

THE SPECIAL MEETING OF BERNE UNION ASIAN REGIONAL COOPERATION GROUP JOINT STATEMENT

1. The leaders of major Asian Export Credit Agencies (ECAs) gathered at the Special Asian RCG (Regional Cooperation Group) Meeting on 17-18 November 2008, in Tokyo, Japan. The Ad-hoc meeting was chaired by Mr Hidehiro Konno, the President of the Berne Union and Chairman and CEO of NEXI, and was attended by the representatives from nine Asian ECAs including Dr. Apichai Boontharawara, President of ThaiEXIM, who is Chairing the RCG in 2008-09, and Ms Kimberly Wiehl, the Secretary-General of the Berne Union (list of participating ECAs attached as Annex 1).
2. Intensive discussions focused on responses by Asian ECAs to the global financial crisis. As the basis for the discussions, we, the Asian ECAs, share the concern that the global financial crisis is impacting the real economy, with shrinking trade and investment flows in the region as well as in the global markets.
3. We confirmed our commitment to supporting global trade and investment flows among the Asian countries as well as with the rest of the world. We recognize that increasing government support could be critical in fulfilling our commitment. Some of the participant ECAs have been given, or are discussing, additional financial support from their governments to increase their capacity to assist their exporters (summarized in Annex 2).
4. The timely exchange of updated credit information is essential. Through the use of the Berne Union Intranet and direct bilateral exchanges, Asian ECAs will share their experiences on particular countries, banks and buyers. By monitoring payment delays and sharing information on credit and debt collection agencies among the Berne Union members we will help one another to cope with the financial crisis.
5. We are working together to respond to the needs of our exporters, who have developed supply chains across the Asian region. By combining our knowledge and risk-taking capacity, Asian ECAs will expand their ability to meet the needs of their clients during this crisis. Reinsurance and coinsurance combine ECA capacity to provide comprehensive support for clients, and each agency also benefits by enhancing their technical capabilities. We will seek to expand reinsurance/coinsurance relationships with other Asian ECAs by actively exploring opportunities. Eventually, these bilateral reinsurance/coinsurance arrangements are expected to function as a reinsurance network covering the whole region.
6. We welcome the Berne Union making a priority member interaction and collaboration, especially at the practitioners' level. Asian ECAs will actively participate in Berne Union workshops and seminars and furthermore, will enhance our capacity also through intensive learning opportunities within the region including training programs, secondments, workshops and seminars. The RCG Chair will take a coordinating role of organizing these capacity-building initiatives.
7. The Asian ECA members combined represent a significant volume of the new business in the Berne Union today and are expected to play a role commensurate with their place in the Berne Union. The Annual General Meeting in Seoul next year, which commemorates the 75th Anniversary of Berne Union, will be a landmark event for Asian ECAs to gain momentum in their activities in the Berne Union.

Participants List

Name	Position	Export Credit Agency	Country
Mr. Zaafril Razief Amir	President Director	ASEI	Indonesia
Mr. Indra Noor	Operational Director	ASEI	Indonesia
Mr. Ayalur Vedom Muralidharan	Chairman and Managing Director	ECGC	India
Mr. Venkatraman Viswanathan	General Manager	ECGC	India
Mr. Angus Armour	Managing Director and CEO	EFIC	Australia
Mr. Chang Foo	Head, Product Management & Risk Transfer	EFIC	Australia
Ms. Cynthia Chin Sau-Ying	General Manager	HKEC	Hong Kong
Mr. Kenneth Leung Cheuk Lun	Assistant General Manager, Underwriting Division	HKEC	Hong Kong
Mr. Il Soo Kwon	Executive Director	KEIC	Korea
Mr. Jae Hyung Park	Director of Foreign Affairs Management Division	KEIC	Korea
Mr. Badrul Hisham bin Mohd Salleh	Vice President, Risk Management Division	MEXIM	Malaysia
Mr. Zulkifli bin Mohamed Raymond	Assistant Vice-President, Global Assessment Dept	MEXIM	Malaysia
Mr. Hidehiro Konno	Chairman & CEO	NEXI	Japan
Mr. Fumihiko Kato	Vice Chairman	NEXI	Japan
Mr. Shinji Hirai	Chief Representative, NEXI Singapore	NEXI	Japan
Mr. Seidai Nakamura	Director, Business Planning Group, Underwriting Dept.	NEXI	Japan
Dr. Sheng-Yann Lii	Chairman	TEBC	Taiwan
Ms. Ih-li Peng	Vice President & Deputy General Manager, Export Insurance Dept	TEBC	Taiwan
Dr. Apichai Boontharawara	President	ThaiEXIM	Thailand
Mr. Somporn Chitphentom	Executive Vice President	ThaiEXIM	Thailand
Ms. Kimberly Wiehl	Secretary General	Berne Union	

1. Measures being or to be taken by the government

<KEIC - Korea>

- Possible additional capital injection to be decided in Dec. 2008. (US\$ 260 million for 2009)
- Increase of the annual export insurance limit to \$170bn for 2009 from \$130bn for 2008.

<TEBC - Taiwan>

- Establish a separate fund for additional reinsurance capacity in November, 2008.

2. Measures under consideration by the government

<EFIC - Australia>

- Consideration of specific transactions on the Government National Interest Account.

<NEXI - Japan>

- Considering that the new special company, into which NEXI will be converted, will have adequate capital so that the new company can respond to increasing demand from its clients.

3 Measures under consideration by the multilateral agencies

<ASEI - Indonesia>

- Multilateral institutions operating in Indonesia to set up funds together with local banks (pool of funds) to support trade finance/ loans for exporters. ASEI will act as the insurer.

4 Measures suggested by the ECA to the government

<ASEI - Indonesia>

- to add capital to enlarge underwriting capacity of ASEI.

<ECGC - India>

- To offer financial assistance to small and medium exporters for providing 100% indemnity instead of present 90%, with a support of 25 million US\$.
- In respect of large exporters, additional indemnity over the present level of 90% with a support of 50 million US\$.
- providing larger protection from 75% to 85% in respect of cover for bank advances for exporters (both pre-shipment credit/ post-shipment cover).

<ThaiEXIM - Thailand>

- Proposed to the government to set up "National Export Credit Insurance Fund".
- This fund will function as a reinsurance fund to partially indemnify claims from the customers of ThaiEXIM.

Note to editors:**About the Berne Union**

Established in 1934, the Berne Union (International Union of Credit & Investment Insurers) is the leading international association for the export credit and investment insurance industry. It works for cooperation and stability in cross-border trade by supporting the international acceptance of sound principles in export credits and foreign investments and by providing a forum for professional exchange among its members.

Members

The 51 members of the Berne Union covered over US\$1.3 trillion worth of business in 2007, which is about 10% of the world's total export trade. Members are both private companies, offering worldwide risk management solutions, and state backed export credit agencies, focusing upon the support of national exports and outward investments.

Interaction

Members benefit from the highest quality information exchange through several yearly meetings, seminars and workshops, and interactively online. Exchanges focus on technical aspects of international trade, as well as developing and promoting best practices.

Links

The Berne Union has well established links with other organisations that play important roles in world trade including the WTO, World Bank, IMF, OECD and regional development banks.

The Secretary-General of the Berne Union is Ms Kimberly Wiehl, and the Secretariat is based in London.

See www.berneunion.org.uk for more information.

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