



Report on:

## **ICIEC's Performance for the Year 2022**

Prepared for Submission to

The 39<sup>th</sup> Meeting of the Follow-up Committee of  
the Standing Committee for Economic and Commercial Cooperation of  
the Organization of Islamic Cooperation (COMCEC)

Ankara, Türkiye

May 23-24, 2023

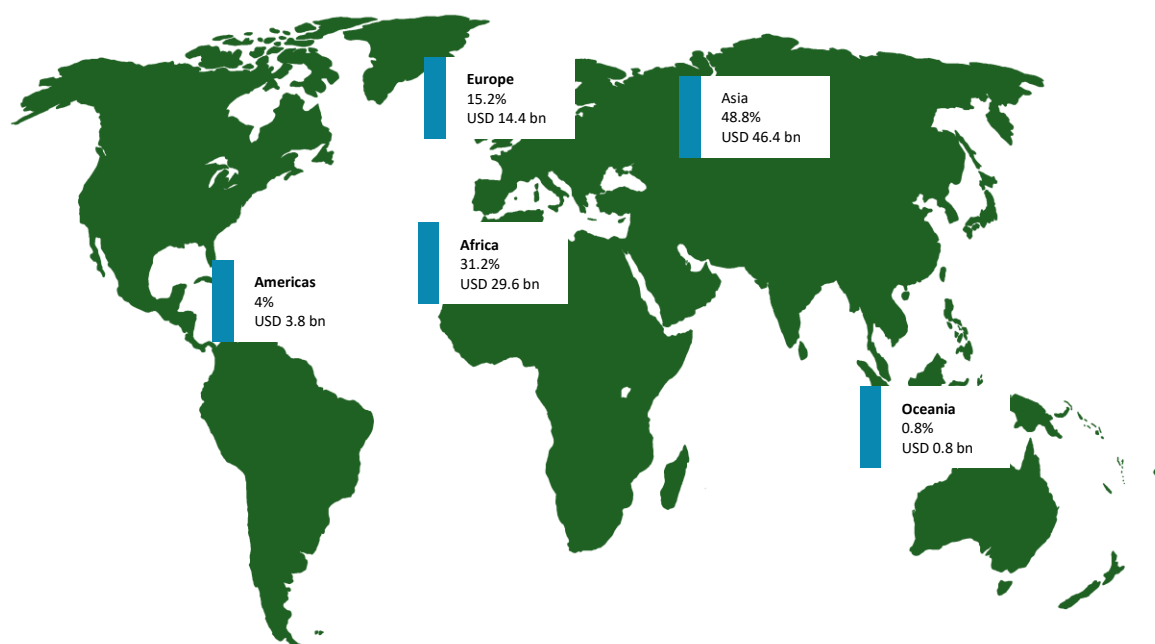
## Table of Contents

Executive summary .....	1
ICIEC Since its Inception .....	1
ICIEC introduction .....	2
ICIEC in 2022 .....	3
2022 Annual Highlights .....	5
2022 Key Results .....	7
ICIEC COVID-19 Response .....	12
ICIEC IMPACT .....	12
SDG IMPACT .....	12
Enhancing Impact.....	15
Enhancing Efficiency .....	15
Enhancing Resilience.....	16
IsDB Group Synergy .....	16
<b>Draft Resolutions</b> .....	<b>17</b>

## Executive summary

### ICIEC Since its Inception

- Over 29 years, ICIEC has insured nearly USD 95 billion in trade and investment – comprising USD 19.2 billion in investments and USD 75.8 billion for trade.
- ICIEC has extended insurance cover to the tune of USD 1.5 billion in the Agriculture and Fishery products sector, USD 2.3 billion in Healthcare, USD 26.8 billion in Manufacturing support, USD 38.3 billion to the Energy sector, USD 6.5 billion related to Infrastructure, USD 8.6 billion to Services, USD 4 billion for the Mining and quarrying sector, USD 1.6 billion in Retail and Distribution sector and USD 5.3 billion across other sectors.



- The cumulative insured business in Asia totals a volume of USD 46.4 billion (48.8% of total business insured), followed by USD 29.6 billion in Africa (31.2%), USD 14.4 billion in Europe (15.2%), USD 3.8 billion across the Americas (4%), and USD 0.8 billion across Oceania (0.8%).
- The volume of intra-Organization of Islamic Cooperation (OIC) exports totaled USD 37.5 billion: insured intra-OIC investments totaled USD 7.3 billion, USD 5 billion of investments insured in Least-Developed Member States (LDMSs)/Low Income Member States (LIMSS), and USD 0.5 billion of exports insured from LDMSs/LIMSS.
- ICIEC has established more than 164 partnerships with national Export Credit Agencies (ECAs), Reinsurers, Banks, and Multilateral Development Banks.

## ICIEC introduction

### *The Unique Shariah-Compliant multilateral credit and political risk insurer in the world*

ICIEC is a specialized multilateral insurer that provides Shariah-compliant trade credit and investment insurance to reduce the risk of doing business for prospective trade partners and investors across its 48 Member States (MSs) and globally. Since commencing operation in 1994, ICIEC has been committed to supporting the development of its MSs through facilitating trade and promoting investment transactions, including exports from MSs to the rest of the world in partnership with leading international financial institutions. These activities are at the core of the Corporation's mandate harnessing its deep understanding of doing business in the MSs to support existing ventures and promote new opportunities. ICIEC serves as a transformative catalyst for enhancing trade activities and promoting investment inflow into its MSs and has supported trade and foreign direct investments with a cumulative amount of USD 95 billion. Of this figure, USD 75.8 billion represents support for trade, while USD 19.2 billion of foreign direct investments is insured. ICIEC coverage has been provided to the benefit of the MSs, enhancing their economic prosperity, development, and diversification.

In 2022, ICIEC worked ceaselessly to navigate the patchy recovery from the COVID-19 pandemic. Not only continued supporting trade and investment in the OIC countries through the challenging days of the crisis, but it has also stepped up its capacity and responded to the more recent and urgent demands from its MSs. Through collaborative efforts amongst member institutions, ICIEC has been able to leverage complementary strengths and enhance the impact of the IsDB Group's response to the crisis. This support has enabled MSs to achieve long-term sustainable development by catalyzing transactions and projects that contribute towards achieving the Group's Strategy and SDGs.

Through these SDGs, a call to action is established to eradicate poverty, protect the environment, and improve the lives of everyone on Earth. Of the 17 SDGs, ICIEC is prominently committed to six goals directly related to its mandate. For example, ICIEC's response to the Climate Crisis (SDG 7) and World hunger (SDG 2) has been to support MSs transactions related to food security and energy transition. Furthermore, the growing awareness from shareholders across MSs has increased ICIEC's push toward supporting more sustainable projects.

As the trusted partner of many international exporters, financial institutions, and investors, ICIEC's repute has afforded its stakeholders, the communities, and institutions in MSs, the opportunity to undertake business with partners that otherwise may not have been available to them. ICIEC covers transactions ranging from investments in large infrastructure projects (energy/renewable energy, transport, and healthcare sectors) and import of essential products and commodities (pharmaceutical supplies, agricultural inputs, and equipment) to enhancing the food security of its MSs. ICIEC has made significant strides since its establishment 29 years ago. Its number of MSs, partners, and the annual volume of business insured has expanded significantly during the past eight years. The Corporation's performance remained strong through the challenges of the pandemic.

The success that ICIEC has enjoyed is mainly due to its team of committed professionals, the network of public organizations, and the hardworking private businesses in its MSs that continue pushing impact boundaries beyond their respective borders and that have continued to provide the Corporation with insightful market needs analysis.



### 2022 Annual Highlights:

- The total business insured in trade and investment in 2022 reached USD 11.6 billion, a year-on-year increase of 19% compared to 2021, with new commitments increasing by 27% to USD 4.0 billion compared to USD 3.1 billion in 2021.
- ICIEC supported various sectors, including Agriculture to the tune of USD 51 million: Retail and distribution with USD 361 million: Energy with USD 6,638 million, Healthcare with USD 264 million: Infrastructure with USD 427 million: Manufacturing with USD 2,473 million: Mining and quarrying with USD 95 million: Services with USD 936 million: and Others with USD 398 million.
- ICIEC provided cover for financing landmark ESG-related projects in Uganda across the Water, Electrification, Education, Agriculture, and Healthcare sectors. Other critical infrastructure projects in MSs covered by ICIEC include the Procurement of Power Equipment (Uzbekistan), a Metals and Mining transaction (Indonesia), and a Transport Scheme (Turkmenistan).
- ICIEC has contributed to IsDB Group's Food Security Response Program (FSRP) through a pledge of USD 500 million in insurance capacity over three and a half years (July 2022 to End-2025).
- ICIEC contributed to the implementation of the Strategic Preparedness and Response Program (SPRP), in cooperation with the IsDB Group, providing cover amounting to USD 1.4 billion to support efforts of MSs in the COVID-19 pandemic, including USD 528 million for the Healthcare sector, USD 824 million towards Supporting imports of essential commodities, and USD 62 million to Support recovery of Small and Medium-Sized Enterprises (SMEs) from the economic impacts of the pandemic.
- ICIEC has been working on developing bankable projects and programs, serving the OIC Member States' climate agenda. For instance, ICIEC's Green Sukuk Insurance Policy will enhance the capacity of Sukuk issuers to attract capital for sustainable 'green' projects.
- ICIEC introduced climate risk screening solutions and processes to help identify potential climate change risks to investments.

### Business Performance:



- ICIEC insured USD 11.6 billion in total business in 2022, compared to USD 9.8 billion in 2021, reflecting an increase of 19% and achieving 128% of its approved Business Plan target for 2022.
- New Commitments (new insurance approvals) during 2022 reached USD 4.0 billion compared to USD 3.1 billion in 2021, registering an increase of 27%.
- Gross Exposure at the end of 2022 reached USD 4.6 billion compared to USD 4.2 billion at the end of 2021, reflecting an increase of 8%. The breakdown of Exposure for Short-Term (ST), Medium-Term (MT), and Foreign Investment Insurance (FII) business lines comprises USD 1.5 billion, USD 0.3 billion, and USD 2.9 billion, equating to 32%, 5%, and 63% of total exposure, respectively.
- Gross written premium during 2022 amounted to USD 92.4 million compared to USD 78.9 billion during 2021, reflecting an increase of 17% and achieving 108% of its approved target for 2022.

## ICIEC Impact:



UN Sustainable Development Goals (SDGs) Impact:	Enhancing Impact	Enhancing Efficiency
<ul style="list-style-type: none"><li>In 2022, ICIEC provided over USD 2 billion in insurance coverage to support LDMSs imports and exports as well as inward investment into labor-intensive industries. Additionally, it insured USD 51 million for the Agricultural sector, USD 264 million for the Healthcare sector, USD 379 million for Clean energy projects, and investments related to Infrastructure totaling USD 427 million. It has also established 164 partnerships with ECAs, Reinsurers, Banks, and Multilateral institutions.</li></ul>	<ul style="list-style-type: none"><li>ICIEC signed an agreement with "Aware for Projects," a landmark online climate-risk screening tool to help the Corporation identify potential climate change risks and develop a consistent approach to assessing them.</li><li>Within the IsDB Group Regional Hub, ICIEC opened a new regional office in Cairo, Egypt, in 2022. This presence is an important milestone as it will expand ICIEC's reach and better serve clients' needs in this region.</li></ul>	<ul style="list-style-type: none"><li>The Corporation is committed to providing a best-in-class client experience through various initiatives, including:<ul style="list-style-type: none"><li>A comprehensive update of the Operations Manual.</li><li>Automating and streamlining the end-to-end business solution. This solution is expected to Go-live in Q3-2023.</li></ul></li><li>The Corporation's Goal is to provide clients with an efficient, optimized system that will enable them to maximize productivity while minimizing time spent on manual processes.</li></ul>
<p>Enhancing Resilience</p> <ul style="list-style-type: none"><li>ICIEC undertook a technical study of its capital requirements and secured a capital increase, which has succeeded in enhancing capacity and its credit rating.</li></ul>	<p>Enhancing IsDB Group Synergy</p> <ul style="list-style-type: none"><li>During 2022, ICIEC supported IsDB Group FSRP through a pledge of USD 500 million in insurance capacity over three and half years (July 2022 to End-2025).</li></ul>	

## Propelling Partnership:



### Asia:

- ICIEC signs a Memorandum of Understanding (MoU) with Nippon Export and Investment Insurance (NEXI) to combat the climate crisis
- ICIEC concludes MoU with Central Bank of Iraq (CBI) to boost Credit and Political Risk Insurance (CPRI) deals in the country
- Saudi EXIM Bank and ICIEC seal reinsurance agreements to help facilitate the flow of trade finance into and out of the Kingdom of Saudi Arabia
- Tabarak Investment Capital and ICIEC agree on insurance coverage for Shariah-compliant goods
- Export Bahrain and ICIEC ink an MoU for export credit and investment insurance
- ICIEC and Al-Rajhi International Investment Company signed an MoU for agri-food security to MSs

- MoU signed with Islamic Chamber of Commerce, Industry, and Agriculture (ICCIA) to support trade and green finance in MSs tapping ICIEC de-risking solutions
- ICIEC organized two high-level events at IsDB Group Private Sector Forum in Egypt focused on 'Climate Action' and 'Digital Transformation.'

#### Europe:

- ICIEC and Compania Espanola de Seguros de Credito a la Exportacion, S.A. Compania de Seguros y Reaseguros SME (CESCE) ink reinsurance agreement.
- ICIEC joined the InsuResilience Global Partnership (IGP) for climate disaster risk finance and disaster solutions, positioning itself at the forefront of its peers to meet the Climate Action needs of its MSs.
- ICIEC and IGP convene a high-level forum during COP27 to stress the importance of Partnerships in accelerating climate action, mitigation, adaptation, and finance, including de-risking credit and political risk solutions.

#### Africa:

- ICIEC and Elsewedy Electric accelerate climate action.
- ICIEC, African Development Bank (AfDB), African Trade Insurance Agency (ATI), African Union Development Agency (AUDA-NEPAD), GuarantCo, and Afreximbank partnered to boost trade
- ICIEC and the Federation of Egyptian Industries (FEI) signed a cooperation MoU for Egyptian industries
- ICIEC, the Ministry of Trade and Industry, Egypt, and the Arab Africa Trade Bridge (AATB) program ink a partnership agreement to boost growth
- ICIEC and the Federation of Afro-Asian Insurers and Reinsurers (FAIR) agree on new cooperation in trade and investment
- ICIEC and Commercial International Bank (CIB) hosted a COP27 panel discussion on climate adaptation and food security.
- ICIEC signed a landmark cooperation MoU with Africa Finance Corporation (AFC) to Promote the Origination, Financing, and Execution of Climate Action Projects in African MSs.
- ICIEC partnered with AFC to convene Timely Forum at COP27 in Sharm El Sheikh on the roles of renewable energy projects and credit and political risk insurance in climate change mitigation.
- ICIEC hosted three fireside chats with high-level speakers during COP27 discussing Renewable energy, clean energy transition, the Middle East Green Initiative, and the Role of technology and finance. Guests included Mr. Paddy Padmanathan (Vice Chairman and CEO of ACWA Power – KSA), Lord Adair Turner (Chair of the Energy Transitions Commission and Chairman of Chubb Europe – UK), and HH Noura Turki Al Saud and HH Mashal Alshalan (Funding Partners of AEON Strategy - Saudi Arabia).

## 2022 Annual Highlights

<b>USD 11.64 billion</b> Support for trade and investments	<b>USD 9.62 billion</b> Support for trade
<b>USD 2.02 billion</b> Support for foreign direct investments	ICIEC coverage provided to its <b>49 Member States</b>

In 2022, ICIEC outperformed many of its ambitious targets in terms of business insured and its international profile. This strong performance was made possible through initiatives undertaken to improve operational performance and enhance capital strength, reflected in the Corporation's solid credit rating (Aa3). In particular, the shareholders demonstrated their support for ICIEC's strategic growth plans by approving a substantial increase in capital of ID 600 million (about USD 805 million) at its 29<sup>th</sup> Annual Meeting held in Egypt in June 2022. This capital increase represents a 150% increase in the authorized capital of ICIEC to bring it to ID 1 billion (about USD 1.35 billion), being the largest in the Corporation's history.

Based on this approval for a capital increase, the subscribed capital will be increased by 168% from ID 297 million (about USD 398 million) to ID 797 million (about USD 1.08 billion). In addition, a Special Share Class comprising ID 100 million (about USD 135 million) was allocated for subscription by financial institutions owned by the Member States of ICIEC.

The approval of the capital increase underscored the strong support enjoyed by ICIEC from its MSs and demonstrated their endorsement of its strategic growth plans in delivering sustainable development objectives to its MSs. Moreover, the approval highlighted the diversification of capital resources, including financial institutions, while prioritizing the mandate to MSs.

For a multilateral insurer like ICIEC, the capital increase is significant because it determines its ability to underwrite more business and boost reinsurance capacity in support of MSs to carry out their developmental mandates more effectively. Furthermore, the capital increase scales up ICIEC's financial strength, enhances its loss-bearing equity resources, and improves its competitive position in the marketplace and its internal capital generation capacity, thus strengthening its credit fundamentals.

ICIEC contributed to the implementation of the SPRP, in cooperation with the IsDB Group, providing cover amounting to USD 1.4 billion in support of MSs pandemic recovery efforts. These include USD 528 million for the healthcare sector, USD 824 million for supporting imports of essential commodities, and USD 62 million to support SMEs from the economic fallout following the pandemic. Furthermore, ICIEC also contributed to the IsDB Group's FSRP – endorsed by a USD 10.5 billion package aimed at supporting MSs – by pledging USD 500 million in insurance capacity from July 2022 to December 2025. During the first FSRP period of H2-2022, ICIEC total approvals reached USD 159 million, representing double the target of USD 80 million.

There were also key ESG-related infrastructure projects supported by ICIEC in Senegal, Uganda, Türkiye, and Turkmenistan, which will be key to accelerating climate mitigation and promoting sustainability. Landmark events also took place at COP27 between ICIEC and InsuResilience, and Egypt's most prominent and leading private sector bank, CIB, in ICIEC's bid to move the dial on the race to net zero.

ICIEC was also honored in the insurance industry Global Brand Awards 2022 as the inaugural winner in the category 'Best Multilateral Insurance Corporation Brand – Global' by Global Brands Magazine. This year's award demonstrates how ICIEC's market engagements enable public and private enterprises to enhance credit and close the financial gap.

*Note: ID = Islamic Dinar, the unit of accounting of the IsDB Group: One ID = One SDR (Special Drawing Right) of the International Monetary Fund); One SDR = USD1.33 on 31 December 2022:*



2022 Key Results

**Aa3** Insurance Financial Strength Credit rating by  
**Moody's** for the 15<sup>th</sup> consecutive year

**USD 11.64 billion**  
Business Insured

Business Insured by Sector



Agriculture  
USD 51 million



Health  
USD 264 million



Energy  
USD 6,638 million



Infrastructure  
USD 427 million



Manufacturing  
USD 2,473 million



Mining and Quarrying  
USD 95 million



Distribution and Retail  
USD 361 million





Others  
USD 1,334 million

## Business Insured by Region 2022

<b>Africa</b> USD 3.26 billion	<b>Asia</b> USD 6.01 billion	<b>Europe</b> USD 1.96 billion
<b>Americas</b> USD 0.4 billion	<b>Oceanic</b> USD 0.01 billion	

## Financial Performance

 <b>Corporate net results</b> USD 10.9 million	 <b>Technical results</b> USD 3.4 million
---	--

## New Member State



ICIEC welcomes the Republic of Maldives  
as its 48<sup>th</sup> Member State

## Key Results (Cumulative)



Agriculture  
USD 1.47 billion



Health  
USD 2.35 billion



Mining and Quarrying  
USD 4.01 billion



Energy  
USD 38.34 billion



Infrastructure  
USD 6.45 billion



Others  
USD 13.91 billion

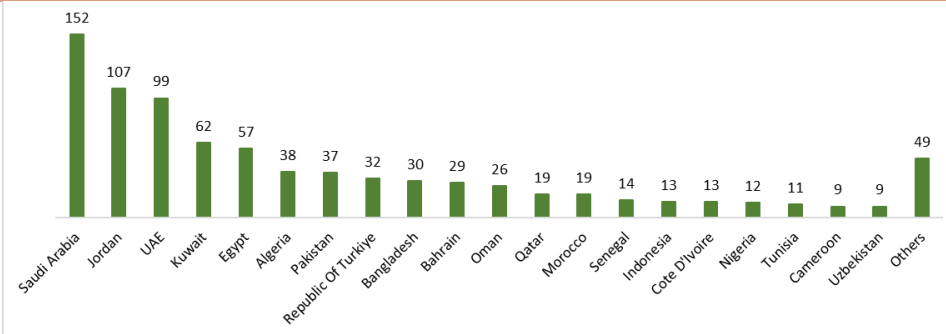


Manufacturing  
USD 26.79 billion



Distribution and Retail  
USD 1.62 billion

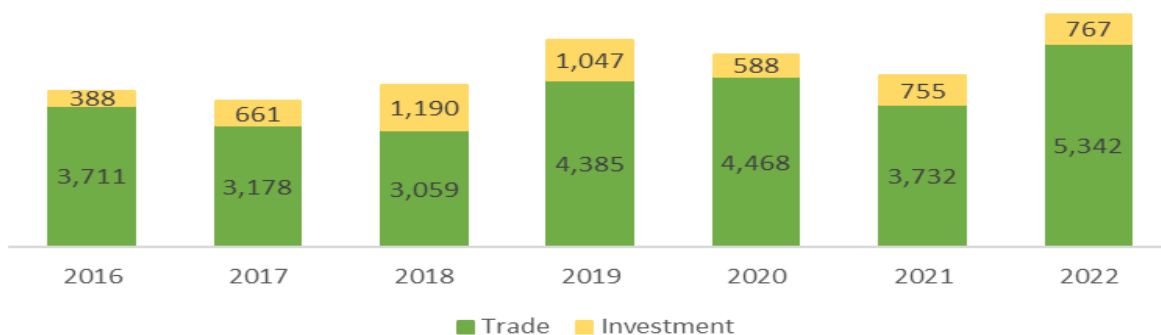
## Number of Entities Utilizing ICIEC's Services during 2022



**Grand Total 37 MSs**

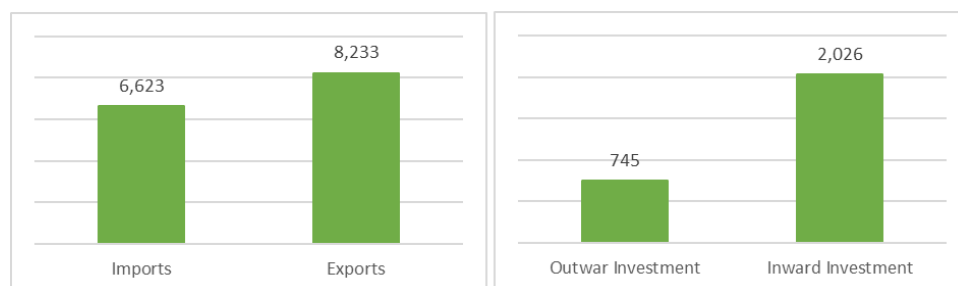
- In 2022, ICIEC supported trade and investment in 37 MSs
- A total of 837 entities from 37 MSs utilized ICIEC's services.
- One thousand four hundred sixteen (1416) entities from 123 countries worldwide have utilized ICIEC's services.

**Intra-Trade and Intra-Investment Facilitated for OIC Member States (USD Million)**



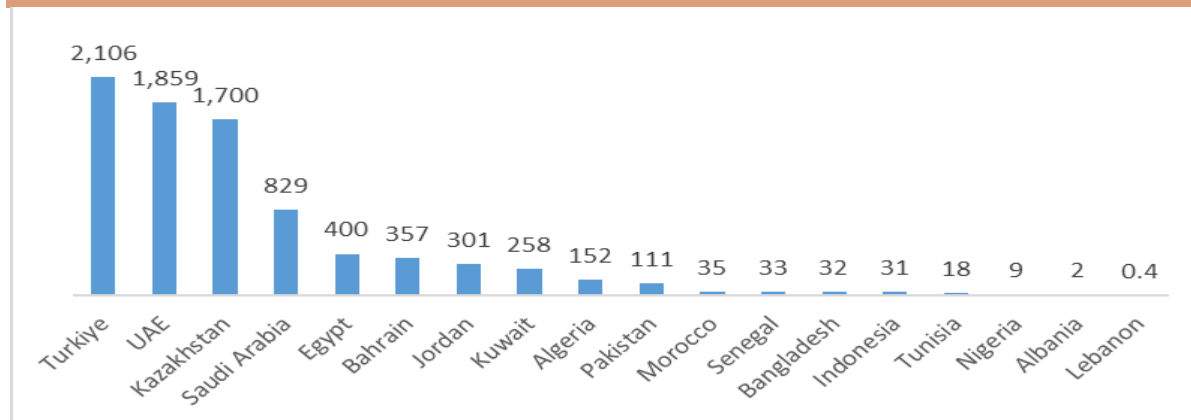
A key mandate of ICIEC is supporting intra-trade and intra-investment among OIC Member States. In 2022, ICIEC supported a combined USD 6.11 billion of intra-trade and intra-investment among OIC states. Out of that figure, USD 5.34 billion represented intra-OIC trade among OIC states, and USD 0.77 billion represented intra-investment among OIC states.

**ICIEC Support provided to its Member States in 2022 (USD Million)**

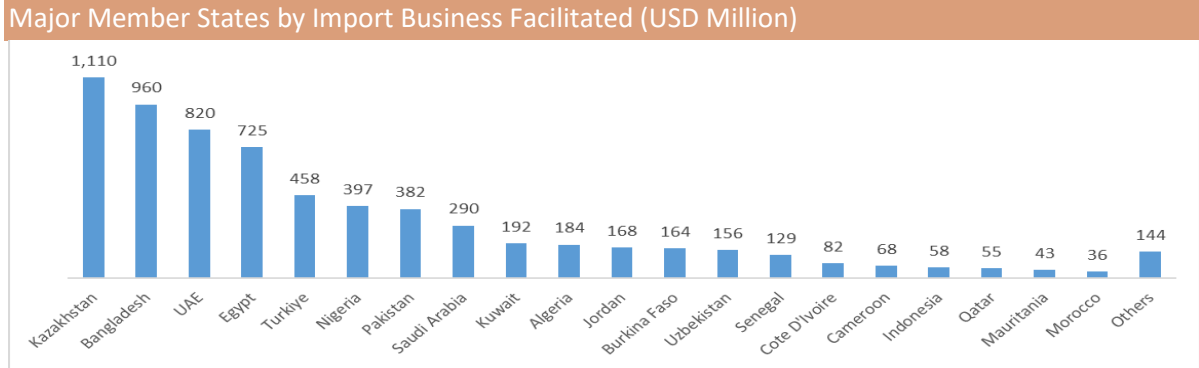


**Total 17,627**

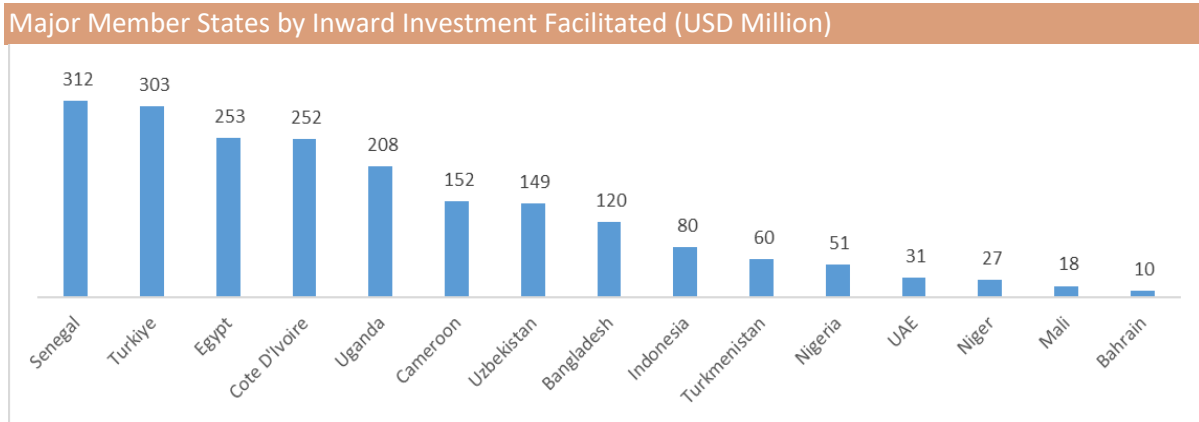
**Major Member States by Export Business Facilitated (USD Million)**



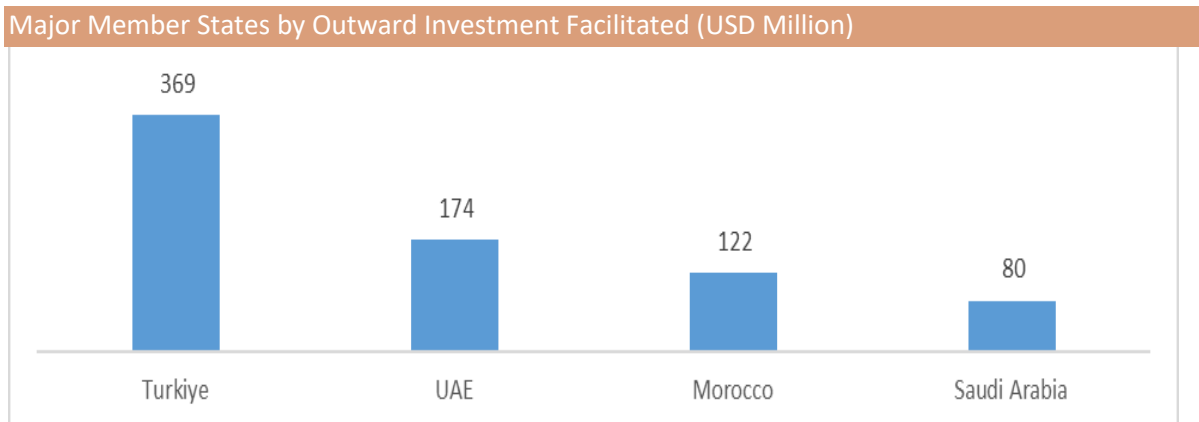
Most of the export business facilitated in 2022 came from Türkiye, UAE, Kazakhstan, Saudi Arabia, Egypt, and Bahrain.



The larger share of countries in import business facilitated in 2022 was Kazakhstan, Bangladesh, UAE, Egypt, Türkiye, and Nigeria.



The primary beneficiaries of the inward investment coverage in 2022 were Senegal, Türkiye, Egypt, Cote D'Ivoire, Uganda, Cameroon, and Uzbekistan.



In 2022, ICIEC supported outward investments, predominately in Türkiye, UAE, Morocco, and Saudi Arabia.

## ICIEC COVID-19 Response

The economic fallout from the COVID-19 pandemic across OIC states was amplified by the war in Ukraine in 2022. ICIEC and its partners have been charting a sustainable course and strategic direction to maneuver the unforeseen global developments as political risk and instabilities rise – particularly in ICIEC's MSs. In short, the pandemic and heightened geopolitical instability will further increase the demand for risk mitigation solutions for MSs to restore trade and investment flows.

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

### Business Continuity Management

ICIEC and the IsDB Group implemented Business Continuity Management measures to ensure the safety of ICIEC staff and the seamless continuity of operations through remote and allied means.

### New Measures

ICIEC introduced new measures, including regular Member State vulnerability tests and portfolio stress tests, tracked over dues at the portfolio level, exchanged early-warning exposure experiences amongst IsDB Group entities, and implemented a cautiously responsive operational approach, coupled with a defensive investment strategy

### Strategic Preparedness and Response Program

ICIEC contributed to the implementation of the SPRP in cooperation with the IsDB Group, providing insurance coverage amounting to USD 1.4 billion to support the efforts of Member States in combating the pandemic.

### Synergy-Based Initiatives

ICIEC collaborated with the IsDB - the Islamic Solidarity Fund (ISFD), to develop an initiative, the ICIEC-ISFD COVID Emergency Response Initiative (ICERI).

The **ICERI** – which is prioritized for import-dependent IsDB member countries to preserve the flow of essential imports to OIC Countries – has contributed to meeting the health, food, and energy needs of LDMSs. Based on the ICERI program, ICIEC enabled competitive financing rates to LDMSs for procuring medical items and essential food and energy commodities. ISFD has allocated a grant to ICIEC to support up to USD 400 million to procure urgent product needs. A total of USD 271 million in emergency trade transactions were approved under efficient collaboration from ISFD.

## ICIEC IMPACT

### SDGs IMPACT

The United Nations Sustainable Development Goals have been a central tenet of ICIEC operations since their introduction in 2015. ICIEC believes that trade and investment facilitation is an effective vehicle for achieving the SDGs.

ICIEC contributes to the achievement of the SDGs in three key ways. First, it contributes to the Islamic Development Bank Group's 10-Year Strategy (2015–2025) and its alignment with the SDGs. Second, the ICIEC mandate is to support sustainable economic development in its Member States by providing its services. Third, ICIEC acts as a catalyst for mobilizing private sector capital and directed towards achieving the SDGs.



The Corporation's dedication to supporting sustainable development is shown through the projects and transactions ICIEC chooses to insure – from ESG-related schemes in Uganda across water, health, and social infrastructure – the events the Corporation participates in, such as COP27 and the COMCEC Sessions, Work Groups and Committees, the corporate initiatives it pursues, and the products and services it provides. ICIEC also ensures that its commitment to reaching the SDGs is thoroughly embedded in everything it does, both internally and externally.

The Corporation most prominently supports six SDGs with its activities, namely SDGs 2-Zero Hunger: 3-Good Health and Well-being: 7-Affordable and Clean Energy: 8-Decent Work and Economic Growth: 9-Industry, Innovation, and Infrastructure: and 17-Partnerships for the Goal.

<p><b>2-Zero Hunger</b></p> <p>Committed to achieving food security in its Member States through strategic partnerships and supporting the imports of essential agricultural commodities, imports of modern agricultural machinery, and access to financial services.</p> <p>In 2022, ICIEC supported over USD 51 million in trade and investment in the agricultural sector.</p>	<p><b>3-Good Health and Well-being</b></p> <p>Responding to urgent healthcare needs exacerbated by the global pandemic through ensuring foreign investments in health infrastructure and providing cover for the import of strategic health commodities, otherwise deemed too risky.</p> <p>In 2022, ICIEC insured upwards of USD 264 million in trade and investment in the health sector.</p>
<p><b>7-Affordable and Clean Energy</b></p> <p>Expanding insurance support for developing modern and sustainable energy services through mitigating political and commercial risks associated with required infrastructure investments and exports.</p> <p>In 2022, ICIEC supported USD 379 million in trade and investment related to the clean energy sector.</p>	<p><b>8-Decent Work and Economic Growth</b></p> <p>Advancing economic growth, increased economic productivity, and employment creation by facilitating strategic investments in the LDMSs and promoting export businesses to grow internationally.</p> <p>In 2022, ICIEC insured over USD 2,079 million for imports, exports outward, and inward investment in the least-developed Member States and USD 73 million in labor-intensive industries.</p>

### 9-Industry, Innovation, and Infrastructure

Mobilizing funds for large capital-intensive infrastructure projects in the Member States, such as building bridges, airports, and state-of-the-art medical facilities. Improving access to finance for SMEs and encouraging infrastructure investments through risk mitigation instruments for banks and medium/long-term financing.

In 2022, ICIEC supported USD 427 million in trade and investment related to the infrastructure sector

### 17-Partnerships for the Goal

Collaborating with Member States, banks, investors, corporates, national ECAs, and other development finance institutions. Transactions that would otherwise be deemed too risky are realized through ICIEC's strong network of partners.

In 2022, ICIEC established more than 164 partnerships with national ECAs, reinsurers, banks, and other multilateral institutions.

## PARTNERING FOR ISLAMIC FINANCE IMPACT: ICIEC

ICIEC's role in support for trade and investment has helped its Member States in their ambitions to achieve long-term sustainable development. ICIEC catalyzes impact by supporting transactions and projects contributing to the 17 SDGs adopted by the United Nations in 2015. Through these SDGs, a call to action has been established to eradicate poverty, protect the environment, and improve the lives of everyone on Earth. ICIEC is prominently committed to six goals directly related to its mandate.

As the only Shariah-Compliant multilateral credit and investment insurer in the world and a member of the IsDB Group, ICIEC plays a crucial role in Islamic Impact Finance. For instance, Green Finance and Green Bonds/Sukuk are vital. ICIEC's Green Sukuk Insurance Policy (GSIP) allows issuers to attract capital for 'green' projects better. The GSIP is valuable for issuers in low-income and developing Member States, which are below investment grade rated and, consequently, attract less private capital for climate action. In short, Islamic finance will be paramount to promoting and realizing the SDGs across MSs as Shariah-Compliant facilities become critical tools to corporate exporters' and importers' financial toolkits.

ICIEC serves as a transformative catalyst for promoting trade and investment into its MSs and has supported exports, imports, and foreign direct investments with a cumulative amount of USD 95 billion. Of this figure, USD 75.8 billion represents support for trade, while USD 19.2 billion is for foreign direct investments. ICIEC cover has been provided to the benefit of its 48 MSs, enhancing their economic prosperity, development, and diversification. ICIEC's support for intra-OIC trade and investment was highlighted in the OIC/COMCEC's implementation strategy in 2022 in its bid to build an interdependent Islamic world.

ICIEC's impact in supporting key sectors to realize the SDGs and ESG compliance can be seen by the scale and range of cover. The total business insured in trade and investment in 2022 reached USD 11.64 billion, a year-on-year increase of 19% compared to 2021, with new commitments at USD 4.01 billion compared to USD 3.14 billion in 2021. In 2022, ICIEC supported agriculture to the tune of USD 0.05 billion: distribution and retail with USD 0.36 billion: energy to USD 6.64 billion, health to USD 0.26 billion: Infrastructure to USD 0.43 billion: manufacturing with USD 2.47 billion: mining and quarrying with USD 0.1 billion: Services with USD 0.9 billion: and others with USD 0.4 billion.

The need for out-of-the-box thinking involving partnerships and risk mitigation solutions such as credit and political risk insurance has become increasingly important. The supply chain disruptions due to the continuing conflict in Ukraine have seriously impacted the food security of grain-importing countries in the OIC Member States, especially in Africa, and on structural Energy Poverty globally.



ICIEC has thus contributed to the IsDB Group's Food Security Response Program by pledging USD 500 million in insurance capacity over three and a half years (July 2022/YE-2025). And on the climate mitigation front, ICIEC held key events at COP27 in November: the first was a panel organized with CIB to discuss impactful projects and climate mitigation: and the second was with Bonn-based InsuResilience Global Partnership to highlight the importance of partnerships in accelerating climate action, mitigation, adaptation, and finance, including de-risking credit and political risk solutions and the third was with AFC where the event spotlighted on the role of renewable energy in climate change mitigation and the experiences of multilateral financial institutions investing in such projects and how ICIEC's risk mitigation strategies can support them.

## Enhancing Impact

Product innovation, membership growth, strengthening of ESG and partnerships, and systemizing development effectiveness monitoring have enhanced ICIEC's impact across MSs. For instance, ICIEC has been working diligently to help the OIC Member States meet their climate agenda goals. One of the innovative initiatives taken by ICIEC is its Green Sukuk Insurance Policy, which provides a unique way for Sukuk issuers to attract capital for green projects.

ICIEC is developing a Climate Change Policy and ESG Guidelines Change policy that will institutionalize its commitments to climate action and green finance while also welcoming two new Member States over the past two years, including Azerbaijan, at the beginning of 2023 and the Maldives in 2022.

ICIEC has also signed an agreement with "Aware for Projects," a landmark online climate risk screening software solution. This new tool will help the Corporation identify potential climate change risks and develop a consistent approach to assessing them.

### **New Regional Offices**

Within the IsDB Group Regional Hub, ICIEC opened a new regional office in Cairo, Egypt, in 2022. The Corporation has established six additional offices across the OIC region since 2015. Member State-based business development officers were recruited at each hub. ICIEC pursues the Strategy of increasing its local staff members. Through their local knowledge, ICIEC seeks to develop solutions targeted to the specific needs, requirements, and circumstances of host and neighboring MSs.

## Enhancing Efficiency

### **Advancements in Technology**

Trends in technology continue to be highly favorable for ICIEC's growth outlook, as technological innovation and implementation have the potential to improve ICIEC's reach and operations vastly. Adopting certain technologies, such as the increased automation of business processes from end-to-end, lowers the cost of business transactions while increasing efficiency and effectiveness, particularly in the underwriting process and claims management. ICIEC has been exploring ways to implement the latest industry technology to enhance operational efficiency.

### **Business Process Optimization and Automation**

Recently the Corporation undertook a comprehensive update of its Operations Manual and is currently automating and streamlining its end-to-end business solution. The system is expected to go live in early 2023.

From an operational perspective, ICIEC is exploring opportunities to integrate InsurTech with ITS as well as its scope, coverage, cost, and benefits to deliver more value in business development, customer relations management, underwriting, and underwriting reinsurance, claims management, exposure management, and pricing.

### Enhancing Resilience

Strengthen enterprise risk management processes, grow reinsurance capacity, consider alternative reinsurance treaty structures, undertake a technical study of capital requirements, establish a contingency funding plan, and enhance its profitability and credit rating. The Strategy identifies tangible short and medium-term actions and addresses opportunities for shared services, upstream programs with IsDB Group entities, and a heightened focus on LDMSs.

### IsDB Group Synergy

The Strategy identifies tangible short and medium-term actions and addresses opportunities for shared services, upstream programs with IsDB Group entities, and a heightened focus on LDMSs. ICIEC is also aligned with the IsDB Realigned Strategy 2023-2025. ICIEC has also contributed to the IsDB Group's FSRP by pledging USD 500 million in insurance capacity over three and half years (July 2022/ YE-2025).

## Draft Resolutions

---

- **Takes note with appreciation** of the initiatives taken by ICIEC to lessen the impact of the COVID-19 pandemic on the Member Countries, specifically, the launching of the ICIEC-ISFD Emergency Response Initiative (ICERI) and the COVID Guarantee Facility (CGF).
- **Takes note with appreciation** the outstanding performance of ICIEC operations during 2022, which resulted in USD 11.6 billion as business insured, compared to USD 9.8 billion in 2021, bringing the cumulative amount of business insured since inception to USD 95 billion.
- **Acknowledges** ICIEC's role in supporting USD 6.11 billion of Intra-OIC business insured in 2022 (USD 5.34 billion of intra-OIC trade and USD 0.77 billion of intra-investment), with an increase of 36% over the figures achieved in 2021 and involving 37 countries.
- **Congratulates** ICIEC on achieving six SDGs, namely SDG 2, SDG3, SDG7, SDG 8, SDG9, and SDG 17.