



CHO ON THE RUN

ADVANCING THE CHO PROJECT

With the Governor of the Central Bank | July 9, 2019



Dr. Obegi met with **Dr. Riad Salame**, *Governor of the Central Bank*, to update him on the latest news regarding the CHO Project.

Discussions were held in view of the current economic situation in Lebanon and Dr. Obegi introduced the CHO PRO version as an efficient tool to recapitalize the banks, boost their lending capacity and relaunch economic activity.

Banque BEMO will submit to the Central Bank a first case of the CHO PRO for increasing its own Tier II capital, as proof of concept.

MISSION

To improve the well-being of developing countries by capitalizing on their own real estate

VISION

To bankarize in a matter of 10 years 10% of the real estate of the partnering countries

VALUES

- Good citizenship
- Integrity
- Transparency
- Professionalism

CHO PRO Webinar | JULY 7, 2020

CHO PRO

A NEW INSTRUMENT
TO INCREASE COMMERCIAL BANKS'
TIER II CAPITAL
THROUGH SUBORDINATED
REAL ESTATE GUARANTEES



CHO Advisory S.A.L, in collaboration with Banque BEMO S.A.L, organized a webinar on "The CHO PRO I A new financial instrument for the recovery of the Lebanese Economy".

The webinar featured **Dr. Riad Obegi**, *Chairman of CHO Advisory S.A.L & Banque BEMO*, **Mr. Georges Emmanuel Rosmade**, *Co-Head of the Master's program in Finance & Strategy at SciencesPo School of Management & Innovation*, and **Dr. Habib Zoghbi**, *President of Harvard Business School Club of Lebanon & Formerly a Banker at JP Morgan & Professor of Finance at NYU*.

Discussions were held in light of the current economic situation in Lebanon and the potential solutions to be considered.

Dr. Obegi stressed the importance of the CHO Project as a possible solution to the current economic crisis that would not require a massive injection of capital from the outside and highlighted the need to capitalize on Lebanon's real estate estimated at a trillion dollars, thereby leading to economic growth.

The CHO PRO version (Tier II capital) was introduced to the audience as an efficient tool to recapitalize the banks, boost their lending capacity and relaunch economic activity.

Watch the Webinar



CHO ADVISORY TEAM

- Dr. Riad Obegi
- Mr. Pios Coussa
- Ms. Tatiana Corban



The CHO Advisory S.A.L. organized a roundtable entitled "**Lebanon is not Bankrupt**" for the Lebanese Media at Hotel Sofitel Beirut Le Gabriel, where Dr. Riad Obegi met with editors-in-chief and journalists from various local media outlets.

The roundtable was attended by **Mr. Ramzi Abdel Khalek**, Editor-in-chief at *Al-Binaa newspaper*, **Mrs. Eliane Daccache**, Head of communications & customer service at *Le Commerce du Levant magazine* and *L'Orient-le-*

Jour newspaper, **Mr. Joseph Farah**, Head of Economic news at *Addiyar newspaper*, **Mr. Osama Habib**, Journalist at the business news desk of *The Daily Star newspaper*, **Mrs. Rasha Osman**, General Manager at *Al Mal Wal Alam magazine*, **Mr. Michel Abou Najem**, Editor-in-chief at *Zahle Politics website*, **Mr. Rachid Hatoum**, Editor-in-chief at *Icon News website*, **Mrs. Christiane Gemayel**, Owner & Editor-in-chief at *LebTalks digital media platform*, **Ms. Maria Daou**, News Reporter at *Tayyar.org website*, **Ms. Jenny Harb**, Journalist at *Al Morakeb Al Mali magazine*.



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Al Morakeb Al Mali magazine



Mr. Rachid Hatoum
Icon News website



Mrs. Rasha Osman
Al Mal Wal Alam magazine

The roundtable discussion began with a debate about the current economic situation during which Dr. Obegi stated that Lebanon is not Bankrupt but rather in debt and that it is going through a crisis of confidence which resulted in a liquidity problem which then turned into a solvency crisis.

He believes that trust should be restored first and insisted that the Lebanese State is not necessarily bankrupt because it has more assets than liabilities and that the country is certainly not bankrupt mainly because of its human capital. He added that the Real Estate Capital of Lebanon is estimated at 1 trillion dollars which is about a hundred times what we hope to get from the International Monetary Fund. If a small part of it is used, this could revive the economy.

In addition, he noted that the CHO PRO version which he is proposing may restore some confidence in the banking sector, stating there are international standards that prevent banks from lending if they do not have adequate solvency ratios and the economy would not improve if the banks were not

able to proceed with their lending operations, given the strong correlation between their lending and GDP. Therefore, the recovery of the economy will not take place if the banks are not able to lend. Hence, the capital of banks must be increased to ensure the recovery of the economy.

Dr. Obegi further explained that the CHO PRO allows the real estate owner to contribute to the bank's Tier II capital merely as a guarantor and highlighted its accessibility, which does not require a law ratification but only a circular issued by the Central Bank.

The event was featured in the press. The articles can be viewed by clicking on the links below:

- [• Al-Binaa newspaper](#)
- [• Icon News](#)
- [• L'Orient-le-Jour](#)
- [• Addiyar newspaper](#)
- [• Al Morakeb Al Mali](#)
- [• Al Mal Wal Alam Magazine](#)

FLASHBACK



IN LEBANON

July 4, 2019

At the 9th Annual Risk Management Forum in Arab Banks



July 18, 2018

At the Chamber of Commerce, Industry & Agriculture of Zahle & the Bekaa



July 11, 2017

With the leader of the Progressive Socialist Party



From left to right: Mr. Pios Coussa, MP Walid Joumblat, Dr. Riad Obegi, Mr. Riad Arslan & Mr. Farid Meshaka

July 21, 2016

A second roundtable with Lebanese Economists



July 21, 2015

With the President of The Lebanese Council of Ministers



From left to right: Dr. Riad Obegi, PM Tammam Salam, Ms. Lama Hutet & Mr. Farid Meshaka



IN PARAGUAY

July 24, 2018

At the Association of Banks of Paraguay



July 27, 2018

At the Presidency of the Republic of Paraguay



From left to right: Mr. Robert Jreissati, The Right Honorable Dr. Alicia Beatriz Pucheta de Correa & Dr. Riad Obegi

CURRENT PROJECTS

- Further promoting the CHO as a solution to beef up the Tier 2 Capital of banks through conference calls with all related stakeholders and the local media.
- Banque BEMO will submit to the Central Bank a first case of the CHO PRO for increasing its own Tier II capital, as proof of concept.