

## ICIEC issues USD 75 million ECI policy to El-Sewedy Cables

### Editorial

During the 34<sup>th</sup> Annual Meeting of IDB Group, held in Ashgabat, Turkmenistan, ICIEC's Board of Governors approved the Corporation's 1429H results. ICIEC succeeded in maintaining its positive results despite the current global economic recession which has greatly increased credit risks. This proves the Corporation's ability to manage underwriting risks and its readiness to offer credit and political risk insurance services to the private sector in its Member Countries, to enable them to expand their trade transactions and attract foreign investments.

H.E Dr. Ibrahim Al-Assaf, the Finance Minister and IDB Group Governor for the Kingdom of Saudi Arabia, in his speech during the Annual Meeting noted that ICIEC's role has become more essential with the increasing negative effects of the international crisis, and called upon ICIEC to expand its activities in support of member countries.

During 1430H, ICIEC will continue to work hard to expand its services and meet customer demand in member countries in order to help minimize the negative impact of the financial crisis and facilitate access to scarce credit and foreign investments.

It is imperative, therefore, that for ICIEC to carry out its mandate and increase its relevance to the developmental needs of member countries, its capital resources be enhanced and its Articles of Agreement become more flexible.

**Dr. Abdel Rahman Taha,**  
ICIEC's General Manager



*H.E. Dr. Ahmad Mohamed Ali, IDB Group President witnesses the Signing Ceremony*

During the 2<sup>nd</sup> Quarter 1430H (2009), ICIEC issued a USD 75 million Export Credit Insurance policy to El-Sewedy Cables Co. of Egypt.

The policy signing ceremony was conducted at IDB Headquarters in Jeddah, in the presence of the President of the IDB Group and a number of dignitaries including Mr. Ahmed El-Sewedy, the CEO of El-Sewedy Cables, Khaled Al-Aboudi CEO and GM of Islamic Corporation for the Development of the Private Sector (ICD) and Dr. Waleed Al Wohaib, CEO of International Trade Finance Corporation (ITFC).

The policy will cover exports of electricity transmission line equipment from Egypt to Ethiopia. Repayments are scheduled to take place over a period of 7 years. The policy covers

El-Sewedy Cables against the risks of non-payment by the buyer (Ethiopian Electric Power Corporation), for both commercial and non-commercial reasons.

Based in Egypt, El-Sewedy Cables is one of the largest integrated cable & electrical accessory manufacturers in the Middle-East, with multiple manufacturing locations.

*"This transaction is a perfect example of the facilitation role played by ICIEC, in encouraging exports from its member countries to all parts of the world, including developing countries most in need of long-term financing and insurance facilities"*

The President of the IDB Group commented.

## ICIEC holds its 16th Annual Meeting in Ashgabat in conjunction with 34<sup>th</sup> IDB Annual Meeting



*ICIEC's 16th BOG Annual Meeting in Ashgabat, Turkmenistan – 3<sup>rd</sup> June 2009*

ICIEC held its 16<sup>th</sup> Board of Governors (BOG) Annual Meeting in conjunction with the 34<sup>th</sup> Islamic Development Bank annual meeting, in Ashgabat, Turkmenistan. The opening session of the meeting was chaired by the President of Turkmenistan H.E President Gurbanguly Berdimuhamedov on Tuesday 2 June 2009.

The inauguration session was attended by the 56 Ministers of Finance of the IDB member countries, and about 760 additional participants who were involved in the various functions of the meeting.

During the event, The Board of Governors of ICIEC, approved the Annual Report and financial results of the Corporation for 1429H (2008). The report shows that ICIEC was able to maintain results similar to those achieved in 1428H (2007) which amounted to business amount of USD 1.445 billion, while the claims paid to policyholders amounted to USD 0.65 million. This allowed ICIEC to realize a net surplus of USD 0.708 million. The cumulative insured business since inception exceeded USD 5 billion.

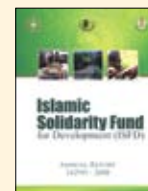
Also the Board of Governors approved the application of Sultanate of Oman and the Republic of Albania for the membership of the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC); this membership will open the door for both Oman and Albania private and public sectors to benefit from services offered by ICIEC; when the two countries complete the membership requirements, the number of member countries will reach 39 including 17 Arab countries, 13 African countries and 9 Asian and European countries.

As part of the Corporate Governance Reform of the ICIEC, the Board of Governors approved the resolution of amendment of ICIEC's Articles of Agreement, which allows the Board of Governors of ICIEC to create a new position in the Corporation of "Chief Executive Officer", to replace the position of General Manager.

A Memorandum of Understanding (MOU) was signed between ICIEC and Nour Bank of Kazakhstan during the event. The MOU will enable ICIEC and Nour Bank to cooperate in various areas and provide export credit insurance and insure guarantees

issued by Nour Bank in favor for its clients to cover their imports. Also, the MOU will enable the Bank to promote ICIEC's products to the financial institutions and exporters in Kazakhstan. This MOU will provide business men in Member Countries the opportunity to expand their export operations and enter new market, especially in CIS countries.

### ISFD issues the 1<sup>st</sup> Annual Report for 1429H



The 34<sup>th</sup> IDB Group Annual Meeting witnessed the issuing of the 1st Annual Report on the operations and activities of The Islamic Solidarity Fund for Development (ISFD), a special fund within the IDB Group. The year 1429H was the first year of operations, which laid down the basic foundation for the Fund – drawing up new policies for poverty reduction, deciding the strategic thrust and priority sectors for maximizing impact on poverty reduction, developing guidelines under which the Fund would operate, and setting procedures for effectively carrying out its mandate.

It is worth mentioning that the Fund was established based on a decision taken during the 3<sup>rd</sup> Extraordinary Session of the OIC Summit Conference held in Makkah, Saudi Arabia, on 7-8 December 2005 with a view to reduce poverty, build the productive capacities of member states, reduce illiteracy, eradicate disease and epidemics; particularly Malaria, Tuberculosis and Aids.



*Mr. Marat Zairov, the Chairman of Nour Bank, Kazakhstan with IDB Group President*

## Finance Minister of Ethiopia visits IDB Group



**H**is Excellency Mr. Sufian Ahmed, Finance Minister of the Federal Democratic Republic of Ethiopia, visited the Headquarters of the Islamic Development Bank Group in Jeddah, on Saturday 13<sup>th</sup> June 2009. He was received by IDB President and ICIEC's General Manager, Dr. Abdel Rahman Taha. The visit was arranged following an invitation to the Minister by the President of the IDB Group.



*IDB Group President receives H.E. the Finance Minister of Ethiopia at IDB*

During the visit, the Minister was briefed on the activities of the IDB Group in supporting economic and social development of member countries, and of Muslim communities in non-member countries. The Special Assistance Office of the IDB Group, which was the task of carrying out developmental activities, benefiting Muslim communities in non-member countries, gave a presentation on their projects in Ethiopia, and outlined some of their future programs in the country. ICIEC and the Islamic Trade Finance Corporation (ITFC) detailed their involvement in supporting trade with Ethiopia.

### The BOD of ITFC approves financing of USD 400 million for Bangladesh



**T**he Board of Directors of the International Islamic Trade Finance Corporation (ITFC), member of IDB Group, has approved in its meeting which took place on the sidelines of the 34<sup>th</sup> IDB Group Board of Governors Annual Meeting, a trade finance operation for the People's Republic of Bangladesh valued at USD 400 million. This trade finance operation is in line with the ITFC's mandate to support member countries strategic sectors and to improve their trading capacity. Moreover this operation will allow Bangladesh to fulfill its requirements in financing vital imports of crude oil and refined petroleum products.

This trade finance operation provides critical support to Bangladesh's farming and garments industry sectors, considered of strategic importance to the county; with the latter being a vital export-driven industry employing over two million people and indirectly supporting an additional fifteen million jobs.

*"One of the main objectives of the ITFC is to increase the value and volume of intra-trade among member countries"*

Dr. Waleed Al Wohaib, ITFC CEO



## French Businessmen visit ICIEC

**A** delegation from the Association of French Businessmen (MEDEF), headed by Mr Jean-Louis Chaussade, CEO of Suez Environment, recently visited ICIEC. The delegation was accompanied by H.E. The General Consul of Republic of France at Jeddah, Mr Christian Nakhlé the Economic & Commercial Consul, Mr. Bernard Dagouassat, and Mr Romain Buisine, the Commercial Attaché.

Mr Chaussard gave a briefing on MEDEF's objectives and the purpose of the visit to Saudi Arabia. The delegation was briefed by Dr. Taha on the activities of the IDB Group, and Mr. Marwan Seif-eddine, Advisor to the President of IDB Group, made a presentation on the IDB Group and its role in supporting economic and social development of member countries, and of Muslim communities in non-member countries. This was followed by ITAP/ICIEC and ICD presentations detailing their involvement in supporting French investors in Member Countries. MEDEF showed a great deal of interest in collaboration with various IDB Group entities.

Dr. Taha expressed the readiness of IDB Group for further cooperation with French companies in various economic and technical fields for the benefit of its member countries.



*Dr. Abdel Rahman Taha ICIEC's GM seating in between H.E. Mr. Christian Nakhlé General Consul of Republic of France to the right and Mr. Jean-Louis Chaussade.*

*"The role of the diplomatic corps as an intermediate in fostering such cross-border relationships is critical"*  
ICIEC's General Manager



## ICIIEC signs a Reinsurance Facultative Agreement and Local Agency Agreement with ECIE, UAE



ICIIEC has signed a Reinsurance Facultative Agreement (R.F.A) and Local Agent Agreement with ECIE at ICIIEC premises on 12th of April 2009. The agreements were signed by Dr. Abdel Rahman El-Tayeb Taha, the General Manager of ICIIEC and Eng. Saed Al Awadi, the Chief Executive Officer of ECIE.

The local agency agreement will pave the way for marketing Islamic credit insurance services to exporters and Islamic Banks in UAE. Any UAE based company, any foreign company operating in UAE, companies operating from the UAE free zone and Islamic banks (local or foreign) or those having Islamic windows located in UAE can avail of these services.

The Reinsurance Facultative Agreement will provide to ECIE (ceding company) a case by case export credit reinsurance by ICIIEC (the reinsurer). The agreement manages both whole turnover transactions and specific transactions.



*Dr. Abdel Rahman Taha, ICIIEC's GM signing the agreement with Eng. Saed Al Awadi, the CEO of ECIE.*

Dr. Taha noted that "The agreements we have signed are within the framework of ICIIEC's role, in providing technical and logistical support for the development of export credit agencies in its member countries".



## ICIIEC Signs a Local Agency Agreement with CAGEX, Algeria



*Dr. Abdel Rahman Taha, ICIIEC's GM signing the local agent agreement with Mr. Djilali Tariket the Chairman from CAGEX*

ICIIEC signed a Local Agency Agreement with the national Export Credit Agency of Algeria "Algerian Credit Insurance Company - CAGEX", in 26th May 2009. The signing ceremony was held at ICIIEC premises, with ICIIEC being represented by Dr. Abdel Rahman El-Tayeb Taha, the General Manager and Mr. Djilali Tariket the Chairman from CAGEX.

The local agency agreement, aims to reinforce cooperation with CAGEX in all areas (i.e. Short Term, Medium Term and Investment transactions).

It is worth noting that ICIIEC and CAGEX have had a good business relationship since a long time under the Reinsurance Facultative Agreement signed on June 2006 and the quota share treaty of Cagex which was signed in March 2008.



## ICIIEC, IFS Dept. hold discussions with Bank Negara



On Sunday, 12<sup>th</sup> of April 2009, a high-level team, comprising several government agencies from Malaysia, visited the IDB and its entities, including ICIIEC.

A side meeting with the delegation, chaired by Dr. Abdel Rahman Taha, was held at ICIIEC premises. Participants included Dr. Zainal Hafsi Hashim from Bank Negara Malaysia (Central Bank of Malaysia), and representatives from the Islamic Financial Services Department. Discussions on expanding the scope of cooperation between Bank Negara Malaysia, ICIIEC, and IFS, particularly in the field of takaful, were held during the meeting.



## ICIEC's Raises its Profile in the Lloyd's Reinsurance Market

In May 2009, a mission to London, comprising of ICIEC's General Manager, Director of the Insurance Operations, Head of the Reinsurance Division and Head, Regulation & Monitoring Division of ICIEC, was undertaken to participate in the 6th Annual Emerging Markets Trade & Political Risk Conference organized by Exporta. During the event which was co-sponsored by ICIEC, Dr. Taha made a presentation on the role of regional ECAs in covering emerging markets risk. In addition, the mission met with ICIEC's Treaty Reinsurers (Atradius Re and Catlin) for the purpose of negotiating the renewal of ICIEC's Quota Share Treaty program, and conducted several meetings with Lloyd's Reinsurers and Brokers and prospects in the Banking Industry.



The mission was also successful in raising ICIEC's profile in the Lloyd's market and strengthened its relationships with Lloyd's reinsurers and Brokers in the market, many of whom have shown great interest in partnering with ICIEC for future deals.

## berneunion

### ICIEC participates at Berne Union Meeting in Turkey

On 4 May 2009, Berne Union organized its 2009 Spring meeting in Istanbul, hosted by Turk Exim Bank. This year a new format was applied for the meeting which aimed at enhancing members' opportunities for discussion and interaction across Short Term, Medium and Long Term, and Investment committee lines. Where various issued related members' business trends in 2008/2009 and financial crisis impact were discussed during the meeting.

ICIEC General Manager Dr. Abdel Rahman Taha, who was accompanied by Khemais El-Guezzah, ICIEC's Insurance Operations Director, made a presentation on titled (Islamic Finance: Is there a role for Credit and Political Risks insurance). The presentation great deal of interest in Islamic finance.

## ICIEC participates in Country Risk Conference and Credit Alliance Regional meeting in Dubai

ICIEC recently participated in the Coface Credit Alliance Regional Meeting and Regional Country Risk Conference in Dubai which was jointly conducted by Coface of France and the Export Credit Insurance Company of the Emirates. The event started with the Country Risk Conference where speakers from various fields shared their experiences on different topics in relation to the prevailing financial crises. Dr. Abdel-Rahman Taha, General Manager of ICIEC participated in the Panel Discussion on Regional effects of the crisis and shared ICIEC experience regarding the impact of the financial crisis on its member countries.



*Participants of Credit Alliance Regional Meeting, 12 May 2009, Dubai - UAE*

The Credit Alliance Meeting, which was held simultaneously with the Country Risk Conference, involved Coface partners from the region. Various workshops were held covering topics like Business Information in the Middle East and Africa; Trade receivables Management

in Middle East and Africa; Khemais El-Gazzah, Director of Insurance Operations at ICIEC, was the moderator of the discussion on Trade Receivables Financing.



## ITAP ACTIVITIES MOVE ON

### ITAP and UNIDO Hold Meeting to Follow-up on Joint Projects



ITAP invited Mr. Tidiane Boye a Senior Officer from UNIDO – Vienna, to Jeddah, during April 2009, to meet ICIEC/ITAP staff and discuss the implementation of the joint UNIDO/ICIEC Investment Promotion and Technical Assistance Programme in the Sudan and Uganda and explore further cooperation opportunities, particularly in the context of the implementation of the Regional Programme for Investment Promotion in Africa.

*From left to right, Dr. Abdel Rahman Taha, Chairman of ITAP Steering Committee, Dr. Hashim Hussein, Head of ITPO Bahrain and Mr. Tidiane Boye, UNIDO, Vienna, 5 April 2009*

### ITAP and COMESARIA Hold Meeting in Cairo



ITAP representatives recently held a meeting in Cairo with the Common Market for Eastern & Southern Africa's Regional Investment Agency (COMESARIA). The meeting generated the finalization of the Terms of Reference for the Djibouti program as well as identification of a potential consultant to carry out the program.

In addition, during the visit, ITAP completed the finalization of the work plan for an investment roadshow that will take place in three different GCC countries (Saudi Arabia, Bahrain and United Arab Emirates). which shall be co-organized with COMESARIA.

### Djibouti



As part of a country program that has been developed for Djibouti for this year, ITAP will provide technical assistance to Djibouti's investment promotion agency (NIPA/ANPI) in the areas of project identification, project profiling and institutional capacity building in order to evolve a strong investment promotion office. A second mission to Djibouti took place at the beginning of May in which a consultant accompanied ITAP in order to commence the capacity building program. The consultant is also expected to submit the first draft of an investment guide that is being developed as part of the ITAP Djibouti Program. Meanwhile, in coordination with COMESARIA, ITAP is also preparing NIPA/ANPI for the investment road show that is to take place at the end of this year.

### Sudan



The technical assistance being extended to the Ministry of Investment through the ITAP programme is designed to strengthen the Ministry in all aspects of investment promotion, particularly to evolve it as a pro-active investment promotion agency. As a result of ITAP/UNIDO Program a new organizational structure, which now includes a Domestic Investment Promotion Unit, has been approved by the Ministry and is now awaiting cabinet approval. Moreover, on May 4<sup>th</sup>, 2009 a UNIDO/IDB Program consultant traveled to Khartoum and started the work at the Ministry of Investment. The mission was designed to be an action oriented intervention which should facilitate early initiation of the project identification and profiling exercise.

### Uganda



Within the context of ITAP's Program in Uganda, a joint ITAP and United Nations Industrial Development Organization (UNIDO) mission traveled to Uganda from the 15<sup>th</sup> to 20<sup>th</sup> of June 2009. The ITAP delegation discussed and finalized with UNIDO an Action Plan for the Uganda project. Also the mission met with the local consultants that have been contracted to develop project profiles in a number of priority sectors in Uganda and agreed with them on a timeframe for the delivery of the project profiles.

### Syria



In the framework of ITAP's country program for Syria, a familiarization program and study tour in cooperation with the Union of Chambers and Commodity Exchanges of Turkey (TOBB) and other related entities will be implemented during the period 6-10 July for selected staff of the Syrian Investment Agency (SIA). The program's aim is to introduce SIA to Turkey's model of investment promotion and best practices to attract FDI. As a component of the project, comprehensive training courses will be provided to SIA staff based on their actual needs and requirements. Training is expected to be launched by October 2009.

## H. E. Dr. Al-Assaf launches IDB Group Business Forum “Thiqah”



Dr. Ibrahim Al-Assaf, Finance Minister and the Governor of IDB Group for Kingdom of Saudi Arabia lunched on 3<sup>rd</sup> June 2009, the IDB Group Business Forum entitled “Thiqah”

The purpose of the forum is to foster a strategic partnership between the IDB Group and the private sector, which comes within the framework of the Islamic Development Bank Group in financing and supporting the development efforts of its member countries. It is expected that the forum will achieve greater convergence among the Group entities (IDB, ICD, ITFC and ICIEC) and the private sector, taking into account the growing role played by the private sector in economic development in member countries.

In his speech, Dr. Al-Assaf called upon the business sector in Saudi Arabia and other member countries to establish contacts with the forum in order to boost cooperation and strengthen expertise

**“The Forum will be a base for continuous dialogue and consultation between the IDB Group entities and the private sector”**  
CEO, GM of ICD



*H.E. Dr. Ibrahim Al-Assaf, center, IDB President Ahmed Mohammed Ali, left, and ICD CEO and GM Khaled Al-Aboodi, right, at the business forum in Jeddah.*

Dr. Ahmed Mohamed Ali, President of the IDB Group, emphasized in his speech, the need to mobilize financial resources through private sector partnerships rather than depending only on the banks capital.

**“Such a Forum is essential for confronting the challenges of financial crises”** IDB Group President

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## ICIEC targets Malaysian Business



*Datuk Mohd Hashim Hassan  
Chairman: Exim Bank Malaysia*

A delegation from the Malaysian Exim Bank chaired by the Chairman, Datuk Mohd Hashim Hassan and comprising of Mr Mohd Fauzi Rahmat, MD / CEO, and VP Strategic Planning visited ICIEC on Sunday, 10<sup>th</sup> May 2009.

The delegation was received by ICIEC General Manager, Dr Abdel-Rahman Taha and concerned Department Directors. A brief presentation on ICIEC, its products and services was delivered to the delegates by Rahmatnor Mohammed, Head of Reinsurance Division. The two delegations discussed various topics of mutual interest. They agreed to endeavor to enhance their cooperation through participation of ICIEC in providing reinsurance services to Exim and through cooperation in introducing Sharia’ compliant credit and political risk mitigation to the Malaysian market.

### Focus on ICIEC’s Partners:



## Midal Cables of Bahrain



Midal Cables of Bahrain is a manufacturer and exporter of Aluminum and Aluminum Overhead Conductors, Wires, Rods and Conform Extrusion Products for Transmission and Distribution, and is considered as one of the world leaders in this sector.

Midal’s management has always been striving for the best quality and customer satisfaction, and on the other hand has established and utilized the best available systems for internal credit management and business analysis.

The ICIEC-Midal relationship started in the year 2000, under the Comprehensive Short-Term Policy (CSTP). As a result of the very close relationship established between ICIEC and Midal and the efficient credit management practices observed by Midal, ICIEC has always been able to support Midal by extending cover in a timely manner for most of the transactions submitted by Midal, including those located in very difficult markets. Currently, ICIEC’s insurance covers for Midal’s buyers, spread around the globe.



## Warm Welcome for IRTI Director General



PROF. BAMBANG PERMA-DI SOEMANTRI BRODJO-NEGORO, Ph.D, Indonesia national, was appointed as The Director General of the Islamic Research and Training Institute (IRTI), (member of the Islamic Development Bank (IDB) on 4 April 2009.

In August 2007, Prof Brojdonegoro earned his doctorate in Urban and Regional Planning from University of Illinois at Urbana-Champaign

Prior to joining the IRTI, he was Dean, the Faculty of Economics, University of Indonesia, where he held several positions. Before that, he served as an adviser and independent commissioner of PT PLN (National Electricity Company) between 2004-2009. Prof Brojdonegoro has also chaired various Indonesian organizations such as Regional Autonomy Watch (KPPOD) and the Indonesian Regional Science Association (IRSA). Also, he has published numerous articles in international magazines, and has been awarded numerous local and international awards.

The General Manager of the ICIEC welcomes Prof Brojdonegoro to IDB Group family and wishes him success in his new assignment

## ICIEC honors retiring colleague Mohamed Shaker

During the 2<sup>nd</sup> Quarter of 1430H, the Corporation's quarterly social gathering was organized at Hilton Hotel in Jeddah. The gathering included ICIEC staff as well as some guests from other IDB Group entities.

Dr. Abdel Rahman Taha, the General Manager of the Corporation inaugurated the gathering by welcoming the guests to the function. He gave a brief speech on ICIEC's achievement and announced the financial results during 1429H. Also he announced the names of newly confirmed staff, and promoted staff.

The General Manager took the opportunity to bid farewell to Mohammed Shaker from Administrative Services Department of IDB, on his retirement from the IDB. Dr. Taha presented a souvenir of appreciation to Shaker and wished him a healthy and happy retirement.



*ICIEC's GM, presenting a souvenir to Mohammed Shaker*

## What do our Partners say about ICIEC?

"In its pioneering work in the provision on Export Credit Insurance to the business community in its member countries, ICIEC has been instrumental in changing the way business is done in the Middle East and further afield, and it plays a key role in enabling local industry to access new markets worldwide. Private sector reinsurers are always looking for winners to back, and ICIEC's unique mandate and its ability to engage with new partners has significantly enhanced our ability to mobilize and build capacity in support."



### Dr. Abdel Rahman Taha

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