



ICIEC

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NEWSLETTER

IDB Group Gateway Offices in Turkey and Indonesia Kick off

The first two established IDB's Country Gateway Offices has been started its operations recently, the first office is hosted by the Republic of Turkey, is located in Ankara within the The Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC) headquarters supported by another representative office based in Istanbul... **more page 6**

"The IDB Group Country Gateway Offices undoubtedly marks a turning point in the IDB's efforts to get closer to its Member Countries and stakeholders"

Dr. Ahmad Mohamed Ali,
IDB Group President



ICIEC & OPIC Support Investments in Egypt



ICIEC's reinsurance support to OPIC for Apache's FDI into the all-important oil and gas sector in Egypt is a strategic one.

Maryam Baqer
Insurance Underwriter, ICIEC

During the first quarter ICIEC has provided US\$ 80 million reinsurance support to the Overseas Private Investment Corporation ("OPIC") for the latter's political risk insurance policy to Apache Corporation ("Apache")... **more page 3**



EDITORIAL

ICIEC, in collaboration with Price Waterhouse Coopers (PwC), has been working intensively to formulate its 10 year Strategic Framework in line with the strategy of the IDB Group. This framework will provide the roadmap for translating our ambitions into actionable strategies, enabling us to move forward toward becoming an even more effective, focused, and impactful institution.

Given the economic and political turbulence that we see around us, it is the right time to challenge anew the principles which have been guiding ICIEC so far, and ask ourselves the question of how we can enhance our developmental impact on our member countries.

Based on the discussions that ICIEC staff have been engaged in, in various internal sessions as well as those with PwC, it is clear

ICIEC needs to reposition itself. Our focus needs to shift toward closer partnership with the private market and international ECA's. By becoming a mobilizer of resources and insurance capacity, we will be better placed to ensure critical projects and trades which benefit member countries, come to fruition.

I am deeply appreciative of the effort of ICIEC's clients, staff, members of the Advisory Committee, PwC, and all other stakeholders for their invaluable contribution to the strategy discussions so far. This input is going to shape the Corporation's strategy for the next 10 years, and is therefore of the highest importance. I have no doubt that ICIEC will emerge from this exercise a leaner, focused and more result oriented institution.

Thank You!

Eng. Hani Salem Sonbol
Acting Chief Executive Officer of ICIEC

IN THIS ISSUE

2 BUSINESS & FINANCIAL HIGHLIGHTS

3 OPERATIONS HIGHLIGHTS

4 INSTITUTIONAL DEVELOPMENTS

5 BUSINESS DEVELOPMENTS

6 GROUP NEWS

7 PARTNERS' COOPERATION

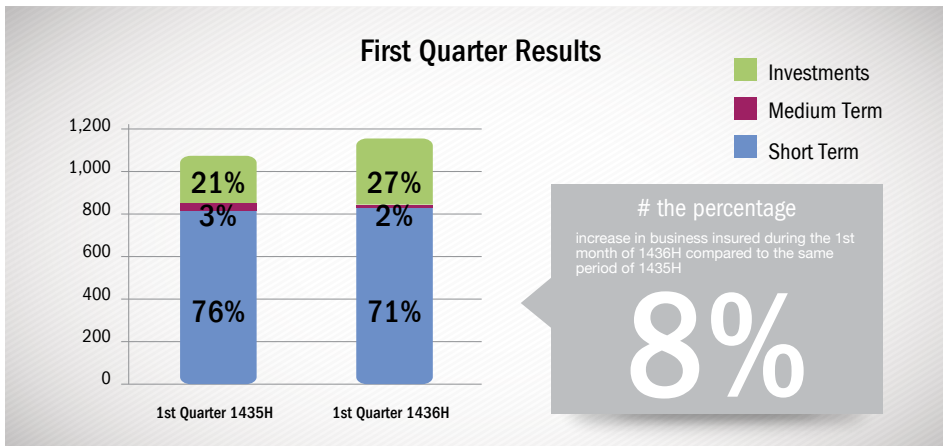
8 CONTRIBUTIONS

ICIEC 1st Quarter Results 9 new insurance policies and 8% increase in Business Insured

During the first quarter of 1436H, the Overall operations results of the Corporation shows a healthy growth, the business insured (total utilization of the commitments) reached USD 1,150 million which indicates an increase of 8% compared to the first quarter of the previous year (1435H).

The Premium generated from the above business reached USD 4.4 million compared to USD 3.01 million registering an increase of 46% compared to the same period of 1435H. On the other hand, it is worth noting that no claims was paid during the period and was the case also during the same period of 1435H.

It is worth mentioning that under different lines of business, ICIEC has issued nine new policies during the first quarter 1436H. This includes clients operating in Bahrain, Lebanon, United Kingdom, United Arab Emirates, Kazakhstan, Turkey, and Egypt. In addition, twenty nine 33 policies have been renewed during the same period.



“Despite the challenges faced, ICIEC was able to realize 8% increase compared to the results of the 1st Quarter of last year”



Dubai office activities

ICIEC’s Dubai Representative Office Moves Forward

Since it started operations in 1433H, ICIEC’s Dubai Representative Office

has had three straight years of growth in business volumes. During 1435H, USD 540 million worth of trade and investment insurance business was generated from the Dubai operation, as compared to USD 305 million in 1434H.

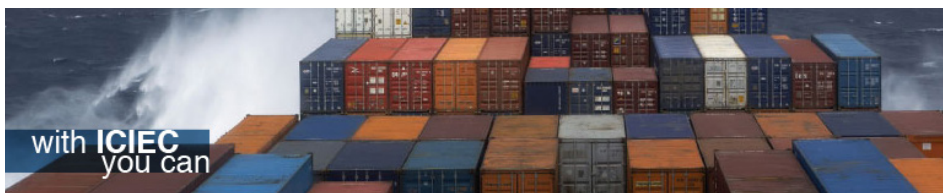
The Office has been working closely with major domestic and international banks and commodity traders, in order to support ICIEC’s mandate of promoting trade and

investments for its member countries. The important reinsurance relationship that ICIEC has initiated with Credimundi of Belgium is also being handled out of the Dubai Office.

The Office is increasingly serving as the primary touchpoint for international

financial institutions which do business with the Corporation. Given the

emergence of Dubai as regional financial hub, the Office is perfectly positioned to capitalize on this opportunity.



Palestine Joins ICIEC’s Membership



Palestine has recently joined the membership of ICIEC. This brings the number of member countries to 43, while several other member countries from the Organization of Islamic Cooperation (OIC) are in the process of completing the membership requirements.

The Palestine’s membership in ICIEC will open the door for private and public sectors operating in Palestine territories to benefit from ICIEC’s services to expand their exports worldwide by utilizing ICIEC’s export credit insurance services. Also, will help in attracting the inflow of Foreign Direct Investment (FDI) with the use of ICIEC’s Political Risk Insurance (PRI) policies. it provides opportunities for both its private and public sector to expand their exports worldwide.

ICIEC and OPIC Join Hands to Support Oil and Gas Investments in Egypt



During the first quarter ICIEC has provided US\$ 80 million reinsurance support to the Overseas Private Investment Corporation (“OPIC”) for the latter’s political risk insurance policy to Apache Corporation (“Apache”). The policy was issued to Apache to cover its investment in the Arab Republic of Egypt against political risks for a tenor in excess of 5 years.

Apache’s project in Egypt (“Apache Egypt”) involves exploration of oil and gas under various concessions granted by the Government of Egypt in several locations in Egypt with main

activities in the Western Desert. Apache’s commitment to Egypt began in 1994 with their first Qarun discovery well.

The Project provides employment opportunities for the locals in the country. As of the end of 2013, the total headcount of the joint ventures is approximately 10,000 staff, most of whom are local employees and contractors. Furthermore, the Project provides opportunities for developing the technical and managerial skills through daily operation and maintenance and through conducting training sessions for local employees.

About OPIC

OPIC is the U.S. Government’s development finance institution which was established in 1971. OPIC achieves its mission by providing investors with financing, guarantees, political risk insurance and support for private equity investment funds. OPIC services are available for new and expanding business enterprises in more than 150 countries worldwide.

About Apache

Apache Corporation, formed in 1954, is among the world’s largest independent exploration and production companies and is based in Houston, Texas. Apache currently has exploration and production interests in six countries: the United States, Canada, Australia, the United Kingdom North Sea, Argentina and Egypt.

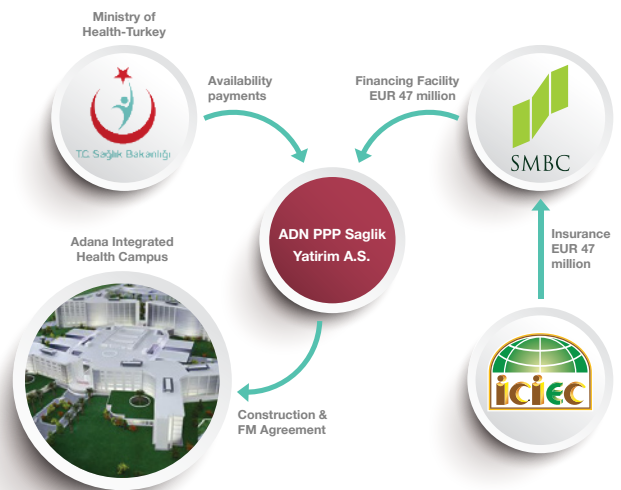
ICIEC Supports the Healthcare Sector in Turkey



ICIEC provided EUR 47 million insurance cover to Sumitomo Mitsui Banking Corporation (SMBC), a leading Japanese bank, covering their participation in the financing of the construction of a health campus facility in Turkey against the risk of Non-Honoring of Sovereign Financial Obligation for 15 years. A large portion of the overall financing was provided by a number of multi-lateral organisations and international banks alongside SMBC.

The transaction involves construction and facilities management of a new health campus with 1,550 beds in the southern city of Adana, Turkey. ADN PPP Saglik Yatirim A.S., an SPV, is going to construct the hospital buildings in a 3-year time frame and then manage the facilities for a period of 25 years against availability payments from the Ministry of Health, Turkey. The transaction is executed under the Turkish Healthcare PPP law.

Turkey, a member of ICIEC since 1997, is undertaking substantial reforms in the health sector (Healthcare Transformation Program)



in the last 12 years. Turkey is planning to invest USD 10 billion in the healthcare infrastructure. For the first time, the Public Private Partnership (PPP) model is being used to construct and run integrated health campuses around the country.

ICIEC’s support to the transaction is in line with its strategy of supporting member countries’ infrastructure development and increasing human welfare.

10 Years Strategy Project

ICIEC Organizes Strategy World Café

As 2014 was marked by the celebration of ICIEC's foundation 20 years ago and the strategic preparations for IDB Group's upcoming 40th anniversary, ICIEC seized the opportunity to not only take the time to assess its past and current performance but also to focus on its future positioning internally within the IDB Group as well as externally within the global trade and investment insurance market. As a result, ICIEC developed a strategy to sustainably and successfully lead the organization towards 2025.

To support the ambition goals of the Corporation, an ICIEC established in this regard, in cooperation with PricewaterhouseCoopers (pwc) (a Germany reputable consultant) have worked on the ground and have the opportunity to meet each staff during a series of structured interviews, they which during the collaboration with, ICIEC staff have participated in a Strategy World Café organized on Monday 1st, December 2014 moderated by Dr. Andreas Klassen Partner PwC and Philipp Lemmerz, senior manager

at pwc. Participants discussed how to design and improve staff involvement in ICIEC's 10 year strategy development progress, to achieve its objective to become an operationally profitable trade credit and investment insurer within its broader mandate of facilitating development and growth in its Member Countries.

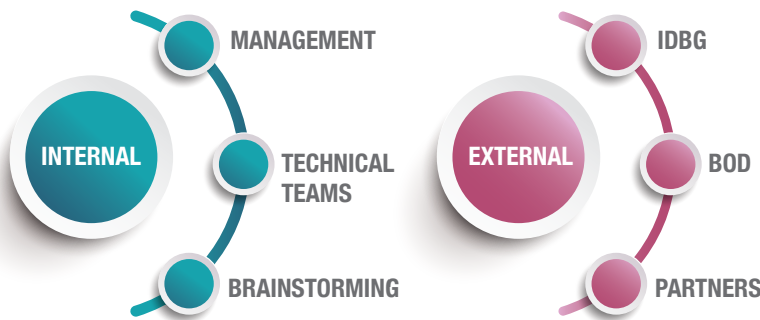
Project Main Pillars

Transparency

- Weekly communication of project progress to staff
- Documenting and archiving the minutes of interviews conducted with the staff in strictly confidential manner.
- Providing full access to the documentation required by the consultant including GIAD report



Involvement



“The discussions and innovative ideas were beyond what I expected”

What is the World Café?

The World Café is a structured conversational process in which groups of people discuss a topic at several tables, with individuals switching tables periodically and getting introduced to the previous discussion at their new table by a “table moderator. As well as speaking and listening, individuals may be encouraged to write or doodle on the tablecloth so that when people change to different tables, they can see what previous members have expressed in their own words as well as hearing the table host's view of what has been happening.



ICIEC Staff focus on the presentation delivered by the Project Manager Philipp Lemmerz on the overall exercise of the ICIEC 10 years strategies



Strengthening Partnership between Turk Eximbank and ICIEC



Turk Eximbank has been maintaining a close cooperation with The Islamic Corporation for Insurance of Investments and Export Credits (ICIEC), which is an IDB affiliation since its foundation. This cooperation took progress since the year 1997. During the foregoing period, joint seminars have been held for business promotion.

Nowadays, Turk Eximbank and ICIEC are working together for a further cooperation on a broadened scope. Both companies collaborate in Aman Union as Executive Council Members to develop the credit and political risk insurance industry among member countries.

Turk Eximbank and ICIEC have a reinsurance agreement since 2010, with an increasing share of ICIEC in Turk Eximbank's Quota Share Reinsurance Panel. Also, Turk Eximbank is considering to cooperate with ICIEC on the facultative basis reinsurance treaties for strategic projects in the region.

Additionally, Turk Eximbank and ICIEC have an agency agreement for the investment insurance field since 2012. Both companies would like to expand the cooperation in the manner of investment insurance and political risk insurance throughout the years.

Hayrettin Kaplan,
General Manager

ICIEC sponsors

the 2nd Saudi Trade Finance Summit 2014



ICIEC has participated in and sponsored the second annual Saudi Trade Finance Summit 2014 which took place in Riyadh on the 5th and 6th November at AlFaisaliah Hotel. The event brought together regional and global senior finance professionals from the banking and insurance industries, government and the private sector to talk about the issues impacting trade finance. The summit highlighted the latest developments and examine both the regional and international trade flows impacting on one of the world's most affluent markets.

ICIEC was represented by Eng. Yasser Alaki, the Acting Director of the Business Development Department who participated in the panel discussion on Export Credit Agencies and the role can play in promoting export and investment in the region to support economy and growth opportunities.

Commenting on ICIEC participation Eng. Yasser said "Sponsoring such events is important to ICIEC, to promote export credit and investment insurance in the country,". "With the remarkable growth in the trade sector, and the development of new trade finance solutions in the Kingdom, the risk mitigation tools such as export credit insurance has become essential for banks to continue financing trade". He added



"With the remarkable growth in the trade sector, and the development of new trade finance solutions in the Kingdom, the risk mitigation tools such as export credit insurance has become essential for banks to continue financing trade"

Eng. Yasser Alaki
Acting Director, Business Development Department

IDB Group Gateway Offices in Turkey and Indonesia Kick off



Prof. Bambang Brodjonegoro and Dr. Ahmad Mohamed Ali inaugurate the IDB Country Gateway Office with a traditional gong ceremony and cutting of the ribbon

The first two established IDB's Country Gateway Offices has been started its operations recently, the first office is hosted by the Republic of Turkey, is located in Ankara within the The Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC) headquarters supported by another representative office based in Istanbul.

The Gateway office is being headed by Saleh Jelassi, as Director, Resident Representative of the IDB Group Country Gateway Office

“Gateways offices were established to facilitate and to strength ties with all stakeholders, including the Government, private sector, academia, civil society, and the development partners”

Saleh Jelassi

in Turkey. Prior to his appointment in his current assignment, he was for several years as Advisor Assistant of H.E Dr. Ahmad Mohamed Ali, the President of the Group.

The second IDB Group Gateway Office is located in Jakarta, the Republic of Indonesia, which was inaugurated recently by by Prof. Bambang Brodjonegoro, Minister of Finance of the Republic of Indonesia and Dr. Ahmed Mohamad Ali, President of the IDB Group. The office is beingheaded by Ibrahim Shoukry, former Investment Director in the Islamic Corporation for the Development of the Private Sector (ICD), the project finance entity of the Group.

“I would encourage the private business community in Turkey and Indonesia to take full advantage of political and commercial risk mitigation tools offered by ICIEC



Eng. Yasser Alaki

Acting Director
Business Development
Department



Saleh Jelassi with H.E Dr. Ahmed Mohamed Ali, IDB Group President in previous meeting before joining his new assignment

ICIEC Participates in 30th Annual Meeting of COMCEC

ICIEC delegation comprising Eng. Hani Salem Sonbol, the Acting Chief Executive and Hussein Khalif Jama, the Advisor to the ACEO and Yasser Alaki, the Acting Director of the Business Development have participated in the 30th Annual Meeting of COMCEC which was held in Istanbul between 23 and 29 November 2014. ICIEC delegation has participated in Consultative Group meetings for finalizing the assessment of the 10 years action plan and agreed on the way forward. During the mission, ICIEC delegation took the opportunity to visit the new opened IDB Group representative office in Istanbul. In addition ICIEC and ITFC they the trade finance arm of the IDB Group took the opportunity to hold a join meeting with their partners in Istanbul.



ICIEC and ITFC delegation pose with the Acting CEO of ICIEC in IDB Group representative office in Istanbul

The 5th Annual Meeting of the AMAN UNION

Members of the AMAN UNION support for investment and export insurance in Arab and Islamic Countries stood at USD 21.9bn



Group photo of participants in the 5th Annual Meeting of AMAN UNION held in Tehran, Iran on 11-12 November 2014.

The AMAN UNION “the Union of Commercial and Non-commercial Risks Insurers and Reinsurers in the Member Countries of the Organization of the Islamic Cooperation (OIC) held its 5th Annual Meeting which was hosted by the “Export Guarantee Fund of Iran” (EGFI) on 11-12 November, 2014 in Tehran. The meeting was launched officially with the speech of H.E. Mr. Nematzadeh, I.R. of Iran’s Minister of Industry, Mine and Trade. More than 70 experts from credit insurance industry from 27 countries have gathered in this meeting drafted the UNION’s business plan for the year 2015 shared the last years’ experience.

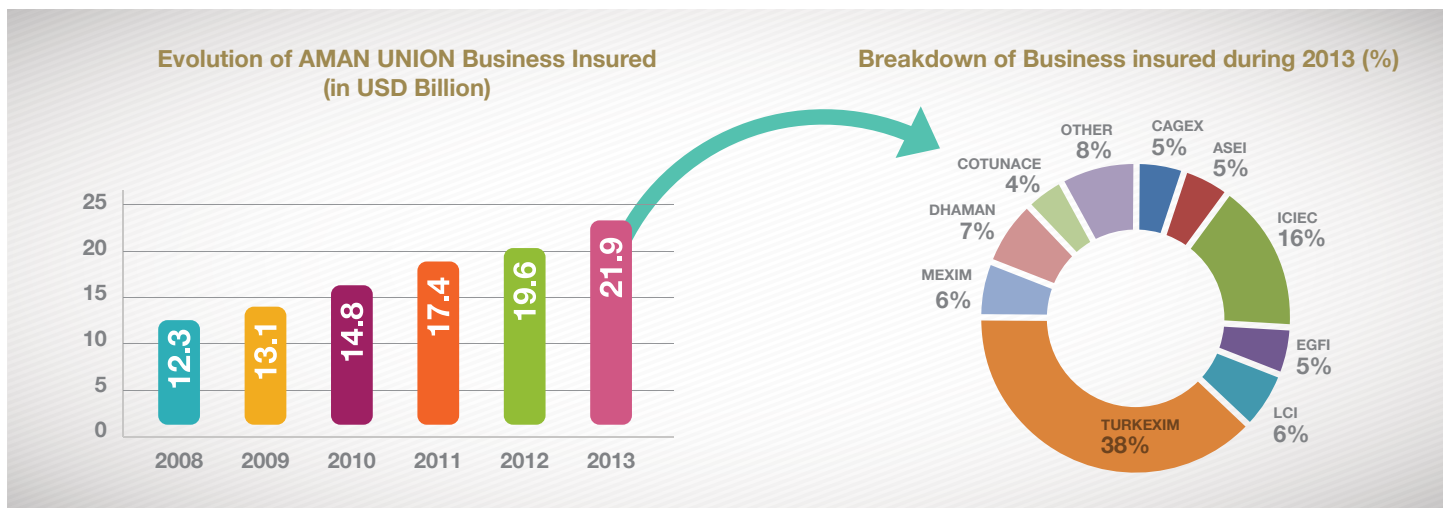
Moreover, in the opening session, Mr. Castellano, the CEO of SACE (Italy’s ECA), as a keynote speaker spoke about “the Export

Credit Agencies & Development Finance, Iran context.” In addition, Dr. Khazaie, the President of “the Organization for Investment, Economic and Technical Assistance of Iran” (OIETAI), as a government keynote addressed the meeting on the “Investment Opportunities in Iran and the role of OIETAI in Interaction with ECAs.” In continuation, technical discussions was held during the two days.

The Secretariat presented the 2013 Annual Report of the Union which reveals that the insured business reached USD 21.9 billion against USD 19.6 billion in 2012, an increase 11.5% compared to 2012, and resulting in a compounded annual growth rate (GAGR) of 12.2% in the last 6 years. During this annual Meeting, Kazexportgarant, the export credit

guarantee of Kazakhstan was admitted as new associate member in AMAN Union. Also, Members were agreed that Export Credit of Oman (ECGA) will host the next annual general assembly meeting in Muscat.

It is worth mentioning that the AMAN Union was launched with the initiative of ICIEC and Dhaman (the Arab Investment & Export Credit Guarantee Corporation) based in Kuwait. Thus during the 1st Joint Meeting of Arab and Islamic ECAs held in Beirut on 27-28 October 2009, with the aim at promoting and developing the commercial and non-commercial risks insurance industry in member countries and strengthen the mutual relationship among members through a range of economic activities.



Credit Insurance – an undiscovered universe...

In GCC most of the markets are currently facing hard challenges due to the regional & global political and economic changes. This has a direct impact on the exporters and importers by putting them in a very critical situation by turning a large part of their receivables into bad debts and affecting their cash flow, ultimately disturbing their relations with their bankers.

Now, it's time for companies in this region to have a reliable partner who can help them to prevent all these unwanted event and to rescue them from this catastrophic situation. ITS TIME FOR TRADE CREDIT INSURANCE.

Trade Credit Insurance has proven to be an integral enabler of trade according to studies conducted by WTO based upon different global markets feedback. Our unique solution, will insure companies, safeguarding them against financial & political risk and makes the bankers feel more confident and comfortable in financing their businesses. Given our strategic presence in GCC, this product will ultimately increase the competitiveness of the manufacturers and traders in this strategic region and they will, not only, be able to expand their existing business landscape but



Rony Azar
ICIIEC-COFACE Partnership Program

they will also be able to penetrate into new markets by offering more flexible trade terms thus competing with international players.

Trade Credit Insurance is relatively a new concept in our jurisdiction, but we truly believe that the increased demand, which is the ultimate result of increasing awareness will educate the market to understand and realize the importance of this concept.

Member Country Key Figures:



Indonesia



Official Name	Republic of Indonesia
Capital and Largest City	Jakarta
Official Language	Indonesian
National Currency	Rupiah (Rp) (IDR)
National Holiday	17 August
GDP Per Capita	\$9,559
Population Estimate	252,164,800
Area	1,904,569 km ² , 735,358 sq mi
Date of Joining IDB	12/08/1974
Subscribed Capital in IDB	406,480,000 ID (Islamic Dinar)
Date of Joining ICIEC	24/04/1993
Subscribed capital in ICIEC	250,000 ID (Islamic Dinar)
Major Exports	oil and gas, cement, food, electrical appliances, constructions, plywood, textiles, rubber
Major Imports	machinery and equipment, chemicals, fuels, foodstuffs
Major Trading Partners	Japan , China , Singapore , South Korea , United States , India , Malaysia, Thailand

* Islamic Dinar (ID) is the unit of account of the Corporation. It is the equivalent to the Special Drawing Rights (SDR) of the International Monetary Fund (ID 1.00 = USD 1.49 as of the end of 1435H). Sources: www.isdb.org , www.wikipedia.org

Staff on Focus



Sameh Essam is from Egypt. He joined ICIEC on 19 July, 2012 in the Human Resources Management and Corporate Services Department to be in charge of supporting ICIEC staff with, among other things, mail and courier deliveries within the Group. Sameh holds a high school Diploma from Egypt, and is a very active as well as a helpful staff member. Finally, Sameh has a pleasant personality and a sense of humor.

ICIIEC Headquarters

P.O.Box 15722 Jeddah 21454
Kingdom of Saudi Arabia
Tel.: (+966) 12 644 5666 - 646 7608 / 7597
Fax: (+966) 12 637 9755 - 644 3447
E-mail: iciiec@isdb.org, jnaga@isdb.org

ICIIEC's Representative Office in Dubai

Office 1501, Sohba Sapphire
Al Khaleej Al Tejari Street, Business Bay
PO Box: 114462 Dubai, UAE
Tel: (+971) 42776255 / 42776257 / 42776256
Mob: (+971) 567288091 / 567196952 / 569551354
E-mail: mdiyan@isdb.org

ICIIEC Representative in Africa

IDB Group Regional Office,
18 Boulevard de Republique, P.O.Box: 6253
Dakar Etoile, Senegal
Tel: + 221 338 891 144 / Ext: 7735
Mobile: + 221 776 379 814
E-mail: mosow@isdb.org

Editor-in-Chief

Eng. Hani Salem Sonbol
Acting Chief Executive Officer

Editor :

Yasser Alaki

Managing Editor :
Jamel Eddine Naga

Coordinator :
Rania Binhimd