BCC. The International Division keeps a close liaison with the UK banks and London branches of overseas banks in order to serve them wherever it can.

USING KNOWLEDGE

International Division identifies business opportunities and, using its knowledge of the exposure risks, limits and credit lines for each country, sells the services of the BCC Group and branches. The products include deposits, foreign exchange dealings, current accounts and, importantly, trade related products such as Letters of Credit and packaging of international trade transactions.

The emphasis on in-depth knowledge of local markets facilitates BCC's policy of continuous communications facilitation and problem solving at operational level, and enhances its capacity for energetic and inspired marketing.

PERFORMANCE

The division maintains correspondent relationships with over 1,100 banks and has account relationships with 750, including central banks. It also acts as arbitrator in disputes between branches, and between branches and correspondent banks – a role that often demands great tact.

An important factor in the outstanding performance of International Division is its focus on the human relationships behind the working relationships at all operating levels, both within and outside the organisation. All members of the division are highly accessible to BCC branch managers, CBRB officers, members of other divisions and regions as well as officers of correspondent banks. The members of the International Division realise the crucial role of open and objective communications and are ambassadors of the BCC spirit worldwide.

THE FUTURE

BCC's unique position as a bank of Third World origins with a 73 country network is a distinct marketing advantage. This, coupled with a high degree of professionalism and specialised knowledge in trade related services, and a firm dedication to top quality, personalised and custom-tailored service to all customers, gives BCC



a powerful platform to greatly expand its international correspondent banking services in the coming years.

During the next decade, the importance of OECD countries and Latin America will increase significantly along with new opportunities in the COMECON countries. BCC is already the world's fourth largest bank in terms of country network and, with its unrivalled knowledge of the Third World, is able to offer the Europe of the 1990s the global perspective it will find essential.

VISION OF INTERDEPENDENCE

BCC today is therefore in a better position than any other bank in the world to fulfil the vision of Mr Aghan Hasan Abedi which has inspired the Group since 1972 – a vision of interdependence and interrelationship, a bridge where all peoples of the world come together on a single platform joining hands in mutual respect, togetherness and work for mutual benefit – creating a bold future embodied in one world, one nation and one bank.

ENLIGHTENED LEADERSHIP

For the International Division to fulfil its proper role – which is none other than being the flagship division of BCC as it enters an exciting and challenging new decade – a tremendous responsibility rests on its leadership.

A leadership that is full of newness, of openness, of creativity, of enthusiasm, of optimism, of generosity, of vision, of courage, of patience, of perseverance and, above all, of conviction and faith in its destiny and BCC's destiny.

International Division has this leadership personified in its divisional general manager, Mr John Hillbery, an enlightened and visionary individual capable of merging his high quality energy with other high quality energies in his division and in the BCC Group and providing guidance and direction for a bold new future. It is this unique ability

and quality of Mr Hillbery that has enabled International Division to develop a dynamic collective persona.

JOINT PERSONALITY

"The unity displayed by family members, the high level of morale maintained by them, and the positive role played by each individual during the recent events, were a reflection of the collective persona of the International Division," says Mr Mewawalla. In the International Division decisions are made by consensus; the concept of joint personality is a reality, and the result is a powerful source of energy within BCC. This can only serve to strengthen the division's cohesive qualities and its ability to fulfil its responsibility of enhancing the image of the BCC Group in the financial community worldwide and encashing the largest possible opportunities as they unfold.

BCC cherishes a challenging ambition: to become the world's major correspondent bank with quality service as its hallmark. Although there is a very considerable way to go, BCC is actually better placed than most banks to attain this goal.

IMPORTANT MESSAGE

International Division is the focal point of these ambitious plans. Each region will play its own essential role, and the significance of the close relationship between the International Division and branches in the field cannot be overestimated.

Considering the extreme importance of correspondent banking activities, all members of the BCC family have to realise the imperative of providing a level of service that is prompt, professional and efficient, and that will ensure repeat business in the future. All of us, both individually and collectively, have to recognise that the quality, image, reputation and future success of BCC are in our hands.