

The world's leading international trade and investment insurers announce US\$1 trillion in new business

At the Annual General Meeting of The Berne Union – the organisation for the world's leading export credit and investment insurance agencies – members announced a total of USD 1 trillion in new business in 2005, a record-breaking figure indicative of the robust state of the industry.

Newly re-elected President of the Berne Union, Lars Kolte explained: "While the headline figure is eye-catching, the real story is that we have achieved growth across all three insurance business lines and have continued the strong annual increases achieved by our members since 2002."

The growth in all three lines of business – Short term (up to 1 year), Medium/Long term (1-15 years) and Investment insurance – is down to a number of main drivers:

- Rising global commodity prices have brought back large capital investment projects in energy and raw material extraction.
- There has been continued growth and regional development in the Asian markets.
- In general, international trade is growing at twice the pace of national GDPs, mainly due to the globalisation process.
- The credit cycle is at a very favourable stage with premiums up, claims down and recoveries providing strong cash flow for the Berne Union member companies.

Over 250 industry experts gather in Amsterdam

A record number of delegates – around 250 industry leaders – gathered for this year's meeting in Amsterdam from 30 October to 3 November 2006. The meeting was hosted by Berne Union member ATRADIUS, one of the leading global private insurers.

With Berne Union's consistent aim of exchanging new ideas and establishing best practices, members addressed:

- Marketing to SMEs.
- New business models to adapt to the impact of globalisation of exports and the opportunities to diversify the supply chain.
- The significance of recent political events in the Middle East and Latin America.

Guiding Principles are adopted at the AGM

New ground was broken in the area of best practice for the industry as the Berne Union adopted a set of ten Guiding Principles. This is a new framework which sets out the members' commitment to operate on the basis of sound business principles and to conduct business which is based on careful risk assessment and sensitive to environmental issues. The Guiding Principles build on the Value Statement adopted in 2004 and confirm Berne Union's role in promoting cooperation and stability in international trade.

The Vice President and Chair of the Working Group that developed the Guiding Principles, Hidehiro Konno explained their significance: "Our role as trade and investment facilitators provides us with opportunities to promote behaviours and practices that contribute to sustainable growth in global economic exchanges. This document reflects the ongoing commitment and work of Berne Union members to support global trade on a professional, responsible basis."

The Berne Union's commitment to international cooperation among industry leaders was further in evidence as joint meetings were held with ICISA (International Credit Insurance & Surety Association), a colleague organisation, with which Berne Union seeks to work together in identifying industry-wide issues and technical matters of mutual interest.

Adding new members

Three new full members were voted in: Chubb, USA; ECIC, South Africa and Slovak Eximbank, Slovakia, bringing total Berne Union membership up to 52. Secretary-General of the Berne Union, Kimberly Wiehl, commented: "Adding these three new members to the Berne Union further broadens the partnership of private and public sector members that makes our organisation unique. The membership represents all continents and major economic centres of the world."

President re-elected and new Vice President and Committee Chairs

Lars Kolte of the Eksport Kredit Fonden (EKF the Danish Export Credit Agency), was re-elected President of the Berne Union and Chair of the Medium Long Term Committee.

Angus Armour, MD of EFIC Australia was elected Vice-President to succeed Hidehiro Konno of Nippon Export and Investment Insurance (NEXI) of Japan.

Ladislav Artnik, PKZ Slovenia is the new Chair of the Short Term Insurance Committee, with Catherine Hess, EDC Canada as Vice Chair.

Raoul Ascari, SACE Italy was re-elected as Vice Chair of the Medium Long Term Committee.

Dan Riordan, Zurich is Chair of the Investment Insurance Committee, with Rainer Wietstock, PWC as Vice Chair.

Note to editors:

The Berne Union is the leading international organisation in the field of export credit and investment insurance. Members obtain valuable knowledge through interaction and the sharing of professional expertise with each other.

The Berne Union was founded in 1934 as an international non-profit organisation with the aim to facilitate cross-border trade by providing a forum for professional exchanges between its members and by actively supporting international acceptance of sound principles in export credits and foreign investment.

The Berne Union is made up of a mix of public and private member organisations, their main roles being to support exports and/or investments to both highly developed and emerging markets. They do this by providing insurance or guarantees to protect exporting companies and/or financing banks, against political and/or commercial risks in export transactions or foreign investments.

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