

Expanding Export and Investment Opportunities in Our Member Countries



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ICIEC Ready to Facilitate Trade and Investments in Egypt

In a seminar on the future vision for exports in Egypt entitled “Export Credit Insurance” held on January 11, 2016 at the Commerce and Industry Ministry in Cairo, organized by the foreign trade sector in the Ministry of Commerce and Industry of Egypt in cooperation with ICIEC.

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Union of the Comoros Makes to ICIEC

The Union of the Comoros, an archipelago of island nation in the Indian Ocean located at the northern end of the Mozambique Channel off the eastern coast of Africa, becomes the 44th member country of ICIEC.

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Knowledge and Innovation Fair and Forum 2016 launched at IDB

ICIEC, at the forefront of innovation and creativity, participated in the KIFF 2016 that was launched at the headquarters of the Islamic Development Bank (IDB) on February 15, 2016.

Editorial

ICIEC TO REMAIN VIGILANT AS IT GROWS

The objective of the recent ICIEC's reform is to initiate significant change and improve the existing structure in order to increase the scope of trade transactions from the Member Countries, facilitate flow of foreign direct investments and to provide reinsurance facilities to Export Credit Agencies (ECAs) in Member Countries.

To this end, with dedication and commitment, we believe ICIEC is on the right track to play a much bigger role both in the regional and international arenas.

Our determination toward this proactive and dynamic vision did not go unnoticed. The changes that we have implemented are steadily getting recognition. Last April, ICIEC welcomed the Union of the Comoros as its 44th member. Becoming a member means more exposure for ICIEC to present its risk mitigation services to the country's private and public sectors, and allow exporters, banks and investors from other member countries as well to mitigate risks related to their operations in Comoros.

With the renewed vigor and thrust that ICIEC is treading at present, I can say with certainty that its shareholders, who have been very supportive in the past, will be more motivated and enthusiastic especially now that the corporation recently joined a regional insurance bodies, thus raising further its visibility and competitive edge.

ICIEC's registration in various regional industry groupings such as the Cairo-based Federation of Afro-Asian Insurers & Reinsurers, the General Arab Insurance Federation, and the Khartoum based The International Federation of Takaful and Islamic Insurance Companies, will further embolden ICIEC in leveraging its various products and services for the greater interest and development of recipient member countries.

Therefore, I enjoin everyone to muster what has been started so that ICIEC's leverage will remain consistent to the goals and ideals of its mandate.

Oussama A. Kaissi
Chief Executive Officer



ICIEC'S FIRST HALF RESULTS 1437H (2016)



The first six-month report of the Corporation showed that insured business registered an increase from US\$2.07 billion to US\$2.11 billion compared to the same period last year, which represents a rise of 2%. In terms of premium and fees, ICIEC has invoiced during the 1st half of 1437H a total premium of US\$10.2 million compared to US\$9.63 million during the same period last year, showing an increase of 5.9%.

ICIEC succeeded to generate new business in Documentary Credit Insurance Policy (DCIP) Medium-term related to insurance of a 5

years' power plant project in Algeria amounting to US\$ 100m with Arab bank PLC and also finalized Euro 7 million medium-term transaction of El-Sweedy of Egypt with the national communication company of Niger (SONITEL). Both projects were supported 50% by our reinsurers.

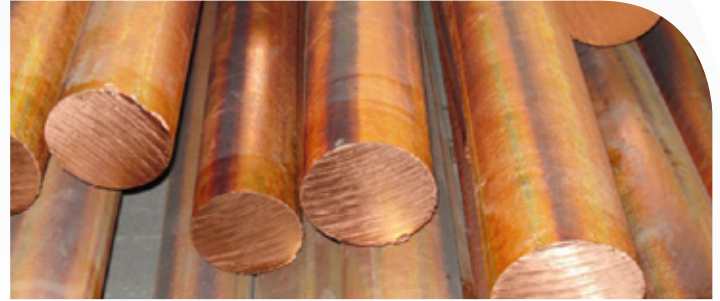
It is noteworthy that during the first half of 1437H a claim of US\$150,000 was paid to a policyholder in Egypt whereas no claims were paid during the same period of last year. On the other hand, the total recoveries made during the 1st half of 1437H reached US\$ 137,000 compared to US\$265,000 during the same period of last year.

ICIEC SUPPORTS NOBLE GROUP SUPPLY OF COPPER TO SAUDI COMPANIES



Noble Group, an international trader group based in Hong Kong which facilitates the marketing, processing, financing and transportation of essential raw materials, has entered into an agreement with Saudi Company for the import of copper and other strategic goods for use by buyer in its continuous production as local and foreign demand increases.

ICIEC underwrites USD25 million of the agreement under the Short-Term policy, which will facilitate the import of main raw material for cable production and assist the Saudi company in continuous production and increase in sales (both export and domestic).



ICIEC GUARANTEES YOUNES BROS- SALINI IMPREGILO DEAL



ICIEC signed insurance policy with Younes Bros, a Lebanese company, for a transaction of USD 2mn under short-term policy which will be renewed thrice during the year 2016 to reach about USD 6mn. In this transaction, Younes Bros, specialized in importing, exporting and manufacturing generator sets, synchronization panel boards and sound proof enclosures, has partnered with Salini Impregilo (Italy) – an industrial group specializing in the construction of major, complex infrastructure projects – for the assembly of equipment to be used by the Italian company in its Metro Riyadh project. ICIEC’s cover will facilitate the export of equipment from Lebanon to Saudi Arabia, thereby speeding up the construction process of Metro Riyadh by the Italian company.

BUSINESS DEVELOPMENT

EGYPTIAN SMALL-MEDIUM EXPORTERS TO BENEFIT FROM ICIEC INSURANCE COVERAGE



ICIEC intends to provide insurance coverage to encourage small and medium Egyptian exporters to export.

Under a memorandum of understanding signed by ICIEC and the Ministry of Trade and Industry of Egypt, a special program to encourage small and medium Egyptian exporters to export will be implemented.

The program’s goal is to provide insurance protection against credit risks at the lowest cost, and in accordance to the principles of Shariah, and to assist SMEs in obtaining the necessary funding, from local and international banks.

Mr. Oussama A. Kaissi, the CEO of ICIEC and Engineer Tariq Kabeel, Minister of Trade and Industry signed the MoU.

Mr. Kaissi said “Egypt has benefited from the services of the Corporation over the past year with an insurance coverage worth \$560 million to support foreign trade and foreign investments in Egypt. ICIEC’s cumulative business insured in Egypt is about \$4 billion over the past 20 years.”

ICIEC READY TO FACILITATE TRADE AND INVESTMENTS IN EGYPT



In a seminar on the future vision for exports in Egypt entitled “Export Credit Insurance” held on January 11, 2016 at the Commerce and Industry Ministry in Cairo, organized by the foreign trade sector in the Ministry of Commerce and Industry of Egypt in cooperation with ICIEC, the two sides exchanged the possibility of the institution’s cooperation with the Islamic Development Bank and the Islamic Corporation for Private Sector Development (a member of the Islamic Development Bank Group) to provide integrated

services to finance and insurance package to encourage public-private partnership in Egypt.

Mr. Oussama A. Kaissi, the CEO of ICIEC met with Mr. Hani Qadri Demian, Minister of Finance of the Arab Republic of Egypt (Alternate Governor of IDB/ICIEC).

Experts in the field of export and export credit, businessmen and representatives active in the field of trade and export enterprises participated in the seminar.

ICIEC HIGHLIGHTS SERVICES AT GTR MENA TRADE FORUM-DUBAI

ICIEC participated in a panel discussion centered on the benefits of structured credit and political risk insurance and the do’s and don’ts when it comes to using this product, during the GTR MENA Trade Finance conference held on February 15-17, 2016



in Dubai. Mr. Owais Diyan, Head of Operations –ICIEC Dubai Office, represented ICIEC in the panel discussion.

Panel participants alongside ICIEC included senior representatives from Societe Generale, BPL Global, Beazley Middle East and Sovereign Risk Insurance (Dubai).

The conference was an important platform for banks, commodity traders and insurance companies to meet and discuss how to propel business forward in the prevailing challenging environment.

Apart from introducing ICIEC’s services to new prospects, the conference was also an outstanding platform to meet with existing clients in the UAE, especially financial institutions. ICIEC’s UAE team had detailed discussions with clients on how banks can venture into new territories with ICIEC’s support.

This year ICIEC was a silver sponsor of the conference along with its sister entity ITFC.

SMBC BOOSTS TIES WITH ICIEC

A delegation from Mitsui Banking Corporation (SMBC) Europe led by its CEO Mr. Masahiko Oshima visited ICIEC on January 24, 2016, who also paid a courtesy visit to the President of the IDB Group Dr. Ahmad Mohamed Ali. The President and Mr. Oshima discussed ways and means in which the excellent existing relationship between ICIEC and SMBC can be extended to other entities in the Group. ICIEC and SMBC discussed and agreed on their common plans and strategies for 2016.



ICIEC AND ATO DISCUSS WAYS OF ENCOURAGING TOURISM INVESTMENTS IN YEMEN



Minister of Tourism of the Republic of Yemen Muammar Al-Aryani and, ATO's Secretary General of the organization Ambassador Sidi Moctare Hadarmi, ICIEC's General Legal Counsel and ATO's senior officials of the organization attended the meeting that discussed ways of encouraging tourism investments by providing a secure investment environment.

The Arab Tourism Organization (ATO) and ICIEC launched concerted action to provide impetus to investment in the Arab tourism industry, particularly in the Socotra Island – a small archipelago of four islands in the Indian Ocean which is a part of Yemen, and is home to a panoply of strange plants and animals uniquely adapted to the hot, harsh, windswept island.

In a meeting held at the ATO headquarters in Jeddah between ATO President Dr. Bandar bin Fahd Al Fahid and ICIEC's CEO Mr. Oussama A. Kaissi, the former emphasized the organization's role in supporting Arab countries' tourism sector and instituting policies to ensure foreign investments in the Arab countries through its cooperation with the Islamic Development Bank Group.

Mr. Oussama A. Kaissi stressed that the Corporation will help and support the success of this pilot project in the Island of Socotra, saying that the ICIEC operates within the globally secure acceptable frameworks, being one of the largest and most important institutions that operate in this area and has a designated AA credit rating which will facilitate and encourage investors to invest in Arab countries in general, and the Island of Socotra, in particular.

Minister Al-Aryani said the meeting was an extension to the memorandum of cooperation with ATO on marketing the foreign investment insurance in the Republic of Yemen signed in Jeddah on December 15, 2014 to help Yemen under the leadership of President Abed Rabbo Mansour Hadi on the development of the Socotra Island.

ICIEC BACKS POWER SECTOR IN ALGERIA



ICIEC has provided insurance support to Arab Bank, Jordan against the non-honoring risk by Banque National d'Algerie (BNA) for its obligations under the Letter of Credit (LC) issued for the construction, supply and installation of a combined cycle power plant at Mostaghanem in Algeria.

Samsung C&T Corp, Korea is the beneficiary of the LC worth USD493 million, with ICIEC's share at USD100 million. Samsung

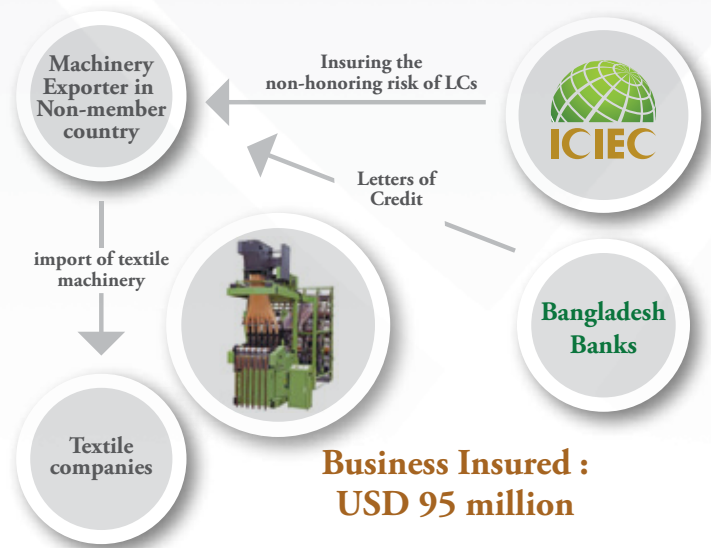
C&T was awarded an EPC contract to build two power plants for \$1.37 billion in Algeria by Sonelgaz Electricity Production Company (SPE), a subsidiary of the state-owned electricity and gas utility group Sonelgaz. Power facilities will be located in Mostaganem and Nama will have an electricity generating capacity of 1,450MW and 1,163MW upon its completion, respectively. With this cover, ICIEC has demonstrated its role as enabler for projects having a developmental impact in its member countries.

ICIEC SUPPORTS TEXTILE SECTOR IN BANGLADESH

ICIEC insured Letters of Credit (LC) issued by Bangladeshi banks for imports of textile machinery. The LCs were for the import of textile machinery from non-member country exporters. The transaction was materialized under the import of capital goods scheme from non-member countries. This program allows ICIEC to insure such import transactions as the imported goods will contribute to the Bangladeshi economy by creating more jobs and increasing the country's exports.

Bangladesh Textile and Ready-Made Garment (RMG) Industry

The textile and clothing (T&C) industries provide the single most important source of economic growth in Bangladesh's rapidly developing economy. Exports of textiles and garments are the principal source of foreign exchange earnings. Exports of textiles, clothing, and ready-made garments (RMG) accounted for 80% of Bangladesh's total merchandise exports. By 2013, about 4 million people, mostly women, worked in Bangladesh's \$19 billion-a-year industry, export-oriented ready-made garment (RMG) industry. Bangladesh is second only to China, the world's second-largest apparel exporter of western brands. Sixty percent of the export contracts of western brands are with European buyers and about forty percent with American buyers. Only 5% of textile factories are owned by foreign investors, with most of the production being controlled by local investors.



ICIEC TO JOIN REGIONAL INSURANCE FEDERATIONS

ICIEC is set to further strengthen its presence by joining three regional insurance federations: The Cairo-based Federation of Afro-Asian Insurers & Reinsurers, the General Arab Insurance Federation, and the Khartoum-based The International Federation of Takaful and Islamic Insurance Companies, ICIEC aims at leveraging its export credit insurance products and investment services for the greater interest and development of recipient member countries.

Joining these regional insurance federations will also increase the competitive capability of ICIEC's products and widen its market scope, aside from fortifying ICIEC's interests in intra-regional and international levels.



UNION OF THE COMOROS MAKES TO ICIEC



The Union of the Comoros becomes the 44th member country of ICIEC.

Mr. Oussama A. Kaissi, the CEO of ICIEC, commented by saying: "The Union of Comoros's membership opens the door for its private and public sectors to benefit from risk mitigation services offered by ICIEC. Similarly, it allows exporters, banks and investors from other member countries, to cover risks related to their operations in Comoros. ICIEC seizes this opportunity to invite exporters, banks and investors in all member countries, including those in Comoros to benefit from the services it offers for the management of commercial and political risks."

With a vibrant population, the Comoros is the world's largest producer of ylang-ylang flower from which distinctive oil for perfumes is extracted and a large producer of vanilla and cloves. Agriculture contributes 40% to GDP, employs 80% of the labor force, and provides most of the exports.

ICIEC IN IDB GROUP KNOWLEDGE INNOVATION FAIR & FORUM (KIFF)



ICIEC, at the forefront of innovation and creativity, participated in the KIFF 2016 that was launched at the headquarters of the Islamic Development Bank (IDB) on February 15, 2016.

ICIEC took part in two knowledge sessions – one on underwriting short term insurance, and the other on foreign investment insurance. In addition, ICIEC had two booths on credit information, sources and utilization, as well as on ITAP (Investment Technical Assistance Program) and its role in attracting foreign investment in IDB-member countries. Talking about the material displayed in the credit information booth, Br. Al-Tayeb Abbas of ICIEC said, “Sourcing a reliable credit information is critical to ICIEC’s decision-making process in order to assess the creditworthiness of buyers”.

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Br. Al-Tayeb Abbas
ICIEC



“KIFF initially started like an idea but it really turned out to be a successful project – beyond everybody’s imagination”

Br. Hussein Jama
Knowledge Management
Coordinator in ICIEC



Inaugurating the forum, IDB president Dr. Ahmad Mohamed Ali said “the event is in line with IDB Group’s emphasis on innovation and creativity as a way to support development.”

Fourteen different knowledge sessions took place and discussed development issues and various aspects of creativity as well as regional and global knowledge sharing. Also, over 30 booths displayed different knowledge products.

Summing up KIFF results, Br. Hussein Jama, Knowledge Management Coordinator in ICIEC said, “KIFF initially started like an idea but it really turned out to be a successful project – beyond everybody’s imagination”.



IDB Group Investment Promotion
Technical Assistance Program



ITAP AND UCTAD BUILD CAPACITY ON INTERNATIONAL INVESTMENT GOVERNANCE



The IDB Group Investment Promotion Technical Assistance Program (ITAP), in partnership with the United Nations Conference on Trade and Development (UNCTAD) conducted a capacity building program on the implications and challenges of reforming international investment governance for representatives of IDB member countries investment promotion agencies and intermediaries.

The event was held on Jan. 12-15, 2016 in Casablanca, Morocco and was attended by 65 participants from 30 countries. This year's program marks 10 years of successful cooperation between ITAP and UNCTAD. It also witnessed partnership with OIC affiliated Islamic Center for Development of Trade (ICDT).

ITAP SUPPORTS AZERBAIJAN'S INVESTMENT PROMOTION

ITAP is implementing an investment promotion technical assistance program for Azerbaijan Export and Investment Promotion Foundation (AZPROMO) to support the institutional capacity building and investment promotion initiative of the organization. The program comprises automating investor client service management (CRM) process, providing training for AZPROMO staff and conducting investment promotion campaign on Azerbaijan Investment Opportunities. The program started early this year and is expected to be completed in early 2017.



ICIEC BIDS GOODBYE TO SYED UBAIDULLAH

After working in the Islamic Development Bank (IDB) for 22 years, 19 of which in ICIEC at its IT Division, Syed Ubaidullah, an Indian national, finally called time. Turning back the hands of time, his long years of dedicated service can be traced back in 1994, when he joined the IDB and from then onward, he worked in ICIEC's IT Division until 2016, where he has been credited for developing all the ICIEC IT applications in house. We cherish his contributions and the impact it had made on the Corporation. ICIEC wish him all the best.



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