

2023 FiCS Summit Session Concept Note



Side event 8

Export credit as a mobiliser of private capital for sustainable economic development

This session will explore the role of export finance in economic development, how the risk mitigation instruments deployed by public and private sector underwriters of credit and political risk can help leverage private sector investment for projects with sustainable economic impact, and opportunities for a more integrated overall system of public finance which can bring together export and development capital.

Wednesday 6 September, 8h30-9h30 – Barahona 2

Coordinator(s)

Coordinator 1, Paul Heaney, Secretary General, Berne Union, pheaney@berneunion.org

Coordinator 2, Arturs Karlsons, Associate Director, Berne Union, akarlsons@berneunion.org

Detailed information about the session

Rationale

Export credit and political risk insurance are tools which enable cross-border trade and investment through risk mitigation and credit enhancement. They can help make projects bankable, lower the cost of borrowing and enable long-term economic development through critical infrastructure investment and technology transfer.

The session will focus on:

- **Structure of the industry** and participants, including the different products, mandate and dynamic between public (export credit agencies, and multilateral



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	<p>insurers) and private credit and political risk insurers, commercial banks and investors.</p> <ul style="list-style-type: none"> • Impact of export finance in economic development flows to developing markets, examples of projects with positive social impact • Developments in the sphere of climate and biodiversity • How the Berne Union helps to foster partnership innovation, and collaboration among members and other stakeholders <p>The session connects with the FiCS cross-cutting theme around private capital mobilisation towards SDG goals, as well as elements of the main meeting themes around climate and biodiversity, financial inclusion and sustainable infrastructure.</p> <p>The long-term goal of the FiCS to encourage better alignment of the international finance system towards common climate and sustainability objectives is advanced by introducing PDB stakeholders to counterparts within the heterogenous industry of export credit and investment insurance, represented by the Berne Union, whose members deliver both direct and indirect development impact within their mandates and business activities.</p>
<p>Objective</p>	<ul style="list-style-type: none"> • Increase awareness among PDB participants of the institutions and products within the export credit and investment insurance industry • Demonstrate the power of guarantees and insurance leveraging private sources of capital through risk mitigation and credit enhancement • Provide inspiration with examples of projects which leverage different sources of finance development, export, impact investment to achieve an end goal with positive economic, social or climate impact • To introduce the Berne Union as a source of knowledge and a connection to potential partners
<p>Target audience</p>	<p><i>We are interested in promoting better awareness of the export credit and investment insurance industry among all stakeholders of the FiCS.</i></p>



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	<p><i>In particular, we are interested in reaching out to institutions in the Latin America region, which have a lower presence in the export credit industry. We would like to understand better from the national and regional PDBs and DFIs what their role is in supporting trade and what are the main dynamics affecting this industry in the region.</i></p>
<p>Outcome of the event</p>	<p>The Berne Union has two specific outreach goals at present. One thematic and one regional:</p> <ul style="list-style-type: none"> • Thematic: Cross-industry discussion around climate finance, through our climate working group • Regional: Outreach to financial institutions in the LatAm region to build a better picture of the finance landscape and establish potential partnerships <p>An on-going part of our mission is to establish better links with external stakeholders (in particular within the development finance sphere) and to enable education, information exchange and collaboration to better support the export industry.</p> <p>As an outcome from this session, we would hope to identify interest from participants in connecting through one of our outreach initiatives, which may result in e.g.:</p> <ul style="list-style-type: none"> • Collaboration on a webinar or workshop focused on the financing landscape and opportunities for trade and investment in the LatAm region • a cross-exchange of activities and challenges around climate finance (identifying roadblocks and any potential efficiencies from collaboration) perhaps as part of a webinar with our climate working group.
<p>Format of the event Select which applies:</p>	<p>We plan to assemble a panel of representatives of the Berne Union membership, and the export credit and investment insurance industry, including at least one export credit agency, one multilateral institution and one private underwriter of credit and political risk. We will also involve a representative of a commercial bank and impact investor to add the perspective of an insured lender / investor</p>



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Partners	BU Member organisations: Export credit agencies, multilateral investment insurers and private credit and political risk insurance underwriters along with partners from private sector finance
Presentation	Paul Heaney, Secretary General, Berne Union
Moderator	Diana Smallridge, CEO, Momentus (formerly International Financial Consulting Ltd)
Speakers/Experts	<ol style="list-style-type: none"> 1. Maëlia Dufour, Chief International Officer, Bpifrance Assurance Export, and President of the Berne Union 2. Chris Mitman, Head of Export and Agency Finance, Investec and Managing Partner at Acre Impact Capital 3. Rouzbeh Ashayeri, Senior Underwriter Financial Institutions and Capital Markets, MIGA 4. Dan Riordan, Global Head of Political Risk and Credit, Vantage 5. Jorge Velázquez, Director of Innovation, Bancomext 6. Gabriel Felpeto, VP Finance, CAF 7. Germán Umaña, Minister of Trade, Industry and Tourism, Government of Colombia
Run of show	<p><u>1) Introduction to the meeting / discussion and objectives:</u> - Maëlia Dufour, President, BU</p> <p><u>2) Brief intervention from Colombian Minister of Trade, Industry and Tourism</u> - Mr. Germán Umaña</p> <p><u>3) Short presentation (with ppt) of the export credit and investment insurance industry, participants, mandates, instruments and impact</u> - Paul Heaney, Secretary General, Berne Union</p> <p><u>4) Panel discussion: Unlocking private capital through innovative risk sharing</u></p> <p><i>Discussion exploring how export credit and investment insurance contributes to sustainable economic development, the need for additional capacity and risk sharing structures, convergence challenges and innovation examples, particularly around climate and social impact projects. Possible areas to explore:</i></p>



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	<ul style="list-style-type: none"> ▪ The role of ECAs in sustainable economic development ▪ The catalysing effect of risk mitigation instruments ▪ Existing synergies between public and private sector within the export credit industry (<i>capacity, risk sharing, halo-effects, expertise, etc.</i>) ▪ Trends towards convergence and collaboration <ul style="list-style-type: none"> - new entrants straddling development finance and export credit markets - how could we work more with PDBs and DFIs - Leveraging a whole of government approach ▪ Examples of innovative risk-sharing structures ▪ Examples of positive social and climate impact <p>5) <u>AUDIENCE Q&A</u></p>
Materials	<ul style="list-style-type: none"> • 1x ppt presentation to be shared on 30/08/23
Language of the event	English
Equipment needed Select which applies:	<ul style="list-style-type: none"> • PowerPoint projection