



المؤسسة الإسلامية لتأمين الإستثمار و ائتمان الصادرات
THE ISLAMIC CORPORATION FOR THE INSURANCE OF INVESTMENT AND EXPORT CREDIT
(عضو مجموعة البنك الإسلامي للتنمية - Member of the Islamic Development Bank Group)



ICIEC Staff Retreat and 30th Anniversary Celebration

19 - 20 December 2023

Sub-Saharan Africa & Europe 2024 Plan

Outline

1 | SSAE KPIS – 2024

2 | Scaling up Impact

- ✓ Country Plans based on NDPs
- ✓ Sector-Specific Strategies

3 | Enhancing Efficiency

- ✓ KPI Sharing
- ✓ BDD/UND Harmonization 2.0 (Decentralization of SSAE as pilot in 2024)
- ✓ Strategies for distribution channels

3 | Strategic Enablers: Partnership & Innovation

4 | Alignment with Rating considerations

SSAE 2024 KPIs

	Total as of 17 Dec 2023		2024 Target	
	BI (USD m)	Premium (USD k)	BI (USD m)	Premium (USD k)
Medium Term & Investment Insurance	1,690	36,020	2,835	62,863
Short Term Insurance	1,814	6,071	1,683	6,244
Total	3,504	42,036	4,518	69,107

SSAE Strategic Framework

Strategic Pillars

- Scaling up Impact
- Enhancing efficiency

Strategic Enablers

- Fostering innovation
- Building Partnerships

Strategic Objectives

- Enhancing Business coverage
- Reducing risk concentration and client concentration
- Optimisation of the efficiency of underwriting process

Scaling up Impact

Country specific plans based on the priorities of the National Development Plans

- Benin (Healthcare, Education, Glo-Djigbé Industrial Zone, Export Strategy, Caisse des Depots ...)
- Nigeria (BOI, Energy, Food security, Stimulate FDI – Empowering Banking Sector, DCIP)
- Uganda (financing of SMEs through UDBL, road projects via UNRA)
- Turkey (Infrastructure, Renewable Energy, Transportation, Supporting SMEs)

Sector specific strategies developed

- Mining sector (Guinea, Mali, Burkina Faso) and investors' countries (Canada & Australia)
- Food security (Nigeria – WAEMU Zone)

Enhancing Efficiency



Enhancing Efficiency

Operationalization of the decentralization

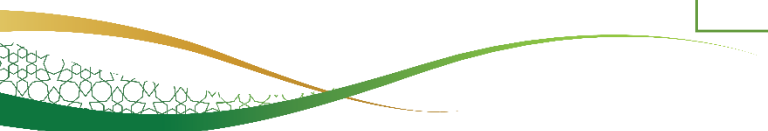
- BDD-UND Harmonization 2.0 (Fully decentralized SSAE pilot in 2024)
- Empowering country Managers

Dedicated strategies to various distribution channels

- ECAs, DFIs, Fis, Brokers, Trading houses (Enhancing collaboration and productivity)

KPI sharing

- Adjusted KPI sharing to enhance collaboration and productivity



Doing MORE with LESS

Enhancing Efficiency – KPI Sharing



- Accounting in terms of volume of business or premium generated
- Can be double or triple (or more) counting depending on the number of employees involved in the transaction
- At the end of each transaction, a post-mortem is carried out to assess the real contribution of each person involved. An active person will be given a weighting that reflects their involvement, as will a person who is less involved.

Enhancing Efficiency- Harmonization 2.0

Sovereign Operations

SSAE Division to handle the whole process of underwriting of Sovereign transactions while keeping decision authority at the same committees (IIPG, Pre-TUC, TUC). For NBIs no change in the current process.

Commercial Operations

SSAE Staff to handle the underwriting submission, while decision is with Commercial Underwriting as per current DOA.

Key benefits

Develop regional expertise, access to valuable information.
Engage with the governments and local partners in a more efficient manner
More potential business opportunities -reverse marketing
Expected gains in processing time (French language proficiency for instance)
Empower Country Managers in the hubs

Potential risks / challenges

Potential conflict of interest (BDD/ UND)
Technical capacity to underwrite

Mitigants

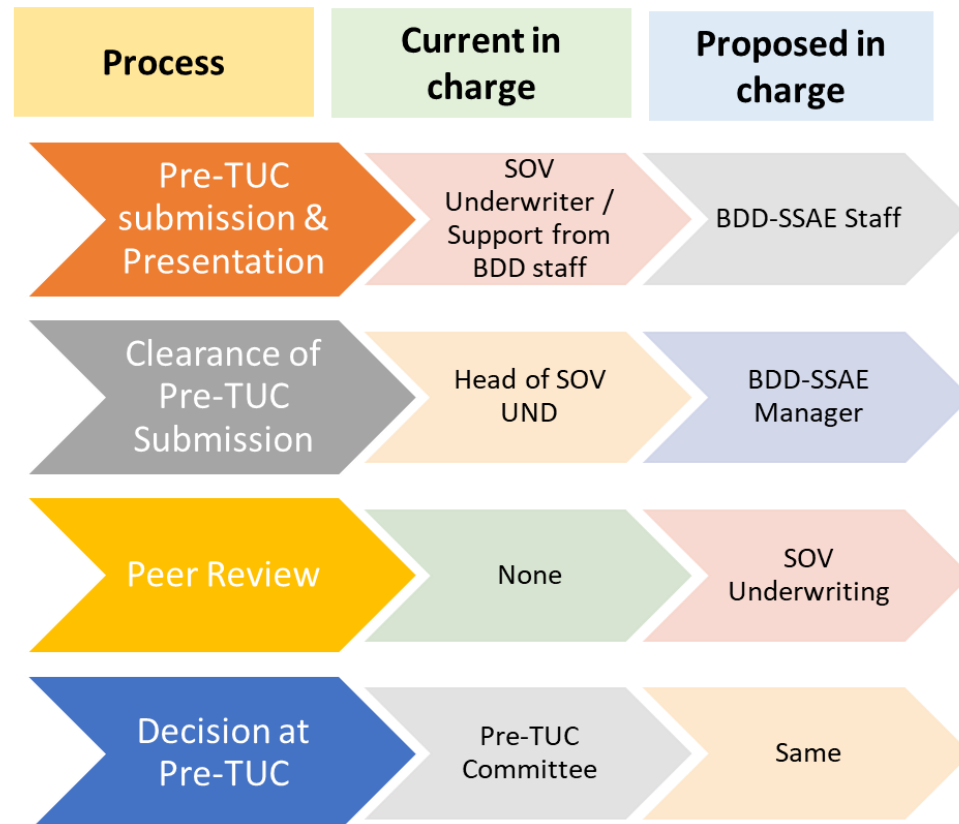
- No change in the decision authority.
- Some staff have worked on the submission of SOV/ SOE/PRI cases. Some others will have on-the job training.

Mitigants

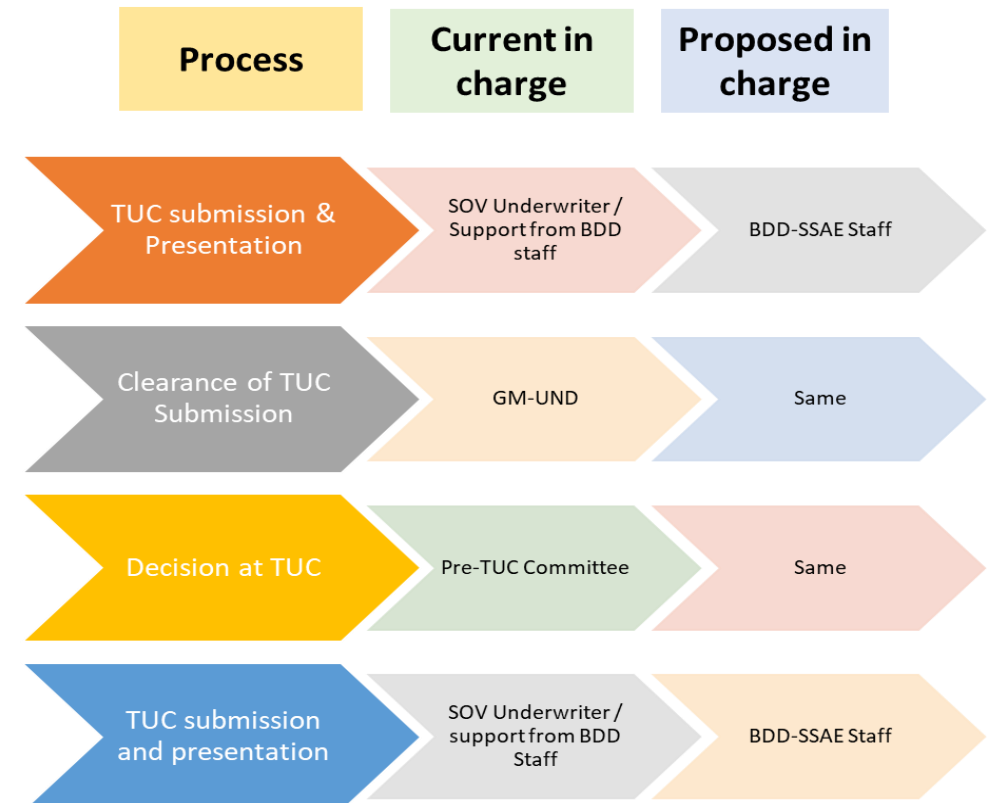
- Underwriting Decision is still within Underwriting
- Staff will be assigned based on technical assessment

Enhancing Efficiency- Harmonization 2.0

Sovereign Operations – Pre-TUC



Sovereign Operations – TUC



Enhancing Efficiency - Strategies for distribution channels

Strategy for DFIs

Strategy for FIs

Strategy for brokers

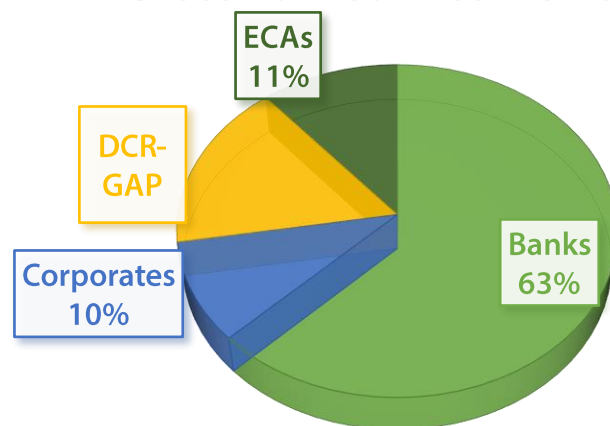
Strategy for ECAs

Strategy for trading houses

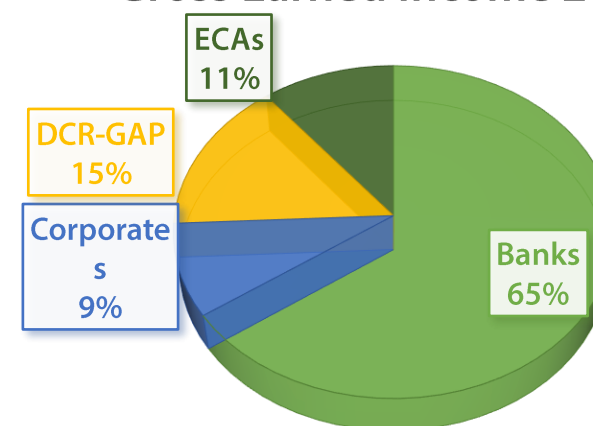
Enhancing Efficiency - Strategies for distribution channels

Contribution to the Earned Income by Type of client (2022-2023)

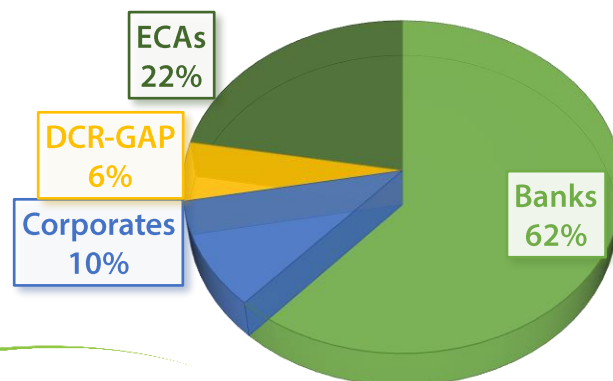
Gross Earned Income 2022



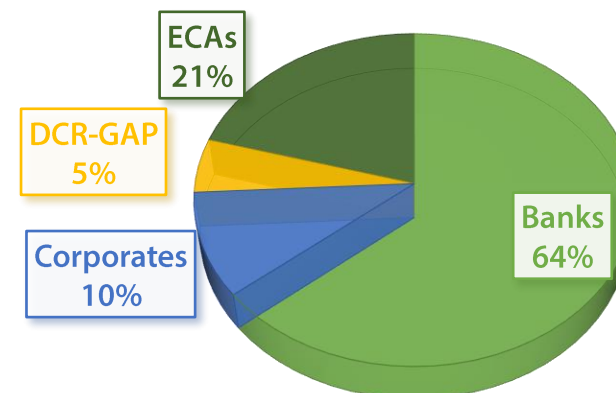
Gross Earned Income 2023



Net Earned Income 2022

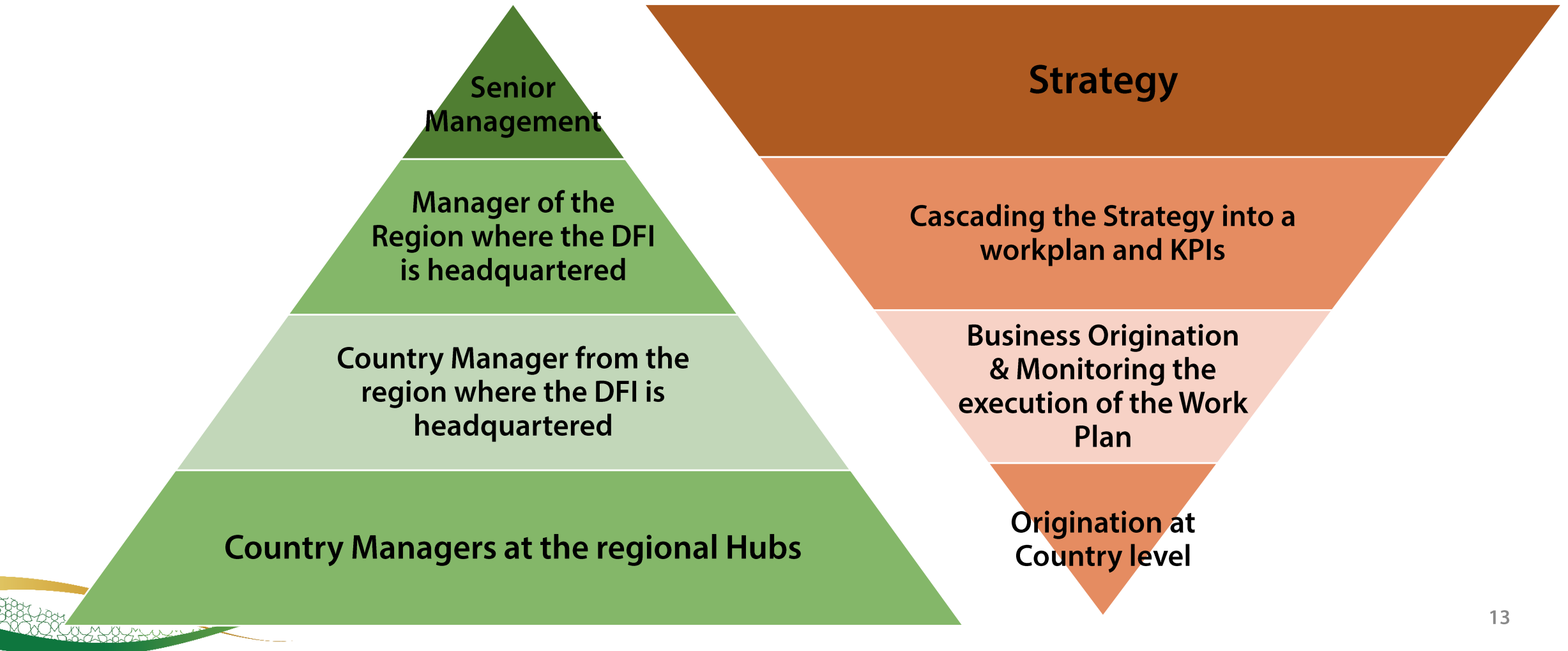


Net Earned Income 2023



Enhancing Efficiency - Strategies for distribution channels

Strategy with DFIs – Multi-layers relationships



Enhancing Efficiency - Strategies for distribution channels

Strategy with DFIs – Areas of focus

Balance sheet optimization	• BOAD, ITFC, AfDB
Blending Guarantee & Insurance & Reinsurance	• AfDB, Afreximbank, IBRD • Multilateral & Regional Guarantee providers: FAGACE, Infra Credit, MIGA, ATIDI
Master Risk Participation for Trade	• ADB, AIIB, Afreximbank
Syndications / A-B Loans	• EBRD, ITFC, Afreximbank
Credit wrap for Financing / Lines of financing	• Afreximbank, ICD, TDB, AFC, KfW-IPEX
Enhancing country-level collaboration	• AfDB, Afreximbank, WBG

Enhancing Efficiency - Strategies for distribution channels

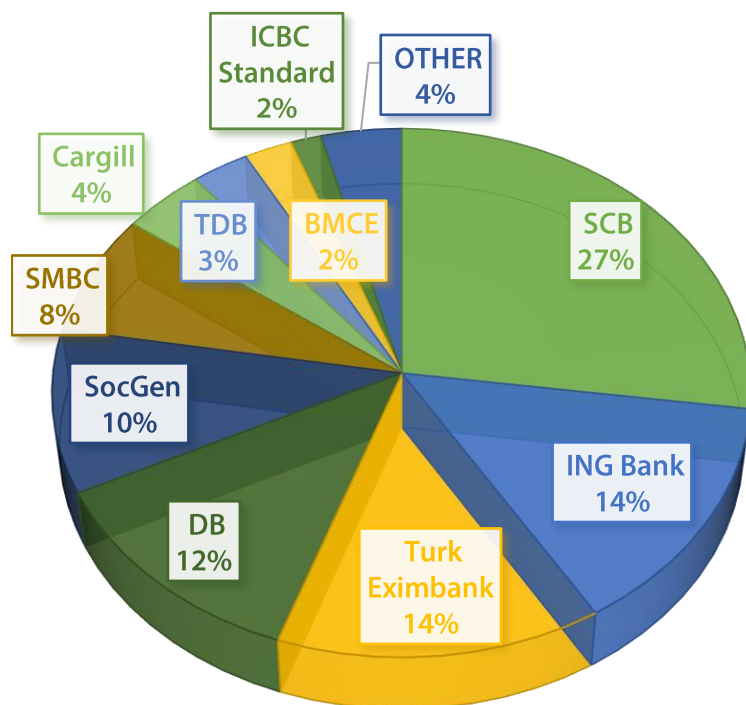
Strategy with DFIs – Strategic Relevance for ICIEC

- ✓ Serves the Strategic Pillar of “Enhancing Resilience” through Dual Preferred Creditor Status for transactions with MDBs and regional DFIs
- ✓ Serves the Strategic Pillar “Enhancing Impact”.
- ✓ Serves the Strategic Enabler “Enhancing Partnership” as well.
- ✓ Potential Cost benefits for member countries and enhanced access to the market.
- ✓ Enhancing ICIEC visibility with Member Countries
- ✓ Exchange of experiences and information.

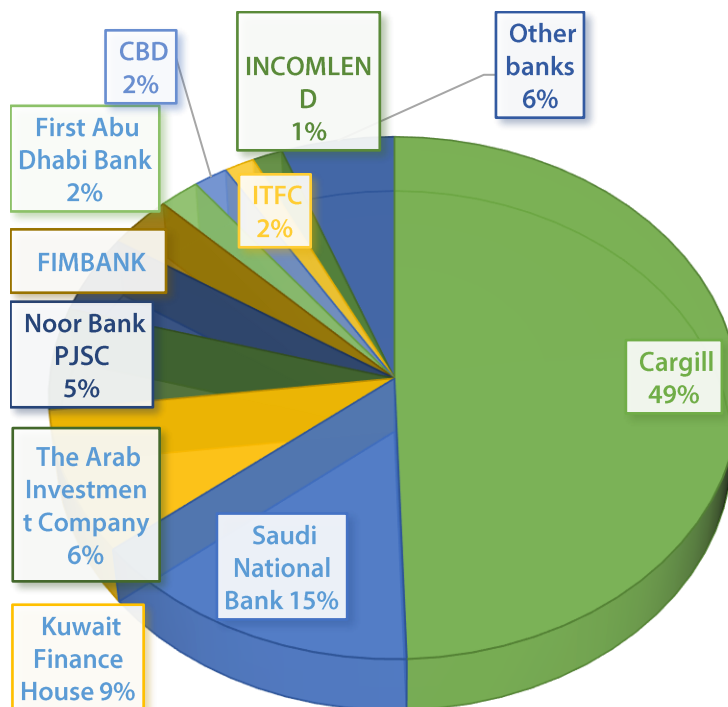
Enhancing Efficiency - Strategies for distribution channels

Update on the Strategy with FIs: 5-year Production by FIs (Gross Premium)

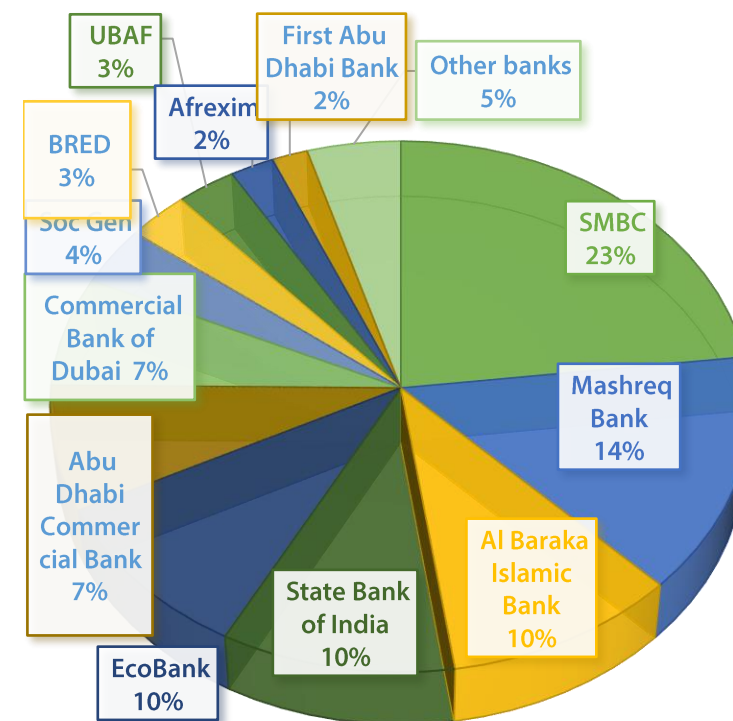
Investment Insurance



Bank Master Policy

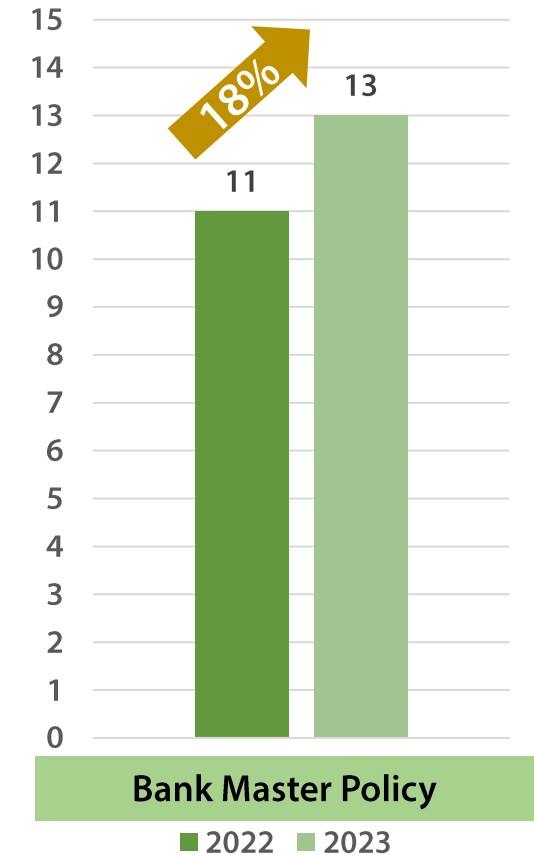
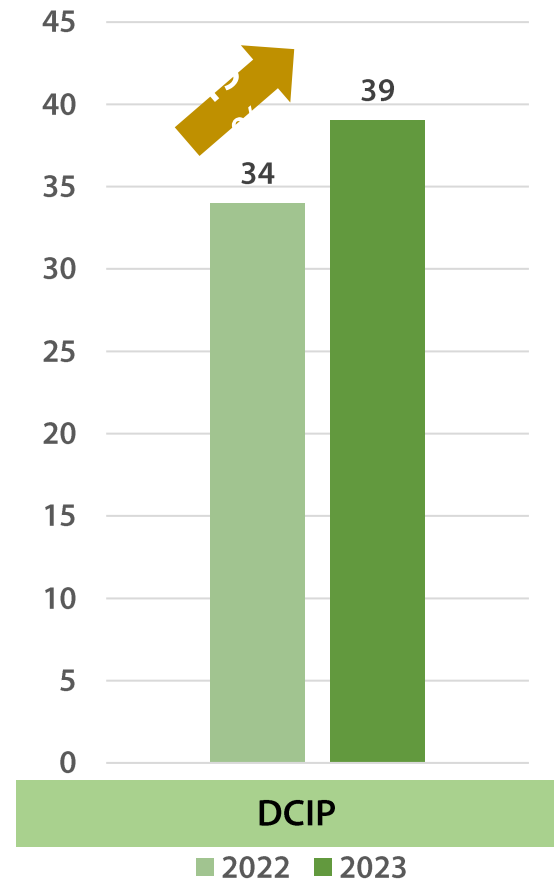
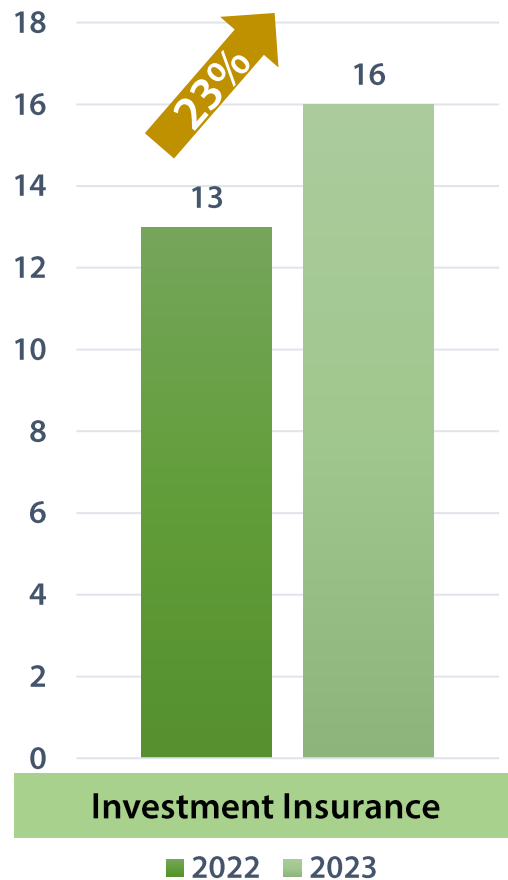


DCIP



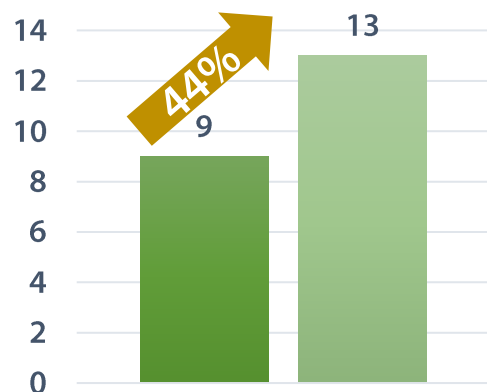
Enhancing Efficiency - Strategies for distribution channels

Update on the Strategy with FIs – ICIEC Portfolio Progress 2023/2022

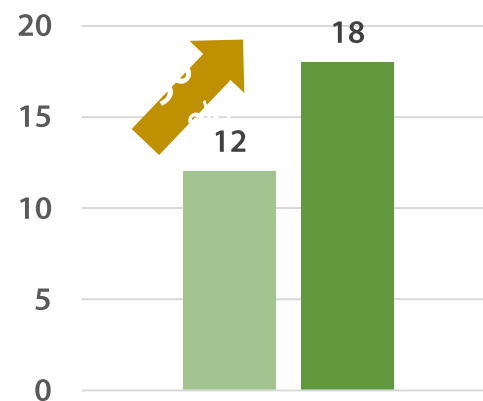


Enhancing Efficiency - Strategies for distribution channels

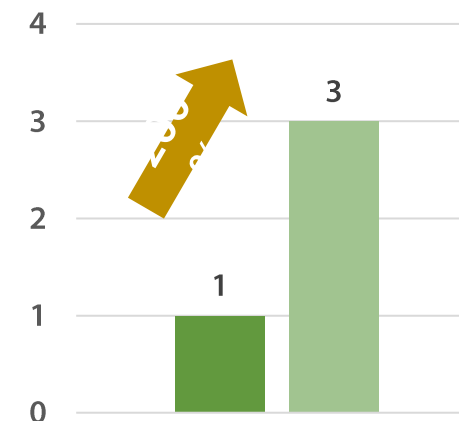
Update on the Strategy with FIs – SSAE Portfolio Progress 2023/2022



Investment Insurance	
2022	2023
SMBC-DB-SCB-SocGen-ING-Siemens Bank-TurkExim-ICBC-Standard – Credit Europe Bank	SMBC-DB-SCB-SocGen-ING-Siemens Bank-TurkExim-ICBC-Standard DZ-MUFG-Santander-TDB-AfDB



DCIP	
2022	2023
EBI, Attijari, SocGen, Akbank, Vakif Katilim, BRED, UBAF, Chaabi Bank, Kuveyt turk, Turkeyie Emlak BGFI,	EBI, Attijari, SocGen, Akbank, Vakif Katilim, BRED, UBAF, Chaabi Bank, BGFI, BMCE Intl, Kuveyt Turk, Turkeyie Emlak, Bank, BKT Albania, Pasha Bank TR, Ziraat Participation, Odea Bank TR, QNB Paris, NATIXIS



Bank Master Policy	
2022	2023
Attijari Europe	Attijari Europe, UBAF, Africa Finance Corporation

Enhancing Efficiency - Strategies for distribution channels

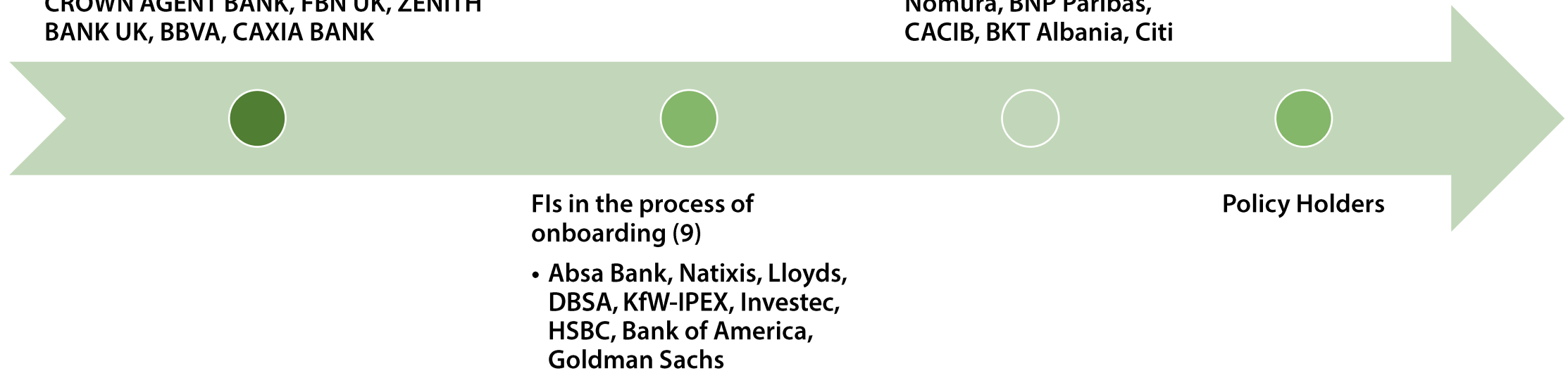
Update on the Strategy with FIs – Onboarding Process – SSAE 2024 Plan

Key Prospects (12)

- GUARANTY TUST BANK UK, JP MORGAN CHASE UK & USA, STANDARD BANK, UBS SWITZERLAND, ACCESS BANK UK, RABOBANK, ODDHO BHF, CROWN AGENT BANK, FBN UK, ZENITH BANK UK, BBVA, CAXIA BANK

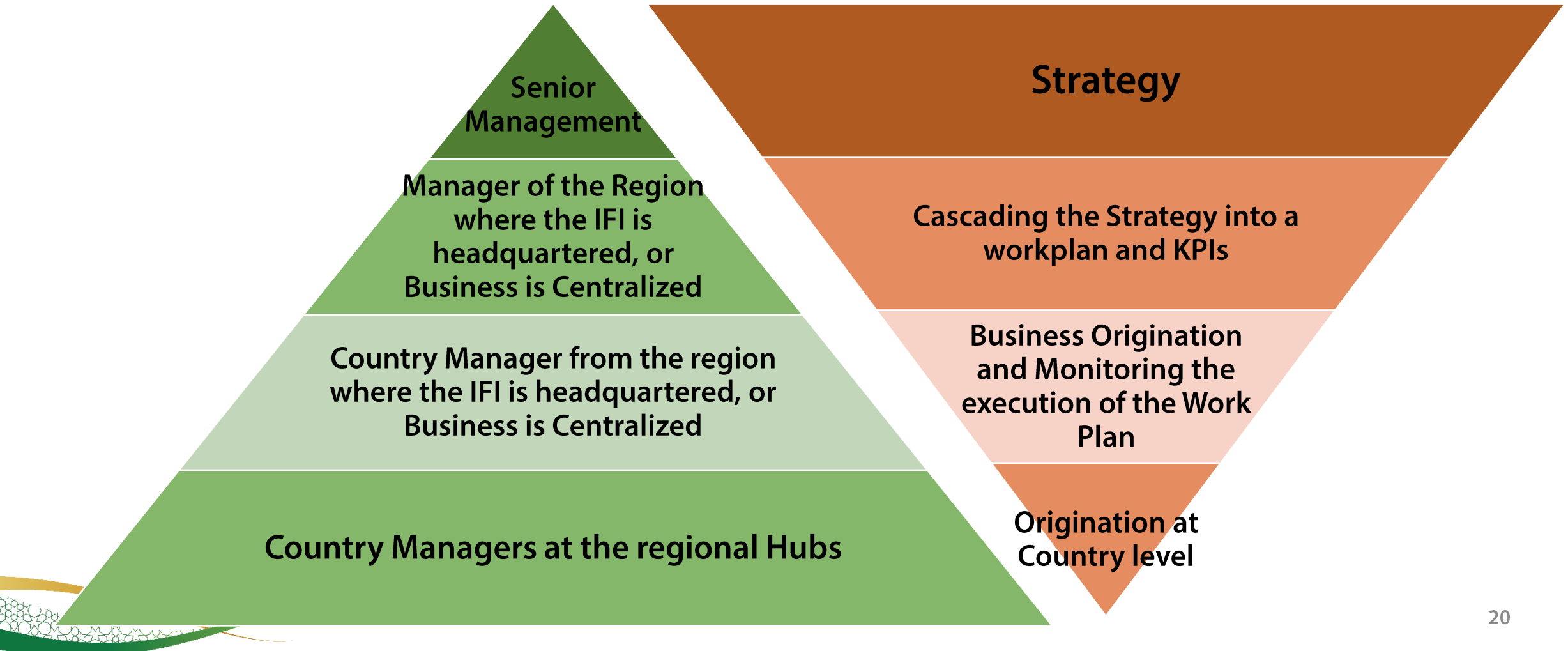
Onboarded (8)

- Barclays, RMB, Commerz Bank, Nomura, BNP Paribas, CACIB, BKT Albania, Citi



Enhancing Efficiency - Strategies for distribution channels

Update on the Strategy with FIs – Multi-layers relationships with International FIs (IFIs)



Enhancing Efficiency - Strategies for distribution channels



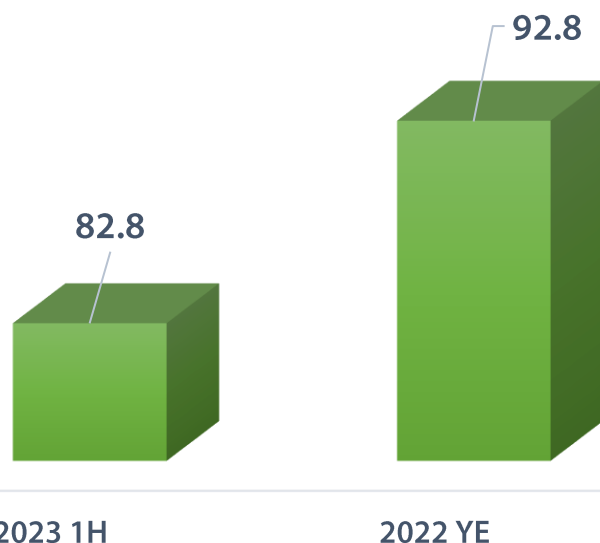
Update on the Strategy with FIs – SSAE Go to Market

- ✓ **Cross Regional Cooperation:** Facilitating access of other regions to funding from FIs in Europe while KPIs are aligned.
- ✓ **Joint Roadshows with Banks:** to facilitate institutional investors understanding of ICIEC, while getting support from Legal and Risk Management. This is relevant for Repack transactions. Dedicated presentations will be prepared for that targeting institutional investors. (ex. MUFG, SCB, SocGen)
- ✓ **Onboarding banks through Reverse Marketing (Governments, Banks, SOEs):** DCIP, BMP, FIIP

Enhancing Efficiency - Strategies for distribution channels

Strategy with ECAs: Current Trends in ECA Business

ECA Backed Business (Usd bln)



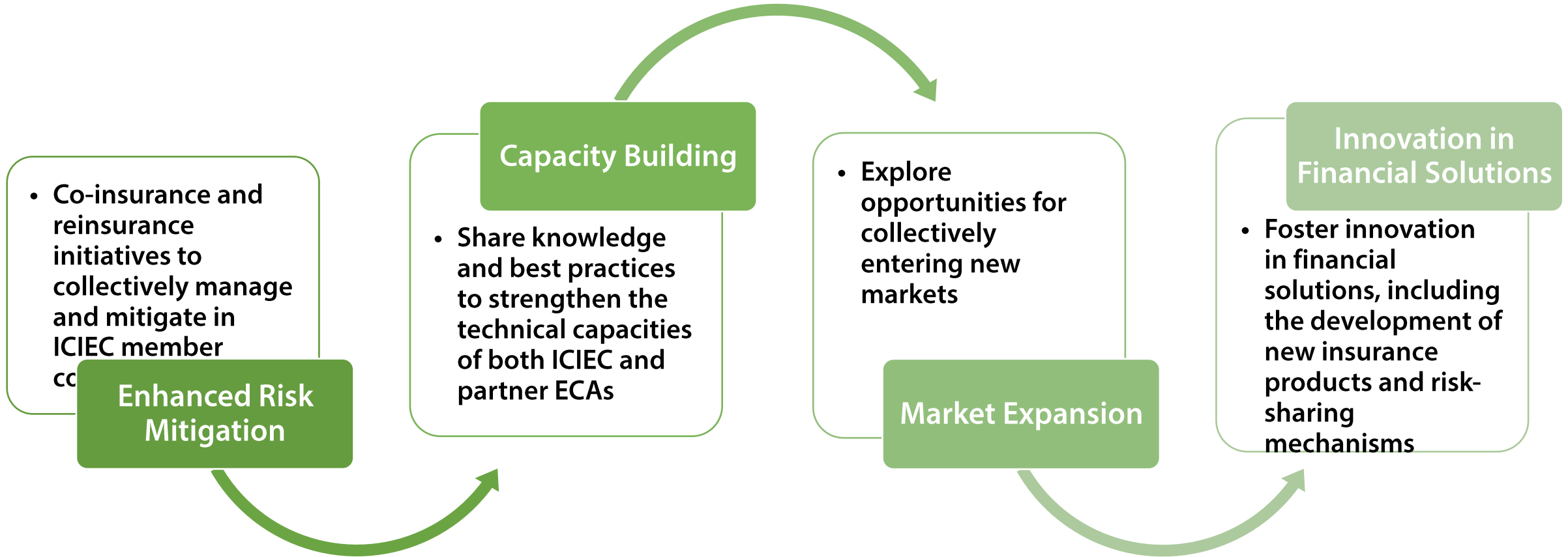
- The top four borrower countries – Indonesia, Italy, Saudi Arabia and France.
- Strong borrowing activity in Belgium, the UK, Italy and France kept Europe in the number one spot by region, with \$32.2 billion in volumes and a 38.8% share of market volume.
- Renewables ECA-backed volume has jumped from around \$3 billion in H1 2022 to \$11.7 billion in H1 2023.
- Conventional power is at a similar volume level with \$ 11.6 billion in 1H2023.

Source: TXF

<https://www.txfnews.com/articles/7582/export-finance-h1-2023-a-rising-tide-lifts-all-boats>

Enhancing Efficiency - Strategies for distribution channels

Strategy with ECAs: Rationale for working with ECAs



Enhancing Efficiency - Strategies for distribution channels

Strategy with ECAs: Generic areas of cooperation with ECAs

Addressing the 15% Downpayment

- Coverage for the downpayment, ensuring the viability of transactions for all parties involved
- Onboarding new clients through this collaboration

Reinsurance & Co-insurance

- Enter new markets together and conduct joint risk assessments for projects and transactions, leveraging the combined expertise to enhance risk mitigation strategies, ensuring transparency and equitable distribution of risks and rewards

Joint Underwriting and Information Exchange

- Facilitate the exchange of underwriting information, risk assessments, and market intelligence to strengthen risk management capabilities

Regular Review and Evaluation

- Periodic reviews of the implemented strategies to assess their effectiveness and identify areas for improvement
- Seek feedback from financial institutions, project developers, and other relevant parties, to ensure that the collaboration meets the evolving needs of the industry

Capacity Building

- Foster a culture of continuous learning and development within the collaborative framework, ensuring that teams are well-equipped to navigate complex transactions and evolving market dynamics

Enhancing Efficiency - Strategies for distribution channels

Strategy with ECAs: 2024 SSAE Go to Market Plan - Specific areas with ECAs

Linking ECAs to NEOM Project and
Saudi Arabia 2030 Vision

Support & Replicate SACE's Push
Strategy

Collaborate on Green Transition

NEOM Green Hydrogen Company closes \$8.4bn deal for production facility

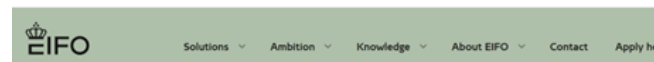
The green hydrogen production plant is currently being built at Oxagon in Saudi Arabia's NEOM region

Push Strategy is an untied MLT financing granted by Italian, International and/or local banks to foreign counterparts under a SACE guarantee (max cover 80%)

DEALS SACE - 20 September 2023

New energy supplies for Italy thanks to SACE's Push Strategy

Vitol, one of the world's leading energy trading groups, has entered into a 550 million euro facility arranged by SMBC Group, with CACIB, Santander, Société Générale, UniCredit and Intesa Sanpaolo, acting as lenders, and guaranteed by SACE, Italy's Export Credit Agency.



01 MARCH 2023

New agreement secures millions for the green transition of Danish businesses



Enhancing Efficiency - Strategies for distribution channels

Strategy with ECAs: 2024 SSAE Go to Market Plan – Focus ECAs

7 ECAs with active RI Agreements in Place



6 ECAs with RI/MoUs Underway in 2023



6 ECAs to be approached/revived



Enhancing Efficiency - Strategies for distribution channels

Strategy with ECAs: SSAE Go to Market Plan – approaching ECAs

Regular attendance of Berne Union

Centralizing ECAs relationships – Decentralizing on transaction level

Exchanging Familiarization visits with ECAs – to streamline the process and set up a customized work plan

Attendance of major events (TXF, etc.)

Strategic Enablers

Enhancing Partnerships

- Partnership with Export Credit Agencies (insurance, reinsurance, co-insurance)
- Partnership with Multilateral, Regional and National DFIs in MCs and Non-MCs
- Partnership within MCs national bodies (Central Banks, Investment Promotion Agencies,)

Enhancing Innovation

- Product development (Avalized draft)
- Implementing Sukuk Insurance in Sub-Saharan Africa: Sovereign Sukuk (Senegal Q2 2024 and Nigeria Q1 2024), Domestic Sukuk in Nigeria (Social Housing project with Infra Credit). SSAE to take the lead in its region with the support of the relevant functions (UND, LAD, Reinsurance)
- Flexible approach to address the market demand by expanding ICIEC's scope of intervention :
 - ✓ *Cleared by LAD and available to the market: Repack, Monetization of Carbon Credit, Dept for ESG Swap, Master Risk Participation Agreement, Support to African DFIs, etc.*
 - ✓ *Being explored with partners: Inward Reinsurance/Risk sharing treaty with FAGACE (under discussion), Food security Program (with NSIA and Nirsal), etc.*
- Country managers to play a leading role in highlighting the market needs and mobilizing the relevant internal functions and committees to study various proposals.
- LAD to play a pivotal in shaping ICIEC potential intervention and addressing the documentation.

SSAE alignment with rating considerations

Enhancing Business coverage

- Avalized draft (awaiting shariah clearance)
- Sovereign Insurance (expecting closing in 2024)
- Domestic Sukuk Insurance (pipeline in Nigeria)
- Risk sharing with Guarantee providers (Fagace, Africa Guarantee Fund, NIRSAL, etc.)

Reduce risk concentration

- Focused approach in Benin, Uganda, Nigeria and Cameroon through reverse marketing

Reduce client concentration

- Strategy with FIs yielding into rapid increase of the onboarding of FIs
- Strategy with Trading houses with promising pipeline

Optimization of the efficiency of the underwriting process

- Empowering Country Managers
- BDD/UND Harmonization 2.0 – Pilot SSAE Decentralization

Optimization of the production of distribution networks

- Strategies with FIs, ECAs, DFIs, brokers include coordination and cooperation in terms of relationship management and more decentralized approach in terms of origination.

THANK YOU



<https://iciiec.isdb.org>