

Newsletter

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COALITION OF THE WILLING

Rethinking Credit & Investment Insurance in Times of Crisis



ICIEC Insight

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Welcome to this Second Quarterly ICIEC Newsletter of 2025, coming with the theme “Coalition of the Willing—Rethinking Credit & Investment Insurance in Times of Crisis,” which is featured strongly in the various articles in this issue.

Together they home in on the two key themes in our insight articles—the first discusses the resilience, determination, and operational agility of the industry in mitigating geopolitical risks and disruptions and surveys several of the current and emerging trends.

In the second insight, an article from Mourad Mizouri, Head of the MENA Region Division of the Business Development Department at ICIEC, discusses the challenges of volatility, uncertainty, complexity, and ambiguity in the post-pandemic era and how multilateral credit and investment insurers such as ICIEC are adapting and building organisational resilience going forward. The article offers a primer in ‘How to Do Multilateral Development Banking in Uncertain Times.’

In our Profile Interview, Mr. Yuichiro AKITA, President of the Berne Union (the International Union of Credit and Investment Insurers), speaks exclusively to the ICIEC Newsletter and discusses how Berne Union members have consistently demonstrated resilience and innovation in responding to past crises through the development of new products, the launch of fresh initiatives, and enhanced collaboration with partner institutions, and how they have actively worked to safeguard global trade and investment flows during these challenging times and the unforeseen crises in the years ahead.

In our Member Country Profile, our focus is on Nigeria, the most populous nation and fourth largest economy in Africa, which is undergoing profound structural economic reforms and transition. Pape Diagne, Country Manager, Senegal, at ICIEC, profiles Nigeria’s

rebounding economy, its key indicators and challenges, the close collaboration between the IsDB Group and Nigeria, and its expanding relationship with ICIEC from traditional short-term trade finance to long-term investment guarantees and sovereign risk coverage.

We have our regular Meet the Team feature, which covers the nature and redefinition of risk management beyond its traditional role as a control mechanism to become a strategic driver of transformation, injecting a new-found operational agility for multilateral institutions to pursue their mandates. This redefinition explains, Tauhidur Rahman, Manager, Risk Management Division, ICIEC, is especially timely as development finance institutions worldwide face mounting expectations to achieve greater impact within increasingly constrained capital and risk parameters. He also delves into ICIEC’s journey of redefining risk—highlighting how a smarter, more strategic approach is reshaping its future, reinforcing its financial strength, and accelerating sustainable development impact across its Member States.

This is followed by our regular Business Update and Project Highlights, and the News and Events of the industry in Q2 2025. We hope you enjoy reading this edition of our Newsletter and find it very informative!

Dr. Khalid Khalafalla
Chief Executive Officer, ICIEC



Resilience, Determination, and Operational Agility Mitigates Geopolitical Risks and Disruptions for TCI and PRI Industries

Dr. Khalid Khalafalla
Chief Executive Officer, ICIEC



*There are changing times in the global economy where no country is immune from their potentially disruptive consequences, which continue to unfold in the global trade, tariffs, and foreign direct investment (FDI) playbook. The order of the day seems to be fragmentation and reciprocity. For the credit and investment insurance industry, it means navigating new risks, but also new opportunities. **Dr. Khalid Khalafalla, the CEO of ICIEC**, surveys the cornucopia of current and future trends credit and political risk insurers must consider and how the industry, including ICIEC, is responding to the challenges and opportunities ahead.*

Out of adversity from the uncertainties and disruptions in the ever-evolving global economic, financial, and geopolitical landscape comes a remarkable propensity towards innovative out-of-the-box thinking as the credit and political risk insurance and guarantees industry become no exception.

In fact, it has doubled down in various facets with a dogged resilience, determination, and operational agility, which augurs well for the near-to-medium-term future of the industry.

The Berne Union (BU)'s Export Credit & Investment Insurance Industry Report 2024, unveiled at its Spring meeting in Dubrovnik in May 2025, for instance, reports that the new business underwritten by its members – including ICIEC in 2024, reached a record USD3.3 trillion directly supporting cross-border trade and investment. This was especially so for short-term Trade Credit Insurance (CTI) and political risk insurance (PRI), which increased year-on-year by 7% and 5%, respectively.

But beyond inherited legacy insurance models, the new playbook is already redefining and recalibrating risk metrics and approaches, including those relating to country risk, sovereign debt, and export credit and investment structures.

There is also the issue of emerging insurance taxonomies, such as the EU's Omnibus 1 Package, aimed at helping Member States in their transition to a sustainable economy and ensuring the insurance sector is aligned with the EU climate goals and protecting financial stability.

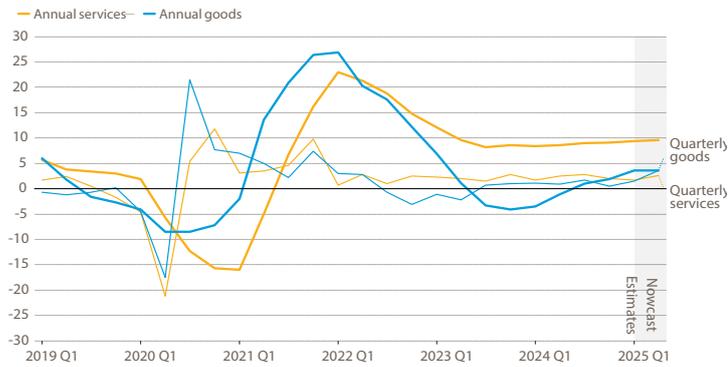
While a proactive approach to navigating geopolitics is essential for businesses to thrive, especially in going beyond merely mitigating geopolitical risks to seizing the opportunities presented by the new world trade and investment order, they still need to contend with the manifold macroeconomic and industry trends that will impact the insurance sector in varying ways. These trends include:

1. According to Swiss Re Institute's World Insurance Sigma Report, the global GDP growth (inflation adjusted) is expected to slow to 2.3% in 2025 and 2.4% in 2026 from 2.8% in 2024, and accordingly the global insurance industry is expected to follow the trend, with total premiums expected to slow to 2% this year from 5.2% in 2024, picking up marginally to 2.3% in 2026.
2. In the UK, the Financial Conduct Authority (FCA) is championing a more agile regulatory environment for financial services, including insurance, to become an engine for sustainable, innovation-led growth. The financial sector contributes over 8% of the UK's GDP and represents a significant source of employment and trade. Regulation is seen as a growth catalyst, also encompassing a data-driven look at the evolving architecture of financial risk.
3. Sovereign credit ratings and OECD country risk classifications also exert a heavy influence on the ability of low-and-medium-income countries to access capital, influencing borrowing costs and investor appetites, a point that many ICIEC Member States have stressed is based on exaggerated perceptions of credit and country risk, legacy debt burdens, and short-term macro indicators, which in turn leads to higher costs of financing, including credit insurance and PRI premiums.
4. Electronic trade documentation and digitalisation facilitation, including in the insurance sector, according to a new study by UNCTAD, shows that countries continue to make progress in easing and digitising trade processes. The 6th UN Global Survey on Digital and Sustainable Trade Facilitation, conducted across 160 economies by UNCTAD, confirms that the global average implementation rate of trade facilitation measures currently stands at 72%, up from 68.6% in 2023. The survey shows improvements across all regions since 2023, with developed economies leading with an 86% implementation rate.

5. In fact, UNCTAD's latest update reveals that global trade expanded by an estimated USD300 billion in H1 of 2025, despite a slower pace of growth, compared to a rise in global trade by about 1.5% in Q1, with a growth expected to accelerate to 2% in Q2.

Global trade in goods and services remains strong in the first half of 2025

Annual and quarterly growth in the value of trade in goods and services, 2019–2025 Q1



Source: UN Trade and Development (UNCTAD) calculations based on national statistic and UNCTADstat.

Note: Quarterly growth is the quarter over quarter growth rate of seasonally adjusted values. Annual growth is calculated using a trade-weighted moving average over the past four quarters. Figures for Q1 2025 are estimates. Q2 2025 is a nowcast as of 17 June 2025.

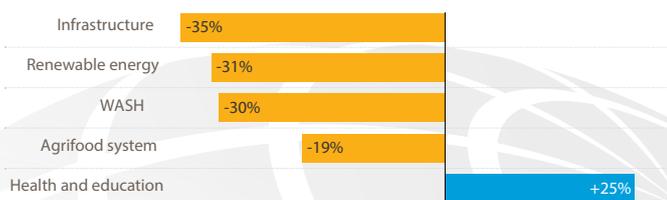
Trade in services remained the main engine of annual growth, rising 9% over the last four quarters. Price increases contributed to the overall rise in trade value. Prices for traded goods edged up in Q1 and are likely to continue to rise in Q2, while trade volumes grew by just 1%.

Developed economies outpaced developing countries in Q1, reversing recent trends that had favoured the Global South. South-South trade stagnated overall, though Africa bucked the trend with exports up 5% and intraregional trade growing 16% year on year.

6. Similarly, global foreign direct investment (FDI) fell by 11%, marking the second consecutive year of decline and confirming a deepening slowdown in productive capital flows, according to the World Investment Report 2025, released by UNCTAD in June. Although global FDI rose by 4% in 2024 to USD1.5 trillion, the increase is the result of—among other factors—volatile financial conduit flows through several European economies, which often serve as transfer points for investments. The drop was especially steep in sectors critical to achieving the Sustainable Development Goals: renewable energy (-31%), transport (-32%), and water and sanitation (-30%).

Foreign investment in sustainable development fell sharply in 2024

International Investment in developing economies in Sustainable Development Goal sectors, percentage change of project values, 2023-2024



Source: UN Trade and Development (UNCTAD)

Note: WASH stands for water, sanitation, and hygiene

7. The credit and investment insurance preparedness playbook now encompasses several additional emerging trends. These include:

- i. Digital resilience with agility by design, compliance, and automation all embedded. The bedrock remains collaboration in real time since risk, underwriting, and claims functions access the same data.
- ii. In the dramatic rise in the resort to Artificial Intelligence (AI), the consensus seems to be that not every AI breakthrough warrants adoption. Insurers should focus on what delivers operational relevance and measurable added value.
- iii. ECA collaboration is essential to accelerating project development and ensuring long-term resilience in critical mineral supply.
- iv. The green energy industry and net zero momentum faced headwinds in 2024 from geopolitical tensions, trade barriers, and rising costs. While investments continue apace across sectors like wind, solar, and electrified transport, profitability and policy hurdles remain.
- v. Rising debt burdens and tightening financing conditions are increasing pressure on low-income countries. Restructuring frameworks must now deliver greater coordination, clarity, and long-term sustainability, including possible write-offs.
- vi. The Credit and Investment Insurance industry is similarly faced with rising fraud and AML/CTF risks, and fictitious trades and trade credit insurance claims are on the rise.
- vii. The role of trade credit insurance in supporting SMEs, the backbone of economies worldwide, as governments are actively developing policies to support SMEs as a way of boosting productivity, innovation, and growth, albeit cost and margin management remain a challenge.

Perhaps the most interesting development emerged at the 4th International Conference on Financing for Development (FfD4), where global leaders addressed the widening gap between capital flows and development needs. The BU, UNCTAD, and the International Chamber of Commerce (ICC) convened a side event on 'enhancing de-risking mechanisms for sustainable development' to discuss how export credit guarantees, and political risk insurance (PRI) can be further leveraged to channel flows of long-term capital into developing economies and achieve sustainable economic development.

Export credit agencies (ECAs) are the primary providers of PRI, accounting for 78% of total issuance over the past decade, while multilateral institutions and private insurers account for 7% and 15%, respectively. Asia accounts for the largest share of PRI provided by ECAs and private insurers, reflecting China's dual role as a major recipient of PRI and a leading provider, while Africa receives the most PRI from multilateral institutions.

According to the BU, credit insurance and guarantees—both export-linked and untied—mitigate non-payment and political risks, enabling financiers to offer long-term financing for projects in developing countries that otherwise would not be feasible. These instruments support blended finance structures and improve access to affordable funding, especially in developing economies, making it possible for commercial banks to lend for renewable energy, health infrastructure, or public transport projects with reduced risk exposure. In fact, BU members currently hold USD507 billion in exposure in developing economies, a figure that has grown steadily since 2010 (USD323 billion). Within Least Developed Countries (LDCs), this figure has surged from USD15.9 billion in 2010 to nearly USD98 billion in 2024, demonstrating an increasing willingness to support the poorest countries.

UNCTAD at the FfD4 launched a policy review titled “Derisking investment for the SDGs: The role of political risk insurance.” Among investment derisking instruments, PRI, a type of insurance that protects cross-border investments from losses due to political events, such as expropriation, political violence, currency inconvertibility and breach of contract, has a critical and potentially growing role to play in fostering investment towards developing countries in general and LDCs in particular.

According to the Review, “PRI providers insured projects worth about USD150 billion in developing countries, including LDCs between 2018 and 2022. Developing countries (excluding LDCs) are the largest PRI beneficiaries (70% of the projects), where LDCs account for only 15% of projects covered by PRI. However, insured project values are equivalent to 28% FDI to LDCs, compared to 6% in other developing countries and 2% in developed countries. Export credit agencies (ECAs) are the

primary providers of PRI, accounting for 78% of total issuance over the past decade, while multilateral institutions and private insurers account for 7% and 15%, respectively. Asia accounts for the largest share of PRI provided by ECAs and private insurers, reflecting China’s dual role as a major recipient of PRI and a leading provider, while Africa receives the most PRI from multilateral institutions.”

The investment gap to achieve the UN SDGs in developing countries by 2030, says UNCTAD, has widened from USD2.5 trillion to about USD4 trillion per year between 2014 and 2023. This chasm underscores the urgent need for effective solutions. The consensus is that public resources alone, including official development assistance, will be insufficient for bridging the financing gap, since mobilising private sector finance is critical, with a vital role for FDI to play.

The SDGs, in fact, have been a central tenet of ICIEC’s operations since they were introduced in 2015. We believe that trade and investment facilitation is an effective vehicle by which the SDGs could be achieved, as we are committed to supporting sustainable development, investing, and the SDGs. In this respect, ICIEC actively targets real impact and change in all its insured operations and acts as a catalyst for private sector capital mobilisation to be directed towards achieving the SDGs. This is done through ICIEC’s unique Shariah-compliant de-risking solutions, including the Non-Honouring of Sovereign Financial Obligations (NHSFO) Policy, the Foreign Investment Insurance Policy, Equity Investment Policy, and Reinsurance. This is achieved through forging Partnerships for Change in line with SDG 17 and with ICIEC’s Theory of Change strategy.



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How to Do Multilateral Development Banking in Uncertain Times?

Mourad Mizouri

Manager, MENA Division at ICIEC

*The global trade, investment, and business landscape is currently undergoing rapid changes and unpredictability, which requires an agile response across the spectrum of business and institutional functions, including resource mobilisation, risk mitigation, building resilience, and carrying out the mandates of multilateral institutions in line with the development agendas of their Member States. **Mourad Mizouri, Manager of the MENA Region Division in the Business Development Department at ICIEC**, discusses the challenges of volatility, uncertainty, complexity, and ambiguity in the post-pandemic era and how multilateral credit and investment insurers such as ICIEC are adapting and building organisational resilience going forward.*

As we are living in a VUCA world, which is increasingly becoming the new norm, the multilateral development institutions, as important catalysts and facilitators of sustainable development of our Member States, have to adapt their strategies to be more agile, inclusive, and homegrown to address their stakeholders' evolving needs and pressing aspirations in terms of sustained growth and economic resilience.

VUCA is the go-to playbook, which is gaining popularity in various fields, including business, finance, leadership, and strategic planning. It is a concept that is rooted in the challenges of the post-financial crisis and post-Covid-19 pandemic and reflects the rapid changes and unpredictability implicit in its acronym—volatility, uncertainty, complexity, and ambiguity—of general conditions and global situations, and how to adapt, strategies, and build organisational resilience going forward.

The Islamic Development Bank Group (IsDBG), which celebrated more than half a century of commendable services to the Ummah, seized the latest Annual Meetings in Algiers during May 2025 under the theme "Diversifying Economies, Enriching Lives" to present the Group's new 10-Year Strategic Framework (2026-2035), which was approved by its Honourable Board of Governors.

The strategic framework has been prepared based on continuous consultations and engagement with the 57 Member States of the IsDB, which was materialised in the "In Riyadh at Fifty Declaration" where the Governors urged the leadership of the IsDB Group to work on a number of key enablers such as the Group Governance Framework, Concessional Financing, Positioning the Group within the Islamic Financial Sector, and Positioning the Group within the South-South Cooperation Arena in order to continue to serve the Group's noble mandate.

The IsDB Group, as described by its Chairman H.E. Dr. Muhammad Al Jasser as being a Group "from the South, by the South, and for the South" will put in place 2 of 5 years of corporate strategy blocks to operationalise the recently approved 10-year Strategic Framework. The Group's development interventions will focus on the Member Country, Regional (OIC) and Global levels.

During the past 50 years, the focus of the IsDB Group, was on utilizing its different services and group synergies with its private sector partners, facilitating resource mobilisation and investment inflows, unlocking trade opportunities, regional integration, and maintain the social well-being of our Member States.

ICIEC's Shariah-Compliant Derisking Solutions

ICIEC as the insurance arm of the IsDB Group, has played an important role since its establishment more than 3 decades ago through facilitating more than USD121 billion of trade and investment transactions and projects in favour of our Member States, of which 80% was in trade and the remaining 20% in investment insurance.

In 2024, ICIEC, through its strong partnerships and diverse Shariah-compliant de-risking instruments, facilitated more than USD12.9 billion of trade and investment transactions and projects benefiting 42 Member States with transactions spanning many sectors, especially the energy, infrastructure, agricultural, healthcare, and financial services sectors. These interventions helped create more than 45,000 jobs, reduced more than 300,000 tons of CO2 and supported more than 2,000 SMEs. Furthermore, more than 45% of our business insured in 2024 was under the South-South Cooperation framework, supporting also the mandate of boosting intra-OIC trade and investment, which will help in reaching the intra-OIC trade and investment target of 25% by 2025.

To support our Member States in difficult times, ICIEC has implemented a number of initiatives related to many key areas, including healthcare, food security, and renewable energy. In the healthcare sector and during the COVID era, ICIEC, in coordination with the Islamic Solidarity Fund (ISFD), set up an innovative structure, the ICIEC-ISFD COVID-19 Emergency Response Initiative (ICERI), to provide credit insurance to more than 20 Member States using ISFD grants. In this regard, ICIEC has been able to leverage the relatively small grant amount offered by ISFD by more than 270 times. The ICERI Programme helped unlock liquidity to finance at favourable terms and the inflow of critical supplies, which helped the beneficiary countries in recovering from the impacts of COVID-19.

Another important ongoing initiative is the IsDB Group's Food Security Response Programme (FRSP), under which ICIEC has been able to provide more than USD1.12 billion in insurance coverage compared with a pledged amount of USD0.5 billion. Through such initiatives, ICIEC facilitated the import of essential goods by providing insurance against credit and political risks. It also stimulated foreign investment inflows to strengthen the supply chain, boost food production, and enhance storage capacities. Furthermore, ICIEC leveraged additional financial resources through well-planned reinsurance arrangements.

Similarly, ICIEC, since its establishment some three decades ago, has underwritten more than USD2.37 billion of business insured dedicated to the renewable energy sector, such as solar energy and wind energy farms used for infrastructure projects. Through this commitment to the UN Sustainable Development Goals - SDG 7 on Affordable and Clean Energy, we help our Member States' transition to clean energy.

Importance of Synergies and Partnerships

From another perspective and given the importance of promoting the commercial and political risk insurance industry to support the efforts of Member States towards a sustainable economic development, especially at uncertain times, ICIEC continues to support their National Export Credit Insurance Agencies (ECAs) through reinsurance and capacity development programmes.

In this respect, ICIEC signed several reinsurance programmes with national ECAs in the form of a treaty or facultative reinsurance scheme in order to support them insure export and local sales contracts in their respective countries. Furthermore, ICIEC has provided capacity development programmes to the technical staff of these ECAs either directly or through an association such as the AMAN Union, the forum it

jointly established in 2009 comprising commercial and non-commercial risk insurers and reinsurers (ECAs) in Member States of the Organization of Islamic Cooperation (OIC) and of the Arab Investment and Export Credit Guarantee Corporation (DHAMAN), with the mandate of enhancing the culture and business of trade and investment insurance in common Member States.

The AMAN Union plays a key role in promoting cooperation, information exchange, and capacity building among its members. It also offers a unique platform to strengthen business ties and risk mitigation strategies across Member States. (More information about the AMAN Union is available at: www.amanunion.org).

Going forward in 2025 and beyond, ICIEC is adapting its strategy in line with the IsDB Group's new 10-year strategic framework anchored to the Member States' current and evolving needs, through the implementation of an agile strategy and proactive strategic planning in line with the national development plans and priorities of Member States. This will require strengthening the current partnerships, mobilizing new resources, and adapting our business model.

According to the First Half 2025 results, and despite the current geopolitical tensions and financial difficulties affecting some of our Member States, ICIEC has been able to provide more than USD7.6 billion insurance coverage, a 28% increase compared with the same period last year. This achievement has been made with no claims paid. This shows ICIEC's resilience thanks to its strong risk management culture and its readiness to always support Member States without jeopardizing our financial position and preserving our outstanding credit rating.

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Mr. Yuichiro AKITA

President of the Berne Union
& Senior General Manager, International and Strategic Policy,
Nippon Export Insurance and Guarantees Company (NEXI)
Japan's Official Export Credit Agency

Berne Union Members Record Historic Highs in New Commitments in 2024 Despite Rising Geopolitical Risks and Supply Chain Disruptions as New Businesses and Investments in Green Clean Energy Flourish

*In times of global uncertainty comes both challenges and opportunities. As risk absorbers and mitigators the credit and investment insurance industry have a defining role to play to ensure the continued flow of trade and investment, the lifeblood of the global economy. In an exclusive interview, **Mr. Yuichiro AKITA, President of the Berne Union (the International Union of Credit and Investment Insurers)** discusses how members have consistently demonstrated resilience and innovation in responding to past crises, and through the development of new products, the launch of fresh initiatives, and enhanced collaboration with partner institutions, how they have actively worked to safeguard global trade and investment flows during these challenging times, and the unforeseen crises in the years ahead.*

ICIEC Newsletter: The BU's Export Credit and Investment Insurance 2024 Industry Report shows that members recorded a historic high of USD3.3 trillion in new commitments amid escalating geopolitical tensions, war, natural disasters, and economic headwinds. At the same time, members paid a record total of USD10 billion in claims across all business lines. Which aspects of the state of the industry is most heartening and gives hope that BU members and the industry at large are indeed in a good position to meet the current challenges in the industry and the global economic landscape?

Mr. Yuichiro AKITA: Amid rising geo-political risks, impacts of conflicts, and severe natural disasters increased supply chain disruption risks globally. Since recovery from the pandemic, inflation-driven costs increase deteriorated economics of projects globally. This has created headwinds for new businesses and investments,

including clean energy technologies, such as offshore wind and EV sectors. Last year, in many developed countries, the ruling parties lost a significant number of seats in the national elections, the voters prioritized addressing domestic income equality, inflation countermeasures, and social instability, while interests in transition to a green or low-carbon economy or international cooperation in public policy issues appear to have become secondary.

Nevertheless, BU members recorded a historic high in new commitments. In relation to MLT (medium-and-long-term) space, the long-term trend towards increasing capacity of private insurers is evident, now they provide more than 20% of new MLT commitments annually. In addition, new commitments of renewable energy have increased steadily, amounting to USD15 billion in 2024 (2.5 times the level of 2019). We still expect to see solar and onshore wind power projects and other clean energy, such as geothermal biomass and nuclear power

as well as sophisticated ancillary technologies, such as energy storage and carbon capture.

Lastly, the high claim payment showed the members' indispensable function to increase clients' resiliencies. It is important for BU members to promptly pay insurance claims for covered incidents to gain customers' trust, which is also crucial for the future of the industry.

The mainstay of your tenure as BU President is the BU STRIDE initiative. Can you expand on the rationale behind this initiative and its progress towards strengthening the foundations of international trade and investment, and reaffirming the BU's commitment to be "the guardians of free trade and foreign direct investment in this new era of uncertainty?"

The theme of the BU Spring Meeting held in Croatia was "Resilience," one of the pillars represented in STRIDE (Sustainability through Resilience, Innovation, Diversity, and Empowerment).

Among BU members, ECAs have played a vital role as national export credit agencies in complementing market failures during crises such as the global financial crisis and the COVID-19 pandemic, thereby supporting international trade and investment. Now, facing new uncertainties, we believe it is imperative - and indeed possible - to fully mobilize the tools developed and implemented over the years to fulfil our mission as guardians of trade and investment.

While this market-complementing role remains critical, the mission of ECAs has expanded significantly. Some ECAs now support the future export opportunities of their national industries, overseas investments, supply chain and resource security, and the growth of SMEs. In recent years, many ECAs have also engaged in supporting climate action, energy transitions, pandemic responses, and social infrastructure in emerging and developing countries. Even when these activities primarily aim to support national industries, they often bring social impact to developing countries. Moreover, in cases such as untied financing, the social impact in host countries itself becomes a primary purpose, rather than direct economic benefits to the provider country.

Given these realities, the work of ECAs can no longer be contained within the traditional framework of “export credit.” It is increasingly important for ECAs to recognize themselves as entities capable of contributing directly to sustainability and the SDGs. The BU STRIDE Presidential Platform that I advocate, as such, is a slogan to foster new innovations that enable BU to contribute to the realization of the SDGs, not only through ECAs but also in close collaboration with private insurers within BU and MDBs such as ICIEC and IsDB.

Under your erstwhile hat at NEXI you are familiar with ICIEC’s unique position as the world’s only Shariah-compliant multilateral insurer. Do you see an enhanced role for Islamic risk mitigation and credit enhancement solutions, albeit niche now, and what can the Berne Union do to help facilitate this?

Inter-agency cooperation requires significant energy and commitment, regardless of whether the partner is an Islamic finance institution or otherwise. A natural question arises: when one already has well-established relationships with trusted partners, why seek new collaborations? What benefits could outweigh the costs of building new partnerships? This question is shared by both parties when embarking on new relationships.

The challenge is even greater when partners have different approaches to business – differences in organizational missions, procurement rules, environmental and social safeguards, risk management methods, and risk appetites. Distinct characteristics, such as those found in Islamic finance, can further add to this complexity. However, collaboration becomes particularly meaningful when there are risk-taking barriers that cannot be overcome alone but can be addressed together with a partner.

Reflecting on NEXI’s cooperation with ICIEC, despite differences in financing and insurance structuring, the partnership delivered greater benefits—such as enhanced intelligence, negotiation leverage, and deterrence in specific markets—making it easier to take on risks collectively.

It is essential to share the merits of such collaboration through mutual exchange of operational insights and case studies. BU serves

precisely as such a platform, and we are eager to create further opportunities within BU to facilitate these meaningful engagements going forward.

A recent UNCTAD Report stresses that Political Risk Insurance (PRI) plays a vital role in de-risking investments and mobilizing finance towards achieving the UN’s SDGs. Between 2018 and 2022, PRI providers insured USD150 billion worth of projects in developing countries, including LDCs. UNCTAD findings point to low investor awareness, high costs, and inconsistent ESG standards as key barriers to credit insurance market entry. This has led to increased cost of finance due to higher risk premiums paid. Do you think that LDCs are getting a fair deal from the credit insurance industry?

The recent UNCTAD report has shed light on how Political Risk Insurance (PRI) can contribute to mobilizing private investment for the achievement of the SDGs, while also identifying the challenges that remain. For many years, the role of the BU and ECAs in advancing the SDGs has often been overlooked. In this context, it is highly encouraging and indeed groundbreaking that PRI has been highlighted so prominently. Furthermore, the outcome document of FFD4 has reaffirmed the importance of ECAs and the critical role of tools that mitigate risks associated with overseas investment. This report, therefore, marks a significant milestone in the field of development finance.

Although the importance of PRI is increasing amid rising geopolitical risks, a key challenge lies in the low awareness of PRI as a product and of Berne Union members who provide it. PRI is not new, yet only a limited number of national insurance providers actively offer it. Institutions such as SINOSURE, NEXI, and PwC on behalf of the German government have developed strong capacities, while many others possess limited underwriting experience or are not actively promoting PRI.

To address this, the Berne Union seeks to facilitate knowledge exchange among its members by sharing best practices in product design, underwriting, monitoring, and claims management. We also provide a forum to discuss marketing strategies and case studies, enabling members to learn how to re-enter the PRI market or expand their offerings.

Through these initiatives, the Berne Union is strengthening the PRI capabilities of its members, enhancing the global availability of PRI, and channelling greater private investment into SDG-relevant sectors. In doing so, we support sustainable development and resilience in emerging markets, contributing to a more stable and inclusive global economy.

In 2024, medium-and-long-term commitments by Berne Union members reached USD160 billion, with private insurers contributing over 20%, highlighting the growing synergy between public and private actors. In your

view, how critical is this collaboration, particularly through instruments like untied support and working capital solutions for building resilience in the current global trade environment? Additionally, what role can the Berne Union play in facilitating more effective blended finance structures involving DFIs, ECAs, and MDBs to mobilize capital for sustainable trade and investment?

The role of ECAs is expanding well beyond traditional export credit to include support for overseas infrastructure development through untied financing, securing critical resources, and providing development finance that contributes directly to the SDGs. Alongside this, we are seeing greater participation by private insurers in the MLT finance sector, as well as increased reinsurance cooperation between ECAs and private insurers. Beyond ECAs, collaboration among MDBs, private insurers, and institutional investors through portfolio syndication and securitization is also gaining momentum. Such public-private partnerships are vital for expanding the industry’s overall risk capacity and for bridging gaps in trade finance and SDG financing.

Blended finance was one of the most widely discussed topics at FFD4. Currently, collaboration between MDBs and ECAs often involves a vertical risk split, with each institution co-financing a distinct portion of a project. Looking ahead, we should advance to the next stage: horizontally slicing risk within a single project to leverage the differing risk appetites of ECAs—who back private investors and banks—and MDBs—who can assume higher political or project risks.

This approach can strengthen blended finance structures, attract greater private investment into high-impact SDG projects, and foster stronger, complementary roles among ECAs, DFIs, and MDBs to channel foreign direct investment more effectively while managing risks efficiently across all stakeholders.

As the Berne Union, we aim to provide a practical platform for deeper discussions that explore and advance this kind of ECA - MDB collaboration. Through this, we hope to contribute to further innovation in the field of blended finance and support sustainable development worldwide.

The International Credit Insurance and Surety Association (ICISA) recently highlighted the rising incidence of fraud and money laundering risks in credit insurance due to rising economic challenges, higher trade volumes and the appearance of advance fake document technology especially through the introduction of electronic trade documentation. How important is this development for Berne Union members and what is the Union doing to help member entities mitigate these risks?

There is a rapidly growing awareness among Berne Union members regarding the critical issue of fraud. This is a matter that directly impacts the trustworthiness and financial soundness of our industry, and it is essential that we address it collectively and effectively.

At the recent BU Spring Meeting, a dedicated session on fraud was held, where members actively shared their experiences and discussed current mitigation measures. This issue is particularly pressing for ECAs handling short-term export credit insurance, where the sheer volume of transactions exposes them to significant challenges, with numerous cases already identified in practice.

In July, the BU ECA Committee will host a dedicated exchange among ECA practitioners focused on fraud. While technological advancements continuously evolve alongside new fraudulent methods, we recognize fraud as a shared challenge for our industry. The Berne Union is committed to promoting ongoing information sharing among members as we work to safeguard the integrity and resilience of our sector.

Looking forward, what are the challenges ahead, and what are the lessons drawn from past crises such as the global financial crisis in 2008, the Covid-19 pandemic, and the ongoing conflict in Ukraine and the Middle East?

Berne Union members have consistently demonstrated resilience and innovation in responding to past crises, ensuring the continued flow of trade and investment—the lifeblood of the global economy. Through the development of new products, the launch of fresh initiatives, and

enhanced collaboration with partner institutions, BU members have actively worked to safeguard global trade and investment flows during challenging times.

During the global financial crisis, members expanded untied financing to support working capital for domestic and international companies and developed direct lending mechanisms to secure short-term liquidity. These liquidity provision tools have since been effectively utilized during the European debt crisis and the COVID-19 pandemic. In Asia, even as the private trade credit insurance market contracted, a reinsurance network among ECAs was established to maintain regional trade flows, forming the foundation for ongoing ECA cooperation in the region.

Today, amid rising geopolitical risks and the ongoing war in Ukraine, untied financing is being used to support resource offtake projects for resource security. In the PRI domain, some ECAs have re-entered the market, offering innovative solutions that enable the underwriting of war-related risks even within conflict-affected regions.

We will undoubtedly face unforeseen crises in the years ahead. However, the tools developed during past crises and the strengthened inter-agency cooperation frameworks now in place have prepared us to launch new joint initiatives swiftly and effectively. The Berne Union is committed to serving as a catalyst for these collaborative efforts, ensuring our industry continues to support global trade and investment, even in the most challenging circumstances.



The Berne Union STRIDE Presidential Platform that I advocate, as such, is a slogan to foster new innovations that enable Berne Union to contribute to the realization of the SDGs, not only through ECAs but also in close collaboration with private insurers within Berne Union and MDBs such as ICIEC and IsDB.

An Economy Undergoing Profound Structural Reforms and Transition

How Nigeria Can Unleash Its Economic Potential

Pape Diagne
Country Manager,
Senegal, at ICIEC

Nigeria is Africa's most populous country, one of its largest economies, and a major oil and gas producer. Buoyed by a ratings upgrade by Fitch Ratings in April 2025 citing improved FX reserve buffers and strengthened fiscal management, the country's economy is going through a profound economic transition driven by structural reforms and aimed at attracting greater inward FDI flows. **Pape Diagne, Country Manager, Senegal, at ICIEC**, profiles Nigeria's rebounding economy, its key indicators and challenges, the close collaboration between the IsDB Group and Nigeria, and its expanding relationship with ICIEC from traditional short-term trade finance to long-term investment guarantees and sovereign risk coverage.

Nigeria's macroeconomic landscape in 2025 remains complex, shaped by efforts to stabilize inflation, manage foreign exchange volatility, and address persistent fiscal and debt-related pressures. Structural reforms, including subsidy removals and exchange rate unification, are driving a major transition phase.

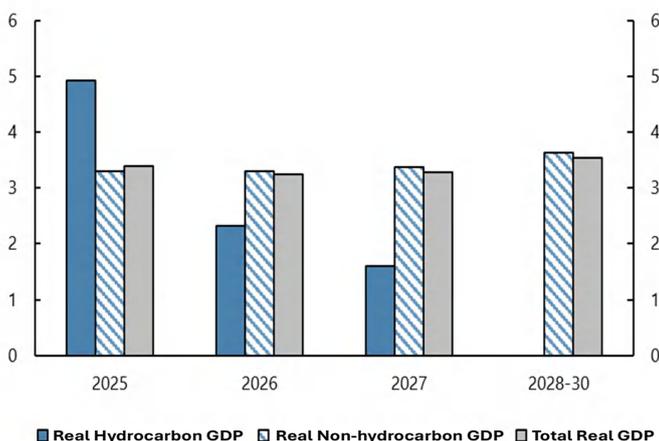
This transition is anchored on a reformist agenda launched by President Bola Ahmed Tinubu's administration to attract investment and lay the foundation for long-term growth. Despite initial macro-volatility, the reform trajectory presents significant medium-term upside.

Economic Overview

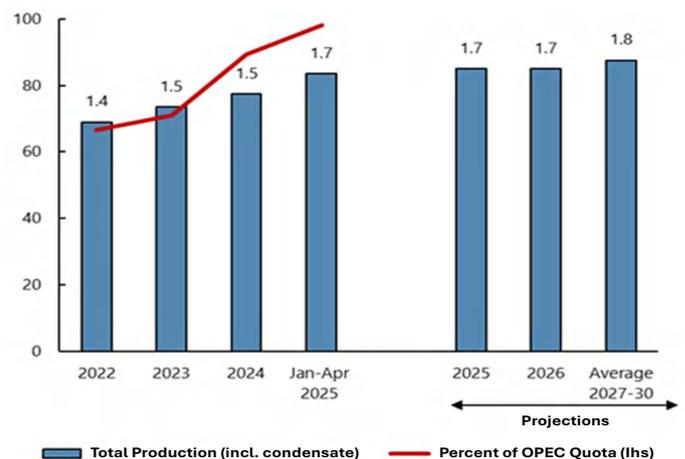
Nigeria, Africa's most populous nation and 4th largest economy by purchasing power parity, is undergoing a profound economic transition driven by structural reforms, rebalancing of fiscal policy, and renewed efforts to restore macroeconomic stability. The Government has embarked on a bold reform agenda aimed at reversing years of underperformance caused by oil dependence, fiscal leakages, and currency market distortions.

The Government focuses on large-scale privatization and asset sales as part of its economic stabilization measures. These measures aim to address balance-of-payment stresses and stabilize the economy.

Growth Projections² (In percent)



Oil Production (In million barrels per day)



Source: IMF 2025 Article IV Consultation and Nigerian Authorities² – IMF Staff assumes that projected increase in oil production will be fully offset by declining output from mature fields and gas production remains flat starting in 2028, resulting in a flat oil production.

According to the Central Bank of Nigeria (CBN), the economy is projected to grow by 4.17% in 2025, up from an estimated 2.9% in 2024. The International Monetary Fund (IMF) is slightly more conservative, forecasting 3.0% real GDP growth. Growth is supported by higher oil production volumes (approaching 1.6 million barrels/day), the full commissioning of the Dangote Refinery, improved FX liquidity, and rising non-oil sector contributions - particularly in agriculture, telecommunications, construction, and financial services.

Public investment is being catalysed by high-profile infrastructure projects, including the Lagos-Calabar Coastal Highway, rail line modernizations, and rural electrification schemes. The government also seeks to drive job creation through domestic value chains in agriculture, automotive assembly, and pharmaceuticals under its "Renewed Hope" economic agenda.

Nigeria does not currently have a formal IMF programme (such as an EFF or SBA), but maintains active engagement through technical consultations, surveillance missions, and Article IV assessments. The 2024 Article IV Consultation recognized the boldness of Nigeria's initial reform momentum including fuel subsidy removal and FX liberalization but also warned of reform fatigue, inflation risks, and the need for better-targeted social safety nets.



While Nigeria has not pursued budgetary support from the IMF, it continues to draw on IMF policy advice to guide fiscal consolidation and monetary tightening. The IMF's Debt Sustainability Analysis (DSA) rated Nigeria's debt as sustainable but vulnerable to interest and exchange rate shocks, underscoring the importance of revenue mobilization and FX inflow management.

Nigeria remains a significant client of the International Development Association (IDA) and the International Bank for Reconstruction and Development (IBRD) and is implementing a wide range of Results-Based Financing (RBF) operations across education, power, social protection, and state-level reforms. One of the most notable developments in early 2025 is Nigeria's decision to prepay USD500 million of its outstanding World Bank debt.

This prepayment is politically and economically significant as it reflects the renewed FX inflows and stronger fiscal buffers due to higher oil revenues and improved investor sentiment. It is designed to reduce debt service burden over the 2025–2027 period, freeing space for critical capital expenditures and potential market issuances (e.g., Sukuk). It also sends a positive signal to credit rating agencies and international capital markets, reinforcing Nigeria's commitment to prudent debt management.

Ultimately and according to internal reports from the Federal Ministry of Finance and the DMO, the prepayment is also aligned with Nigeria's broader Debt Management Strategy (2024–2027), which prioritizes:

1. Extending average debt maturities.
2. Increasing concessional debt-to-commercial debt ratios.
3. Using guaranteed and insured market instruments to access affordable long-term capital.

It is worth noting that in April 2025, Fitch Ratings upgraded Nigeria's Long-Term Foreign-Currency Issuer Default Rating (IDR) to 'B' from 'B-' citing improved FX reserve buffers, strengthened fiscal management and fuel subsidy removal and stabilized and transparent exchange rate system through implementation of Bloomberg B-Matching System, progress in reducing inflation and rebuilding investor confidence.

Tackling Inflation

Nigeria faced intense inflationary pressure throughout 2023 and early 2024 due to subsidy reforms, FX devaluation, and food supply shocks. Headline inflation peaked at 34.8% in December 2024, before gradually easing to 24.48% in January 2025, driven by tighter monetary policy and relative currency stabilization. The IMF projects average inflation at 26.5% for 2025. The Monetary Policy Rate (MPR) currently stands at 24.75%, following successive hikes by the CBN's Monetary Policy Committee to combat price instability.

The naira has seen reduced volatility after the unification of multiple exchange rates in mid-2023, with a more market-reflective FX window now in place. CBN has prioritized clearing its FX backlog and restoring investor confidence in the I&E window.

Current Account Situation

Nigeria has recorded a notable improvement in its current account position since 2023, marking a significant turnaround in its external balance sheet. In 2024, the country achieved a current account surplus of approximately USD6.83 billion, according to data from the CBN. This is a marked reversal from the USD3.3 billion deficit recorded in 2023.

This improvement was largely driven by a USD13.17 billion trade surplus, underpinned by robust oil exports and a sharp reduction in fuel import bills. Additionally, remittance inflows surged to USD20.9 billion in 2024, representing an 8.9% year-on-year increase. While service account deficits persisted, they narrowed compared to previous years, contributing modestly to the overall improvement.

On a quarterly basis, the current account surplus expanded from USD3.38 billion in Q1 2024 to USD5.14 billion in Q2 2024, reflecting stronger oil receipts, improved non-oil exports, and moderate import growth. Looking ahead, the IMF projects that the current account surplus will moderate, falling from 9.1% of GDP in 2024 to 6.9% in 2025, and further down to 5.2% in 2026, as oil prices stabilize and imports gradually pick up.

Foreign Exchange Liquidity

Foreign exchange (FX) liquidity in Nigeria has improved significantly since mid-2023, following the Central Bank of Nigeria's decision to unify the multiple exchange rate windows and allow the naira to trade more freely under a managed float system.

This reform—implemented in June 2023—reversed years of rigid FX policies and was one of the most critical components of the new administration's economic stabilization agenda. In the months following the reform, Nigeria faced acute FX shortages and volatile exchange rate movements, with the naira depreciating sharply in both official and parallel markets.

However, by early 2024, FX market conditions began to stabilize, supported by improved supply from oil exports, higher remittance inflows, and increased portfolio investment. CBN also undertook clearing of the FX backlog, estimated to be over USD6 billion in Q3 2023, with most of the backlog fully repaid by April 2024. This was a critical confidence-building measure for investors and foreign suppliers, many of whom had been waiting for months to repatriate funds or receive payments.

As of May 2025, Nigeria's gross foreign reserves are estimated at approximately USD38.45 billion, up from USD33.1 billion in mid-2024. Net reserves, after accounting for swaps, forwards, and encumbrances, stood at USD23.11 billion at the end of 2024. The increase in reserves has been attributed to a combination of higher oil revenues, reduced fuel import costs, and inflows from Eurobond repayments, World Bank disbursements, and limited FX interventions by CBN.

To further deepen FX liquidity, the CBN has reintroduced and strengthened the "Willing Buyer, Willing Seller" window, allowing exporters, investors, and banks to set rates more transparently. The gap between the Investors' and Exporters' (I&E) window and the parallel market has narrowed considerably in 2025, declining from a peak of over 30% to below 10%, indicating increased confidence in the formal market.

Furthermore, FX turnover on the Nigerian Autonomous Foreign Exchange Market (NAFEM) has improved, with average daily trading volumes now surpassing USD200 million, compared to just USD75–USD100 million at the height of the FX crisis in 2023. The return of foreign portfolio investors to the Nigerian debt and equity markets - following the clearance of backlogs and interest rate normalization—has also provided fresh FX supply into the system.

However, despite these positive developments, structural FX demand pressures remain, especially for capital goods, refined fuel, and

machinery. The government's push for local production and import substitution under the Industrial Revitalization Roadmap, as well as the start of operations at the Dangote Refinery and other industrial zones, are expected to reduce long-term FX demand.

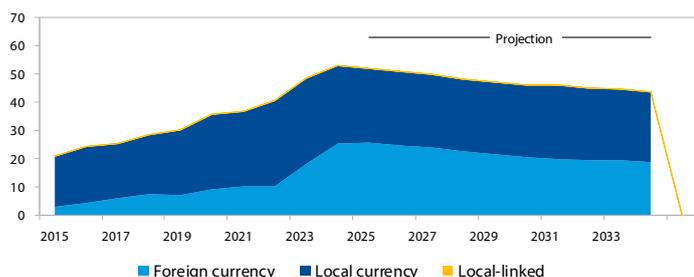
Debt Sustainability

The International Monetary Fund (IMF) concluded its 2024 Article IV Consultation with Nigeria in April 2024, providing a comprehensive assessment of the country's economic landscape and debt sustainability. The IMF acknowledged the Nigerian government's ambitious reform agenda aimed at restoring macroeconomic stability and promoting inclusive growth.

Nigeria's public debt increased to approximately 46% of GDP by the end of 2023, largely due to the depreciation of the naira. While this debt level remains below the regional average for Sub-Saharan Africa, the burden of debt servicing has intensified. External debt accounts for roughly 16% of GDP and is primarily concessional, limiting exposure to commercial external risks. However, the country's debt portfolio is heavily skewed toward domestic borrowing, which comes at high interest rates and presents rollover and cost-related challenges.

Nigeria: Public Debt Structure Indicators

Debt by Currency (Percent of GDP)



Note: The perimeter shown is general government.

Nigeria's Active Cooperation with the IsDB Group

Nigeria is a significant and active member of the Islamic Development Bank (IsDB), having joined the institution on 3 November 1999. To date, Nigeria holds a capital subscription of ID4,298.51 million, representing 7.33% of total IsDB subscribed capital, making it the fifth largest shareholder in the Bank. The IsDB maintains a strong operational footprint in the country through its Regional Hub in Abuja, established in 2018, which also oversees development interventions in neighbouring West African states.

Nigeria has benefited from a wide-ranging IsDB Group portfolio, with more than 145 projects approved. Out of this, around 60% have been completed, covering critical sectors such as infrastructure, agriculture, education, and finance. The infrastructure sector alone accounts for over 89% of IsDB's total financing in Nigeria, encompassing sub-sectors like transportation, water and sanitation, energy, information and communications, and urban development.

The Bank's financing has been notably directed toward key national development priorities, with major investments in agriculture, education, finance and health, industry, and mining. IsDB Group entities have been active in Nigeria.

Since inception, the IsDB Group has approved a total funding of about USD2.2 billion for Nigeria. This includes USD1.24 billion in project financing by IsDB, USD333 million supported by ICD; USD537 million trade operations by ITFC, and USD90 million by other IsDB Group funds and operations.

Nigeria's Special Relationship with ICIEC

Nigeria joined ICIEC in 2006, and since then the Corporation has insured over USD2 billion in cumulative transactions in Nigeria, historically focused on trade risk cover for Tier 1 banks.

ICIEC is now expanding from traditional short-term trade finance to long-term investment guarantees and sovereign risk coverage. Since this shift, we were able to build up a comprehensive pipeline of transactions in several areas, including Islamic capital market instruments, as well as enhanced partnership with key local stakeholders.

ICIEC has successfully participated in the following initiatives and transactions:

- At the 2025 IsDB Group Annual Meetings in Algiers in May, ICIEC signed a strategic Memorandum of Understanding with NEXIM Bank, establishing a framework for collaboration in export credit insurance, reinsurance, joint product development, and institutional capacity-building. The partnership aims to expand risk mitigation tools for Nigerian exporters and deepen NEXIM's integration into the global Islamic insurance architecture.
- In 2024, ICIEC closed its first-of-its-kind sovereign-backed SOE (State-Owned Enterprise) cover in Africa through Project Gazelle, a structured pre-export finance (PXF) transaction in favour of the Nigerian National Petroleum Company (NNPC). The cover mitigates payment risk while enabling NNPC to raise international financing based on its crude oil flows.
- Following the success of Project Gazelle, ICIEC has replicated this model through Project Leopard, which closed in 2025. Both transactions underscore ICIEC's ability to innovate in complex structured trade finance and support national champions like NNPC through Shariah-compliant risk mitigation.
- The Lagos-Calabar Coastal Highway, valued at USD1.067 billion (Phase 1 only), is backed by USD465.9 million in ICIEC insurance provided to major banks under a 7-year Islamic Murabaha structure with NHSFO cover. As ICIEC's first sovereign NHSFO cover in Nigeria, the project is a milestone in regional infrastructure financing. It supports job creation, improves coastal connectivity, reduces travel time, and aligns with SDGs 8, 9, 11, and 13.

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Risk Management Redefined ICIEC's Strategic Scaling Capital Efficiency and Smart Transformation at ICIEC

Tauhidur Rahman
Division Manager, Risk
Management, ICIEC

*The nature of risk management has progressed beyond its traditional role as a control mechanism to become a strategic driver of transformation, injecting a new-found operational agility for multilateral institutions and corporates to pursue their mandates. This redefinition explains **Tauhidur Rahman, Division Manager, Risk Management, ICIEC**, is especially timely as development finance institutions worldwide face mounting expectations to achieve greater impact within increasingly constrained capital and risk parameters. Here he also delves into ICIEC's journey of redefining risk, highlighting how a smarter, more strategic approach is optimizing its capital resources, reinforcing its financial resilience, and scaling up sustainable development impact across its Member States.*

In an era marked by relentless technological disruption-driven by advances in AI, blockchain, and digital trade—and compounded by shifting global trade patterns and mounting geopolitical tensions, the complexity of the global risk landscape has reached unprecedented levels.

In this dynamic environment, robust and adaptive risk management is not just important—it is indispensable. For ICIEC, the credit and political risk insurance arm of the AAA-rated Islamic Development Bank (IsDB), this challenge is especially acute.

With a core mandate to catalyse investment and trade across its Member States—often in high-risk markets—ICIEC must navigate this volatility with precision and foresight. Recognizing that traditional risk models are no longer sufficient, ICIEC has embraced a transformative approach. Moving beyond the conventional “one-size-fits-all” paradigm, the Corporation has redefined risk as a strategic lever—one that enhances capital efficiency, drives institutional agility and fosters resilience.

This new risk ecosystem balances capital preservation with optimization, guided by a calibrated risk–return lens tailored to its non-funding development mandate.

At the heart of this transformation, ICIEC's risk management function has evolved into a forward-looking enabler of growth and innovation. From embedding dynamic portfolio analytics to advancing enterprise-wide resilience, risk now sits at the core of the Corporation's transformation agenda.

Strong Institutional Foundation, Now Reimagined

Since its founding in 1994, ICIEC has served its 50 Member States through

Shariah-compliant risk mitigation tools, solidifying its status as a global player in the Credit and Political Risk Insurance (CPRI) industry.

While historically focused on preserving capital and minimizing loss, ICIEC is now leveraging its risk function to optimize performance, unlock capital, and enhance insurance capacity—while maintaining conservative risk parameters to ensure all-time solvency and resilience.

Its strength is further magnified by the IsDB's AAA-rated umbrella effect, benefiting from Preferred Creditor Status (PCS) and Preferred Creditor Treatment (PCT), which provide enhanced credit protection through sovereign support from Member States. As of 2024, PCT-backed exposures, from Sovereigns, State Owned Entities (SOEs), and Financial Institutions (FIs) of Member States, account for 88% (gross) and 80% (net) of ICIEC's portfolio, reinforcing the quality and resilience of its insurance book.

Recent years have challenged the boundaries of risk management amid rising geopolitical volatility, climate-related shocks, inflation, and debt vulnerabilities. For ICIEC, this marked not just a moment for reflection, but a turning point for strategic transformation.

Risk Management as a Strategic Lever

ICIEC remains committed to operational excellence, continuously enhancing its underwriting, reinsurance, risk management, reserving, and internal audit functions. By maintaining a balanced approach, ICIEC supports Member States while ensuring a sound and resilient portfolio.

To align with evolving global risk dynamics, ICIEC has refined its Risk Appetite Statement (RAS 2.0) and Risk Management Framework (RMF 2.0). Key risk priorities for 2025 include:

- Enhancing portfolio reserving in compliance with IFRS 9 and IFRS 17.
- Implementing a Risk-Based Pricing (RBP) model.
- Advancing enterprise-wide stress-testing methodologies.

These initiatives are designed to strengthen ICIEC's forward-looking risk capacity, enabling smarter decision-making and ensuring institutional resilience in a fast-changing world.

Capital Optimization and Financial Flexibility

ICIEC's capital optimization journey gained momentum through the 3rd General Capital Increase (GCI), which raised the Authorized Capital to Islamic Dinar (ID) 1 billion (equivalent to USD1.4 billion).

With over 87% of Member Country shares confirmed and phased payments already underway, ICIEC is significantly expanding its risk-bearing capacity. The subscriptions so far have increased ICIEC's insurance capacity by 57%.

Capital Position (USD million)

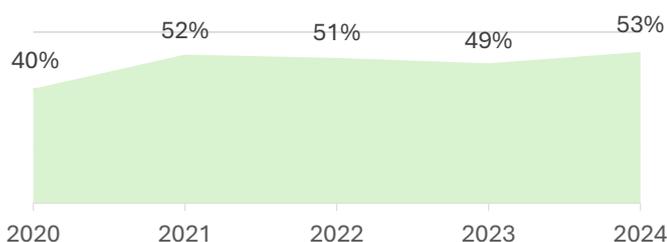


*Operating capital Comprising paid-in capital, retained earnings/accumulated other comprehensive loss and insurance portfolio reserve (net)

This strengthened capital base enhances both the Corporation's solvency and its underwriting capabilities, with phased payments scheduled over five years starting in 2025.

In parallel, ICIEC has improved its financial flexibility by mobilizing private capital from the international reinsurance market, ceding 77% of its exposure in 2024 to highly rated (A- and above) reinsurers.

Economic Capital/Operating Capital (EC/OC) ratio



Solvency and Capital Adequacy

ICIEC maintains an AAA-standard 99.97% confidence level for solvency against unexpected loss (Economic Capital-EC basis) and a 95%+ confidence level for expected credit loss (ECL).

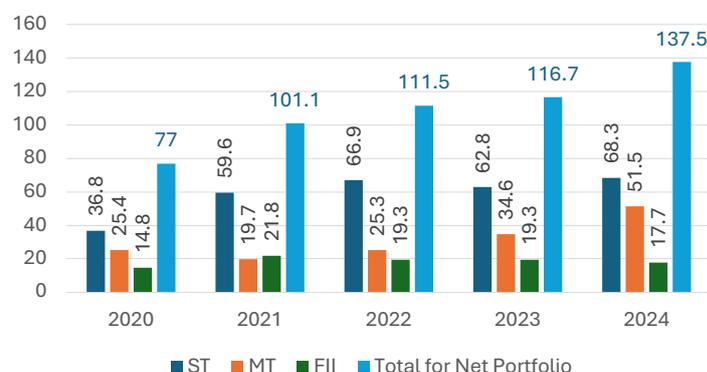
In 2024, total equity rose by 11%, and Operating Capital increased by 12% and is projected to grow by 22% in 2025 thanks to the 3rd GCI first instalment payment. Although EC requirements grew by 16%, incoming GCI capital will help offset this growth.

Key indicators include:

- Capital Adequacy Ratio: 53%.
- Net Operational Leverage (NOL): 4.2x.
- Liquidity Coverage Ratio (LCR): 5.8x on a six-month basis.

Through better capital reallocation across business lines and geographies, ICIEC is optimizing leverage while safeguarding solvency above prudential thresholds.

Economic Capital Requirement (Net Exposure) (USD million)



Net Operational Leverage (NOL)



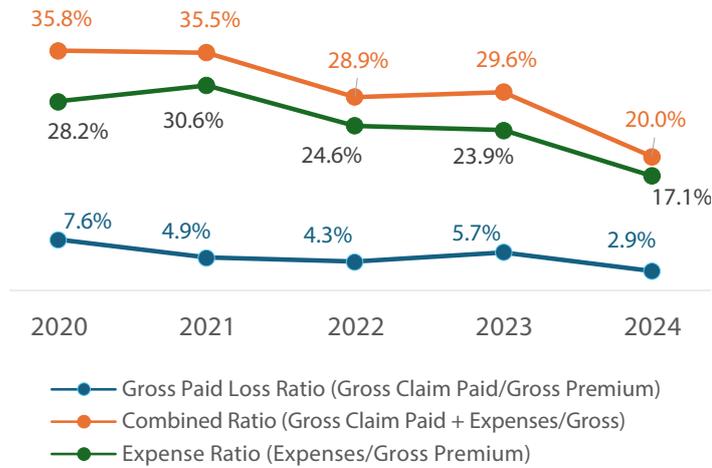
Smart Growth Anchored in Resilience

The outcomes of ICIEC's redefined risk model are clearly visible. The Corporation posted a record net surplus of USD24.9 million in 2024, with its combined ratio improving to 20.0%, down from 35.8% in 2020. This was driven by enhanced underwriting and cost efficiencies.

From 2020 to 2024, ICIEC insured USD57.5 billion in new business, accounting for 47% of the cumulative total of USD121 billion since inception. Gross Written Premiums (GWP) rose 67%, from USD85.8 million in 2020 to USD143 million in 2024.

Gross exposure increased 16% annually. The 2024 exposure mix was 21% short-term (ST), 15% medium-term (MT), and 64% foreign investment insurance (FII).

Operational Ratios



Credit Rating and Capital Efficiency Impacts

ICIEC has maintained a Moody's Insurance Financial Strength Rating (IFSR) of Aa3 for 17 consecutive years. In 2024, it secured an additional rating from S&P Global Ratings AA-, for both issuer credit and financial strength, which was reaffirmed in 2025 with a stable outlook. S&P also assessed ICIEC's enterprise risk profile as strong and its financial risk profile as very strong. These high-grade ratings underscore strong market confidence in ICIEC's risk management practices and financial resilience, positioning it among the top-rated institutions in its segment.

The AA- rating, further supported by the IsDB's AAA umbrella effect, provides strong credit confidence and significantly enhances ICIEC's stature in international financial markets. This high-grade rating allows financial institutions to assign only a 20% risk weight to exposures covered by ICIEC, thereby providing up to 80% capital relief under Basel regulatory frameworks. As a result, ICIEC becomes a more attractive partner for banks, reinsurers, and development finance institutions (DFIs).

For international reinsurers, the rating supports stronger capital calibration, enabling greater capacity for risk transfer involving ICIEC. Financial institutions and investors also view ICIEC-backed policies as high-quality instruments, improving their risk appetite.

Importantly for Member States, the AA- rating translates into more competitive pricing for ICIEC-covered capital market instruments, improving access to international finance and foreign direct investment (FDI). It also supports favourable treatment of ICIEC-guaranteed instruments as high-quality assets, thereby facilitating better financial terms and deeper investor confidence in projects across member states.

Looking Ahead: Risk as an Enabler of Transformation

ICIEC's capital and liquidity planning, anchored in strategic alignment with the IsDB Group's Strategic Framework and the phased GCI, positions it for sustainable expansion. Future initiatives include enhanced portfolio reserving, capital modelling improvements, and income efficiency analyses across business lines.

Looking ahead, key priorities include optimizing portfolio pricing, recalibrating capital modelling, and enhancing income efficiency across business lines. The annually published and quarterly updated Risk Perception and Portfolio Direction (RPPD) plays a central role in informing the Business Plan by guiding capital allocation across underwriting activities in line with the RAS.

For strategic and prudent capital allocation within ICIEC's internal risk framework (EC based consumption), operating countries are classified into Low (Focus Market), Medium (Mixed Market), and High (Cautious Market) risk clusters, based on macroeconomic and geopolitical factors, providing a strategic framework for evaluating political and commercial risks.

Additionally, ICIEC is undertaking a comprehensive, forward-looking capital and risk assessment for 2026–2028, aligned with the upcoming IsDB Group strategic cycle. This assessment aims to integrate historical performance, capital consumption trends, and optimization metrics to ensure long-term solvency and capital efficiency. It is particularly timely as global trade and investment dynamics adjust to a new normal shaped by heightened political risk. The exercise also reinforces ICIEC's commitment to developmental impact while maintaining financial resilience in an increasingly uncertain global risk landscape.

A Model for Smart Risk Management in Development Finance

At ICIEC, risk management has evolved from a traditional control function into a strategic enabler of institutional transformation. It now underpins the Corporation's ability to deliver on its mandate with enhanced credit confidence, operational agility, and long-term sustainability.

This paradigm shift marks a fundamental redefinition—from merely preserving capital to prudently optimizing it for sustainable and inclusive growth. Risk Management now acts as a balancing mechanism and a bridge between business operations and the oversight role of internal audit, reinforcing its position as a second line of defense with strategic influence.

This transformation is especially timely as development finance institutions worldwide face mounting expectations to achieve greater impact within increasingly constrained capital and risk parameters. ICIEC's smart risk approach directly responds to this imperative—balancing risk mitigation with the proactive pursuit of opportunity.

Amid global volatility, ICIEC has consistently outperformed expectations and demonstrated resilience—driven by a deeply embedded risk culture, sound governance, and a forward-leaning stance on economic and financial sustainability. Its prudent underwriting and strategic capital optimization, and enterprise risk integration have positioned risk management not merely as a safeguard, but as a central catalyst for long-term development value creation.

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ICIEC Backs USD300 Million Syndicated Facility to Boost Egypt's Food Security and Support its SDGs Agenda



In a landmark strategic transaction aligned with its development mandate, ICIEC was approached by a few banks participating in the International Islamic Trade Finance Corporation (ITFC) syndication to provide a Bank Master Policy (BMP) coverage of up to USD300 million. This policy will cover the participating banks in a USD500 million Murabaha Syndicated Facility, with ITFC acting as Mudharib (the facility manager).

The facility is structured on a best-efforts basis by a consortium of leading financial institutions to finance the procurement of essential food commodities for Egypt's General Authority for Supply Commodities (GASC). ICIEC's risk coverage plays a pivotal role in mitigating the non-payment risk associated with this transaction, thereby strengthening the financing framework's resilience.

This operation represents a significant contribution by ICIEC to the IsDB Group's Food Security Response Programme (FSRP), highlighting the Group's collective efforts to enhance food system resilience in member states. By facilitating Egypt's sustained access to vital food imports, ICIEC

supports the broader Group's mandate to safeguard food availability and affordability amid global supply uncertainties.

Moreover, this intervention demonstrates a strong alignment with key Sustainable Development Goals (SDGs). It notably advances SDG 2: Zero Hunger by ensuring a stable supply of basic food commodities essential for national food security. Simultaneously, it supports SDG 17: Partnerships for the Goals by reinforcing multilateral financial cooperation and South-South collaboration while deepening bilateral economic ties among member states, including Egypt and Kuwait.

ICIEC's participation in this syndicated facility not only de-risks a critical trade-based financing arrangement but also exemplifies the power of public-private partnership in delivering sustainable development outcomes. Through innovative risk mitigation solutions, ICIEC continues to support trade flows that contribute to socio-economic stability and prosperity in its member states.

ICIEC Supports Strategic Energy Imports for Pakistan Through USD150 Million Insurance Facility to Cover a Murabaha Syndicated Facility



ICIEC supported the Islamic Republic of Pakistan by providing insurance coverage for a crucial syndicated Murabaha financing facility worth USD150 million. The insurance policy specifically covers the portions from two prominent financial institutions in the MENA region, one from Kuwait and the other from the UAE, respectively.

This facility forms part of a broader USD200 million syndicated arrangement coordinated by the International Islamic Trade Finance Corporation (ITFC) to finance essential energy imports for Pakistan.

The syndicated Murabaha facility is structured to support the importation of essential commodities, including crude oil, refined petroleum products, and liquefied natural gas (LNG), all of which are pivotal to Pakistan's energy security and economic stability. Through this Murabaha financing mechanism, ICIEC is providing coverage against the Non-Honouring of Sovereign Financial Obligations (NHSFO) of the Government of Pakistan, represented by the Ministry of Economic Affairs.

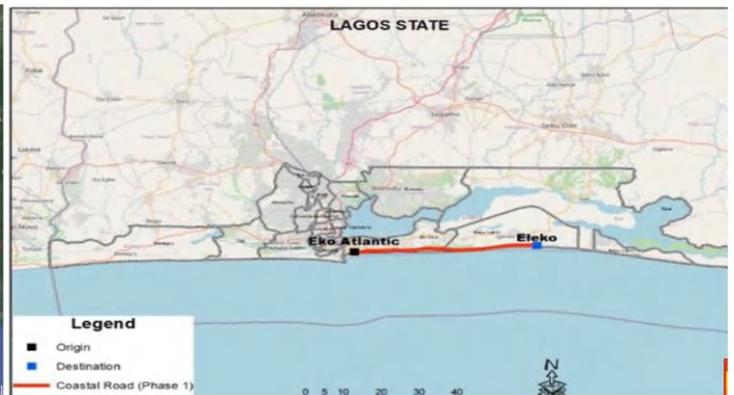
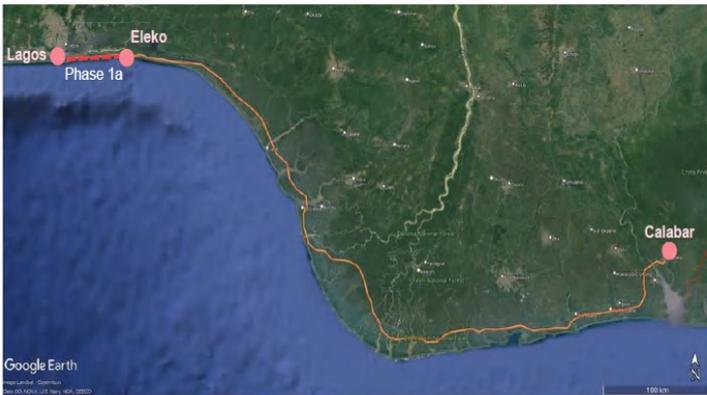
This transaction is crucial for the Government of Pakistan as it seeks to mobilize funds to sustain the procurement of strategic energy resources amidst challenging global market conditions. The arrangement eases

the burden on Pakistan's foreign exchange reserves by enabling access to international financing while also guaranteeing a steady supply of energy products essential for the country's industrial and domestic requirements.

This transaction supports key Sustainable Development Goals, including SDG 7 (Affordable and Clean Energy), SDG 8 (Economic Growth), and SDG 17 (Partnerships). By securing essential energy imports, it promotes reliable and sustainable energy access, boosts economic stability, and fosters strong partnerships to address development challenges in Pakistan and beyond.

ICIEC's role in this landmark transaction highlights its mandate to facilitate trade and investment flows within its Member States by providing Shariah-compliant risk mitigation solutions tailored to the requirements of sovereign entities and corporates. The collaboration between ICIEC, ITFC, and two prominent financial institutions from Kuwait and the UAE exemplifies the strength of multilateral partnerships in tackling development challenges faced by OIC member states through innovative financial instruments.

ICIEC Supports USD466 Million Islamic Financing for the Lagos-Calabar Coastal Highway Project Transforming Nigeria’s Road Infrastructure



ICIEC is proud to support the Lagos-Calabar Coastal Highway Project, a major infrastructure initiative poised to enhance Nigeria’s economic growth, regional integration, and sustainable development.

The project entails the construction of a 47.7-kilometer, six-lane highway along Nigeria’s southern coast, designed to improve connectivity within Lagos and beyond. Importantly, the highway includes a central corridor reserved for a future railway, highlighting a forward-looking approach to multimodal transport.

ICIEC provided NHSFO insurance coverage for USD466 million of Islamic financing extended by Deutsche Bank and First Abu Dhabi Bank to the Federal Government of Nigeria. This risk mitigation is crucial in attracting international investment for this strategic project, which has a seven-year tenor.

The highway will significantly reduce travel times and ease congestion in Lagos, Africa’s busiest city, boosting productivity for businesses and commuters. The project is expected to generate around 900 direct and 300 indirect jobs, with a strong emphasis on recruiting local workforce, notably women and youth. Structured training programmes will enhance workers’ skills, supporting long-term employability.

Furthermore, at least 40% of contracts are allocated to local small and medium-sized enterprises, promoting inclusive economic growth.

Environmental and social sustainability are key pillars of the project. Comprehensive impact assessments and stakeholder engagement have guided community compensation and livelihood restoration plans.

Regionally, the highway strengthens West African connectivity by supporting the Trans-West African Coastal Highway corridor under the ECOWAS infrastructure programme, facilitating trade and integration across borders. This, combined with the planned railway corridor, enhances Nigeria’s role as a gateway to regional markets.

The project also directly supports several UN Sustainable Development Goals, including SDG 8 on decent work and economic growth through job creation and skills development; SDG 9 on building resilient infrastructure; SDG 11 on making cities inclusive, safe, and sustainable by improving urban transport; and SDG 13 by taking action to combat climate change through environmentally responsible construction and design.

ICIEC’s insurance backing is instrumental in mobilizing the financing needed to bring this transformative project to life, supporting Nigeria’s sustainable development and regional competitiveness for years to come.

ICIEC Issues USD40 Million Insurance Policy to Support Dredging and Development of SOHAR Port and Freezone in Oman

ICIEC signed a Specific Transaction Policy (STP) for Royal Boskalis (Boskalis), valued at USD40 million. The agreement underpins a project critical to expanding Oman’s logistics capacity. By deepening navigation channels and enhancing jetty infrastructure, these strategic developments will significantly increase SOHAR Port’s throughput capacity, attract high-value industrial investments, and solidify the Sultanate’s role as a leading regional maritime hub—all in alignment with Oman Logistics Strategy 2040. Moreover, this will pave the way for a major energy milestone: the launch of the Middle East’s first LNG bunkering project, MARSALNG, a joint venture between Total Energies and OQEP, positioning Oman at the forefront of clean maritime fuel.

Dr. Khalid Khalafalla, CEO of ICIEC, remarked: “By supporting Boskalis’ participation in the SOHAR Port and Freezone South Expansion Project, we are helping to secure the delivery of a project that will fortify Oman’s gateway to world trade, generate skilled employment, and promote sustainable, diversified growth. ICIEC’s mission is to back the infrastructure that opens new trade corridors, deepens connectivity and broadens economic opportunity across our member states.”

ICIEC Issues USD100 Million Insurance Policy to SMBC Aimed at Boosting Nigeria’s Export Financing



ICIEC signed a Bank Master Policy (BMP) with Sumitomo Mitsui Banking Corporation (SMBC). Under the agreement, ICIEC provided insurance cover for SMBC’s USD100 million participation in a structured finance facility ultimately extended to a Nigerian energy company. The ICIEC’s BMP safeguards SMBC against non payment risk arising from the company’s failure to deliver under its contractual obligations thereby de-risking the transaction.

The facility aligns with ICIEC’s mandate to promote trade among member states by mitigating credit and political risks for international financial institutions. It also supports Nigeria’s broader strategy to leverage its natural energy resources to drive sustainable economic growth and attract long term capital.

ICIEC Insurance Cover Unlocks EUR250 Million for Infrastructure and Trade Growth in Six African Member States



ICIEC signed a Non-Honouring of Financial Obligations for Multilateral Development Banks (NHFO-MDB) policy to secure a EUR 250 million financing package arranged by Standard Chartered Bank.

The agreement, concluded on the sidelines of the IsDB Group Annual Meetings 2025 in Algiers in May 2025, was signed by Dr. Khalid Khalafalla, Chief Executive Officer of ICIEC, and Mr. Sujithav Sarangi, Executive Director, Development and Agency Finance at Standard Chartered Bank.

ICIEC's NHFO-MDB policy insures the financing provided by Standard Chartered Bank (Hong Kong), Standard Chartered (Kenya) and DZ Bank to the Eastern and Southern African Trade and Development Bank (TDB). The funds will support an eligible portfolio of infrastructure, energy and trade-finance initiatives in six common member states of ICIEC and TDB - Mozambique, Uganda, Comoros, Djibouti, Egypt and Senegal - by providing credit enhancement to the lenders and thereby unlocking critical capital for high-impact projects.

Dr. Khalid Khalafalla commented: "By providing ICIEC's NHFO-MDB insurance cover to this landmark facility, we are doing more than mitigating risk—we

are fast-tracking development. Such a facility empowers TDB to accelerate infrastructure, energy and trade projects that will light homes, connect markets and create dignified jobs across six of our common member states. It is a clear demonstration of how Islamic finance can mobilize private resources for inclusive, sustainable growth."

Sujithav Sarangi, Executive Director, Development and Agency Finance, Standard Chartered added: "We are proud to partner with ICIEC on yet another impactful project. The success of this project is rooted in the significant, and tangible, benefits this development will bring. Our enduring partnership with ICIEC exemplifies our shared mission to drive meaningful impact in the communities and markets we support."

The transaction underscores ICIEC's commitment to deploy innovative risk-mitigation solutions that advance the IsDB Group's objective of fostering inclusive, resilient, and sustainable development across its Member States.

ICIEC Extends EUR232 Million Insurance Policy to Bank Consortium Led by Standard Chartered Bank to Support Financing for Côte D'Ivoire's Landmark "Tour F" Development

ICIEC signed an endorsement to the NHSFO policy with a consortium of banks led by Standard Chartered (Hong Kong) Limited. The endorsement supports an additional EUR 130 million Murabaha facility to the Ministry of Finance and Budget of the Republic of Côte d'Ivoire, building on the initial EUR 102 million previously insured by ICIEC. With this uplift, the total value of the insured Murabaha facility now stands at EUR232 million. The endorsement policy was signed by Dr. Khalid Khalafalla, CEO of ICIEC, and Mr. Sujithav Sarangi, Executive Director, Development and Agency Finance at Standard Chartered on the sidelines of the 2025 IsDB Group Annual Meetings in Algiers in May 2025.

Under the arrangement, ICIEC's NHSFO policy covers the participating financial institutions with robust credit enhancement. The proceeds will fund the construction of "Tour F"—a flagship government office tower within Abidjan's new Administrative City, designed to modernize public sector infrastructure and improve public service delivery across Côte d'Ivoire.



Dr. Khalid Khalafalla, CEO of ICIEC, commented: "This policy exemplifies how ICIEC's risk mitigation solutions unlock affordable, Shariah compliant capital for transformational public projects. Through this, ICIEC is supporting Côte d'Ivoire to realise a state of the art administrative hub that will boost efficiency, stimulate the local construction sector, and advance the country's development agenda in line with the UN SDGs."

Sujithav Sarangi, Executive Director, Development & Agency Finance, Standard Chartered added: "This collaboration with ICIEC is testament to our shared commitments to impact and advancement. We are thrilled to combine our expertise, and continue our long-standing partnership, with ICIEC to support this significant development in Côte d'Ivoire."

ICIEC Issues EUR37 Million Insurance Policy Backing Islamic Financing Facility for Türkiye's Nakkaş Başakşehir Motorway

ICIEC signed a EUR 37 million NHSFO policy in support of an Islamic financing facility provided by Standard Chartered for the landmark Nakkaş Başakşehir Motorway Project in Türkiye.

The policy was signed on the sidelines of the IsDB Group Annual Meetings 2025 in Algiers in May 2021 by Dr. Khalid Khalafalla, CEO of ICIEC, together with Mr. Puneet Sharma, Executive Director, Development & Agency Finance, Standard Chartered.

Dr. Khalid Khalafalla, CEO, ICIEC, commented: "ICIEC is proud to bolster strategic infrastructure in Türkiye by de-risking this Shariah compliant financing for the Nakkaş Başakşehir Motorway. Our NHSFO policy support enables Standard Chartered to channel essential long term capital into a project that will enhance connectivity, spur economic activity, and create jobs. This transaction exemplifies ICIEC's mission to mobilize sustainable investment for our member states and to strengthen partnerships that drive inclusive growth."

Mr. Puneet Sharma, Executive Director, Development & Agency Finance, Standard Chartered says: "We are thrilled to have played our part in this



pivotal infrastructure project, which will enhance connectivity and establish efficient links between key destinations on the European side of Türkiye. Our participation in this project reflects our commitment to driving growth in Türkiye and the strength of our partnership with ICIEC across the markets we serve. Standard Chartered acted as Sponsors Financial Advisor, Mandated Lead Arranger, ICIEC/ECA Covered Creditor, ICIEC Covered Tranche Investment Agent, Offshore Security Agent and Hedging Bank."

Spanning the European side of Istanbul, the Nakkaş Başakşehir Motorway will reduce congestion, cut travel times, and improve logistics efficiency—benefits expected to ripple across Türkiye's trade corridors and manufacturing hubs. By complementing its existing Political Risk Insurance (PRI) cover to equity investors, ICIEC delivers a comprehensive risk mitigation package that promotes bankability, and crowds in private capital.

ICIEC and Al Baraka Bank Egypt Sign Two Landmark Policies to Support Export Transactions and Funded Islamic Trade Finance Worth USD50 Million

ICIEC signed two significant insurance policies with Al Baraka Bank Egypt on the sidelines of the IsDB Group Annual Meetings 2025 in Algiers: A Documentary Credit Insurance Policy (DCIP) to support export transactions backed by Letters of Credit, and a Bank Master Policy (BMP) to support funded Islamic trade finance transactions. Each policy supports transactions worth USD50 million.

The policies were signed by Dr. Khalid Khalafalla, CEO of ICIEC, and Mr. Ahmed Atteya, Head of Financial Institutions Department at Al Baraka Bank Egypt. These agreements underscore the critical role of tailored risk-mitigation instruments in de-risking and enabling cross-border trade.

The DCIP provides comprehensive coverage for Al Baraka Bank's documentary credit transactions by protecting the bank against the



non-payment risk of overseas banks issuing Letters of Credit (LCs). This enables the Bank to enlarge its LC confirmation business to support Egyptian exports.

The BMP, meanwhile, is expected to support funded Islamic trade finance transactions and represents a key step toward the development of Islamic finance and enhancing its role in supporting SMEs in Member States.

Strengthening Intra-OIC Trade ICIEC Supports Saudi Frozen Food Exports

ICIEC issued a Global Alliance Policy (GAP) in support of the Food and Fine Pastries Manufacturing Company "Sunbulah", a prominent Saudi Arabian exporter in the frozen food industry which was facilitated by NASCO Saudi. The policy, issued in May 2025, provides one-year coverage against protracted default, insolvency, and political risks, with a total insured amount of USD115 million. The transaction supports the export of a wide range of food and non-food products, including frozen vegetables, dairy items, honey, ice cream, beverages, and consumer goods such as diapers to markets in Oman, Qatar, the UAE, Jordan, and Canada.

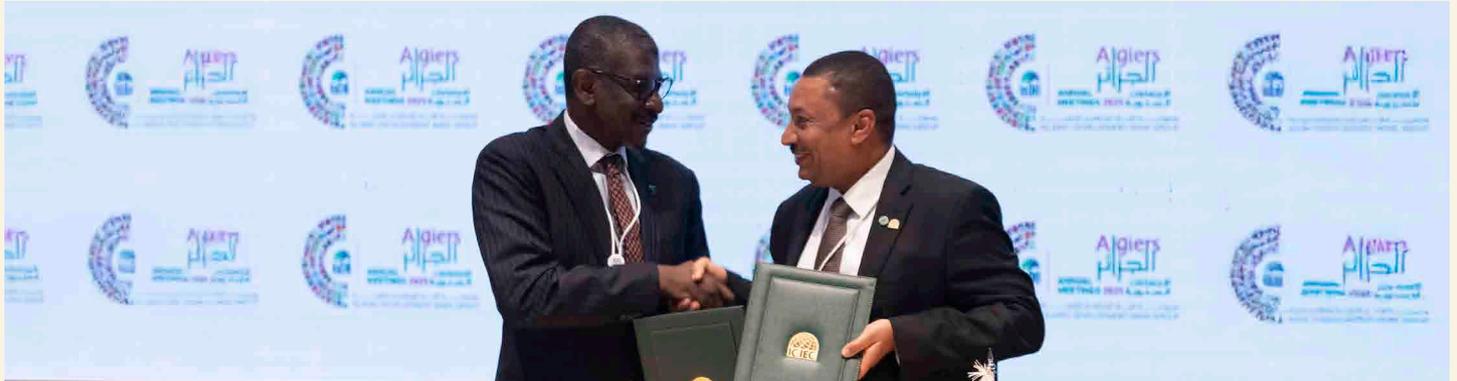
This transaction aligns closely with ICIEC's mandate to facilitate trade and investment among OIC Member States and enhance food security. By mitigating commercial and political risks, the GAP policy strengthens investor and lender confidence, promotes private sector engagement in international markets, and enables broader access to trade finance. This



contributes directly to export sector development, particularly within the food industry, and supports sustainable development goals (SDGs) such as Zero Hunger (SDG 2), Decent Work and Economic Growth (SDG 8), and Partnerships for the Goals (SDG 17).

The anticipated development impact includes increased trade and economic activity, enhanced food security across OIC countries, and improved resilience of global food supply chains. Key measurable results expected from the transaction include higher volumes and values of insured exports, expanded financing opportunities for exporters, and deeper regional economic integration.

ICIEC and NEXIM Forge Strategic Partnership for Export Credit and Investment Insurance in Nigeria



Algiers – ICIEC signed a landmark Memorandum of Understanding (MoU) with the Nigerian Export-Import Bank (NEXIM) aimed at boosting ties between the two entities.

The MoU was signed during the IsDB Group Annual Meetings 2025, held in Algiers in May 2025. The signing ceremony, attended by senior officials from both organizations, was led by Dr. Khalid Khalafalla, CEO of ICIEC, and Mr. Abba Bello, Managing Director & CEO of NEXIM.

This MoU establishes a strategic framework aimed at deepening cooperation between ICIEC and NEXIM, with a focus on key areas that will strengthen the export credit and investment insurance landscape.

The collaboration seeks to promote financial and trade relations while driving economic growth across ICIEC's member states and beyond.

The partnership will foster the exchange of expertise in export credit and investment insurance, joint marketing, and the development of tailored products for the export and investment markets. Capacity-building initiatives will ensure NEXIM is equipped to sustain long-term benefits. This strategic positioning will enable NEXIM to leverage its capacity effectively, supported by ICIEC, to achieve its ambitious goals. Additionally, NEXIM has joined the AMAN Union, further enhancing its outreach within the export credit insurers of the OIC Member States.

ICIEC and CAGEX Renew Reinsurance Alliance to Fuel OIC Trade Growth



Algiers – ICIEC signed the renewal of a reinsurance treaty arrangement with the Compagnie Algérienne d'Assurance et de Garantie des Exportations (CAGEX), the Algerian state-owned export credit agency, for the 2025 underwriting year.

The signing ceremony was held on the sidelines of the IsDB Group Annual Meetings 2025 in Algiers in May. The agreement was signed by Dr. Khalid Khalafalla, CEO of ICIEC, and Mr. Zouhair Laiche, CEO of CAGEX, with the aim of deepening cooperation in credit and investment insurance to accelerate trade and investment flows across ICIEC Member States.

ICIEC has partnered with CAGEX since 2008, cumulatively supporting insured business valued at approximately USD2.967 billion through quota-share participation in both export and domestic credit insurance programmes.

This agreement seeks to further extend reinsurance capacity to CAGEX, support product development and capacity building, facilitate technical exchanges, and promote best practices in risk management. With this renewal, ICIEC reaffirms its commitment to empowering national ECAs and fostering sustainable trade and investment flows among OIC member states.

ICIEC Board of Governors Approves 2024 Annual Report and Audited Financial Statements – USD13 Billion in Business Insured in 2024

Algiers – The Board of Governors of ICIEC formally approved the Annual Report and Audited Financial Statements of the Corporation for the Financial Year 2024 during the IsDB Group’s 2025 Annual Meetings in Algiers in May 2025.

The 2024 annual report shows that ICIEC achieved USD13 billion in business insured in the year 2024, bringing the cumulative Business Insured since inception to USD121 billion, of which USD96 billion is in export credit and USD25 billion in investment. The Corporation facilitated USD57 billion in intra-OIC trade and investment transactions and advanced its Third General Capital Increase to significantly enhance underwriting capacity and reinforce long-term financial stability.

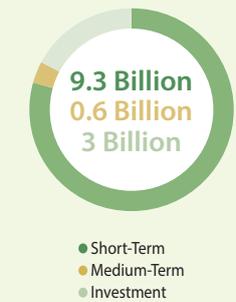
To drive operational excellence, ICIEC refined its pricing framework and enhanced economic capital models, ensuring more sustainable, risk-adjusted growth. Strategic partnerships were deepened with development partners and the private sector to unlock critical capital flows in food security and infrastructure projects. The inclusion of the Togolese Republic as the 50th Member State during the year further broadened ICIEC’s reach and bespoke insurance solutions to promote economic development across West Africa.

Under the IsDB Group Food Security Response Program (FSRP), ICIEC approved over USD1 billion in food-related transactions to support Member States impacted by the global food crises. In line with its climate commitment, the Board of Directors approved a dedicated Climate Change Policy, and 13% of 2024 Business Insured was allocated to climate-related initiatives.

New Insurance Commitments
USD 5.3 Billion



Total Business Insured
USD 12.9 Billion



ICIEC’s financial resilience was evident in its USD24.9 million net result—a 4% improvement year-on-year—and its seventh consecutive year of a technical surplus. Moody’s maintained ICIEC’s rating of Aa3 for the 17th consecutive year and S&P Global Ratings assigned ICIEC a first-time rating of AA- with a stable outlook.

“2024 was a testament to our unwavering commitment to support Member States through innovative, Shariah-compliant solutions,” said Dr. Khalid Khalafalla, CEO of ICIEC. “Insuring USD13 billion in business last year and achieving a seventh consecutive year of a technical surplus reflects our strong ability to navigate complex markets and deliver tangible value. Looking ahead, we remain committed to expanding our capacity to de-risk trade and investment, driving sustainable growth across our Member States.”

ICIEC Honours Award Winning Deals at the IsDB Group Private Sector Forum 2025 in Algiers in May

Algiers - ICIEC honoured the winners of its flagship accolades at the IsDB Group Private Sector Forum 2025 Awards. The awards ceremony was held on the sidelines of the IsDB Group Annual Meetings 2025 in Algiers on 21 May, celebrating transactions that have translated Shariah-compliant risk-sharing into measurable socio-economic benefits across the OIC Member States.

Mopane Securities Plc was honoured with the Best Trade Credit Insurance Deal of the Year Award for structuring a USD20 million medium-term credit facility for Uzbekistan’s JSC Aloqabank, arranged by Frontera Capital Group Limited. With 95% insurance coverage from ICIEC, the facility enables Aloqabank to extend fresh liquidity to a curated portfolio of Uzbek businesses—mobilizing cross-border capital without conventional collateral and directly advancing SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry, Innovation and Infrastructure).

Deutsche Bank received the Best Foreign Investment Insurance Deal of the Year Award for arranging a seven-year, EUR 149 million Commodity



Murabaha term facility mandated by Côte d’Ivoire’s Ministry of Finance and Budget to finance regional hospitals in Kong and Odienne. ICIEC’s NHSFO policy covers 95% of principal and profit, de-risking the project and enabling the addition of 377 beds.

The award winners were selected by an independent panel of esteemed experts, following a rigorous evaluation process grounded in impact, innovation, and alignment with the Sustainable Development Goals (SDGs). This approach underscores the awards’ commitment to transparency, impartiality, and excellence in recognizing meaningful contributions to sustainable development.

ICIEC-Supported Nakkaş-Başakşehir Motorway Project in Türkiye Wins TXF Social Infrastructure Deal of The Year 2024



Copenhagen - ICIEC is pleased to announce that the Nakkaş-Başakşehir Motorway Project in Türkiye has been named TXF's Social Infrastructure Deal of the Year 2024. ICIEC was honoured with the award during the TXF Global Awards Ceremony held in Copenhagen, Denmark on 11 June 2025.

This landmark project involves EUR 1.044 billion in non-recourse financing for the development of a 35-kilometer greenfield motorway in Istanbul Province - the final section of the Northern Marmara Motorway, a 450-kilometer corridor connecting Türkiye's Asian and European regions. The public-private partnership is expected to significantly reduce traffic congestion, improve trade logistics, and cut commute times by up to 40 minutes.

The project aligns with multiple UN Sustainable Development Goals (SDGs), notably SDG 8 (Decent Work), SDG 9 (Infrastructure), SDG 11 (Sustainable Cities), and SDG 17 (Partnerships), by creating jobs, modernizing transport infrastructure, and fostering international cooperation.

ICIEC played a pivotal role in the financial close by offering a comprehensive risk mitigation solution, including a EUR 74 million NHSFO policy to Standard Chartered Bank and Deutsche Bank, and Equity Investment Insurance to Korean investors.

This transaction exemplifies ICIEC's mission to provide innovative risk mitigation solutions that enable impactful trade and infrastructure investment across its 50 member states.



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Social Development**

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