



THE ISLAMIC CORPORATION FOR THE INSURANCE OF  
INVESTMENT AND EXPORT CREDIT

**25** PARTNERSHIP  
FOR DEVELOPMENT  
YEARS

ICIEC's  
**achievements**  
over the past  
**25 years** have  
had a profound  
**impact** on **trade**  
and **investment**  
among **OIC**  
Member Countries.

# MAGAZINE

— 25<sup>th</sup> Anniversary Edition —



Our aim is to contribute to  
our Member Countries'  
development while  
integrating our efforts with  
the broader development  
goals and activities of the  
IsDBG.

**Oussama Abdul Rahman KAISSI,**  
Chief Executive Officer of ICIEC



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Islamic Development Bank Group

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In Celebration



**“ICIEC is a pioneer in the field of Shari’ah compliant credit and political risk insurance and reinsurance.”**



# A Message from the Chairman

ICIEC's achievements over the past 25 years has had a profound impact on trade and investment among and between OIC Member Countries. From the outset, ICIEC has sought to broaden the scope of trade transactions and the flow of investments. Over the quarter century, ICIEC has sought to carry out IDBG's vision in ways that are relevant and innovative.

ICIEC's path has not been without challenges but, with each challenge, ICIEC has nimbly responded to deliver Shariah-compliant export credit and investment insurance and expand the capacity of Member Countries. Recognizing the unique solutions brought by ICIEC to the market and honouring the tireless efforts of the ICIEC staff and management, I feel privileged to be the chairman of this institution.

ICIEC has been at the forefront of shaping and supporting the growth of the Shariah-compliant export credit and investment insurance industry. We began with 7 applications in 1416H for export credit insurance policies. We issued our first issue of a Comprehensive Short-Term policy to an exporter from Saudi Arabia to cover his exports to 6 Member Countries. From this humble but important beginning, ICIEC has gone forward to play a meaningful role in contributing to the development of and cooperation among its Member Countries.

Over the years ICIEC has rolled out a number of innovative products and solutions to meet the needs of exporters and to support investors, financial institutions, and national Export Credit Agencies (ECAs) within Member Countries as well. We are at the nexus of major players in trade and investment globally and are uniquely positioned to catalyze growth and development. Our Shariah-compliant products are unique in the insurance industry; ICIEC gives exporters and investors peace of mind to pursue new opportunities and markets.

In addition, cooperation with ICIEC has allowed financial institutions, particularly ECAs in Member Countries and beyond, to increase their footprint. ECAs partnering with ICIEC are better able to provide liquidity to support the export credit business, offer guarantees for trade and projects, and stand behind their domestic businesses investing overseas.

At the institutional level, ICIEC's current 10-Year Strategy has two primary objectives. The first is to achieve a clear and tangible Development Impact in the Corporation's Member Countries. The second objective is to attain and maintain Financial Sustainability. Working towards these, ICIEC has established three strategic pillars, namely: market impact, capital optimization, and organizational strength. With this framework in place, the institution is well positioned to support sustainable social and economic impact in Member Countries.

ICIEC's reach and impact is ever-growing and strengthening. In 2018 the business insured upwards of USD 9 billion and our new commitments grew to USD 3.683 billion. In the years ahead, the institution will continue to work with partners and stakeholders to catalyze trade and foreign direct investment and thereby maximize its development impact among Member Countries. I congratulate the ICIEC staff and management on a successful 25 years of impact and institutional growth and look forward to more achievements in the years to come.

**H.E. Dr. Bandar M. H. Hajjar**  
Chairman of the Board of Directors

2018 the business insured upwards of  
**USD 9 billion**  
and our new commitments grew 3% to  
**USD 3.7 billion**





# A message from the CEO

In recent years, political, technological and social dynamics globally have been characterized by uncertainty and therefore risk; countries' trade policies are unpredictable, tariffs have increased, trade corridors have narrowed, and established trade agreements are up for negotiation. It is in these times, that I am evermore so proud to lead an institution which offers a contrasting tone – that of reliability, partnership, and trust – as we remain instrumental in opposing global protectionist trends.

It is appropriate that against this backdrop of global uncertainty, we celebrate the constancy with which ICIEC has supported our Member Countries' exporters and investors over the past 25 years. In as much as globalisation has made the world feel like it is shrinking, ICIEC has helped opportunities for trade and investment linked to our Member Countries expand. We have been able to support thousands of exporters in our Member Countries venture into new markets. We have also facilitated corporate investments as well as large-scale infrastructure projects which have been transformational in our Member Countries. Since inception, we facilitated over USD 42 billion in trade transactions and USD 10 billion in foreign direct investments in Member Countries.

To this end, ICIEC provides relevant instruments that unlock the trade and investment potential latent in Member Countries. Whether it is a political risk and commercial risk coverage combined or only one of these, ICIEC's insurance offering gives policyholders confidence to pursue investment, engage in a trade transaction or provide necessary finance for exporters. ICIEC has proven itself a trustworthy partner in sharing of risks and this generates a significant development impact with minimal intervention and maximum private sector participation.

In 2018 ICIEC embarked on a journey to increase its development impact and facilitate the achievement of Member Countries' key developmental priorities. We issued our inaugural Annual Development Effectiveness Report (ADER), introducing ICIEC's institution-specific result chain which directly links our insurance products to the achievement of specific, demonstrable and measurable outcomes for Member Countries, specifically in terms of export sector development; the availability of Shariah-compliant financial services; increased investor confidence and promotion of strategic sectors in Member Countries; as well as human development including access to employment, enhanced infrastructure and basic social services.

Since its early years, ICIEC has worked diligently to build its membership and capital base, established a reliable network of ECAs and reinsurers, and raised awareness in Member Countries among banking and business communities on the availability and benefits of Shariah-compliant export credit and investment insurance and the new frontiers available to them. This was and

remains no easy task. It is therefore with great gratitude that I think of the partners and relationships ICIEC has forged.

We are committed to our networks, partners and Member Countries. Today, ICIEC is a full member of the Berne Union, the association of the major private, public and multilateral export credit and political risk insurance companies in the world. We are also a proud co-founder of the Aman Union, which is a forum for commercial and non-commercial risk insurers and reinsurers in OIC Member Countries as well as Member Countries of the Arab Investment & Export Credit Guarantee Corporation "Dhaman". Through the Aman Union, we are actively facilitating information and knowledge sharing, ultimately leading to increased capacity and mutual relationships among national ECAs.

ICIEC has maintained its Aa3 Moody's rating, which is one of the strongest in the Export Credit and Political Risk Insurance industry, for a decade now. This year ICIEC was awarded the Global Islamic Finance Award (GIFA) for the Global Islamic Export Credit and Political Risk Insurance. As I mentioned at the time of receiving the award, it is an honor and a valuable testament to the innovative Shariah-Compliant services we are offering to our business partners in this field.

It is, therefore, with satisfaction that I can reflect on the landmark years and accomplishments in ICIEC's journey to date. It is also in this vein of reflection that I can look forward with great expectation and trust that the institution will continue to support meaningful development and impact in its Member Countries.

**Oussama Abdul Rahman KAISSI**  
Chief Executive Officer (CEO)



# Celebrating 25 Years of the ICIEC

Established 25 years ago in 1994 as a multilateral institution and a member of the Islamic Development Bank Group, ICIEC was tasked to promote cross-border trade and foreign direct investments (FDI) in its Member Countries.

To fulfill its mandate, ICIEC provides risk mitigation solutions to Member Country exporters. By protecting them from commercial and political risks, exporters are enabled to sell their products and services across the world. The multilateral credit insurer also provides risk protection to investors from across the world that seek to invest in ICIEC's Member Countries. To promote the sustainable economic development of its Member Countries, ICIEC – on a limited basis – can also support international exporters selling capital goods or strategic commodities to ICIEC's Member Countries. In addition to its core business, ICIEC also offers technical assistance to Member Countries' Export Credit Agencies.

ICIEC's mission is to make trade and investment between Member Countries and the world more secure through Shariah-compliant risk mitigation tools. Our vision is to be recognized as the preferred enabler of trade and investment for sustainable economic development in Member Countries.

ICIEC is the only multilateral export credit and investment insurance corporation in the world that provides Shariah-compliant insurance and reinsurance solutions.

Today, ICIEC supports trade and investment flow in 45 Member Countries spanning across Europe, Asia, the Middle East, and Africa. Its target clients are corporates (both exporters and investors), banks and financial institutions as well as Export Credit Agencies and insurers. Since inception, we have insured over USD 51 billion in trade and investment.



## OUR VISION

To be recognized as the preferred enabler of trade and investment for sustainable economic development in Member Countries.



## OUR MISSION

To facilitate trade and investment between member countries and the world through Shari'ah-compliant risk mitigation tools.



## STRATEGY

To enhance economic development in member countries and ensure financial sustainability. To be the preferred enabler of economic and social development in member countries, using trade credit and investment insurance solutions as a tool.

# The Global Impact of ICIEC

## MILESTONES

"At the time of inception of ICIEC, trade finance in the region was quite traditional"

We are proud to represent and support Member Countries across every stage of economic development. Over the past quarter-century, ICIEC has increased its reach and impact through providing the mechanisms necessary to accelerate international trade and investment and by supporting the capacity development of national ECAs to facilitate job creation and economic growth. These are just a selection of important moments in our history.



1413H -1418H (1992-1997)

### The formative years

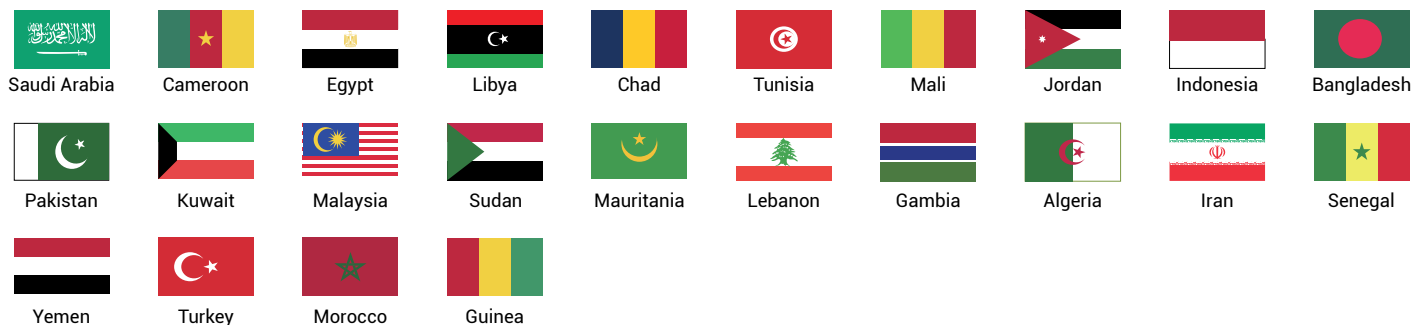
On 1412H (February 1992), in Tripoli, Libya, the Board of Governors approved the Articles of Agreement establishing the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) at the 6th IsDBG Annual Meeting

On 23<sup>rd</sup> Safar 1415H (1<sup>st</sup> August 1994), ICIEC was established as a multilateral export credit and investment insurance entity, with initial membership of 18 countries and authorized capital of ID 100 million (about USD 140 million)

ICIEC officially commences business on 22<sup>nd</sup> Muharram 1416H (1 July 1995) after the appointment of its inaugural Manager and senior professional officers.

ICIEC commences operations with three products, namely, the Comprehensive Short-term Policy (CSTP), Bank Master Policy (BMP), and Supplementary Medium Term Policy (SMTP)

#### The Initial Members:



### Some of important moments...



ICIEC & EXIAR



ICIEC & K-sure



ICIEC & the Arab Tourism Organization





**1419H-1424H**  
**1998-2003**

## Setting the stage for growth

ICIEC launches its Foreign Investment Insurance (FII) Policy

Articles of Agreement set the stage for ICIEC to cover exports to non-Member Countries

ICIEC signs MOU with Multilateral Investment Guarantee Agency (MIGA)

ICIEC signs MOU with Export Guarantee Fund of Iran (EGFI), Export Development Bank of Iran

### New members:



Syria



Brunei



Uganda



Bahrain



Benin



Burkina Faso



UAE



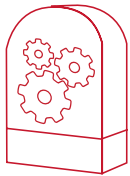
Qatar



Kazakhstan



Niger



**1425H-1430H**  
**2004-2009**

## New products, new opportunities

ICIEC launches the Documentary Credit Insurance Policy (DCIP)

ICIEC introduces Specific Transaction Insurance Policy and Reinsurance Facility Agreement

ICIEC becomes a full member of the Berne Union

IsDBG's Investment Promotion Technical Assistance Program (ITAP) launched

Articles of Agreement allow ICIEC to provide political risk insurance to cover investors from non-Member Countries investing into Member Countries

Reinsurance agreements signed with Atradius, Cotunace (Tunisa), CAGEX (Algeria). Jordan Loan Guarantee Corporation (JLGC), and Shiekan (Sudan)

MOUs signed with COFACE, Export Development Canada (EDC), Malaysia Investment Development Authority (MIDA), UNIDO, SONAC (Senegal), Nippon Export and Investment Insurance (NEXI), P.T Al-Ijarah Indonesia Finance (ALIF), Bank of Sudan, Jordan Investment Board, Arab Investment and Export Credit Guarantee Corporation (Dhaman), Export Credit Insurance Company of the Emirates (ECIE)

### New members:



Djibouti



Gabon



Nigeria



Oman



Côte d'Ivoire



Albania



ICIEC & Afreximbank



ICIEC & CAGEX



ICIEC & Credit Oman



1431H-1436H  
2010-2015

## Reaching out to the world

ICIEC co-founds Aman Union, the grouping of ECAs in Islamic and Arab Countries with the objective to share knowledge and provide capacity building

ICIEC opens Representative Office in Dubai, UAE

The Board of Governors amend the Articles of Agreement to cover domestic sales (as long as they are part of an exporter's portfolio of sales) and imports from non-Member Countries. The latter are restricted to strategic commodities and capital goods.

ICIEC launches an innovative 'Sovereign Sukuk Insurance Policy' which allows users to utilize Sukuk to tap into capital markets

ICIEC designs a 'Bank Master Policy for Istisna financing', to protect Islamic banks against non-payment risks of obligors in Istisna financing structures

ICIEC signs MOUs and cooperative agreements with Export Credit Insurance Company (UAE), CAGEX (Algeria), Export Credit Guarantee Agency of Oman, Bahrain Development Bank, Turk Eximbank, Atradius Dutch State Business, African Trade Insurance Agency, Indonesia Infrastructure Guarantee Fund (IIGF), Nigeria Export-Import Bank, Korea Eximbank, KazExportGrant, FIPA (Tunisia), JLGC, SMBC Europe, NCB & SABB (Saudi Arabia), MEHIB (Hungary), SACE (Italy), EKN (Sweden), EKF (Denmark)

ICIEC signs reinsurance agreements with Turk Eximbank Export Credit Insurance Company (UAE), National Agency for Insurance & Finance of Export (Syria), Saudi Export Program, Sinasure, Export-Import Bank of Malaysia, Credendo (Belgium), Atradius DSB, Credimundi (Belgium), SACE (Italy), SMAEX (Morocco)

### New members:



Comoros



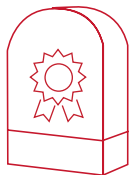
Mozambique



Iraq



Palestine



1437H (2016) -Today

## A Global Player in International Trade Finance

ICIEC successfully concludes a Treaty Program for its Medium Term and Foreign Investment Insurance policies with a panel of reinsurers

ICIEC releases its first development impact monitoring and evaluation framework for measuring and assessing its contribution to a range of development outcomes in member countries

ICIEC signs reinsurance agreements with the Russian Agency for Export Credit and Investment Insurance, GARANT (Europe)

ICIEC signs MOUs and cooperation agreements with K-Sure (Korea), Egypt Ministry of Trade and Industry, ASEI (Indonesia), WAIPA, Bangladesh Bank, BADEA (Sudan), Tunisia Investment Authority, Tunisia Africa Business Council, Indonesia Exim Bank, Etihad Export Credit Insurance, Brazilian Guarantee Agency

ICIEC wins Global Islamic Finance Award (GIFA)'s for "Global Islamic Export Credit & Political Risk Insurance"

ICIEC wins 2018 Project Finance International Award: Middle East Clean Energy Deal of the Year – Sharjah Waste to Energy Project

ICIEC wins 2018 IJGlobal MENA Waste Deal of the Year: Sharjah Waste-to-Energy

ICIEC wins 2018 Project Finance International Award: 2018 Turkish Deal of the Year – Çanakkale 1915 Bridge

### New members:



Suriname

## Some of important moments...



ICIEC & The Bangladesh Bank



AMAN UNION & Berne UNION



ICIEC & Turk Eximbank



ICIEC & Indonesia Eximbank



ICIEC & BADEA

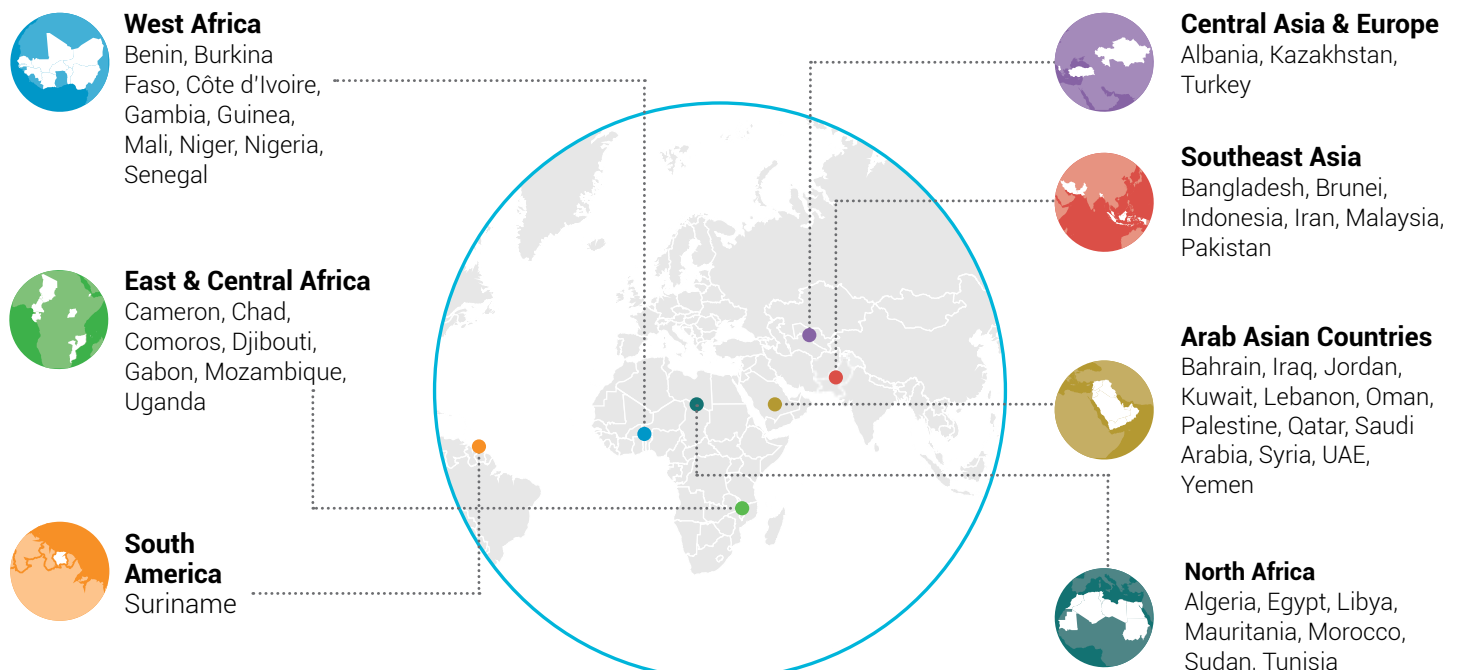


ICIEC & ECI

## Celebrating our Members

In the past 25 years the world has changed immensely and, with it, the shape and needs of ICIEC's Member Countries. ICIEC's clients are operating in an increasingly globalized world with various forms of commercial and political risks ever present. ICIEC's ultimate objective is to support the development and economic growth of its Member Countries, in line with the countries' respective strategic priorities and ICIEC's institutional mandate.

## ICIEC supports trade & investment flows in 45 member





Over the past 25 years, ICIEC has developed mutually beneficial partnership with institutions and organizations from around the world.

To support our member countries, we have extended our reach and established close ties with Export Credit Agencies and private insurance companies, Multilateral and Regional Institutions, and Associations. This cooperation occurs through the exchange of information and experiences, as well as the coinsuring or reinsuring of risk. Strong international connections help to deepen our expertise, benchmark policies and processes, and to identify risk-sharing opportunities – all with the objective of better supporting our member countries.

ICIEC is also a full member of the Berne Union, the International Association of Credit and Investment Insurance, and a founding member of the Aman Union, which brings together the national export credit agencies (ECAs) of the OIC member countries.

### EXPORT CREDIT AGENCIES & PRIVATE INSURANCE COMPANIES



### MULTILATERAL & REGIONAL INSTITUTIONS



### ASSOCIATIONS



### Key Partners

#### BERNE UNION

ICIEC joined the Berne Union in 2009. The Berne Union is an international association of over 80 export credit, private trade credit and political risk insurers. Around 13% of the world's exports have been annually insured by the Berne Union members over recent years. The Berne Union's Prague Club Committee consists of newer, smaller export credit and political risk insurers. It is a very diverse membership with the 38 members representing countries from Central and Eastern Europe, the Middle East and Africa, Central and Southeast Asia.



#### AMAN UNION

The AMAN UNION is a professional forum assembling Commercial & Non-commercial Risk Insurers & Reinsurers in member countries of the Organization of Islamic Cooperation (OIC) and the Arab Investment & Export Credit Guarantee Corporation (DHAMAN). It was launched on 28th October 2009 following an agreement between ICIEC and the Arab Investment and Export Credit Guarantee Corporation (DHAMAN) to join their efforts for establishing a union for commercial and non-commercial risk Insurers and Reinsurers in their respective member countries.





# Celebrating Our Impact in Selected Sectors



## Agriculture

### Increasing agriculture exports

ICIEC has provided cover to support livestock exports from Sudan to Saudi Arabia since July 2009. ICIEC's reinsurance cover to Shiekan Insurance and Reinsurance Company and the National Agency for Insurance and Finance of Exports (NAIFE) facilitated the export of 1.2 million sheep. The success of this experience resulted in coverage for more livestock exports from Sudan to other countries including Egypt, Jordan and Qatar. Subsequently in 2010, ICIEC's policy with Shiekan Insurance and Reinsurance Company Ltd was accepted by the Central Bank of Sudan as a first order guarantee. This eliminated the need for exporters to assign real estate property as collateral to banks. This structure helped Sudan increase its exports of livestock to Saudi Arabia to more than USD 200 million in 2011 and 2012.

### Supporting small scale farmers

Sudan grows a variety of crops. ICIEC's Shariah-compliant insurance policy against expropriation risk to the Eastern and Southern African Trade and Development Bank (TDB) covers a EUR 199.5 million Murabaha financing facility to the Agriculture Bank of Sudan (ABS) which supports small-scale farmers to export sorghum and sesame. The loans issued under the facility have contributed to increasing the productivity of agriculture in Sudan through increased availability of seeds and fertilizers. More than one million farmers and their families were expected to benefit.



## Energy

### Improving energy infrastructure

Sudan's electricity sector has been plagued by poor infrastructure and frequent outages. In 2000, the Rehabilitation and Performance Improvement Program sought to upgrade power plants, substations, transmission lines, and distribution networks. The National Electricity Corporation (NEC) required equipment and technical services from suppliers in several ICIEC Member Countries. ICIEC provided credit insurance to the exporters enabling NEC to undertake the rehabilitation program. ICIEC provided a similar cover to another initiative to increase the provision of electricity in Sudan.

### Contributing to sustainable energy

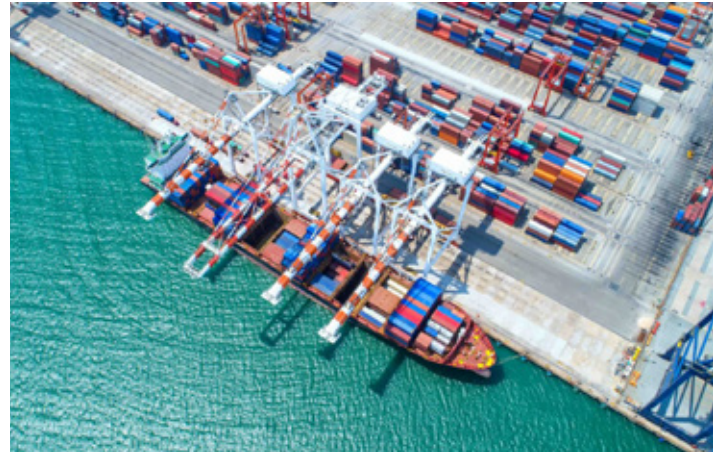
Since its inception, ICIEC has supported numerous power generation projects and has been increasingly instrumental to the introduction of renewable energy technologies in its Member Countries. Recently, ICIEC has been supporting Egypt in solving its power crisis by facilitating numerous power generation projects including small scale solar energy generation projects. In Turkey, ICIEC supported the construction of four Wind Farm projects worth a total of USD 370 million



## Manufacturing and Textiles

### Building Member Countries manufacturing base

The apparel industry employs 4 million workers, mostly rural women, in Bangladesh and was the country's largest source for export. In 2016 ICIEC supported the Ready-Made Garment (RMG) sector by insuring letters of credit (LCs) issued by Bangladeshi banks for imports of textile machinery from non-Member Country exporters. The importation of this equipment has contributed to Bangladesh being able to better compete in the RMG sector and improve the quality and quantity of RMG exports. ICIEC has also supported the manufacturing sector, through its support of Rahimafrooz Globatt (RGL) a private automotive batteries company incorporated in 2007. ICIEC's Comprehensive Short-Term Policy helped Rahimafrooz to expand its business in many export markets, particularly LDCs or high-risk countries.



passenger buses from Anhui Ankai Automobile Co., Ltd – China (the exporter) to Hafil Hajj Transportation Establishment of Saudi Arabia. The transaction involved Buyer finance facility provided by China Development Bank Co. Ltd – China that enabled Hafil to import 3,000 buses in 5 batches with a total value of USD 158 million. In addition to the crucial importance of Hajj and Umrah transportation for the tourism sector in the Kingdom, Hafil also has a contract with the Ministry of Education to provide bus services for girls' schools & colleges in various regions throughout the Kingdom.

## Infrastructure

### Reducing travel time and opening regions for development

ICIEC provided political risk coverage via the Non-Honoring of Sovereign Financial Obligation to the Turkish Treasury under the Debt Assumption Agreement for the 1915 Canakkale Bridge and motorway project, a strategically important project in the fulfillment of The Turkish Government's Vision 2023. This Project was part of a larger 324 km Kinalı-Tekirdağ-Çanakkale- Savaştepe motorway project and involved the design, construction, and operation of a six-lane bridge over the Dardanelles Strait in Turkey. The total length is approximately 89km, with the bridge being 2023m it is set to become the longest suspension bridge in the world. It led to reductions in travel time and distance, as well as improved accessibility and reliability, increased tax revenue, increased tourism activities and jobs from construction, operation and maintenance. ICIEC's contribution to this landmark project was recognized by Project Finance International, winning the 2018 Turkish Deal of the Year Award.

### Expanding the global reach of Pakistani exporters

ICIEC signed a Comprehensive Short-Term Policy (CSTP) with Gul Ahmed Textiles, one of the oldest and most reputable names in Pakistan's textile industry. The ICIEC policy covered Gul Ahmed's exports to over 8 countries mainly in Europe & USA. As the company tends to provide open account credit to its buyers, ICIEC's support insulated Gul Ahmed against the non-payment of its buyers due to commercial or political risk reasons. The Gul Ahmed Group employs over 7000 people across Pakistan.

### Reducing congestion and environmental impact

ICIEC has underwritten public transit projects in Saudi Arabia, Dubai and Turkey. For example, ICIEC underwrote the construction of three lines in the 176 km Riyadh, Saudi Arabia, Metro project (comprising 64.6 km of track.) Specifically, ICIEC provided reinsurance to Atradius worth USD 306 million. Upon completion due in 2019, residents of Riyadh will have access to a modern and efficient public transportation system and reduced traffic congestion

## Connecting People

### Increasing communication and connectivity

ICIEC's reinsurance agreement with China Export & Credit Insurance Corporation (Sinosure) to cover the exports of capital equipment to the telecommunication sector has contributed to the expansion and modernization of Bangladesh's communication network. This is critical for the economic development of the country and its long-term growth.

## Trade

### Facilitating important China-Saudi Arabia trade

In 2012, ICIEC signed a reinsurance agreement with China Export & Credit Insurance Corporation (Sinosure) to cover exports of





## Past

# A Selection of Flagship Projects from our Past

### Tghe Kadikoy-Kartal-Kaynarca Metro Project in Turkey

In April 2011 MIGA issued a guarantee of USD 409.2 million for the investment in the Kadikoy-Kartal-Kaynarca Metro Project by WestLB AG London Branch, representing a consortium of lenders. MIGA's guarantee covers principal and interest up to nine and a half years against the risk of non-honouring of sovereign financial obligations. ICIEC provided EUR 15 million reinsurance support for MIGA. The project marked ICIEC's first investment insurance in Turkey.

The Kadikoy-Kartal-Kaynarca Metro Project is the first underground metro line on the Asian side of Istanbul. The line was opened in 2016. In 2017 ICIEC provided insurance cover to a second major metro project - the Üsküdar-Ümraniye-Çekmeköy M5 Metro line. This is the second metro line in the Asian side of Istanbul. ICIEC provided Non-Honouring of Sovereign Financial Obligations coverage to Deutsche Bank AG, London Branch, covering their financing of the project amounting to EUR 113 million. The total estimated cost of the project is EUR 800 million. Construction started in 2012.



#### Our Impact

By extending coverage to Istanbul's metro system, urban mobility will improve, vehicle emissions and pollution will be reduced, as will travel times and traffic congestion. This will help make contribute to increased productivity and make Istanbul a more attractive location for residents and business.

### The Gebze-Izmir Motorway Project in Turkey

The Gebze-Izmir Motorway project was one of Turkey's largest transportation infrastructure undertakings, with a total cost of around US\$ 6.3 billion. It involved construction, operation, and maintenance of 428km of a double three-lane tolled motorway and a 1,550m suspension bridge crossing the Izmit Bay, between Dil Iskelesi in the north and the Hersek peninsula in the south. At the time it was designed, the bridge was the 4th longest suspension bridge in the world. ICIEC supported the project by covering Deutsche Bank (DB) against non-payment risk in a Financing Facility being extended by the Bank to Otoyal Yatirim Ve I şletme AŞ – the Project Company).

#### Our Impact

The travel time between Istanbul and Izmir was forecast to reduce significantly. As a result of reduced travel time, the project delivers significant cost savings for commercial and non-commercial traffic on account of lower fuel and vehicle maintenance costs. It also generates a positive environmental impact through the reduction of vehicle emissions, reduced carbon emissions and lower noise pollution. The financial model projected up to USD3.5 billion in tax receipts over the life of the project, and it was estimated that up to 10,000 construction jobs will be created over the course of its life. Procurement of hundreds of millions worth of cement, steel and concrete was also forecast to contribute to the economy.

### Doraleh Container Terminal, Djibouti

The project upgraded and replaced Djibouti's old container terminal. It resulted in a modernized port with a quay length of 200m. Phase 1 resulted in 1 million TEU of start-up capacity and 1.5 million of TEU capacity when fully equipped. The completion of Phase 2 increased this capacity to 3 million TEUs. ICIEC entered into a reinsurance arrangement with MIGA for the provision of FII reinsurance support. The MIGA/ICIEC insurance covered against the risks of Transfer Restriction, Expropriation, War and Civil Disturbance and Breach of Contract. The Doraleh Container Terminal provides services as both a transit port for the region and an international trans-shipment and refuelling center. The project won the prestigious 2007 Project Finance Magazine's Deal of the Year under the Best African Transport/Port Deal category.

#### Our Impact

As the port is a mainstay of the Djiboutian economy, the increased capacity of the port greatly stimulated economic activity and trade. In addition to direct employment at (and improvement of) the port, the project required other local services and has contributed to the improvement of local infrastructure: roads, lighting, power, water and business services. An additional benefit has been a reduction in heavy truck traffic and road congestion in the area.

### Providing Tailored Technical Assistance

The Investment Promotion Technical Assistance Program (ITAP), established in 2005 by the IsDBG and managed by ICIEC, tailors technical assistance support to individual countries' needs, is one of ICIEC's signature achievements.

#### ***Supporting Uganda to be "the preferred Investment Destination in Africa"***

In 2008 ICIEC and the Arab Bank for Economic Development (BADEA) signed a co-financing agreement to support The Uganda Investment Authority (UIA) to promote Ugandan investment opportunities in Gulf Cooperation Council Countries (GCC). The four-year project provided training to UIA staff and identified priority sectors and investment opportunities which were developed and packaged into sector and project profiles and translated into Arabic. The project supported a two-day GCC-Uganda Investor's Forum held in Kampala in 2012. The forum facilitated 600 bilateral meetings. One hundred and nineteen (119) letters of intent were signed and documented for a total investment of USD 940 million (private and PPP projects).



#### ***Gambia Investment and Export Promotion Agency (GIEPA) - "A world-class agency that promotes and facilitates private sector-led growth."***



ITAP initiated its program of assistance to GIEPA two years after it was established in 2010, and provided valuable capacity building support in its early stages of development. A focus was to build capacity particularly in Investor Aftercare, in order to enable GIEPA to increase the long-term effectiveness of its investor development program. ITAP also assisted GIEPA to identify two promising sectors and develop specific project profiles to target investment. Thirty-four project profiles were prepared and staff trained in project profile preparation. The Project supported exposure of GIEPA staff to Turkish best practice in Investment Promotion; Industrial Zones and their roles in attracting investments; Investment Incentives; and Free Zones in keeping with GIEPA's development needs and priorities.

#### ***Sharing investment best practices across the OIC***

A main objective of ITAP is to facilitate the sharing and transfer of best practices and lessons learned from successful OIC investment promotion agencies. IPAs in Malaysia, Turkey, Jordan, Bahrain, and Tunisia have provided tremendous value to ICIEC Member Countries. Since 2005, ITAP has worked particularly closely with the Malaysian Industrial Development Authority (MIDA), the Jordanian Investment Board, Unions of Chambers and Commodity Exchange of Turkey, and Investment Support and Promotion Agency of Turkey (ISPAT). The partnership with MIDA has resulted in at least 10 knowledge-sharing events. These events have reached over 200 participants from Member Countries. In some cases, these events were tailored to specific needs of Member Countries with which ICIEC had on-going country programs.



# Present

## A Reinvigorated Strategy

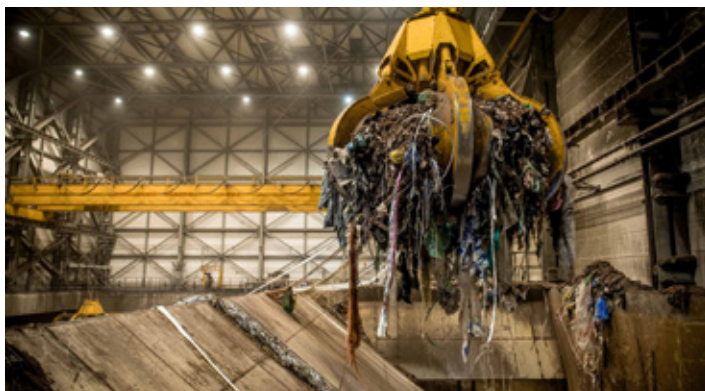
*"Our aim is to contribute to our Member Countries' development while integrating our efforts with the broader development goals and activities of the IDBG."*

ICIEC has embraced and cascaded the IsDB Group 10-Year Strategy to develop its own aligned 10-Year Strategic Framework with three key pillars: (i) Market Impact, (ii) Capital Optimization and (iii) Organizational Strength. These are complemented by five Guiding Principles: (i) Sustainable Business Model, (ii) Balancing Risk and Developmental Impact, (iii) Supporting the Islamic Finance Industry, (iv) Leveraging IsDB Group Synergies and (v) Operational Excellence.

### Highlighting our Recent Projects

#### Sharjah Waste to Energy Project

The Sharjah waste-to-energy (WtE) project is the first WtE scheme to be financed in the Gulf region as the Gulf states move away from landfills to more environmentally friendly disposal solutions. The project, led by UAE clean energy firms Masdar and Bee'ah, will help Sharjah reach its zero waste to landfill target by 2020 and contribute to the UAE's 2021 goal of diverting 75% of solid waste from landfill. ICIEC provided cover for the project's construction financing, working in partnership with fellow financial institutions SMBC, Siemens Bank, Abu Dhabi Commercial Bank, Abu Dhabi Fund for Development and Standard Chartered. For its contribution to the project, ICIEC was awarded a 2018 Project Finance International Award for Middle East Clean Energy Deal of the Year.



#### Fostering import-substituting intra-OIC investment between Turkey and Algeria

The global steel sector is going through a soft patch, due to the economic downturn, low commodity prices (especially oil) and most importantly the decline in steel demand in China. Steel demand in developing countries (excluding China) is expected to grow at 4.8% in 2017, with Africa's demand increasing by 6.5%. In North Africa, the demand for steel was 21.7 million tons in 2016 and production stood at 12.8, leaving a gap of 8.9 million tons to be met through imports. The sector benefits from the availability of cheap natural gas, low cost scrap for raw materials and restrictions in imports of

steel products. ICIEC insured the initial equity investment of EUR 75 million for the construction of the facility. In 2017 it received a follow up request to insure equity worth USD 450 million needed for an expansion of the plant.

#### Our Impact

The project currently employs more than 3,000 workers directly, and approximately 10,000 workers indirectly. The project will ease the pressure on the Algerian treasury as it will help reduce the related import expenditure.

### Boosting Senegal as regional airline hub

This infrastructure project to construct the Blaise Diagne International Airport (AIBD) was completed by the Turkish Limak-Summa consortium and was inaugurated in December 2017. Linked to Senegal's President's "Emerging Senegal" plan, it forms part of a suite of plans to relieve the congested capital and aligned with the country's plans to invest more heavily in its tourism sector. ICIEC issued an insurance policy to the IDC of South Africa for its EUR 50 million financing. The cover is against Expropriation, War & Civil Disturbance and Breach of Contract. The tenor is for 15 years.

#### Our Impact

The facilities are state of the art and are expected to advance Senegal as a regional airline hub and boost both the tourism industry and air cargo.

### New Partnerships Open Large Markets

In November 2018, ICIEC signed a MOU with the African Development Bank and the African Trade Insurance Agency (ATI) and GuarantCo for the development of a Co-Guarantee Platform (CGP). ICIEC and its partners created the Co-Guarantee Platform for Africa, an innovative and collective de-risking instrument, to address the perceived high risk across the continent and the lack of capacity of traditional lenders to provide risk mitigation products for projects. This initiative will have a global reach, as it's intended to crowd-in reluctant risk mitigation and credit enhancement providers around the world, facilitating and accelerating new projects in Africa.

### Recent Awards



**2018 Project Finance International Award: Middle East Clean Energy Deal of the Year – Sharjah Waste to Energy Project**



**2018 IJGlobal MENA Waste Deal of the Year – Sharjah Waste-to-Energy**



**2018 Turkish Deal of the Year – Çanakkale 1915 Bridge**



**Global Islamic Finance Award (GIFA) for the Global Islamic Export Credit and Political Risk Insurance (2016, 2017 and 2018)**



## Future

*"IsDB's new development model is about a new chapter in the IsDB journey, transforming the IsDB into a future-facing institution ready to embrace new challenges and opportunities of the modern world."*

Dr. Bandar Hajjar

### Focusing on Development Effectiveness

In 2018, ICIEC launched a development impact monitoring and evaluation framework for measuring and assessing its contribution to a range of development outcomes in member countries. With this, ICIEC issued its inaugural development effectiveness report highlighting its performance towards the sustainable development goals and key areas of member countries development. As we move into the next quarter century, diligent monitoring of our effectiveness and our development impact will be ingrained in all that we do.



### Advancing Sustainable Development Goals

*"ICIEC acts as a catalyst for private sector capital to be mobilized and directed towards achievement of the SDGs"*



After almost 25 years of ICIEC working to promote economic growth and prosperity in its Member Countries through facilitating cross-border trade and investments, the Sustainable Development Goals (SDG), which emerged in September 2015 as part of a new global agenda (Agenda 2030) for comprehensive and sustainable human development, have become the Corporation's new signposts for its continuing development journey.

The Sustainable Development Goals encompass social, economic and environmental dimensions of development and have played an important role in shaping ICIEC's strategy and have helped ICIEC define the development outcomes it seeks to achieve going forward.

Our pursuit of the SDGs is threefold, and includes a) contributing to the Bank's 10-year strategy; b) supporting the sustainable economic development of its Member Countries and; c) acting as a catalyst for private sector capital to be mobilized and directed towards the achievement of the SDGs.

### Launching the Business Intelligence Center Initiative

Recognizing its critical role to facilitate increased trade and investment flows between member states, ICIEC, in partnership with the Committee for Economic and Commercial Cooperation of the Organization of Islamic Cooperation (COMCEC), has embarked on a process to examine the potential for an Organization of Islamic Cooperation Business Intelligence Center (OBIC). OBIC will be based on four strategic pillars of a) country-level credit reporting ecosystem development (addressing four different tiers of credit maturity levels amongst OIC countries) b) cross-OIC credit data infrastructure, c) capability development, d) and its own operational excellence with a sustainable business model.

The vision of the Centre is to bridge the credit information gap in the OIC and enable all OIC Member Countries to have the strongest investment, financing, and trade development in the world



through a best-in-class business growth and risk management intelligence ecosystem.

## Through its facilities, ICIEC has committed to contributing to:



### SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture

ICIEC has supported over USD 1.3 billion in trade and investment in the agricultural sector since inception



### SDG 8: Promote inclusive and sustainable economic growth, employment and decent work

ICIEC has insured over USD 6.5 billion for imports, exports outward and inward investment in LDMCs and USD 2.47 billion in labour-intensive industries among all its member countries since inception.



### SDG3: Ensure healthy lives and promote well-being for all at all ages

ICIEC has insured upwards of USD 512.8 million in trade and investment in the health sector since inception.



### SDG9: Build resilient infrastructure, promote sustainable industrialization and foster innovation

ICIEC has supported USD 3.7 billion in trade and investment related to infrastructure since inception



### SDG7: Ensure access to affordable, reliable, sustainable and modern energy for all

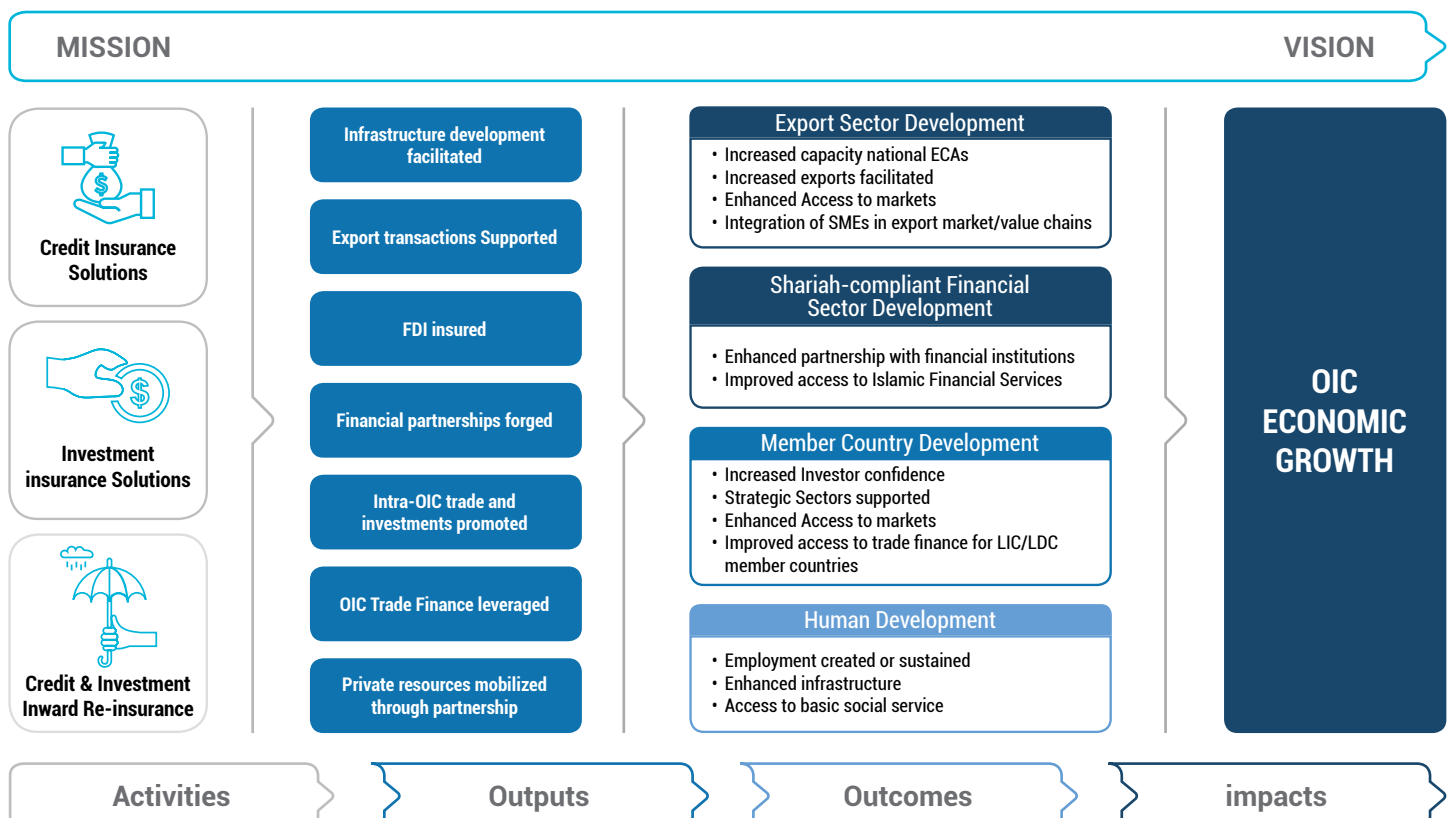
ICIEC has supported USD 15.5 billion in trade and investment related to energy since inception



### SDG 17: Revitalize the global partnership for sustainable development

ICIEC has established some 70 partnerships with, inter alia, ECAs, reinsurers, banks and other multilaterals

## Theory of Change





25  
YEARS

PARTNERSHIP  
FOR DEVELOPMENT



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ISSN: 1658-6026