



THE ISLAMIC CORPORATION FOR  
THE INSURANCE OF INVESTMENT  
AND EXPORT CREDIT

# 2021 ANNUAL DEVELOPMENT EFFECTIVENESS REPORT

Building Resilience Beyond  
Recovery



مجموعة البنك الاسلامي للتنمية  
Islamic Development Bank Group

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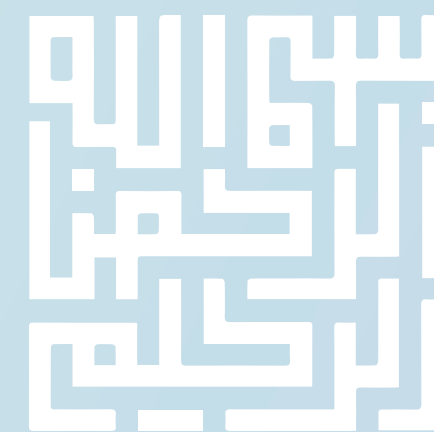
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Oussama Abdul Rahman KAISSI  
Chief Executive Officer



## A FORWARD FROM THE CEO

The first half of 2021 was promising in COVID-19 containment efforts and a rebound in economic recovery, but the latter months of the year have continued to undermine global economic recovery, financial stability, and pandemic preparedness for the world. COVID-19 halted global economic activities and presented overwhelming healthcare challenges. In the aftermath of the pandemic, which left decades of development efforts threatened, millions of citizens in the OIC Member States found their livelihoods disrupted, and small, and large businesses faced significant setbacks. Addressing climate-related risks became of paramount concern after the 26<sup>th</sup> UN Climate Change Conference of the Parties - COP26 - held in Glasgow on 31 October - 13 November 2021, and the Regional conflict in Eastern Europe added to the challenge by increasing inflation worldwide and increasing food insecurity. The Member States now require strong resilience to recover from the pandemic-related disruptions to face the existing and emerging challenges.

The global health crisis caused by the Coronavirus pandemic has diverted much of the world from the already uphill battle to achieve the United Nations Sustainable Development Goals (SDGs). Pre-pandemic, the financing gap was estimated at USD 2.5 trillion. Recent estimates indicate that COVID-19 could have exacerbated

this gap by another USD 1.7 trillion for developing countries. As many OIC nations move forward with longer-term initiatives for recovery, now is a critical time to ensure that these projects promote sustainability and contribute to the achievement of the UN's 2030 development agenda.

The theme of this year's Annual Development Effectiveness Report is "Building Resilience Beyond Recovery", where we highlight our commitment to support the Member States for developing post-pandemic resilience and related impacts. ICIEC's Strategy for Member States Development and Human Development could not be more critical than now as we face increased uncertainty and volatile global markets. This year's report informs our stakeholders about how we have collaborated with our partners, clients, and stakeholders to stay true to our mission by turning uncertainties into manageable risks and opportunities for the Member States. We have continued with our commitment to the sustainable development goals by supporting impactful projects.

ICIEC supported several impactful transactions during the year, and we are proud of the Corporation's achievements in 2021. Some of the vital insurance cover provided was the EUR 40 million in support of constructing roads and five bridges in the Northeastern region of Cote d'Ivoire. The Corporation helped the West African nation empower communities and support trade by providing this insurance cover. We are also proud of providing an EU 81 million NHSFO policy to support the construction of six university campuses in Senegal, each designed to include fully functioning medical centres. These seminal projects extend our commitment to the Member States in addressing both the educational needs and combating the spread of the pandemic by enhancing access to education and healthcare. In another Member State, Cameroon, the Corporation has provided USD 20 million in credit enhancement cover to support the rehabilitation of a centre for disabled individuals. This project was significant for Cameroon, and the nearby states as the centre provides essential medical services to patients in the bordering countries.

The Corporation's development efforts are not possible without the partnerships forged with various stakeholders. ICIEC has developed partnership initiatives with IsDB Group entities to serve the Member States better and support their recovery efforts from the negative impact of COVID-19. IsDB Group has allocated USD 2.3 billion of aid to its Member States and minority Muslim communities in non-Member States under the Strategic Preparedness

and Response Program (SPRP) to combat the health and socio-economic effects of COVID-19. ICIEC has actively contributed to the implementation of SPRP and succeeded in supporting Member States' efforts to combat the pandemic with USD 770 million in approved transactions in 2021. ICIEC's cover facilitated the import of emergency goods and strategic commodities into the Member States, such as medical equipment, foodstuffs, crude oil, and gas.

ICIEC's relationships with financial institutions, national Export Credit Agencies (ECAs), and global credit and political risk Reinsurers have been critical to our sustained growth during this economic uncertainty. By working jointly, ICIEC and its partners increased the reach and depth of service and solutions offerings, enabling us to provide the timely needed support to our Member States. In 2021, ICIEC forged new partnerships with the Member States, such as Saudi Eximbank and the Islamic Organisation for Food Security (IOFS), and non-Member States, such as Nippon Export and Investment Insurance (NEXI).

As we look forward, the increasingly interconnected, volatile, and uncertain market conditions require us to strengthen our commitments toward strengthening the resilience of our Member States and aligning our Strategy with the private sector ESG (Environmental, Social, Governance) agenda. Emerging risks such as climate change, livelihood crises, involuntary migration, and disruptive technologies on the global supply chains are expected to shape the near and long-term future of the world. Collaboration and partnership with our stakeholders, fulfilling ICIEC's role as a multilateral organization promoting cross-border trade and facilitating foreign direct investment, remain crucial to the development impacts that we aim to impart to our Member States. In this Annual Development Effectiveness Report, we share insights and stories of those impacts, and I am pleased to present this year's report and the development highlights.

# ICIEC IMPACT IN NUMBERS (2021)

## 2021 EXPORT SECTOR DEVELOPMENT IMPACT

**\$6,227 million**

## Member State exports supported

**\$125 million**

Total export insured from LDMSs

### Member States Benefited



## SDGs Supported



50 – 100 of Uzbekistan's SMEs will have greater access to trade financing, thanks to ICIEC's USD 25 million insurance coverage through Bank Master Policy.

## 2021 MEMBER STATE DEVELOPMENT IMPACT

**\$2,241 million**

Member State inward investment supported

**\$8,973 million**

Total Member State Intra-OIC  
Trade & Investment supported<sup>1</sup>

**\$908 million**

Investment Supported In  
LDMSs

**\$7,258 million**

Total insured in Member State strategic sectors

### Member States Benefited



SDGs Supported





*The City of Dakar, Senegal, will have improved wastewater management. The city's population will have enhanced resilience against sanitation-relation health issues, especially during the flooding season, thanks to ICIEC's EUR 50 million insurance cover supporting the rehabilitation of a wastewater collector.*



















1 Trade includes exports and imports; and investment includes both inward and outward investments.











2021 SHARIAH-COMPLIANT FINANCIAL SECTOR DEVELOPMENT IMPACT

 <p>Nigeria received urgent financing to secure essential food and commodities to reduce post-pandemic socio-economic distress, thanks to ICIEC for issuing the first-ever BMP Murabaha to the BMCE bank of Morocco and providing USD 12.5 million covers.</p>	<b>\$300 million</b> Business Insured in the Member States via BMP Product	<b>\$1,764 million</b> Business insured in the Member States via DCIP Product
	<b>\$40 million</b> Business insured in the Member States via Joint Business with ITFC	<b>SDGs Supported</b> 

COVID-19 RECOVERY IMPACT 2020 - 2021

<h1>\$781 million</h1> <p>Deployed for Insurance coverage</p>	<h2>SDGs Supported</h2> <div><div><p>3 GOOD HEALTH AND WELL-BEING</p></div><div><p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p></div><div><p>8 DECENT WORK AND ECONOMIC GROWTH</p></div></div>	 <p>People in the Punjab province of Pakistan will have better medical facilities to protect against COVID-19 and future infectious diseases due to installing high-end diagnostic equipment in the city hospitals, thanks to ICIEC's non-payment insurance cover of USD 2.3 million in support of the project.</p>
<h3>Member States Benefited</h3> <div></div>		

2021 HUMAN DEVELOPMENT IMPACT

 <p>Disabled individuals in Cameroon will have reduced inequalities and enhanced participation in socio-economic activities, thanks to ICIEC's cover of USD 20 million in credit enhancement that supported rehabilitation of a centre for disabled individuals.</p>	<b>\$30 million</b> Total business insured in Member State labour-intensive sectors	<b>\$19 million</b> Total Agricultural support provided in the Member States
	<b>\$278 million</b> Total Health sector support provided in the Member States	<b>\$583 million</b> Total Infrastructure support provided in the Member States
<b>Member States Benefited</b> 		
<b>SDGs Supported</b>      		

# EXECUTIVE SUMMARY

As a specialized multilateral insurer, ICIEC provides Shariah-compliant export credit and investment insurance to reduce the risk of doing business for prospective trade partners, businesses, and investors across its 48 Member States (MSs). Since its inception in 1994, ICIEC has been committed to supporting the development of its Member States. ICIEC facilitates the exports of its Member States to the world and brings leading international companies to its Member States, benefiting from its deep understanding of the risks of doing business in these countries.

In 2021, ICIEC contributed to developing the export sector of its Member States by supporting export sector businesses worth USD 6.2 billion. KSA, UAE, Kazakhstan, Bahrain, Jordan, Egypt, Indonesia, Algeria, Pakistan, Senegal, Tunisia, Morocco, Kuwait, Bangladesh, Sudan, Malaysia, Turkiye, and Albania benefited from the export sector-related covers.

During the past year, ICIEC's support for Member State trade and investments included USD 6.2 billion in exports, USD 5 billion in imports, USD 731 million in outward investments, and USD 2.2 billion in inward investments.

To strengthen Intra-OIC trade and investment in the Member States, ICIEC supported USD 9 billion worth of Intra-OIC export, import, and inward and outward investment. The Corporation's commitment to Member State development included insuring USD 7.3 billion worth of business transactions in strategic sectors in its Member States.

As part of ICIEC's commitment to Human Development, the Corporation provided a total of USD 19 million in agricultural support, USD 3.4 billion in energy sector support, USD 278 in health sector support, USD 583 in infrastructure support, USD 1.3 billion in manufacturing support, and USD 1.3 billion in service sector support in its Member States.

ICIEC's risk mitigation covers for trade and investment have helped the Member States to achieve long-term sustainable development. ICIEC catalyzes impact by supporting transactions and projects contributing to the UN's Sustainable Development Goals (SDGs). In 2021, ICIEC continued its commitment to the six SDGs as per the Corporation's mandate and supported projects aligned with those Sustainable Development Goals.

In the past year, ICIEC relentlessly worked to navigate through the COVID-19 pandemic, and the Corporation has not only continued supporting trade and investment in the OIC countries through the implications of the crisis, but it has also stepped up its efforts and responded to the urgent demands from the Member States. Through collaborative efforts amongst member institutions, IsDB Group has been able to leverage complementary strengths and enhance the impact of the Group's response to the crisis in the Member States. USD 781 million was deployed in the past two years to provide pandemic recovery and support its Member States' socio-economic resilience in collaboration with the IsDB Group entities.

ICIEC monitors emerging risks to navigate near-term challenges affecting the Member States' socio-economic realities. Through its uniquely positioned Takaful services that provide risk mitigation solutions and enable trade and investment in the OIC Member States, ICIEC is committed to supporting the development of its Member States as they recover from the pandemic in this volatile global environment.



Freepik

# ICIEC'S DEVELOPMENT EFFECTIVENESS FRAMEWORK

*"ICIEC's Development Effectiveness Framework communicates a structured approach to how ICIEC expects to achieve its intended impacts in the four key developmental categories while aligning the Corporation's outcomes with the UN's Sustainable Development Goals (SDGs). The framework is closely aligned with the IsDB Group's 10-year Strategy and the Group's commitment to the SDGs."*



# 4.1.

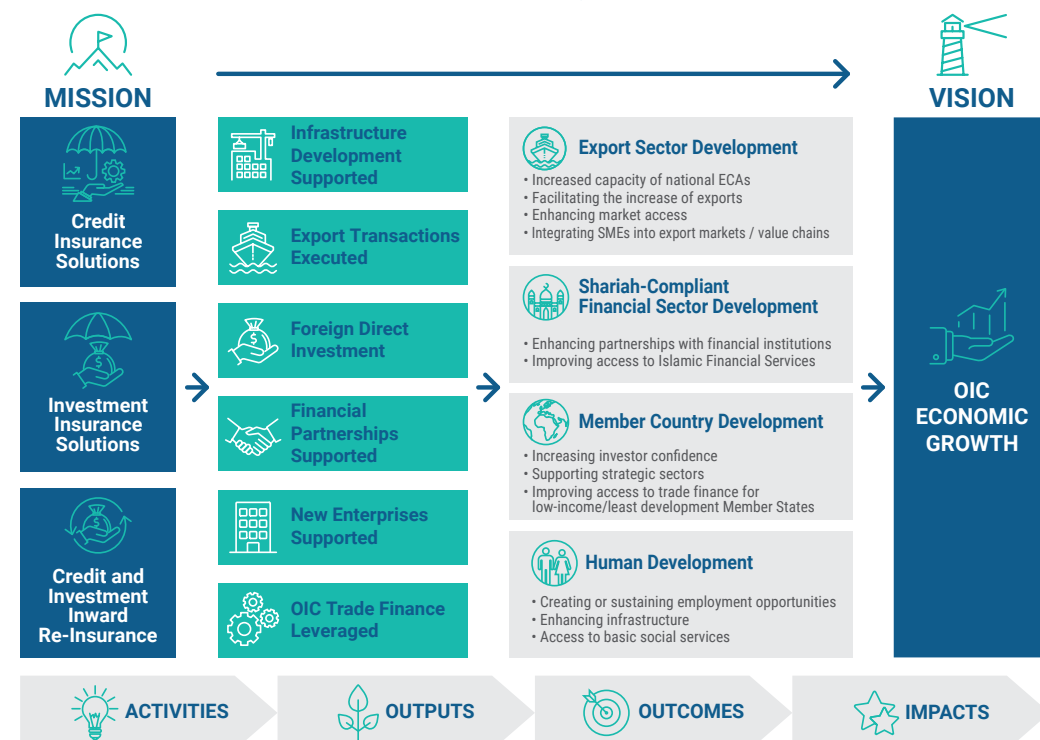
## ICIEC'S THEORY OF CHANGE & IMPACT FRAMEWORK

### ICIEC'S THEORY OF CHANGE

To connect the corporate vision and mission with its products and solutions, ICIEC developed a conceptual road map called ICIEC's Theory of Change (see Figure 1). ICIEC's Theory of Change summarizes the Corporation's impact strategy and establishes the logical connection between what ICIEC does, why it does it, and how it contributes to the defined development outcomes. ICIEC's Theory of Change is developed based on the conception that the Corporation's impact is part of a larger vision aligned with the MSs Development plans and IsDB Group's 10-Year Strategy. ICIEC's mandate and activities support inclusive, responsive, and resilient development in the OIC Member States and directly contribute to increasing connectivity and growth of the global Islamic finance sector.

Through the Theory of Change diagram, ICIEC maps its products and solutions to the desired outcomes that the Corporation aims to achieve for its stakeholders and the Member States.

Figure 1: ICIEC's Theory of Change



### ICIEC'S DEVELOPMENT EFFECTIVENESS FRAMEWORK

ICIEC's Development Effectiveness Framework communicates a structured approach to how ICIEC expects to achieve its intended impacts in the four key developmental categories while aligning the Corporation's outcomes with the UN's Sustainable Development Goals (SDGs). The framework is closely aligned with the IsDB Group's 10-year Strategy and the Group's commitment to the SDGs. ICIEC's Development Effectiveness Framework is developed with the foundation of ICIEC's "Theory of Change" (see Figure 2), which links the Corporation's services to intended outcomes in the export, investment, and financial sectors. The framework is underpinned by a Monitoring and Evaluation system that considers ICIEC's role as a multilateral insurer.

Figure 2: ICIEC's Development Effectiveness Framework



## 4.2.

# ICIEC'S PRODUCTS FOR DEVELOPMENT

ICIEC is the only multilateral export credit and investment insurance corporation globally providing Shariah-compliant insurance and reinsurance solutions and services to support the development of its Member States.



### FACILITATING INTRA-OIC TRADE

Documentary Credit Insurance Policy (DCIP)

With its DCIP, ICIEC directly supports the international correspondent network for banks of its Member States. The MSs' importers and exporters require their banks to support their transactions in markets where the banks may not have a correspondent banking relationship. ICIEC's insurance solutions allow banks to take the risks of correspondent banks with those financial institutions that do not have an international banking network. This solution is critical to facilitate payment modalities and meet short-term financing needs on the part of the importer. ICIEC's insurance mitigates the commercial and political risks involved in these bank-to-bank transactions, making it attractive for banks to grow their trade finance-related businesses to benefit local importing and exporting industries.



### ENHANCING ACCESS TO MARKETS AND FINANCE

Credit Insurance Products

ICIEC mitigates the commercial and political risks of open-account transactions between importers and exporters by offering credit insurance products. By protecting against non-payment, ICIEC's insurance safeguards business continuity for exporters engaging in new and existing business relationships with foreign buyers. At the same time, exporters feel more comfortable negotiating larger contracts and entering new, potentially riskier markets. ICIEC's credit insurance also eases exporter's access to working capital finance, as it can represent an attractive type of collateral to exporters' banks. ICIEC's credit insurance solutions also support access to long- and medium-term

finance for local buyers. Based on ICIEC's insurance, banks are willing to finance buyers' capital investments, thereby supporting the foreign supplier (either from a Member or non-Member State) to sell its capital goods to a Member State's buyer as well as facilitating local manufacturing or capital investments of local businesses and governments.



### IMPROVING ACCESS TO ISLAMIC FINANCE SERVICES

Bank Master Policy (BMP)

ICIEC's Bank Master Policy allows an exporter to obtain Shariah-compliant working capital financing from its bank based on a purchase contract. ICIEC's BMP mitigates the underlying commercial and political risks for the bank and helps the bank structure (Islamic) financing solutions. The working capital facility is especially beneficial for SMEs, who often struggle to implement larger contracts due to working capital restrictions and lack of access to (Islamic) finance.






### FACILITATING INVESTMENTS INTO AND AMONG OIC

Investment Insurance Products

ICIEC's investment insurance products mitigate non-commercial risks concerning investments in its Member States. Thus, ICIEC supports the flow of investments into markets perceived as higher risk, attracts additional project capital, and improves the overall risk perception of the respective country and market.

Figure 3: ICIEC Trade and Investment Solutions

FOR BANKS AND FINANCIAL INSTITUTIONS 	FOR CORPORATES 	FOR EXPORT CREDIT AGENCIES AND INSURERS 
<b>CREDIT INSURANCE SOLUTIONS</b>  <b>Bank Master Policy (BMP)</b>  Provides financial institutions with the confidence and ability to offer Islamic financing for exports with up to 90% of potential losses covered.  <b>Documentary Credit Insurance Policy (DCIP)</b>  Helps protect balance sheet against non-payment of Letters of Credit, ensuring the institution can safely and securely grow its Letter of Credit confirmation business.	<b>CREDIT INSURANCE SOLUTIONS</b>  <b>Comprehensive Short-Term Policy (CSTP)</b>  Protects balance sheet and insures export sales against risks ranging from non-payment to expropriation.  <b>Specific Transaction Policy (STP)</b>  Provides coverage against certain risks.  <b>Specific Transaction Policy (Contract Frustration)</b>  Provides coverage against contract frustration risks, and unfair cancellation of contracts	<b>Quota Sharing Treaty</b>  Protects portfolio against commercial and political risks.  <b>Reinsurance Facultative Agreement</b>  Offers reinsurance of Foreign Investment Insurance.  <b>REINSURANCE OF DOMESTIC BUSINESS</b>  Provides reinsurance to transfer some of the risks of domestic businesses previously insured.  <b>EXCESS OF LOSS</b>  Protects portfolio and limits losses.
<b>INVESTMENT INSURANCE SOLUTIONS</b>  <b>Non-Honouring of Sovereign Financial Obligations (NHSO)</b>  Protects against country risk.  <b>Foreign Investment Insurance Policy (FIIP) for Financing Facility</b>  Helps mitigate against country risks by providing coverage against project financing abroad and attracting capital for projects.	<b>INVESTMENT INSURANCE SOLUTIONS</b>  <b>Foreign Investment Insurance Policy (FIIP) for Equity</b>  Mitigates country risks when expanding business abroad.	



## 4.3.

# ICIEC'S DEVELOPMENT CONTRIBUTION

### TOWARDS EXPORT SECTOR DEVELOPMENT IN THE MEMBER STATES

Export sector development is vital for the growth of an economy and for a country to participate in global trade fully. The export sector is significant for economic growth through two main channels. First, it is a base for foreign exchange generation for a country, and second, it is a source for job creation. As the export sector grows more income is generated for governments through taxation and this income can be used to finance public projects that foster economic and human development in the country. At a firm level, facilitating export growth induces firms to increase their productivity. In turn, they require more labour leading to increased labour demand in the economy and job creation. The macroeconomic impact of this is higher firm and labour productivity leading to higher GDP growth. Additionally, with more jobs created in the economy, individuals can have more income, leading to higher income per capita.

ICIEC has placed a high priority on facilitating the development of the export sector in the Member States in two main ways. First, ICIEC mitigates commercial and political risks of buyers, allowing businesses to sell their goods, enter new markets and provide competitive payment terms. ICIEC also provides capacity building and financial services support to national Export Credit Agencies (ECAs). In short, ICIEC bridges market failures. By providing risk mitigation instruments and facilitating access to trade finance it supports small to large exporters to grow their businesses and ultimately countries to prosper economically.

In 2021, ICIEC supported 109 export-related policies in its Member States. These policies include USD 6,227 million worth of export transactions and USD 7,464 million in Intra-OIC exports and imports.

### TOWARDS SHARIAH-COMPLIANT SECTOR DEVELOPMENT IN THE MEMBER STATES

Financial sector development is vital for trade facilitation and economic development. Countries with mature financial sectors can engage in complex and high-volume trade transactions enabling them to participate in global trade fully. Developed financial sectors also enable full economic participation of consumers in the economy creating dynamic markets which attract foreign direct investments.

Given the importance of financial sector development, OIC Member States have prioritized pursuing Shari'ah-compliant financial sector development in their countries. Shari'ah-compliant finance consists of banking practices where financial institutions share in the profit or loss stake of the enterprises they underwrite.

As the only multilateral Takaful credit risk insurer, ICIEC plays an essential role in developing the Shari'ah-compliant financial sector in OIC Member States. ICIEC's presence in the market increases the capacity of its partner financial institutions in OIC States to offer Shari'ah-compliant insurance services and access to finance, further setting an example as the only multilateral Takaful credit insurer. The Corporation also encourages banks to develop Islamic trade and project finance structures to benefit from ICIEC's services.

In 2021, ICIEC supported Shariah-compliant financial sector by supporting USD 2,064 million worth of transactions through BMP and DCIP. The Corporation's partnership with ITFC supported USD 40 million worth of transactions. ICIEC partnered with 36 banks in 2021 to render its unique Takaful-based services to its beneficiaries.

### TOWARDS MEMBER STATE DEVELOPMENT

Strategic economic development is another critical priority for the OIC Member States. The economic diversity within these Member States means pursuing development agendas that align with their needs and capacity. Some Member States are pursuing economic diversification to lessen their dependence on single resource exports; others engage in activities to increase economic productivity and grow their economies. In pursuing these development agendas all OIC Member States have an objective to do so strategically and sustainably. Strategic development is essential given the current challenges faced by the OIC Member States including growing populations and climate change. The growing population in the Member States means higher demand for essential services and infrastructure such as roads, health facilities, education facilities, water, and food.

Climate change is affecting how the Member States are implementing their development agenda. Increasingly extreme weather patterns are forcing countries to find sustainable ways to adapt. ICIEC enables strategic projects and improves investment attractiveness. Through its mandate and a variety of insurance products, ICIEC supports the development agendas of its Member States by underwriting investments in strategic sectors. The effect of ICIEC's presence as an investment partner, while facilitating foreign investment, also provides a measure of reinsurance and encouragement to other potential investors seeking opportunities in countries with higher risk. The investment projects often provide employment, enhanced, modern, and efficient infrastructure, and better quality of life for citizens. ICIEC also improves access to trade finance for Least Developed Member States who may be at higher risk and not as attractive to other market players but need exports and investments to grow. These effects over time contribute to economic growth and Member State development.

In 2021, ICIEC facilitated USD 2,241 million worth of investments into the Member States and supported USD 1,510 million in Intra-OIC investments. The Corporation insured USD 3,409 million worth of businesses in the Member State energy sector, supported Member State infrastructure development with USD 583 million worth of coverage, and provided USD 1,277 million in service sector support.

### TOWARDS HUMAN DEVELOPMENT IN THE MEMBER STATES

ICIEC's support for trade and investment always considers the final beneficiaries, i.e. citizens living in the OIC Member States. The development goal for ICIEC is to ensure these individuals' well-being and economic prosperity. Human development efforts include improving access to basic infrastructure and services, including education, health, nutrition, and sanitation. Promoting access to these services improves the well-being of populations. In turn, healthier populations are more productive and contribute to overall productivity. ICIEC's backing of infrastructure and social services investments improves economic productivity, competitiveness, and quality of life in the Member States. Meanwhile, through ICIEC's political and commercial risk insurance, firms access new markets, grow, sustain or increase employment, and contribute to the human development of their countries. Agriculture is vital for bolstering food security and employment in many countries while improving health care access is a cornerstone of human well-being and development.

In 2021, the Corporation insured USD 19 million in the agricultural sector and USD 278 million in the health sector in the Member States.

## ICIEC'S CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals encompass social, economic, and environmental dimensions of development and have become signposts for ICIEC's continuing development journey. The SDGs play an essential role in shaping ICIEC's Strategy and the development outcomes ICIEC seeks to achieve. ICIEC's pursuit of Sustainable Development Goals is threefold.

**01** | As part of IsDB, it contributes to the bank's 10-Year Strategy, aligned to the SDGs.

**02** | ICIEC's mandate is to support the sustainable economic development of its Member States through risk mitigation solutions and thereby support the Member State's advancements with a view to the goals.

**03** | The Corporation acts as a catalyst for private sector capital to be mobilized and directed towards achieving the SDGs.

Though many ICIEC projects address various SDGs, ICIEC's developmental role and contribution to Member States are most relevant to 6 of the 17 goals.

### SDG 2: ZERO HUNGER



#### SDG Target

**2.3:** By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists, and fishers, including through secure and equal access to land, other productive resources, and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.

**2.a:** Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks to enhance agricultural productive capacity in developing countries, mainly least developed countries.

#### ICIEC's Contribution

Enhances agricultural productivity through the facilitated import of agricultural machinery and access to financial services

#### In numbers (2019-2021)

**\$109 million**

Total Agricultural business insured in the Member States

**\$87 million**

Agricultural Support Provided in LDMSs

### SDG 3: GOOD HEALTH & WELL-BEING



#### SDG Target

**3.8:** Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services, and safe, effective, quality and affordable essential medicines and vaccines for all.

#### ICIEC's Contribution

Improves access to quality essential health care services through insuring foreign investments in health infrastructure, otherwise deemed too risky

#### In numbers (2019-2021)

**\$1,008 million**

Health sector business insured in the Member States

### SDG 7: AFFORDABLE AND CLEAN ENERGY



#### SDG Target

**7.b:** By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support

#### ICIEC's Contribution

Expands upgraded infrastructure for modern and sustainable energy services through mitigating political and commercial risks associated with required investments and exports

#### In numbers (2019-2021)

**\$12,959 million**

Energy sector business insured in the Member States

**\$1,301 million**

Energy sector support provided in LDMSs



## SDG 8: DECENT WORK AND ECONOMIC GROWTH



### SDG Target

**8.1:** Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 percent gross domestic product growth per annum in the least developed countries

**8.2:** Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on high-value added and labour-intensive sectors

**8.5:** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

### ICIEC's Contribution

Increases economic productivity, growth, and employment creation by facilitating strategic investments in LDMC and promoting export businesses to grow internationally

#### In numbers (2019-2021)

**\$2,754 million**

Total DCIP and BMP supported in LDMSs

**\$217 million**

Business insured in Member State labour-intensive sector

**\$109 million**

LDMS labour-intensive sector supported

## SDG 9: INDUSTRY, INNOVATION, AND INFRASTRUCTURE



### SDG Target

**9.3:** Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets

**9.a:** Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological, and technical support to African countries, least developed countries, landlocked developing countries, and small island developing States

### ICIEC's Contribution

Participates and partners with banks, investors, corporates, and national ECAs in export transactions and investments in challenging markets

#### In numbers (2019-2021)

**\$3,740 million**

Manufacturing business insured in the Member States

**\$1,630 million**

Infrastructure business insured in the Member States

## SDG 17: PARTNERSHIPS FOR THE GOALS



### SDG Target

**17.3:** Mobilize additional financial resources for developing countries from multiple sources 17.11: Significantly increase the exports of developing countries, in particular, to double the least developed countries' share of global exports by 2020

### ICIEC's Contribution

Improves access to finance for SMEs and infrastructure investments through risk mitigation instruments for banks and medium/long-term finance

#### In numbers (2019-2021)

**\$4,165 million**

Business insured of national ECAs in the Member States

**\$57 million**

Total insured of national ECAs in LDMSs

# TRADE & INVESTMENT GLOBAL TRENDS & RISK PROFILE

*“The global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. The war in Ukraine comes at a tough time for the world economy, where we are still battling against the emerging variants of the COVID-19 virus and its repercussions on businesses. Rising inflation has prompted governments to raise interest rates. Disruptions in world trade and investment curb growth in developing countries and add to price pressures of essential commodities. These factors make the outlook more uncertain and raise considerable policy challenges.”*

## 5.1.

### KEY GEO-ECONOMIC TRENDS IMPACTING GLOBAL TRADE & INVESTMENT

Global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. The war in Ukraine comes at a tough time for the world economy, where we are still battling against the emerging variants of the COVID-19 virus and its repercussions on businesses. Rising inflation has prompted governments to raise interest rates. Disruptions in world trade and investment curb growth in developing countries and add to price pressures of essential commodities. These factors make the outlook more uncertain and raise considerable policy challenges.

ICIEC's review of global trends is summarized into five key megatrends impacting global trade. These are efforts to curb COVID-19 and its impact on trade, climate change ramifications, widening inequality, global geopolitical tensions, and technology's ever more significant role in trade.

#### 1. Pandemic measures

The pandemic's containment efforts and lockdowns have had a detrimental impact on demand and supply. International transportation and global value chains (GVCs) were severely interrupted during the shutdown. Recent lockdowns in China (as of May 2022) to prevent the spread of COVID-19 are again disrupting seaborne trade when supply chain pressures appear to be easing. This trend could lead to renewed shortages of manufacturing inputs and higher inflation.

#### 2. Climate change

There is a long-term risk management challenge posed by climate change, just as witnessed by the long-term risk management difficulty posed by COVID-19.

However, eliminating carbon-intensive businesses, which employ millions of people, would raise economic instability, unemployment, and social and geopolitical conflicts. Untested biotechnical and geoengineering technologies pose numerous unknown threats to nature, while the lack

of public support for land use shifts or new pricing systems creates political issues that further hinder progress.

#### 3. Widening economic gap

According to IMF Economic Outlook April 2022, there is still a wide disparity in economic prospects across nations, even as recovery continues. The Ukraine war-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7% in advanced economies and 8.7% in emerging market and developing economies. The economic disparities between countries throughout the globe could widen further if the COVID-19 spreads and the geopolitical tensions aggravate. As many as 70 million people are expected to have been living in severe poverty in 2021, a level that is several years behind the pre-pandemic norm.

A coordinated global effort to secure appropriate foreign liquidity for limited countries and speedier adoption of the G-20 shared framework for restructuring unsustainable debt would help reduce these divergences. A rise in interest rates would make it more difficult for low-income nations, 60% of which are currently in or are in danger



of a financial crisis.

#### 4. Global political tensions and global trade impact

Forecasting trade for 2022-2023, the WTO says prospects for the global economy have “darkened” since the war in Ukraine started in early 2022. The global merchandise trade volume growth is expected at 3.0% in 2022 (down from its previous forecast of 4.7%) and 3.4% in 2023, but these estimates are less confident than usual due to the fluid nature of the conflict. The most immediate economic impact of the crisis has been a sharp rise in commodity prices, especially food (sunflower oil/seeds and wheat) and fuel.

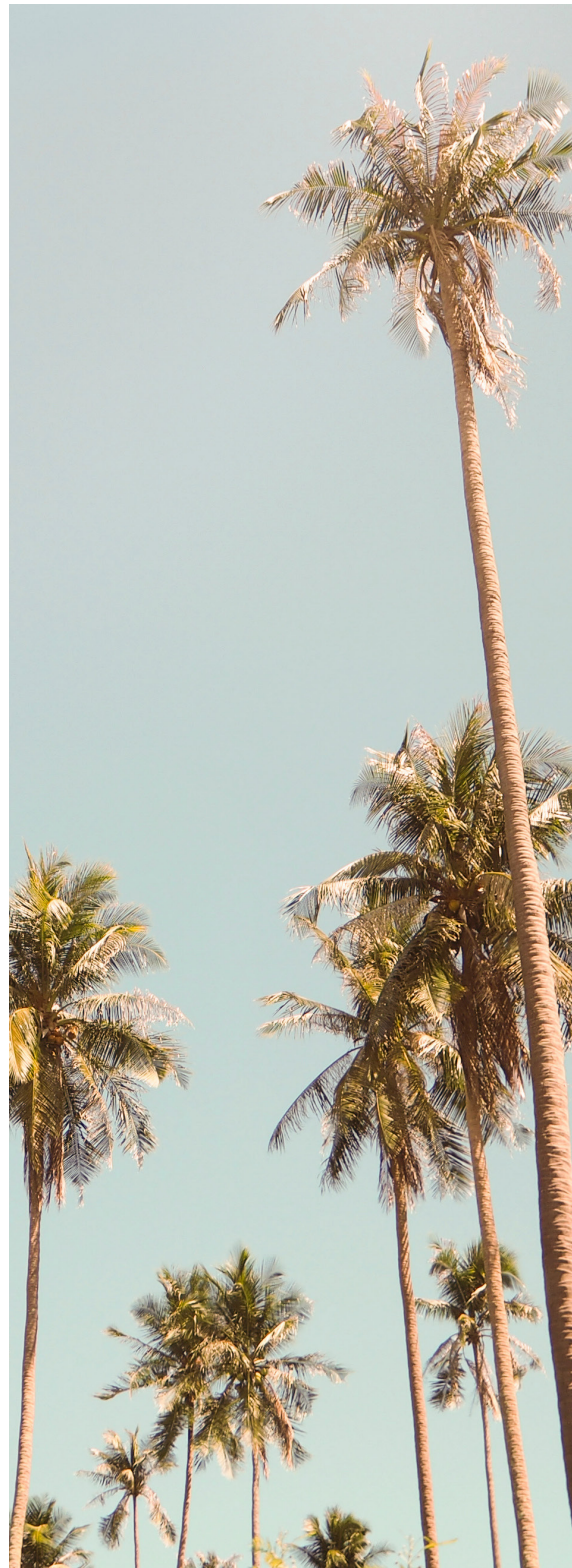
#### 5. TradeTech and global trade impact

Transactions and interactions between clients, brokers, underwriters, insurers, reinsurers, and claims providers will be seamless at the insurer of the not-too-distant future. TradeTech (digital security, transaction integrity, digital letters of credit), related fintech solutions (cryptocurrencies, digital payment gateways), and digital supply chain solutions are all driving trade efficiencies.

With new solutions utilizing artificial intelligence and machine learning, increasingly unsupervised transactions and judgments are possible.

#### Global Mega-trends Shaping Trade in 2022

1. Pandemic measures
2. Climate change measures
3. Widening economic gap
4. Global political tensions
5. TradeTech



Adobe Stock

## 5.2.

# ICIEC MEMBER STATES' IMPACT NEEDS

### KEY DATA

#### HEALTH:

*“The GDP of low-income states would have increased by **USD16.26 billion** if they had the same vaccination rate as the high-income countries by **September 2021**” (UN)*

#### FOOD INSECURITY:

*“**66.73 million** population in 11 of ICIEC's Member States are projected to live in Acute Food Insecurity in 2022” (DS Analysis)*

#### POVERTY:

*“**21% of the total population of the OIC lives on less than USD 1.9 per day.**” (COMCEC)*

#### CLIMATE RISK:

*“In the next decade alone, climate change will drive **32-132 million more people** into extreme poverty” (IPCC)*

#### SUPPLY CHAIN:

*“Cost of a 40ft container increased from **USD 1,331** on average at the end of Feb 2020 to **USD 11,109** by mid-September 2021.” (Investment Monitor)*

The resilience of OIC's economic growth is dependent on the development of the productive capacity of the member states. The recent outbreak of COVID-19 has disrupted many years of development efforts in the LDMSs. As the world slowly recovers from the pandemic, the threat of new virus variants remains on the horizon. In addition to the pandemic, the geopolitical climate in Eastern Asia has added to the inflationary pressure. Against these global

trends, ICIEC Member States' citizens face infectious disease-related healthcare challenges, rising commodity and energy prices, increasing poverty, climate change-related risks, and supply chain disruptions in the mid-term.

### MITIGATING EMERGING HEALTH RISKS

- Access to an adequate supply of vaccines
- Access to emergency medical kits
- Access to necessary healthcare infrastructure



### SECURING FOOD & ENERGY SUPPLIES

- Flow of essential commodities imports
- Adequate energy supply for vital infrastructures
- Secure domestic agricultural production and agricultural machinery imports



### ALLEVIATING RISING POVERTY AND INEQUALITY

- Employment opportunity creation
- Workforce upskilling
- Boosting domestic production of goods



### REDUCING CLIMATE-RELATED RISKS

- Access and utilization of clean energy
- Upgrading facilities to green infrastructures
- Development of communities and housing facilities due to climate-related migrations





## SECURING RESILIENT SUPPLY CHAINS

- Digitization of supply chain operations to improve efficiency
- Facilitating tech innovation through supporting critical future-oriented infrastructure
- Ensuring security and mitigating risks in the flow of supply chain operations during global conflicts



## MITIGATING EMERGING HEALTH RISKS

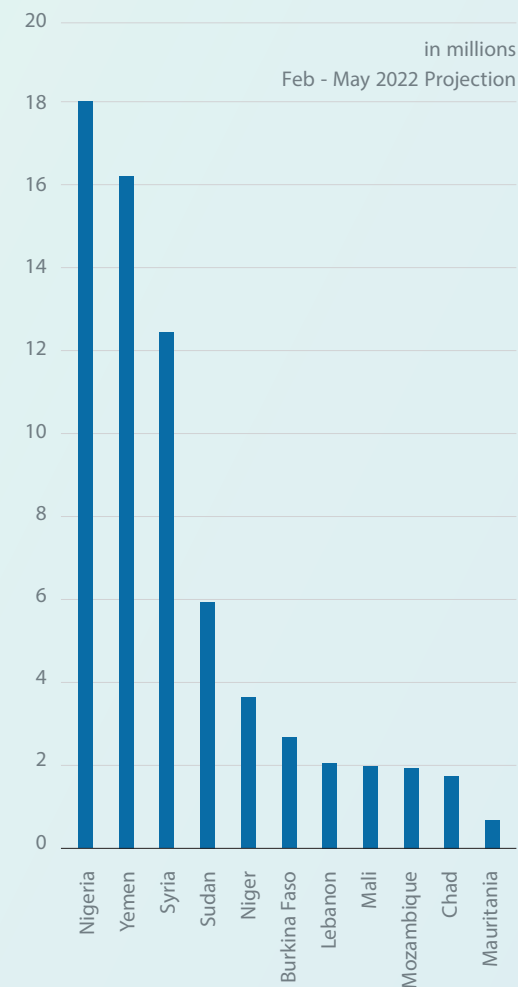
According to a recent study carried out by the UN, the GDP of low-income states would have increased by USD16.26 billion if they had the same vaccination rate as the high-income countries by September 2021.<sup>2</sup>

Expanding capacity for the Member States to import emergency medical kits and adequate vaccine distribution continues to be a critical need amidst the threat of a new wave of infections. By supporting the health sector under the Member States Development pillar and aligning with SDG 3, ICIEC's risk mitigation products have a critical role in addressing the healthcare and related infrastructure needs of its Member States.

## SECURING FOOD AND ENERGY SUPPLIES

As in many other developing nations, much of OIC's economies are heavily dependent on agricultural activities for their employment and productive capacity development. OIC member states account for and rely on a significant portion of the global agricultural production. Attaining food security is an essential agenda for the Member States, driven by the development of the agricultural sector. During COVID-19, least developed and developing countries within ICIEC's Member States were hit the hardest with food insecurity. These Member States continue to require support to strengthen their food production and supply. ICIEC risk mitigation products remain vital to ensure the flow of strategic commodities imports, guaranteeing that the Member States have adequate energy supply to power up their critical infrastructure and import necessary agricultural machinery to increase domestic food and agricultural production.

Figure 5: Projected Number of Population in Acute Food Insecurity in the ICIEC Member States in 2022<sup>3</sup>



Due to geopolitical tension and COVID-19-related economic impact, the food and energy price volatility is affecting the development of food and energy sectors in many regions and is predicted to drive food prices higher. Several Member States are significantly impacted by the recent Russia-Ukraine conflict, with some importing about 80% of their wheat from both countries. ICIEC's Member State development, Human Development agendas, and insurance solutions are uniquely positioned to continue facilitating trade in agricultural commodities among its member states to offset the effect of the emerging food security challenges.

## ALLEVIATING RISING POVERTY AND INEQUALITY

21% of the total population of the OIC Member States lives on less than USD 1.9 per day. 21 out of 48 Least Developed Countries (LDCs) are members of the OIC. Therefore poverty alleviation is one of the major concerns for the ICIEC's Member States. Through job creation, workforce upskilling, and boosting domestic production of goods, Member States can reduce poverty levels in their respective regions.

ICIEC's Human Development pillar has been addressing the needs of the Member States through strategic sector development using its investment insurance products. The opportunity for impact is excellent to alleviate poverty as the corporation mandates creating sustainable employment and facilitating access to essential social services as part of its commitment to the SDGs.

## REDUCING CLIMATE-RELATED RISKS

As the world began to recover from the global pandemic, in November 2021, a group of world leaders joined at the COP26 summit led by the UN to discuss and address how to mitigate the adverse effects of climate change. The awareness and commitments around climate-related risks have since skyrocketed, and organizations worldwide are compelled to adopt measures to mitigate climate-related risks. Members in the OIC face particular climate threats due to declining agricultural productivity, weather volatility, and receding water levels and quality. These threats make the Member States most vulnerable because of their dependence on high climate-sensitive natural resources. The Member States' low adaptation capacities due to technological and financial impediments are added to that.

ICIEC's investment insurance products support Foreign Direct Investment in the Member States that can be utilized to provide access to clean energy sources and upgrade to green infrastructure. In addition, ICIEC's private resource mobilization through partnerships is well-positioned to address other human development efforts caused by climate risks and provide essential social services to the citizens of the Member States who may be forced to migrate due to climate-related loss of land.

## SECURING RESILIENT SUPPLY CHAINS

The impact of the pandemic and rising trade tensions have disrupted the global supply chains in the past few years. As the economy rebounds after the initial economic shock of COVID-19, its impact on the supply chain continues to remain, and a stable supply chain will be critical for the Intra-OIC trading of goods and services quickly, safely, and securely. Member States will need to ensure that their supply chains are resilient and responsible for managing short-term crises and reducing the future economic impact. Figure 6 shows a heatmap of global supply chain vulnerabilities. Some ICIEC member states in Africa, Asia, and Europe are among the countries that will continue to enhance their supply chains' resilience, including Türkiye, Pakistan, Nigeria, Niger, Saudi Arabia, United Arab Emirates, Indonesia, and Malaysia.

<sup>2</sup> United Nations, UN analysis shows link between lack of vaccine equity and widening poverty gap, March 28, 2022

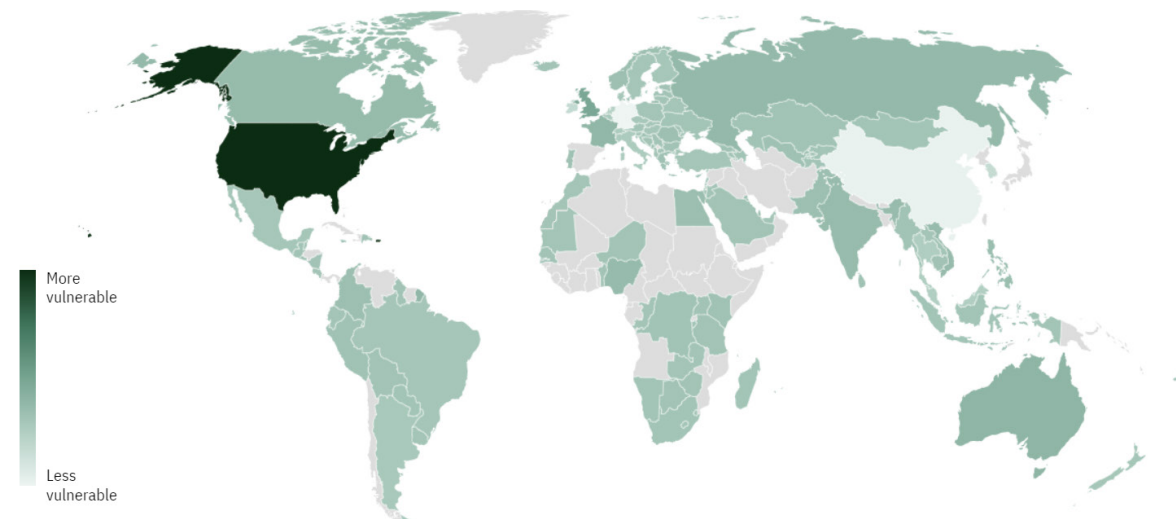
<sup>3</sup> FAO, UN, DinarStandard Analysis

<sup>4</sup> COMCEC



# ICIEC'S 2021 IMPACT PROFILE & CASE STUDIES

Figure 6: Supply Chain Vulnerability Index



Source: GlobalData based on Comtrade

INVESTMENT MONITOR

To increase the efficiency of the supply chain and its management, the capability needs to be technology-led, utilizing platforms that support applied analytics, machine learning, and artificial intelligence. While these objectives may sound lofty for certain LDMSs due to low adoption, it will be increasingly important to achieve efficiency by adopting technological solutions in the supply chain eco-system for intra-OIC trade and for the Member States to trade and have access to investment from the rest of the world. A proactive approach will be rendered critical due to the pace at which the supply chain eco-system and technologies are evolving.

ICIEC's role in supporting strategic sectors, enhancing partnerships with financial institutions, and enhancing infrastructure plays an essential part in achieving and securing resilient supply chains in its Member States.

## ICIEC'S ALIGNMENT TO ESG

After the COP26 summit in November 2021, the focus on ESG (Environmental, Social, and Governance) reporting has been paramount for corporations. As a multilateral organization that operates in an increasingly inter-connected world and global markets, ICIEC understands the critical need for alignment with ESG principles both internally and externally. Through the Corporation's commitment to supporting six of the seventeen SDGs, which include

SDG2 – Zero Hunger, SDG3-Good Health and Well-being, SDG7-Affordable and Clean Energy, SDG8-Decent Work and Economic Growth, SDG9- Industry, Innovation, and Infrastructure, and SDG17-Partnerships for the Goals, ICIEC has been investing in projects that align with Environmental and Social causes. The Member State's impact needs mandate the Corporation to enhance its commitment to specific environmental and social alignment in providing cover to impactful projects benefitting its member states.



# 6.1.

## EXPORT SECTOR DEVELOPMENT IMPACT

### ICIEC BRIDGES MARKET FAILURES;

by providing risk mitigation instruments and facilitating access to trade finance, supporting small to large-sized exporters to grow their businesses and ultimately countries to prosper economically

### KEY HIGHLIGHTS 2021 IN US DOLLARS



ICIEC Insured

**\$6,227 million**

Worth of Member State Exports



ICIEC Supported

**\$7,463 million**

Intra-OIC Trade



ICIEC Supported

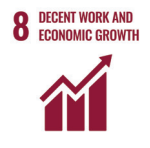
**\$125 million**

Total export transactions insured from LDMSs

### IMPACT HIGHLIGHT

## SUPPORTING SME TRADE FINANCE IN UZBEKISTAN

REGION	ASIA	
COUNTRY	Uzbekistan	
CLIENT	ICBC Standard Bank Plc, UK	
PRODUCT	Bank Master Policy	
TRANSACTION VOLUME	USD 25 million	



*“ICIEC’s support for this transaction enhances access to critical trade financing for approximately 50-100 SMEs. The facility will help SMEs overcome specific barriers, including lack of access to financing, and improve their export potential”*

ICIEC is extending USD 25 million insurance cover to ICBC Standard Bank Plc, the UK for a finance line to Sanoat Qurlish Bank (SQB) in Uzbekistan to strengthen private sector exports. Due to the quarantine restrictions and uncertainty brought about by the COVID-19 pandemic, Uzbekistan faces weaker trading partner demand, particularly for natural gas, and lower domestic demand – leading to lower private consumption and investment. The role of SMEs in Uzbekistan’s economy has significantly increased since 2000, accounting for approximately 78% of jobs, leading the nation’s government to prioritize the sector. The financing to SQB supports government policies aimed at reducing Uzbekistan’s exposure to volatile commodity prices and diversifying the range of export markets by strengthening the export potential of the private sector, particularly SMEs. Approximately 50 to 100 of Uzbekistan’s SMEs are expected to benefit from the facility, increasing their access to trade finance and facilitating imports of capital goods. The facility will also help SMEs overcome specific barriers, including lack of access to financing and improving their export potential.

*“Sanoat Qurilish Bank (SQB) transaction was our first collaboration with ICIEC. It was a great opportunity to work together with them in a core The Belt and Road Initiative country with a state-owned bank on a transaction that was specifically structured to help the SME sector in the country. This has now opened the door for us for further opportunities in Uzbekistan as it is helping us manage our country’s risk more efficiently.”*



**Mr. Karaca Mestci**  
MANAGING DIRECTOR, CEEMEA

# 6.2.

## SHARIAH-COMPLIANT FINANCIAL SECTOR DEVELOPMENT IMPACT

### ICIEC ENHANCES ACCESS TO ISLAMIC FINANCE

ICIEC encourages the Takaful insurance industry to be the only multilateral providing its products in compliance with Sharia. It also encourages banks to develop Islamic trade and project finance structures to benefit from ICIEC's solutions.

Through ICIEC's support to local banks, exporters can obtain much-needed working capital.

Local banks can also provide their clients with a broad network of international correspondent banks, thereby facilitating cross-border transactions.

#### KEY HIGHLIGHTS 2021 IN US DOLLARS



**\$2,064 million**

Business insured in the Member States through BMP and DCIP



**36**

The total number of banks partnered with ICIEC in 2021



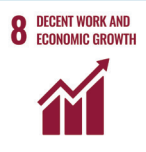
**\$40 million**

Partnership leveraged with ITFC

### IMPACT HIGHLIGHT

## FACILITATING ACCESS TO FINANCE FOR INDONESIA'S SME MINING SECTOR

REGION	Southeast Asia
COUNTRY	Indonesia
CLIENT	SIDRA Capital
PRODUCT	PRI (TR, EXP, W&CD)
TRANSACTION VOLUME	USD 40 million



ICIEC provided USD 40 million in Political risk insurance cover to SIDRA Capital, supporting a loan facility to PT MCT. The loan facility funds transactions involving suppliers/operators in Indonesia's mining sector and nickel trading. ICIEC's support for the facility is expected to promote Islamic modes of finance in the country and bridge the financing gap for local mining operators by helping SME mines gain access to funding. The facility

is also intended to contribute to FDI, and foreign exchange flows into the Member State.

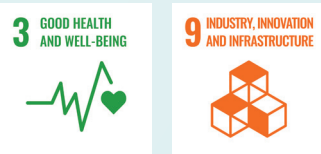
*"ICIEC support for the facility is intended to promote Islamic modes of finance in the country and bridge the financing gap for local mining operators by helping SME mines gain access to funding."*



IMPACT HIGHLIGHT

FINANCING OF ESSENTIAL IMPORTS TO NIGERIA UTILIZING SHARIAH-COMPLIANT BMP MURABAHA

REGION	West Africa
COUNTRY	Nigeria
CLIENT	BMCE Bank of Africa Morocco
PRODUCT	BMP Murabaha
TRANSACTION VOLUME	USD 12.5 million



*“ICIEC’s support allowed for the urgent financing to secure essential imports of food and refined oil to Nigeria, helping to offset the social and economic distress caused by the COVID-19 pandemic.”*

ICIEC provided USD 12.5 million in insurance cover, issuing the Corporation’s first-ever BMP Murabaha to BMCE Bank of Africa Morocco in support of its financing for a Nigerian bank. ICIEC’s support allowed for the urgent financing to secure essential imports of food and refined oil to Nigeria, helping to offset the social and economic distress caused by the COVID-19 pandemic. ICIEC has played a crucial role in facilitating trade flow and reinforcing trust, directly supporting banks and private sector resilience through the crisis.

6.3.

MEMBER STATE DEVELOPMENT IMPACT

ICIEC ENABLES STRATEGIC PROJECTS AND IMPROVES INVESTMENT ATTRACTIVENESS

Through its mandate, ICIEC promotes the development agendas of its Member States. Attracting foreign direct investment is often crucial to their plans.

KEY HIGHLIGHTS 2021 IN US DOLLARS



**\$731 million**

Worth of outward investment facilitated from the Member States



**\$2,241 million**

Inward Investment supported in the Member States



**\$3,409 million**

Businesses insured in the Member State energy sector



IMPACT HIGHLIGHT

EXPANDING THE TELECOMMUNICATIONS NETWORK IN UZBEKISTAN

REGION	Asia
COUNTRY	Uzbekistan
CLIENT	Chinese telecommunications equipment manufacturer
PRODUCT	Specific Transaction Policy
TRANSACTION VOLUME	USD 50 million



“ICIEC’s cover of the project improves access to telecommunications infrastructure for citizens of Uzbekistan, which has become essential to maintaining connectivity and productivity throughout the disruptions caused by the COVID-19 pandemic.”

ICIEC insured USD 50 million in Specific Transaction Policy for transactions between two of China’s largest telecommunications equipment manufacturers and Uzbekistan’s state-owned telecommunication operator. Combined, the two projects are set to expand the telecommunication network in Uzbekistan. The first of the two projects involves the USD 70 million modernization of the mobile broadband access network in Tashkent, the Eastern Region of

Uzbekistan. The project includes expanding the data storage and processing centre and developing new technology to increase bandwidth over existing fibre networks. ICIEC insured USD 40 million for the first program out of the USD 70 million total contract value.

The second project enables telecommunication equipment to expand the broadband network in Uzbekistan’s Western region. The state telco operator is expanding its current networks and building new networks simultaneously. The project totals USD 85 million.

ICIEC’s involvement marks one of the Corporation’s most significant transactions in Uzbekistan, enabling the member state to facilitate growth in its telecom sector and aligning with the Government’s National Development Strategy for 2017-21. By stimulating investment in the telecommunications sector, ICIEC contributes to foreign direct investment and improves Uzbekistan’s telecommunications infrastructure. ICIEC support of the Uzbekistan government, which has formulated a telecom sector policy through to 2030, will be critical in developing the country’s needed infrastructure.

IMPACT HIGHLIGHT

REHABILITATION OF A WASTEWATER COLLECTOR IN DAKAR, SENEGAL

REGION	West Africa
COUNTRY	Senegal
CLIENT	Société Générale
PRODUCT	Non-Honoring of Sovereign Financial Obligations
TRANSACTION VOLUME	USD 56.7 million (EUR 50 million)
TENOR	10 years



“The rehabilitation takes care of health-related issues for the population; increases the attractiveness of the city of Dakar, and guarantees security to the population.

ICIEC provided a EUR 50 million cover as part of a EUR 126 million facility to Société Générale. The facility is used to rehabilitate the Hann-Fann wastewater collector in Dakar, Senegal, built more than 70 years ago and is in an advanced stage of degradation. The collector provides approximately 8 km of evacuation and treatment of wastewater, covering more than ten city districts. The rehabilitation will significantly improve the city’s wastewater safety, enhancing resilience against

sanitation-related health issues for the population, especially during the flood season. A more effective wastewater collector will also increase the attractiveness of the city of Dakar to foreign direct investment. The project will also reduce the risk of the population contracting respiratory diseases due to the absorption of some toxic chemicals. On the economic front, the project creates 6,151 direct and indirect jobs.

The children suffer from Malaria and diarrhoea because of the wastewater conditions in some of Dakar’s districts. Thanks to this project, 16.5% of the children from Dakar (around 150,000 boys and girls) will see an improvement in their health condition.”

IMPACT HIGHLIGHT

CONSTRUCTION OF THE EASTERN ROAD AND FIVE BRIDGES  
IN COTE D’IVOIRE

REGION	West Africa	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> 
COUNTRY	Cote d'Ivoire	
CLIENT	Société Générale Paris	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> 
PRODUCT	Non-Honoring of Sovereign Financial Obligations	
TRANSACTION VOLUME	USD 45.3 million	
TENOR	7 years	



“The project contributes to the improvement of the country’s general infrastructure; it also increases its attractiveness and boosts the economy by facilitating the movement of goods and people. This project will also employ local workers contracted by Colas, which is expected to hire 60 workers in addition to the 1,200 indirect jobs for road construction only. 550 direct and indirect jobs will be created for the bridge works.”

ICIEC provided a Non-Honoring of Sovereign Financial Obligations-Loan Guarantee cover to Société Générale Paris as part of a loan facility their subsidiary has provided to the Government of Côte d’Ivoire to finance multiple projects within the member state. The facility’s total value is EUR 114 million, including EUR 40 million insured by ICIEC. Of the various projects, the loan Guarantee facility is financing, ICIEC’s coverage supports the construction of a road and five

bridges in Northeastern Cote d’Ivoire, one of the main cocoa-producing areas of the country. The project is part of a 1,500 km road rehabilitation program. By insuring infrastructure financings, such as roads and bridges, ICIEC is helping Côte d’Ivoire achieve the United Nations Sustainable Development Goals 8 and 9, empowering local communities and supporting trade.

6.4.

HUMAN DEVELOPMENT  
IMPACT

ICIEC IMPROVES PEOPLE’S LIVES

Projects in essential social services and infrastructure that directly impact Member States’ citizens are of strategic importance to ICIEC.

KEY HIGHLIGHTS 2021 IN US DOLLARS



\$1,277 million

Member State Service sectors supported



\$19 million

Member State Agricultural support provided



\$583 million

Member State Infrastructure support provided



\$278 million

Member State Health sector support provided



IMPACT HIGHLIGHT

SUPPORTING RURAL ACCESS TO EDUCATION AND MEDICAL FACILITIES IN SENEGAL

REGION	West Africa	<div><div>3GOOD HEALTH AND WELL-BEING</div><div>4QUALITY EDUCATION</div><div>9INDUSTRY, INNOVATION AND INFRASTRUCTURE</div></div>
COUNTRY	Senegal	
CLIENT	BMCE, Bank of Africa	
PRODUCT	Non-Honoring of Sovereign Financial Obligations policy	
TRANSACTION VOLUME	USD 92 million (EUR 81 million)	
TENOR	7 years	



“The project contributes to improving the students’ academic performance by increasing the number of accommodation facilities offering a better studying environment and living quarters. It also improves the environment for training and research and enhances the school environment by promoting higher education at the regional level. It fosters motivation for needy students and relieves low-income parents and students.”

ICIEC provided USD 92 million in the Non-Honoring of Sovereign Financial Obligations policy to BMCE. Bank of Africa in getting financing related to the construction of six university campuses under the Republic of Senegal Ministry of Education sponsorship. The campuses are located in rural areas, and each is designed to include a fully functioning medical centre. The seminal project is a significant effort to support the government of Senegal’s efforts to fight academic disengagement whilst preventing

the spread of COVID-19. Developing basic infrastructure for educational purposes is crucial to Senegal’s sustainable economic development and empowering communities. ICIEC’s support for this project is enhancing access to education and healthcare for many Senegalese citizens in traditionally underserved regions, contributing to job creation and the development of critical infrastructure, and supporting the growth of Senegal’s economy.

IMPACT HIGHLIGHT

FACILITATING INVESTMENTS INTO THE REHABILITATION OF A CENTER FOR DISABLED INDIVIDUALS IN CAMEROON

REGION	West and Central Africa	<div><div>3GOOD HEALTH AND WELL-BEING</div><div>8DECENT WORK AND ECONOMIC GROWTH</div><div>10REDUCED INEQUALITIES</div></div>
COUNTRY	Cameroon	
CLIENT	BMCE Bank of Africa	
PRODUCT	Non-Honouring of Sovereign Obligations Policy	
TRANSACTION VOLUME	USD 20 million	
TENOR	6 years	

ICIEC provided USD 20 million in credit enhancement cover to its partner, BMCE Bank of Africa, to rehabilitate a centre for disabled individuals in Cameroon. The rehabilitation project facilitates the modernization of the centre’s technical facilities, the renewal of essential equipment, and the extension of healthcare facilities to accommodate a broader range of disabilities. The rehabilitation also supports expanding the centre’s services, focusing on socio-professional reintegration and empowering people with disabilities to participate in various socio-economic activities. The project contributes to the government’s policy to fight against social exclusion and meet the demands of the sub-region. It is contributing to the achievement of SDG 3 for good health and well-being, SDG 8 for decent jobs and economic growth, and SDG 10 for reduced inequality. The project’s impact reaches beyond Cameroon as the centre provides needed medical services to patients from Chad, the Central African Republic, Gabon, Congo, and Equatorial Guinea. The project showcases ICIEC’s key role in mobilizing private sector resources to develop medical infrastructure in its Member States.



“The project’s impact reaches beyond Cameroon as the centre provides needed medical services to patients from Chad, Central African Republic, Gabon, Congo, and Equatorial Guinea. The project showcases ICIEC’s key role in mobilizing private sector resources to develop medical infrastructure in its Member States.”



SUPPORTING GREEN PROJECTS IN EGYPT

REGION	North Africa
COUNTRY	Egypt
CLIENT	Sumitomo Mitsui Banking Corporation (SMBC)
PRODUCT	Non-Honoring of Sovereign Financial Obligations policy
TRANSACTION VOLUME	USD 56 million
TENOR	3 years



“1.2 million people in four Egyptian governorates expect to have access to better sanitation and sewerage upon completion of the Sanitation and Sewerage Infrastructure Project.”

The Eligible Green Projects are expected to have a significant positive impact on Egypt’s environmental and social programs. The projects include seawater desalination plants with the most energy-efficient technologies that reduce water consumption and improve the efficiency of resources (such as collection, treatment, recycling, or reuse of water).

1.2 million people in four Egyptian governorates expect to have access

to better sanitation and sewerage upon completing the Sanitation and Sewerage Infrastructure Project.

6.5.

POST-COVID RECOVERY IMPACT

ICIEC FACILITATES PANDEMIC RECOVERY EFFORTS IN THE MEMBER STATES

ICIEC has developed partnership initiatives with IsDB Group Entities ‘Strategic Preparedness and Response Programme (SPRP)’ to serve the Member States better and support their recovery from the negative impact of COVID-19. To do so, ICIEC is providing credit and political risk insurance to:

- Sustain imports of strategic commodities
- Protect investments
- Minimize volatility

KEY HIGHLIGHTS 2020-2021 IN US DOLLARS



IsDB & ISFD

\$280 million

Allocated for Sovereign Projects and Programmes



ICD

\$250 million

Allocated for Private Sector Projects Finance



ITFC

\$605 million

Allocated for Trade Finance



ICIEC

\$781 million

Allocated for Insurance Coverage

The COVID-19 outbreak has placed the Organization of Islamic Cooperation (OIC) countries’ populations’ health and economic well-being at risk. ICIEC and its partners have been helping members and their populations since the pandemic started. A worldwide health crisis may be resolved with vaccines, but a global economic recovery may take longer. ICIEC continues to develop and implement ways to decrease risk

and aid member nations financially by boosting trade and investment.

To better serve its Member States, ICIEC is working with IsDB Group Entities to assist in them recovering from COVID-19. ICIEC provides financial and political risk insurance to ensure the importation of vital products.

ICIEC has responded to the COVID-19 crisis as a member of the IsDB Group in alignment with IsDB’s “3Rs” Strategy and established a response plan to cover 3 phases of recovery for the short-, medium-, and long-term.

R1: Respond	R2: Restore	R3: Restart
Deliver immediate action through South-South and North-South reverse linkage operations focused on a) strengthening health systems to provide care to the infected; b) building production capacity of testing kits and vaccines; and c) building Pandemic Preparedness capacity in cooperation with G20 Global Initiative.	Deliver medium-term action through financing for trade and SMEs to sustain activity in core strategic value chains, and to ensure continuity of the necessary supplies mainly to the health and food sectors, and for other essential commodities.	Deliver long-term action to build resilient economies on solid foundations and catalyze private investment by supporting economic recovery and countercyclical spending, with a targeted USD 10 billion that aims to unlock USD 1 trillion worth of investments.

## STRATEGIC PREPAREDNESS AND RESPONSE PROGRAM (SPRP)

The IsDB Group’s Strategic Preparedness and Response Program (SPRP) has pledged USD 2.3 billion to assist the Member States and Muslim communities outside of Member States affected by COVID-19. To achieve the IsDB’s “3 Rs” of support, Member States must first respond to the infection, restore normalcy, and restart their economy.

The support under the SPRP Program has been extended in the form of grants, concessional financing, trade financing, private sector financing, and political and credit risk insurance coverage. The funding has been targeting interventions that focus on curbing and containing the spread of the COVID-19, minimizing the

socio-economic impact of the poor, and building the resilience of Member States in responding to outbreaks and pandemics. The program is designed to support the following:

- Strengthening health systems
- Funding national epidemic preparedness and response plans
- Community awareness and education
- Diseases surveillance
- Data collection and analysis
- Sustained provision of essential social services
- Provision of social safety nets
- Sustaining private sector activity

In 2021, ICIEC continued its support for its Member States’ efforts to address the COVID-19 pandemic’s impact on their economies. At the beginning of the pandemic in 2020, ICIEC pledged USD 150 million in capacity to provide insurance for critical transactions, including the import of emergency medical kits and food supplies, as part of the IsDB Group’s Strategic Preparedness and Response Program. Over USD 781 million in insurance capacity has already been deployed in supporting the procurement of medical equipment, food commodities, crude oil, and gas, and financial support to SMEs and the development of healthcare infrastructure. This has benefited several Member States, including Tunisia, Burkina Faso, Mauritania, Senegal, Cameroon, Côte d’Ivoire, Nigeria, Togo, UAE, Oman, Jordan, Egypt, Pakistan, Bangladesh, Uzbekistan, and Iraq.

As part of its contribution to the IsDB Group program for the support of Member States in combating the pandemic and its impacts, ICIEC collaborated with the IsDB and with the Islamic Solidarity Fund (ISFD) to develop two main initiatives, namely the IsDBG COVID Guarantee Facility (CGF) and the ICIEC-ISFD COVID Emergency Response Initiative (ICERI) respectively.

## THE ISDB GROUP’S COVID GUARANTEE FACILITY (CGF)

IsDB Group’s COVID Guarantee Facility (“CGF”) is a program developed by IsDB and ICIEC to provide de-risking solutions to the Member States. In the context of increased transactions’ riskiness occasioned by the decrease in available liquidity due to COVID-19, CGF offers support to the Member States in the form of insurance to the financiers of critical COVID-related infrastructure projects.

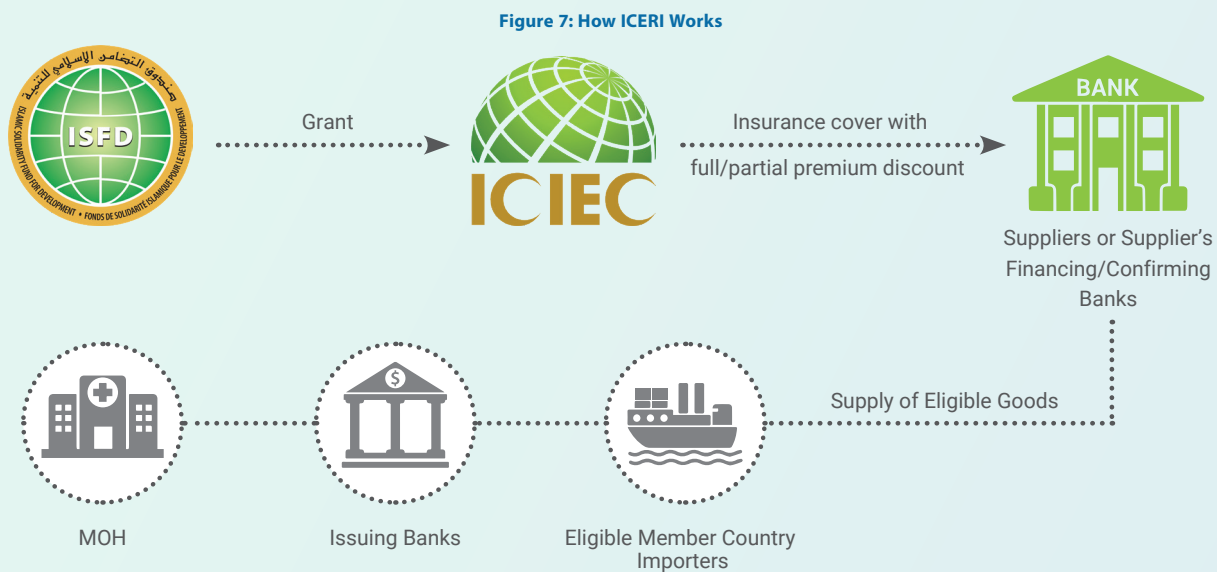
The CGF acts as a source of private capital funding by attracting additional participants to the IsDB funding structure. With ICIEC being the Guarantee Facility agent, the CGF will provide insurance protection against non-repayment events in line with the appetite of external partners through the issuance of adapted versions of the ICIEC Non-Honoring of Sovereign Financial Obligations (NHSFO) policies. The facility implemented by the two entities (ICIEC and IsDB) with a USD 2 billion funding facility for the private sector to support COVID-19 hit industries in OIC Member Countries and attract cross-border financing from international banks in Member States.

## ICIEC-ISFD COVID EMERGENCY RESPONSE INITIATIVE (ICERI)

In 2021, the ICERI program saw an increase in approvals, and as of 10 February, USD 271 million of trade-related transaction approvals have been issued for the benefit of the Least Developed Member States (LDMSs). Bangladesh, Cameroon, Mauritania, Senegal, Tunisia, Benin, and others have benefitted from the support of ICERI, which enabled them to import critical goods at discounted rates and strengthen their healthcare and food sectors.

About 68% of the program’s business insured target of USD 400 million has already been reached. For the second and last year of the program, ICERI has shifted its focus to facilitating COVID-19 vaccine supply to the LDMSs. Close contacts with the Member States and international financiers have been pursued to explore areas of collaboration in this regard. ICERI is expected to support around USD 50 million worth of COVID-19 vaccine imports by 2022. Discussions are ongoing at the level of the IsDB Group to further expand the program’s scope.





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## ISDB GROUP VACCINE FACILITY

ICIEC provided risk mitigation solutions to international financial institutions through its Credit and Political Risk Insurance products, facilitating additional resource mobilization from the international market to support Member States' access COVID-19 vaccine. This is part of IsDB Group's Vaccine Initiative (IVAC) under SPRP 2.0. ICIEC's service for this initiative covers all four phases of the vaccine facility: 1) Development 2) Manufacturing 3) Procurement and 4) Vaccine Delivery.

*Afreximbank-AVATT vaccine transactions have been considered under the CGF and ICERI program for the several ICIEC Member States. IsDB has expressed interest in collaborating with ICIEC to guarantee Afreximbank's financing against the risk of Non-Honoring of Sovereign Financial Obligations (NHSFO) by the Member States. The initial amount of this transaction is approximately USD 106 million, subject to final country allocation.*

*ICIEC is also considering USD 134 million in reinsurance support to Afreximbank under the AVATT initiative to facilitate the acquisition of COVID-19 vaccines to 12 commonjoint Member States in Africa.*

## MOUS AND STRATEGIC DIGITAL INFORMATION SESSIONS

The Corporation has signed several Memorandum of Understanding (MoU) with ECAs throughout the pandemic. These partnerships facilitate flexible yet strong agreements for risk-sharing in reinsurance and co-insurance, supporting both parties to increase their risk appetite for trade transactions and investments. These partnerships facilitate businesses in the Member States to access new markets, grow in existing markets, and generate employment and economic growth. Some key partnerships that ICIEC developed during the pandemic include MoU with EXIMGARANT of Belarus, Kuke PFR Group, CESCE, UK Export Finance, OeKB, Uzbekinvest,

and IFPA.

Throughout the pandemic, ICIEC held educational and strategic webinars with its stakeholders and partners to roll out response measures and funding, discuss the impact of COVID-19 on IsDB member countries, and make plans for continued support to those in need. During these webinars, ICIEC and its partners discussed the role and experiences of insurance and export credit agencies (ECAs) in OIC countries and how the insurance sector responded to the pandemic, the importance of the investment and export credit insurance sector to cover risks for countries, local companies, and international trade partnerships during these challenging times. ICIEC also held joint forums with ITFC, ICD, and IsDB Group and discussed key investment, trade, and insurance pillars that can improve trade between Arab and African countries. Another ICIEC-hosted event was participated by 300 attendees worldwide.. The stakeholders discussed the ongoing impact of the pandemic on the Member States and how PRI, in partnership with the key industry players, can facilitate global trade and investment recovery. ICIEC also showcased its support for sustainable PPP projects at a high-level panel discussion during the IsDB Group's Annual Meeting 2021 in Tashkent, Uzbekistan.



IMPACT HIGHLIGHT

SUPPORTING IMPORT OF ESSENTIAL COMMODITIES IN EGYPT

REGION	North Africa
COUNTRY	Egypt
CLIENT	Société Générale
PRODUCT	Documentary Credit Insurance Policy (DCIP)
TRANSACTION VOLUME	USD 16 million



*“ICIEC’s contribution is essential as the facility is allocated in response to the Government of Egypt’s call to the international market for a more secure and steady supply of strategic commodities to help Egypt fight against the economic and social impact of COVID-19.”*

ICIEC provided USD 16 million under a Documentary Credit Insurance Policy to the French international bank, Société Générale, for the importation of essential commodities to Egypt. ICIEC’s contribution is essential as the facility was allocated in response to the Government of Egypt’s call to the international market for a more secure and steady supply of strategic commodities to help Egypt fight against the economic and social impact of COVID-19.

2022  
OUTLOOK

*“While the world has been recovering from the pandemic, the war between two Eastern European nations, Russia and Ukraine, is challenging the global economic recovery. As a result of the war’s direct impacts and global spillover, the economic growth is projected to slow, and inflation is projected to increase further. ”*

GLOBAL ENVIRONMENTAL, SOCIETAL, AND TECHNOLOGICAL RISKS 2022

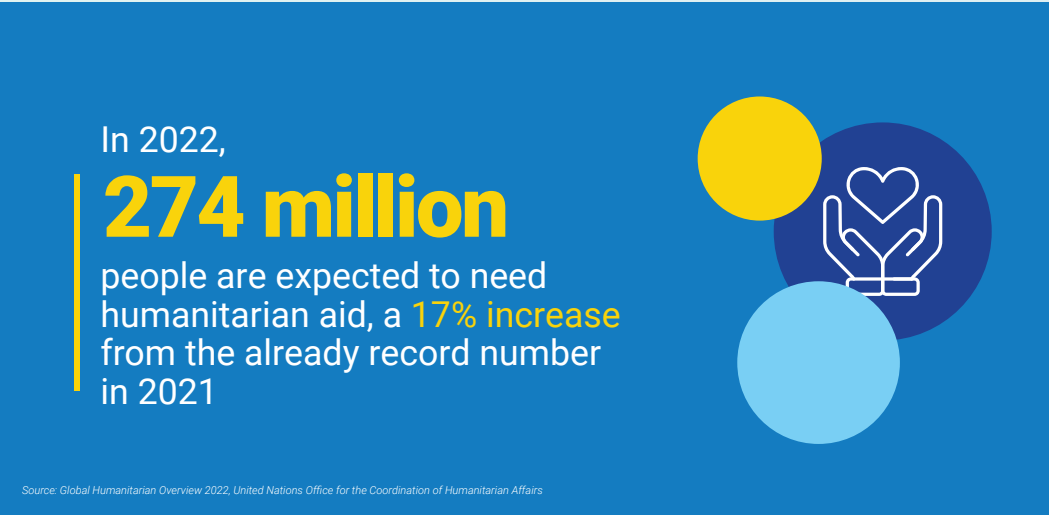
In 2020, the COVID-19 pandemic exposed an unprepared world’s vulnerabilities. The economic and societal damage caused by the pandemic affected both high-income and low-income countries. While recovery measures were not equally distributed across all parts of the world due to economics and other political reasons, it showed the world the need for preparedness to mitigate emerging risks in the near and future term. According to the Global Risk Report 2022 published by the World Economic Forum, the following Environmental and Societal risks were identified that were forecasted to become critical within the next two years<sup>5</sup>:

Figure 8: Global Environmental, Societal, and Technological Risks forecasted to be critical within the next two years by likelihood

HORIZON	ENVIRONMENTAL	SOCIETAL	TECHNOLOGICAL
Short-term risks (0 – 2 years)	<ul style="list-style-type: none"><li>• Extreme Weather</li><li>• Climate Action Failure</li></ul>	<ul style="list-style-type: none"><li>• Livelihood Crisis</li><li>• Social cohesion erosion</li><li>• Infectious Diseases</li><li>• Mental health deterioration</li></ul>	<ul style="list-style-type: none"><li>• Cybersecurity failures</li><li>• Digital Inequality</li></ul>

Lessons learned from the outcome of the pandemic require governments, organizations, and businesses to build a collective resilience and capacity to reduce climate-related risks, improve health, and reduce rising poverty and inequality of various forms to mitigate adverse effects from future shocks. It is predicted that the failure to confront the significant risks may bring dramatic consequences when environmental degradation intersects with societal fragmentation. According to the United Nations, in 2022, 274 million people are expected to need humanitarian aid, which increased by 17% from 2021.

While the world has been recovering from the pandemic, the war between two Eastern European nations, Russia and Ukraine, is challenging the global economic recovery. As a result of the war’s direct impacts and global spillover, the economic growth is projected to slow, and inflation is projected to increase further.



5 World Economic Forum, Global Risk Report 2022

ICIEC’S MEMBER STATES SOCIO-ECONOMIC OUTLOOK

ICIEC’s 48 Member States across 7 global regions are not immune from the global risks faced by the non-member states. The environmental and societal risks require critical attention by the ICIEC Member States and its stakeholders to plan for the socio-economic consequences among its population.

According to ICIEC analysis, the following crises, all of which are related to the Climate Risk are likely to pose increasing challenges to its member state citizens’ socio-economic well-being in the short and medium-term:

REFUGEE CRISIS:

Extreme weather condition is a primary trigger behind the involuntary migration within the Member States. The number of involuntary migrations due to climate disasters and internal conflicts has increased from 82.4 million in 2020 to more than 84 million by June 2021<sup>6</sup>.

According to UNHCR’s 2022 planning figures, the population of concern includes refugees are in West and

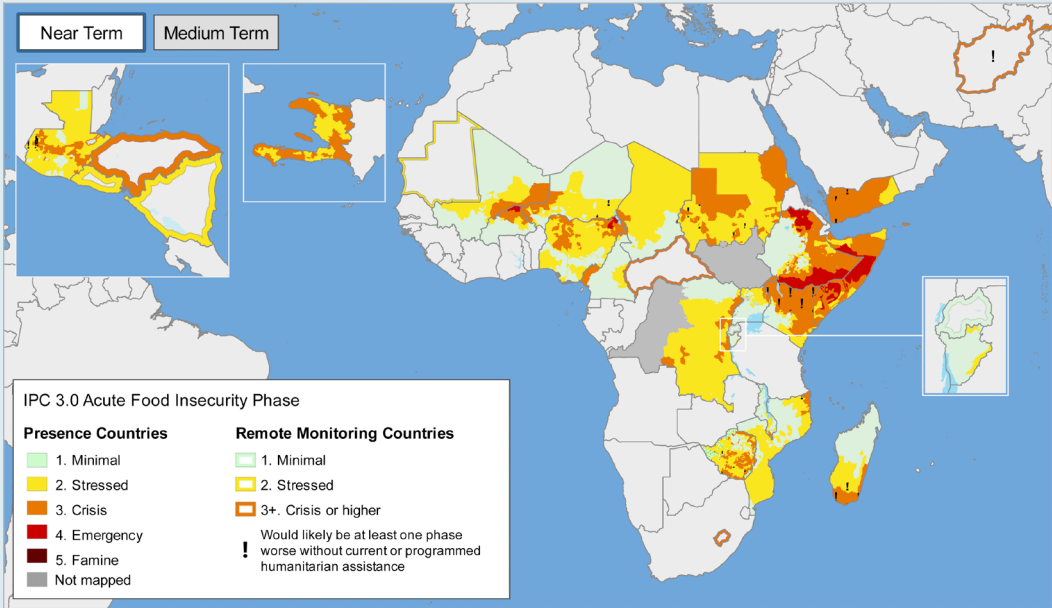
Central Africa (11%), Southern Africa (10%), East and Horn of Africa (16%), Middle East and North Africa (16%), and Asia Pacific (10%).

COP26 summit and years of related research by various climate risk monitoring organizations shed light on how climate change poses a significant threat to at-risk countries’ populations, leading to involuntary migration. According to the Internal Displacement Monitoring Centre, 7 million people were internally displaced by natural disasters across 104 countries in 2020.

LIVELIHOOD AND FOOD CRISES:

Natural disasters are also the culprits behind increasing livelihood and food security crises across the world. COVID-19 left lasting damage in many LDMSs that exposed socio-economic vulnerability and impacted the member state population’s livelihoods. An increase in unemployment is likely to challenge many LDMS’ abilities to recover from the pandemic-related economic downturn. Many ICIEC’s LDMSs are at risk of food security due to a lack of economic access to buy, produce, or consume adequate and nutritious food. Figure 9 shows a heatmap of Acute Food Insecurity in the near term<sup>7</sup>.

Figure 9: Heatmap of Acute Food Insecurity in the Near Term<sup>8</sup>



6 UNHCR

7 Famine Early Warning Systems Network

8 Famine Early Warning Systems Network



Extreme poverty was declining globally before COVID-19. The pandemic disrupted the downward trend, and the absolute number of people living in extreme poverty rose for the first time after 1997. The long-term concentration of poverty is projected to accentuate in middle-income, primarily located in Africa.

The socio-economic impacts of the Russia-Ukraine war are spreading far and wide, including in ICIEC’s member states. Russia is a major supplier of essential commodities such as oil, gas, metals, wheat, and corn. Ukraine is also a major supplier of wheat and corn. Due to the war and economic sanctions on Russia, the supply of these commodities has declined, pushing the commodity prices up rapidly. Many Member States in Asia, the Middle East, North Africa, and sub-Saharan Africa that import staple commodities from these two countries are severely affected. Further shocks are expected to impact the Member States beyond the energy and agricultural commodity prices, further increasing the livelihood and food crises.

HEALTH-RELATED CRISES:

Infectious diseases are one of the global risks identified by the World Economic Forum’s Global Risk Report 2022 that is expected to continue to pose challenges in the near term. Developing people-centric health systems will be a critical topic on the world community’s agenda beyond 2022. Many of the ICIEC member states are part of “low-income countries” where the vaccination rate is only 4.3% compared to 69.9% in “high-income countries” . A new wave of infections may pose further health challenges in the Member States unless an adequate supply of emergency medical kits, vaccination, and tools is available to their population. Ensuring adequate healthcare infrastructure will also be necessary for mitigating health-related crises.

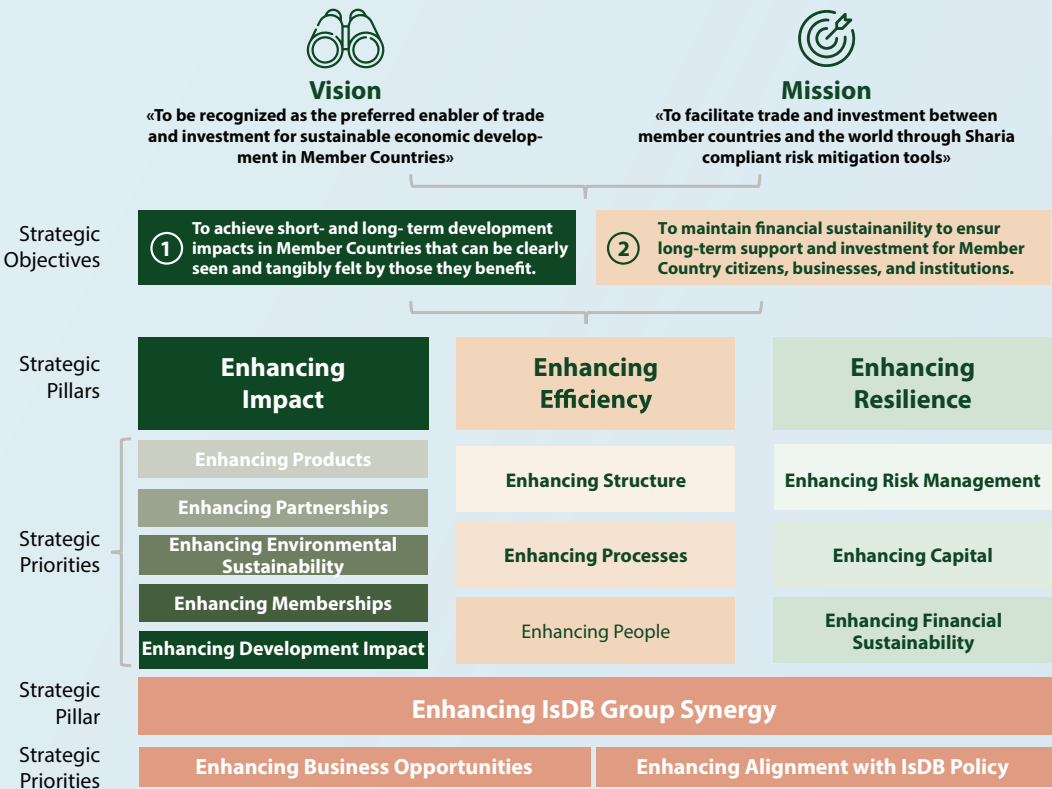
ICIEC’S STRATEGIC PRIORITIES

As a multilateral investment and export credit insurance provider operating within an increasingly interconnected and challenging global economic and social environment, ICIEC is positioned with its unique role in mitigating trade and investment risks in its member states. This role requires ICIEC to monitor emerging global risks both short and long term and prioritize its activities for maximum impact on its member states and stakeholders.

Enhancing Impact is one of the core strategic pillars of ICIEC’s Enhanced 10YSF (see figure 10), which aligns with IsDB’s 10-Year Strategy, aimed at achieving a clear and tangible development impact in the Member States and maintaining its financial sustainability. Within this strategic pillar, ICIEC’s Mid-Term Strategic Priorities include:

Enhancing Products
Enhancing Environmental Sustainability
Enhancing Development Impact
Enhancing Partnerships
Enhancing Memberships

Figure 10: ICIEC’s Enhanced 10YSF



To enhance the development impact in its member states against the emerging risks and crises, it is vital to consistently monitor the environmental and societal risks that affect its Member States. ICIEC’s consideration for enhancing development impact includes utilizing a four-step IPAM framework (figure 11), where the Corporation

starts with identifying the societal and environmental risk profile of its member states, prioritizing development projects according to the ranking of the member state risk exposures, approving projects in alignment with the impact needs ranking, and monitoring the development impact periodically.

Figure 11: ICIEC’s IPAM Development Impact Enhancement Framework

STEP 1 – IDENTIFY	STEP 2 – PRIORITIZE	STEP 3 – APPROVE	STEP 4 – MONITOR
Identify the risk profile of Member States and use a risk ranking model	Prioritize impact projects according to the risk profiles of the Member States	Approve projects in alignment with the risk ranking of Member States	Monitor and record the development impact. Use dashboard to increase efficiency in producing Impact Report.

9 WEF. The Global Risk Report 2022.



# Appendix

## ISLAMIC DEVELOPMENT BANK GROUP

The Islamic Development Bank (IsDB) is a multilateral development bank (MDB) working to improve the lives of those we serve by promoting social and economic development in the Member States and Muslim communities worldwide, delivering impact at scale.

The IsDB Group (IsDBG) comprises six entities: The Islamic Development Bank (IsDB), the Islamic Development Bank Institute (IsDBI), the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), the Islamic Corporation for the Development of the Private Sector (ICD), the International Islamic Trade Finance Corporation (ITFC) and the Islamic Solidarity Fund for Development (ISFD).

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### VISION

The Islamic Development Bank strives to become a world-class development bank, inspired by Islamic principles, that helps to significantly transform the landscape of comprehensive human development in the Muslim world and restore its dignity.

### MISSION

To promote comprehensive human development, focusing on the priority areas of alleviating poverty, improving health, promoting education, improving governance, and bringing prosperity to the people.



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<div><div><div><div><div><div></div><div>IsDB</div></div><div>البنك الإسلامي للتنمية</div><div>Islamic Development Bank</div></div></div><div><b>Islamic Development Bank (IsDB)</b></div><div>Provides project financing for infrastructure, social development, and equity participation in strategic corporate and financial institutions. IsDB is rated AAA by all major rating agencies.</div></div></div>	<div><div><div><div><div><div></div><div>IsDBI</div></div><div>المعهد الإسلامي للتنمية</div><div>Islamic Development Bank Institute</div></div></div><div><b>Islamic Development Bank Institute (IsDBI)</b></div><div>Provides training, research, advisory, and capacity building for the development of the Islamic Financial Service Industry.</div></div></div>	<div><div><div><div><div><div></div><div>ICIEC</div></div><div>THE ISLAMIC CORPORATION FOR THE INSURANCE OF INVESTMENT AND EXPORT CREDIT</div></div></div><div><b>The Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC)</b></div><div>Provides political and commercial risk insurance and reinsurance solutions. ICIEC is rated Aa3 by Moody's.</div></div></div>
<div><div><div><div><div><div></div><div>ICD</div></div><div>ISCD</div></div></div><div><b>Islamic Corporation for the Development of the Private Sector (ICD)</b></div><div>Provides project finance solutions to develop the private sector in the Member States. ICD is rated A2 by Moody's, 'A-' by S&amp;P and A+ by Fitch.</div></div></div>	<div><div><div><div><div><div></div><div>ITFC</div></div><div>ITFC</div></div></div><div><b>International Islamic Trade Finance Corporation (ITFC)</b></div><div>Provides financing and capacity building to encourage intra-trade across the OIC Member States. ITFC is rated A1 by Moody's and AA-/A1 by IIRA.</div></div></div>	<div><div><div><div><div><div></div><div>ISFD</div></div><div>ISFD</div></div></div><div><b>Islamic Solidarity Fund for Development (ISFD)</b></div><div>Provides financial support to enhance the productive capacity and sustainable means of income for the poor.</div></div></div>

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## ACRONYMS AND ABBREVIATIONS

3Rs	Respond, Restore, Restart
ADER	Annual Development Effectiveness Report
ASEAN	Association of Southeast Asian Nations
BMP	Bank Master Policy
CPRI	Credit and Political Risk Insurance
DCIP	Documentary Credit Insurance Policy
ECA	Export Credit Agency
ESG	Environment, Social, and Governance
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FII	Foreign Investment Insurance
GDP	Gross Domestic Product
GWP	Gross Written Premium
ICD	Islamic Corporation for the Development of the Private Sector
ICDT	Islamic Centre for Development of Trade
ICERI	ICIEC-ISFD COVID19- Emergency Response Initiative
ICIEC	The Islamic Corporation for the Insurance of Investment and Export Credit
IFRP	Inward Facultative Reinsurance Policy
IMF	International Monetary Fund
IsDB	Islamic Development Bank
IsDBI	Islamic Development Bank Institute
IsDBG	Islamic Development Bank Group
ISFD	Islamic Solidarity Fund for Development
ITFC	International Islamic Trade Finance Corporation
LC	Letter of Credit
LDMSs	Least Developed Member States
MENA	The Middle East and North Africa
MOU	Memorandum of Understanding
MS	Member State
NHSFO	Non-Honoring of Sovereign Financial Obligation
OIC	Organization of Islamic Cooperation
PRI	Political Risk Insurance
SDG	Sustainable Development Goal
SME	Small and Medium-Sized Enterprise
SPRP	Strategic Preparedness and Response Program
SSAE	Sub-Saharan Africa and Europe
STP	Specific Transaction Policy
UN	United Nations



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