



ICIEC

THE ISLAMIC CORPORATION FOR
THE INSURANCE OF INVESTMENT
AND EXPORT CREDIT
Member of the Islamic Development Bank Group

Virtual Arab-African
Business Forum on
Agri-Food products

From July 6th to 8th, 2021

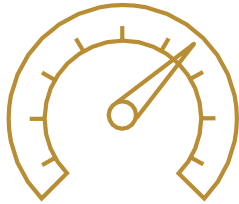


The Role of ICIEC in Enhancing Arab-Africa Trade and Investment in Agri-Food Products

ICIEC is a Unique International Financial Institution



Established in 1994 in Jeddah - Saudi Arabia as a multilateral institution and member of the Islamic Development Bank Group



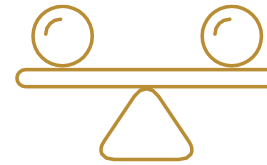
Owned by AAA rated

Islamic Development Bank and 47 countries which are members of the Organization of Islamic Cooperation



Authorized Capital Islamic Dinar

(ID) 400 million
(equivalent to USD 552 million)
(1 ID=USD 1.38).

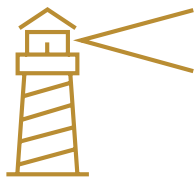


Rated Aa3

by Moody's with a Stable Outlook.

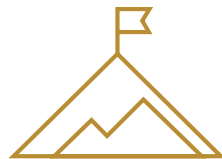


Pioneer of Shari'ah compliant export credit and investment insurance and reinsurance solutions.



Our Vision

To be recognized as the preferred enabler of trade and investment for sustainable economic development in Member Countries.



Our Mission

To facilitate trade and investment between member countries and the world through Shari'ah-compliant risk mitigation tools.



ICIEC Strategy

- To enhance economic development in member countries and ensure financial sustainability.
- To be the preferred enabler of economic and social development in member countries, using trade credit and investment insurance solutions as a tool.

ICIEC Mandate is to Expand Commercial Transactions and Encourage Investment Flows into OIC Member Countries



ICIEC mandate is to promote cross-border trade and foreign direct investment (FDI) in its member countries.

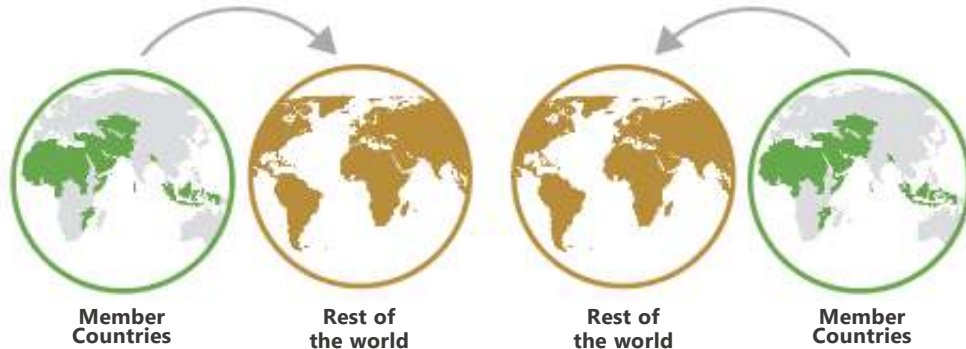


ICIEC serves its mandate by providing risk mitigation & credit enhancement solutions to member countries' exporters selling to buyers across the world, and to investors from across the world investing in member countries.



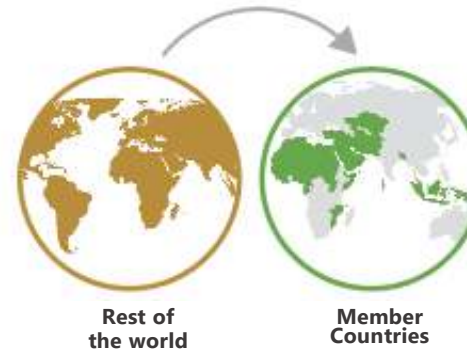
ICIEC also supports international exporters selling to member countries, if the transactions are for capital goods or strategic commodities.

CREDIT INSURANCE



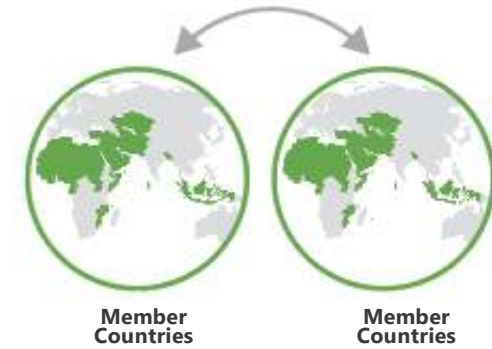
To facilitate member countries' exports to the rest of the world.

INVESTMENT INSURANCE



To facilitate the flow of foreign direct investment into member countries.

INTRA-OIC COOPERATION

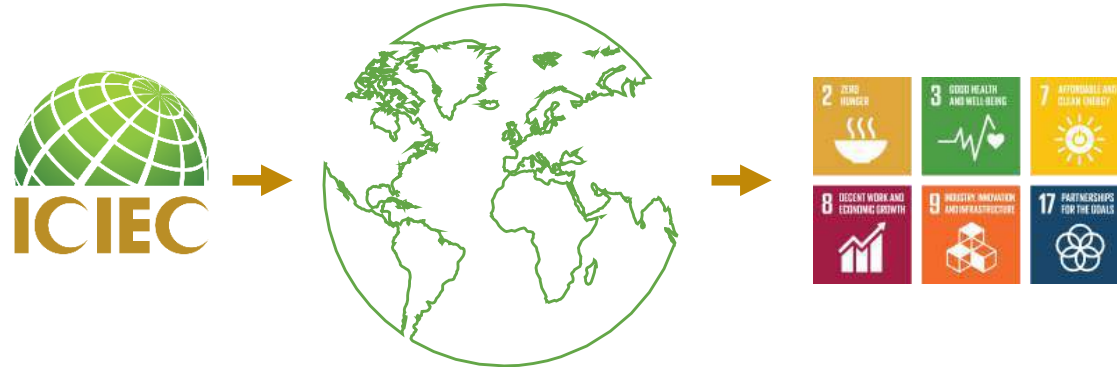


Facilitate trade, investment and information sharing between OIC member countries.

ICIEC Support for the Sustainable Development Goals ...



“**ICIEC** acts as a catalyst for private sector capital to be mobilized and directed towards achievement of the **SDGs**”



ICIEC’s mandate to support sustainable economic development of its Member Countries. It also contributes to Islamic Development Bank Group’s (IsDBG) -10 Year Strategy (2025–2015) which is aligned with the SDGs



SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture

ICIEC has supported over USD 1,341 million in trade and investment in the agricultural sector since inception



SDG3: Ensure healthy lives and promote well-being for all at all ages

ICIEC has insured upwards of USD 1,427 million in trade and investment in the health sector since inception



SDG7: Ensure access to affordable, reliable, sustainable and modern energy for all

ICIEC has supported USD 21,915 million in trade and investment related to energy since inception



SDG 8: Promote inclusive and sustainable economic growth, employment and decent work

ICIEC has insured over USD 7.9 billion for imports, exports outward and inward investment in LDMCs and USD 2.7 billion in labor-intensive industries among all its member countries since inception



SDG9: Build resilient infrastructure, promote sustainable industrialization and foster innovation

ICIEC has supported USD 4,129 million in trade and investment related to infrastructure since inception



SDG 17: Revitalize the global partnership for sustainable development

ICIEC has established more than 80 partnerships with, inter alia, ECAs, reinsurers, banks and other multilaterals

ICIEC support to Agriculture...in a nutshell



- ▶ Since its inception, ICIEC has supported USD 1.3 billion worth of trade and investment in the agricultural sector. Countries like Syria, Sudan, Bangladesh, Egypt and Nigeria have benefited from ICIEC's support in achieving their food security.
- ▶ The types of support provided range from supporting the importation of basic food items to empowering the agriculture modernization in member countries
- ▶ Since the beginning of the Covid-19 crisis, ICIEC has provided USD 420 million indication of support to the agriculture and food sector in various member countries, many of which are on the verge of food insecurity.
- ▶ ICIEC is contributing to the implementation of IsDBG Agriculture and Rural Development Strategy Action Plan (2020-2024). The strategy places strong focus on improving the performance of smallholder farmers and related agribusinesses given their importance in most MCs.
- ▶ ICIEC is part of the MoU signed between The Islamic Development Bank Group and The Islamic Organization of Food security . The agreement aims at exchanging information and promote co-financing of agriculture and rural development, especially in areas of food security, food balancing and agribusiness projects in countries of mutual interest

Blended Insurance Program: ISFD-ICIEC COVID-19 Emergency Response Initiative



- ▶ Joint initiative between ISFD (the poverty alleviation arm of the Islamic Development Bank) and ICIEC in a form of a blended finance/insurance program to ensure **continuous supply of strategic goods during Covid-19 crisis**
- ▶ The initiative targets the Least Developed Member Countries **to preserve access to international financing**
- ▶ ICERI aims at leveraging the use of grant and **transform it into a cost effective and de-risked financing (Multiplier effect of 200X)**
- ▶ 30% of the program was dedicated to food suppliers and agriculture commodities
- ▶ The initiative covers three types of strategic products:

1. **Medicine, medical equipment and sanitary products** :vaccines, testing kits, protective gears, ambulances, hand sanitizers, detergents and soaps, etc
2. **Essential food supplies and agriculture commodities** meat & fish, dairy products, rice, wheat, sugar, corn, cooking oils, etc.
3. **Energy supplies** :rude oil, gasoline, LPG, coal,



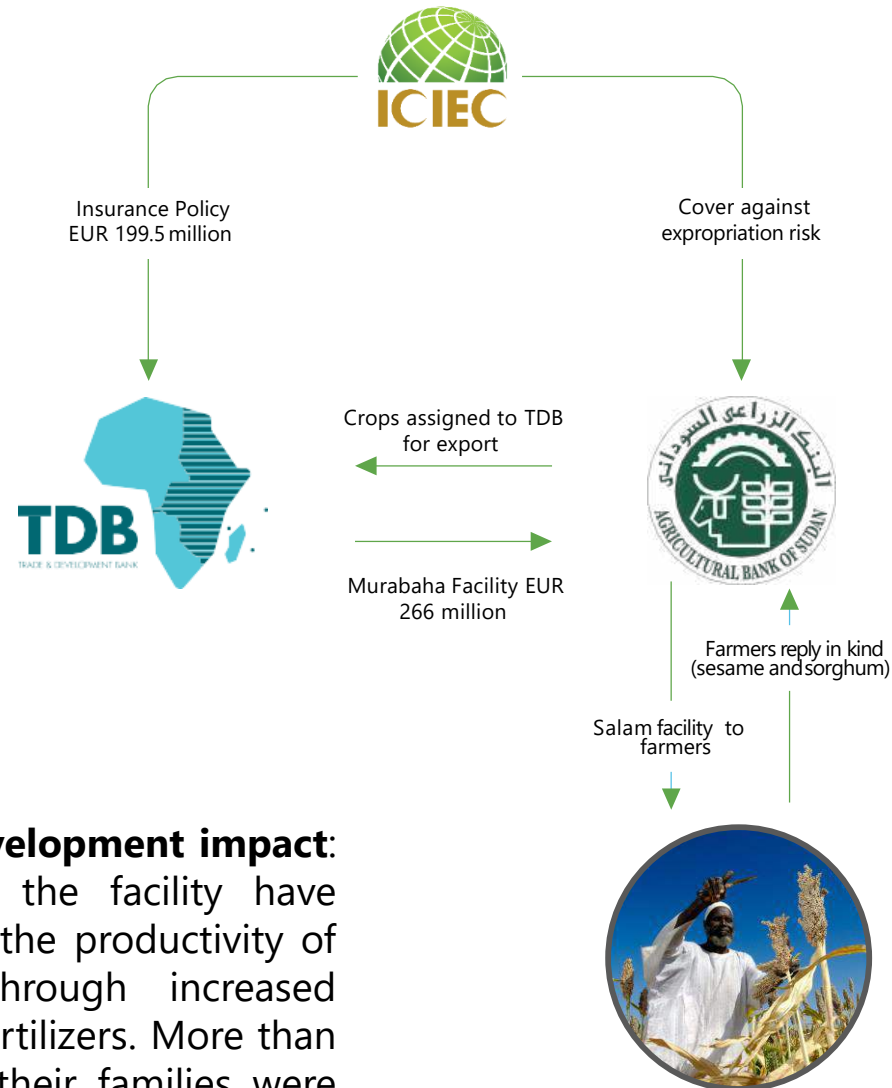
ICIEC is the sponsor and insurer of EBID-ECOWAS strategic commodities regional bulk program



- 1. Project:** Support for the Agricultural Sector in 15 ECOWAS countries
- 2. Risk covered:** Commercial risk
- 3. Insurance duration:** 12 months
- 4. Percentage of cover:** 95%
- 5. ICIEC covered amount:** USD 100 m
- 6. Development impact:** Project supports the availability of

ICIEC value added & Development impact: ICIEC acts as a trade enabler for the program, that aims at increasing the soil productivity to ensure food security for ECOWAS countries. ICIEC capacity to mobilize financing ensures the availability of cost effective fertilizers .

ICIEC solutions to support Sudanese farmers

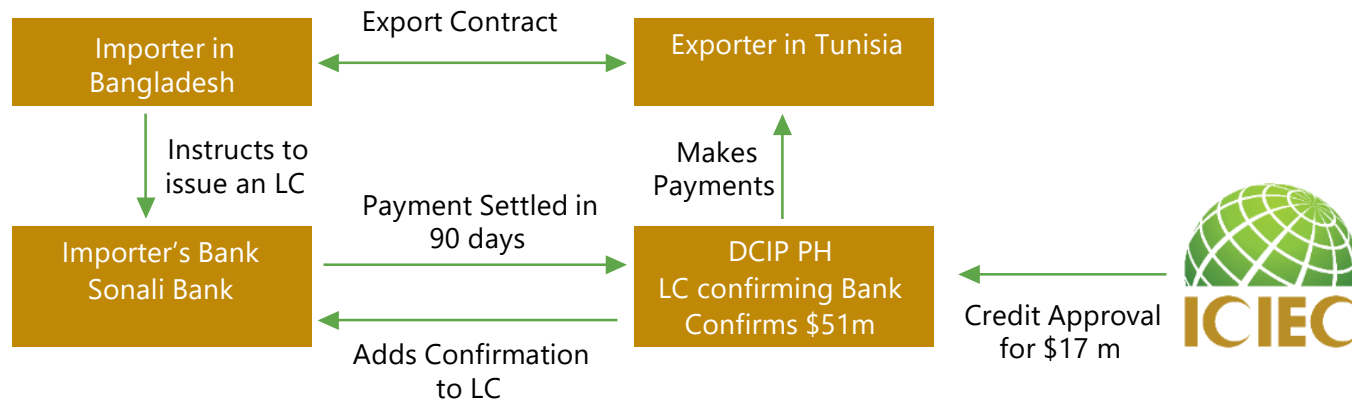


ICIEC value added & Development impact:

The loans issued under the facility have contributed to increasing the productivity of agriculture in Sudan through increased availability of seeds and fertilizers. More than one million farmers and their families were expected to benefit

- 1. Project:** Support for the Agricultural Sector in Sudan
- 2. Risk covered:** Expropriation
- 3. Insurance duration:** 2 years
- 4. Percentage of cover:** 95%
- 5. ICIEC covered amount:** EUR 199.5m
- 6. Development impact:** Project supports the expansion of the Sudanese agricultural sector, increasing production and improving the welfare of farmers.

Import of Fertilizers, Bangladesh



1. Amount: \$51 million

2. ICIEC share : \$17 million for 3 revolving LCs

3. Credit Period: 90 days

4. ICIEC cover: Risk Covered- 90% risk of non-payment of LC issuing bank

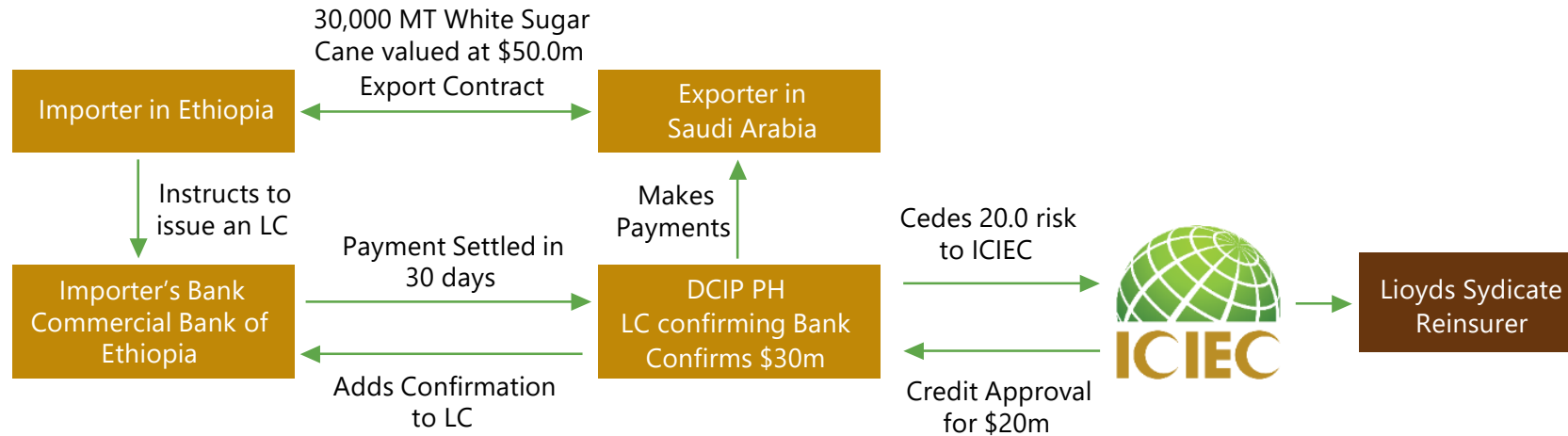
ICIEC value added & Development impact: ICIEC extended cover to the exporter's bank under the Documentary Credit Insurance Policy (DCIP) and facilitated the export of fertilizers worth USD 51 million from Tunisia to Bangladesh.

ICIEC helps increasing the exporter's bank risk appetite through its partial insurance support

ICIEC support to Saudi sugar producers



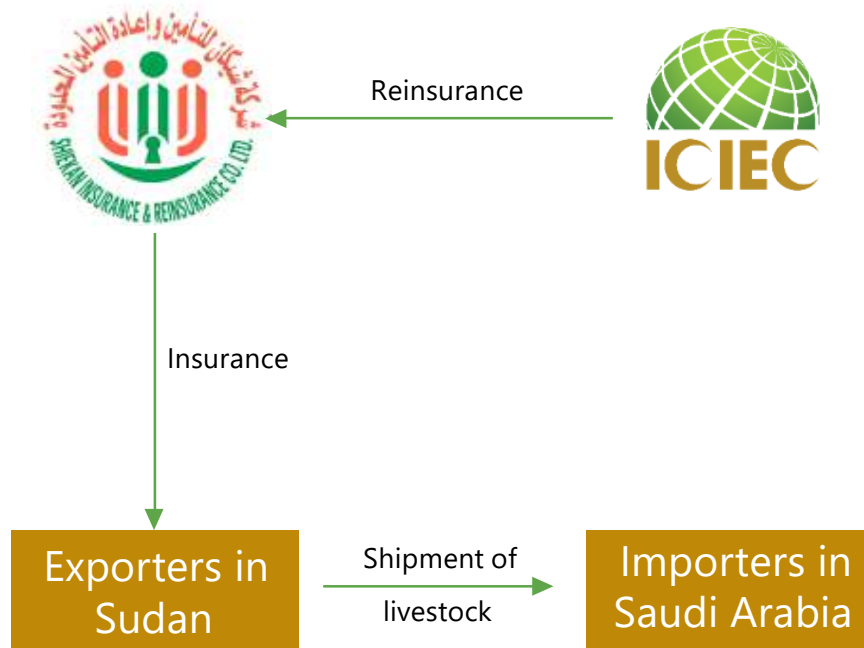
Export of Sugar Cane, Saudi Arabia



1. **Amount:** \$50 million
2. **ICIEC's share:** \$20 million
3. **Credit Period:** 30 days
4. **Pricing:** Pre-Agreed 3% p.a applied to the credit risk period
5. **ICIEC cover:** Risk Covered- 90% risk of non-payment of LC issuing bank
6. Settled in May 2008

ICIEC value added & Development impact: ICIEC extended cover to the exporter's bank under the Documentary Credit Insurance Policy (DCIP) and facilitated the export of sugar cane worth USD 50 million from Saudi Arabia to Ethiopia. ICIEC helps increasing the exporter's bank risk appetite through its partial insurance support

Export of Livestock, Sudan



ICIEC value added & Development impact: This eliminated the need for exporters to assign real estate property as collateral to banks. This structure helped Sudan increase its exports of livestock to Saudi Arabia to more than USD 200 million in 2011 and 2012.

- 1. Reinsured:** Shiekan & Naif , Sudan
- 2. Risk covered:** Non-payment due to commercial and political risks
- 3. Insurance duration:** 1 year
- 4. Percentage of cover:** 90 %
- 5. ICIEC covered volume:** 1.2 million sheep
- 6. Development impact:** Facilitate small farmers access to exports market by eliminating the need for exporters to assign real estate property as collateral to banks. This structure helped Sudan increase its exports of livestock to Saudi Arabia to more than USD 200 million in 2011 and 2012.

ICIEC support to Foreign Direct Investment in the agriculture sector



Kenan Sugar Company, Sudan



ICIEC value added & Development impact : The expansion project not only increased the existing crushing capacity of sugar cane from 17,000 mt to 26,000 mt per day, but also diversified sources of income by introducing processing of the factory's byproducts of bagasse and molasses to produce coal briquettes and molasses block feed. The project was estimated to create 300 jobs and increase transfer of technology.

- 1. Insured:** Foreign Leasing Company
- 2. Lessee:** Kenan Sugar Company, Sudan
- 3. Cover Against:** Political Risks
- 4. Insurance Duration:** 6 Years
- 5. Percentage of cover:** 90%
- 6. ICIEC Cover:** USD 13.44 mil.
- 7. Status:** expired



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

THANK YOU



www.iciec.isdb.org