

PRESS RELEASE

19 June 2018

FOR IMMEDIATE RELEASE

Demand for trade credit insurance and surety develops favourably in line with improving economic conditions

Members of ICISA report healthy figures for premium, claims and insured exposure

Trade credit insurance

- Insured exposure increased by 3.7% to € 2.4 trillion
- Premium increased by 2% to € 6.1 billion
- Claims paid decreased by 1.5% to € 2.8 billion
- Claims ratio 2017: 46.2% (2016: 47.8%)

Surety

- Premium increased by 5.4% to € 4.9 billion
- Claims decreased by 2.2%. Total claims paid over 2017 was € 770 million
- Insured exposure increased by 3.7% to € 690 billion

Discussions at the 76th Annual General Meeting of ICISA members

- Patrice Luscan (Coface) elected President
- Kay Scholz (R+V Re) elected Vice President
- Global economic and political developments, the risk environment and their effects on trade
- Insurtech / blockchain developments

The members of the International Credit Insurance & Surety Association (ICISA) met in Stockholm for their 76th Annual General Meeting to share and discuss market and industry developments. The main topics of discussion included developments in FinTech, InsurTech and blockchain, Basel III/IV and its potential effects on the cooperation with banks, threats imposed by looming trade restrictions and regulatory concerns.

Trade credit insurance

“Increased exposure and increased premium data point to a lower average premium rate, which is a result of the soft market, but does not reflect the worsening risk outlook.” President of ICISA, Patrice Luscan notes. “We expect higher growth in the coming year, thanks to this awareness of higher risk, and are prepared to continue to support our policyholders” he adds.

Surety

The surety members of ICISA report a healthy growth in premiums and insured exposure despite soft conditions in developed markets. “The state of the surety market has developed favourably, following the economic trends and a recovering construction industry. This is reflected in strong underwriting results and modest claims ratios for most members.”, Vice President Kay Scholz explains.

ICISA update

The Annual General Meeting marked the 90th anniversary of the association.

During the Annual General Meeting the membership elected Patrice Luscan (Marketing & Innovation Director at Coface) as their 41st President and Kay Scholz (Divisional Chief Underwriter Officer Credit, Political Risks and Surety Bonds at R+V Re) as Vice President for

the same period. Argo Surety, Credendo and Liberty Mutual were elected as members of the Management Committee, which now consists of Argo Surety, Atradius, Chubb, Coface, Credendo, Euler Hermes, Liberty Mutual and R+V Re.

ICISA is partnering with Offenburg University on an industry global data project. The aim is to give an annual estimate of the size of the trade credit insurance and surety markets, detailed by country or geographic area, sector and risk category.

ICISA recently underwent organisational changes towards increasing its advocacy efforts including the creation of a dedicated advocacy committee. The goal is to be in a better position to represent the member's interest to regulators and legislators on important regulations that affect them. Rob Nijhout, Executive Director of ICISA notes: "Our advocacy initiatives have dominated our activities over the past year. These are largely EU focused, but increasingly global as well. We are also expanding our lobby activities to Asia in line with wishes of members in the region"

NOTE TO THE EDITOR:

The International Credit Insurance & Surety Association (ICISA) brings together the world's leading companies that provide credit insurance and/or surety bonds. Founded in 1928 as the first credit insurance association, the current members account for 95% of the world's private credit insurance business. Today, with almost USD 3 trillion in trade receivables insured and billions of dollars worth of construction, services and infrastructure guaranteed, ICISA members play a central role in facilitating trade and economic development on all five continents and practically every country in the world. ICISA, has its office in Amsterdam, the Netherlands, and is registered in the Commercial Register under number 64391736.

ICISA members: Afianzadora Latinoamericana - Arch Re - Argo Surety - Aserta - PT. Askrido (Persero) - Aspen Re - Atradius - AXA Switzerland – AXIS Capital - BTG Pactual - Catlin Re Switzerland Ltd - CESCE - China National Investment & Guaranty Co., Ltd - China Pacific Insurance Co. Ltd. - Chubb - CLAL Credit Insurance Ltd - Coface - COSEC - Credendo -Credit Guarantee - ECICS Limited - Euler Hermes - Fianzas Atlas - The Guarantee Company of North America - Groupama Assurance-crédit & Caution - Hannover Re - ICIC - Liberty - Lombard Insurance Company - Mitsui Sumitomo - MS Amlin - Munich Re - Nationale Borg - PartnerRe Ltd - PICC Property and Casualty Company Limited - Ping An P&C - Qatar Re - QBE - R+V Re - SACE BT - S2C S.p.A. - SCOR Global P&C SE - Seoul Guarantee Insurance Company (SGI) - SID-First Credit - Sompo International - Sompo Japan - Swiss Re - Tokio Marine & Nichido Fire Insurance - Tokio Marine HCC - Travelers - Tryg Garanti - Zurich

Press contact:

Tim Frijters
External Relations & Information Manager
Herengracht 473
1017 BS Amsterdam
The Netherlands
Tim.frijters@icisa.org
Tel: +31 (0)20 625 4115

