

The Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC)



Foreign Investment Insurance and Investment Promotion

Presentation to International
Conference on Investment s in Albania

Presented by
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The Structure of the Islamic Development Bank Group



Board of Governors

Board of Executive Directors

Islamic Corp. for the Insurance of Investment and Export Credit



Islamic Corp. for Development of the Private Sector



Islamic Research and Training Institute



International Islamic Trade Finance Corp.

Islamic Corporation for Insurance of Investment & Export Credit



Creation	1994
Subscribed Capital	USD 318 Million
Paid up Capital	USD 150 Million
Rating	Aa3 (Moody's)

Primary Objective

Promote trade of member countries and encourage investment flows into member countries by providing:

- Investment Insurance;
- Export Credit Insurance; and,
- TA (FDI Promotion) services.

ICIEC Mission



Export Credit Insurance

To encourage exports from Member Countries to the rest of the World



Investment Insurance

To Encourage the Flow of Capital and Investments from the World to Member Countries



ICIEC Member Countries



40 members

17 ARAB Countries

1. ALGERIA
2. BAHRAIN
3. EGYPT
4. JORDAN
5. KUWAIT
6. LEBANON
7. LIBYA
8. MAURITANIA
9. MOROCCO
10. Oman
11. QATAR
12. SAUDI ARABIA
13. SUDAN
14. SYRIA
15. TUNISIA
16. U.A.E
17. YEMEN

14 AFRICAN Countries

1. BENIN
2. BURKINA FASO
3. CAMEROON
4. CHAD
5. Cote d'Ivoire
6. DIJIBOUTI
7. GABON
8. GAMBIA
9. GUINEA
10. MALI
11. NIGER
12. NIGERIA
13. SENEGAL
14. UGANDA

9 ASIAN /EUROPEAN Countries

1. ALBANIA
2. BANGLADESH
3. BRUNEI
4. IRAN
5. INDONESIA
6. KAZAKHSTAN
7. MALAYSIA
8. PAKISTAN
9. TURKEY

ICIEC Services



Export Credit Insurance

- Insolvency of the buyer
- Failure or refusal of the buyer to pay
- Refusal of the buyer to accept goods after shipment.
- Cancellation of the contract arbitrarily by the buyer. Currency transfer restrictions;
- Expropriation, War or civil disturbance

Political Risk Insurance

- Currency inconvertibility;
- Expropriation; War or civil disturbance
- Breach of contract

Technical Assistance

- Advisory on Investment Promotion
- Advisory on Investment/Business Climate Reform

PRI at ICIEC: Eligibility, Scope and Cost



Eligibility

- ✓ Investment destined for a MC.
- ✓ Investment must be Shariah compliant.
- ✓ New project, extension or acquisition.

Scope of cover

90%

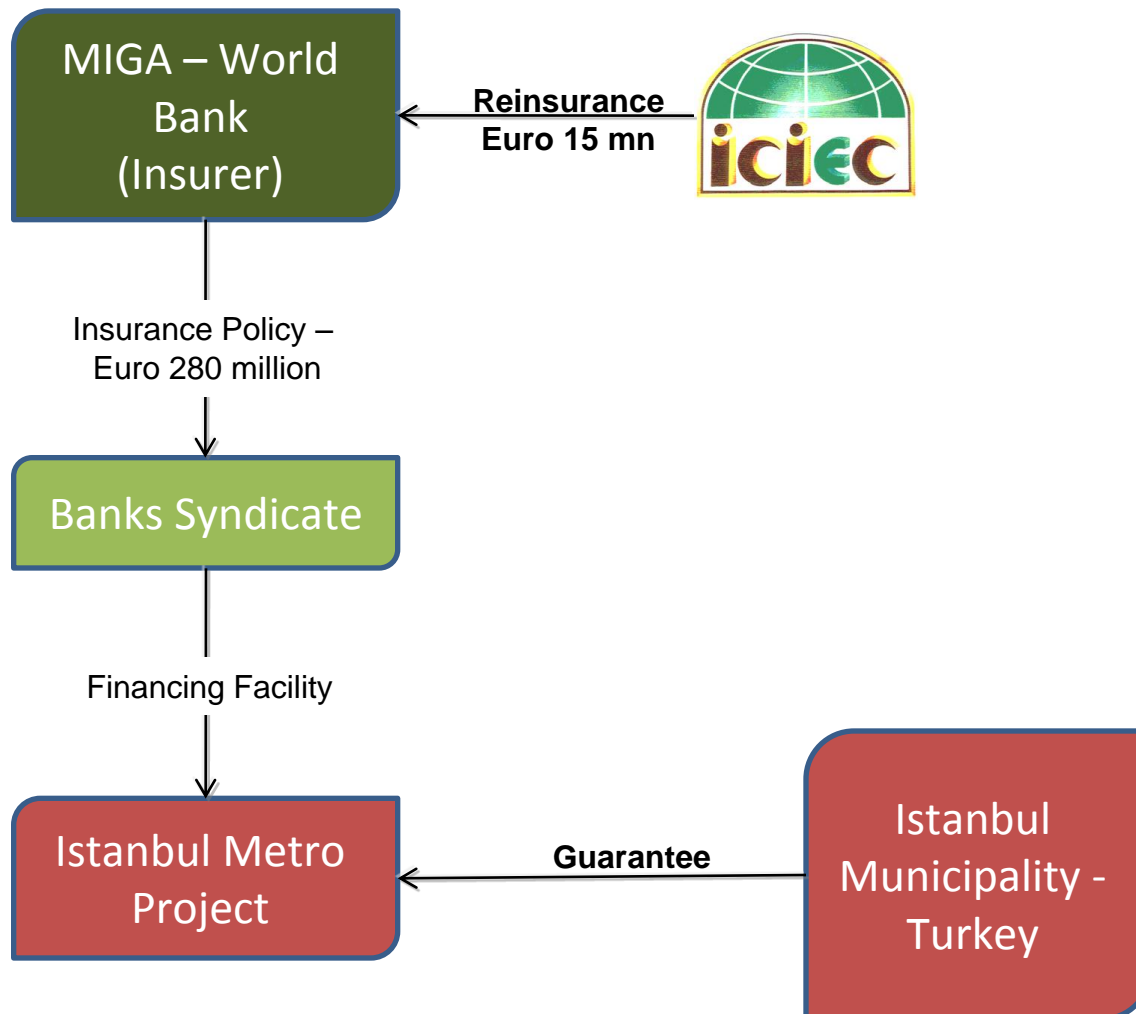
Tenor

Up to 15 years standard (Max. 20 years)

Cost

Premium rates vary depending on country, sector and project risks

Reinsurance for MIGA: Istanbul Metro project, Turkey



1. Covered Party– MIGA
2. Cover Against – Non-honoring of payment guarantee by the Istanbul Municipality
3. Insurance Duration – ~ 10 Years
4. Percentage of cover – 95%
5. Investment Value – Euro 280 million
6. ICIEC Covered amount – Euro 15 million
7. Status–currently underway

IDB Group's Investment Promotion Technical Assistance Program



Rationale of ITAP

- **Greater Recognition of the role of the private sector and foreign direct investment in sustainable socio-economic development of a country.**
- **The paucity of FDI flows in IDB Member Countries.**
- **The need for improving the investment climate and capacity to attract FDI by Member Countries**



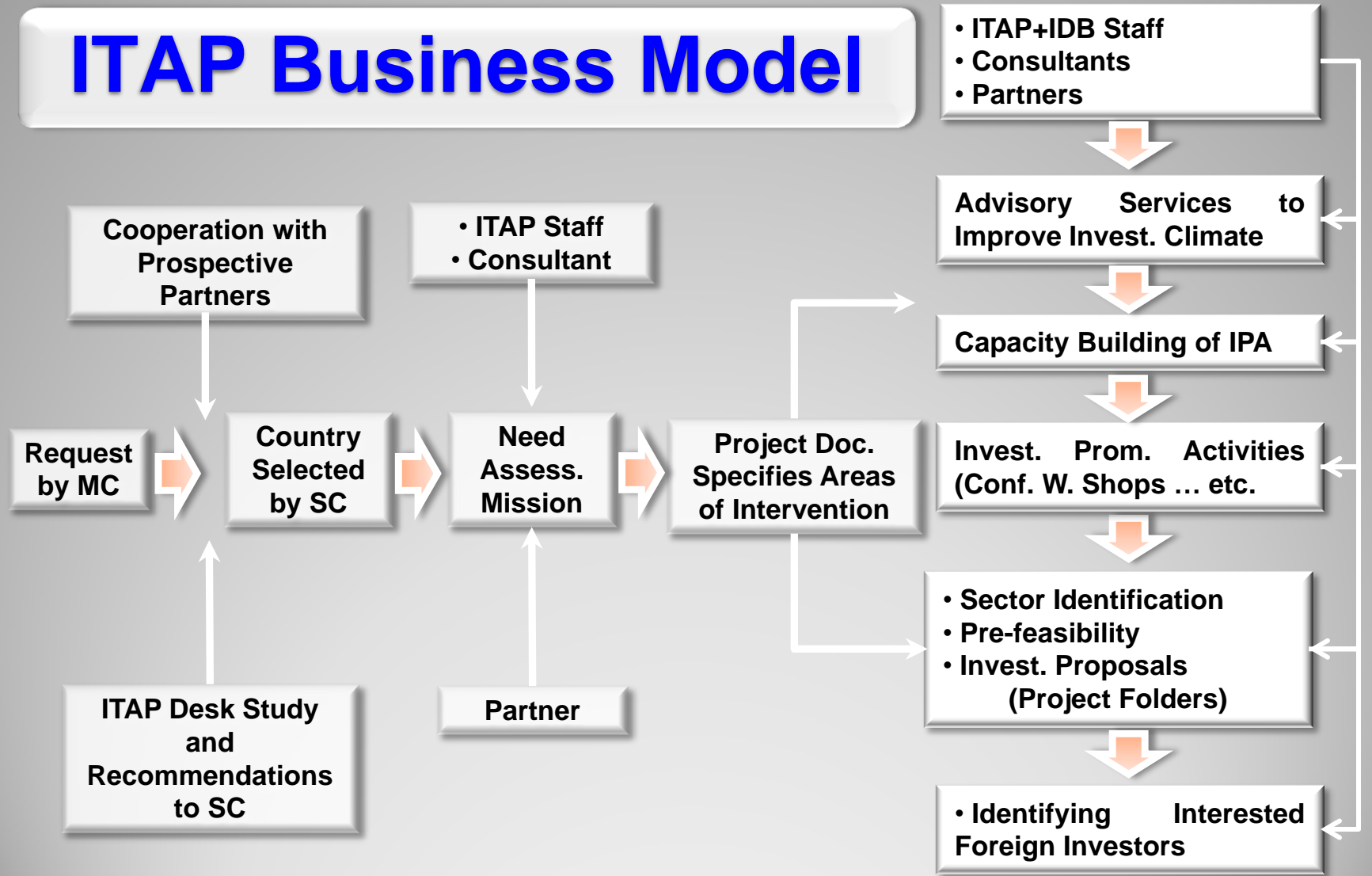
ITAP Objectives

To encourage the flow of FDI into MCs through:

- **Technical Assistance to enhance the investment climate.**
- **Capacity Building of Investment Promotion Agencies of MCs.**
- **Identification of investment potential and opportunities.**



ITAP Business Model



ITAP Partners

- ❑ The Arab Bank of Economic Development of Africa (BADEA) *
- ❑ United Nations Industrial Development Organization (UNIDO)
- ❑ The Multilateral Investment Guarantee Agency (MIGA)
- ❑ United Nations Conference on Trade and Development (UNCTAD)
- ❑ The Malaysian Investment Development Authority (MIDA) *
- ❑ The World Association for Investment Promotion Agencies (WAIPA)
- ❑ Foreign Investment Advisory Service, World Bank Group (FIAS)
- ❑ The Union of Chambers & Commodity Exchange of Turkey (TOBB)
- ❑ Jordan Investment Board (JIB)
- ❑ The Economic Research Foundation of Turkey (TEPAV)
- ❑ The Investment Support and Promotion Agency of Turkey (ISPAT)
- ❑ Ministry of Economy – Turkey *
- ❑ The Turkish Int'l Cooperation and Development Agency (TIKA) *
- ❑ * (Partner / Donor)



türkiye ekonomi politikaları araştırma vakfı

TÜRK İŞBİRLİĞİ VE KOORDİNASYON AJANSI BAŞKANLIĞI



ITAP Achievements

1432H



ITAP Achievements – 1432H

Capacity Building Programs

Program	Date	Partner/s	Location	Participants
Investor-State Dispute and International Investment Rulemaking	22-25 March 2011	UNCTAD	Casablanca, Morocco	25
Promoting Domestic Investment through Entrepreneurship Development Bahrain Model	28 May- 1 June 2011	UNIDO - ARCEIT	Manama, Bahrain	15
Regional Program on Improving Investment Climate in CIS countries	06-10 June 2011	TEPAV	Ankara, Turkey	8
Program for Kaznex Invest (Kazakh. IPA) on Road Show & FDI attraction	07-09 Sept. 2011	ISPAT	Astana, Kazakhstan	15
Turkey's reform policy experience in improving its investment climate	10-14 October 2011	MOE of Turkey TEPAV TOBB	Ankara, Turkey	31
FDI Promotion & Economic Development Strategies	21–25 Nov. 2011	MIDA WB Group	KL Malaysia	32
Linking Job Creation to FDI and Policy Development	6-8 Dec. 2011	UNIDO UNCTAD	Rabat Morocco	34

Total of 160 Participants from 45 Member Countries



ITAP Achievements – 1432 - 1433H

Country Programs

Country	beneficiary	Progress	Partner
Sudan	Ministry of Investment (MOI)	<ul style="list-style-type: none"> - Four priority sectors were identified. - Comprehensive capacity building programs were completed for the Ministry of Investment - Establishment of Entrepreneurship Development Center 	UNIDO
Uganda	Uganda Investment Authority (UIA)	<ul style="list-style-type: none"> - Sector identification and project profiles preparation were completed. - Capacity building of staff still Completed. - project completion with match making Forum (28–29 May 2012). 	BADEA UNIDO FGCCC
Syria	Syrian Investment Agency (SIA)	<ul style="list-style-type: none"> - Comprehensive skill development of staff was completed. - Priority sectors were identified and 100 project profiles were prepared. 	TOBB



ITAP Achievements – 1432 - 1433H Identified Country Programs

Country	beneficiary	Progress	Tech. Partner / Donor
Sierra Leone	Sierra Leone Investment & Export Promotion Agency (SLIEPA)	Project identified and launched	(BADEA - Donor) (ITAP Executing Agency)
Gambia	Gambia Investment and Export Promotion Agency (GIEPA)	Project identified and launched	(BADEA- Expected Donor) (ITAP Executing Agency)



The Way Forward

Activity	Beneficiaries
Full-Fledged Country Program	4 Countries Sudan – Uganda – Syria - Djibouti
Professional Training	500 Staff of IDB MCs IPAs
Capacity Building Programs	Officials of IDB MCs IPAs – 20 Different CB Programs in: (Malaysia, Turkey, Morocco, Kazakhstan, Bahrain, Jordan)

Additional New Requests for TA:

Comoros, Kyrgyz, Yemen and Djibouti, Cote d'Ivoire and Albania





THANK YOU

Globally Secure



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Let ICIEC Carry the responsibility of protecting your Investments around the world