

For immediate release

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Berne Union and Prague Club agree to create a new global association for export credit and investment insurers

Warsaw, Wednesday 11 May, 2016 – Poland’s official Export Credit Agency KUKE is hosting the respective Spring Meetings of the Berne Union, the International Union of Export Credit and Investors Insurers, and the Prague Club, an information exchange network for new and maturing insurers of export credit and investment, during the week May 9 – 12 in Warsaw.

The association’s members provide risk mitigation products to exporters and investors, helping companies to trade and invest safely internationally.

Over 200 international Senior Executives and Managers, representing 76 export credit and investment insurance companies from 61 countries worldwide gathered in the Polish capital for their Spring five-day working meetings.

Today members of the Berne Union and the members of the Prague Club held their respective general meetings and voted to fully integrate the Prague Club into the Berne Union. A new Prague Club Committee will complement the existing Berne Union specialist committees, while retaining the unique identity of the Prague Club.

The new integrated Berne Union will have 81 members from 73 countries.

The Berne Union’s President, Topi Vesteri confirms that “the significance of this full integration of credit insurers supporting larger and smaller export communities contributes to a much closer framework among experts and a stronger voice for our products globally. It is difficult to think of a better venue for this historically very important step to be taking place in Warsaw as our host KUKE was one of the first members of Prague Club in 1993 and became a member of Berne Union already in 1997. The Berne Union wholeheartedly welcomes the new members from the Prague Club.”

The Prague Club’s Chair, Chris Chapman says that “the Prague Club is very happy to formalise this integration, which supports the information sharing and development objectives of Prague Club members, as well as acknowledges the mutual benefits that all members can offer as a result of their global representation and diverse market knowledge and experiences.”

The meeting benefited from the participation of international experts in the field of political and commercial risks from leading private and academic research institutions, from the banking industry, reinsurers, specialists for SME export finance, other trade support associations culminating in productive sessions and exchanges of information with Berne Union and Prague Club members.

The keynote guest speaker was the Republic of Poland’s Deputy Minister of Development, Radosław Domagalski-Łabędzki, who highlighted the importance of the contribution by Export Credit and Investment Insurers to the stability and growth of global trade.

The international association also partnered with the Royal Łazienki Museum to assist with the production of teaching aids for people with disabilities in the education zone in the Old Orangery, generously sponsored by our members, ZURICH, SOVEREIGN, XL Catlin and ATRADIUS.

The next general meeting of the Berne Union and Prague Club will be its Annual General Meeting in November 2016, hosted in Lisbon by Portugal's official export credit agency COSEC. Several specialist meetings will be held just before and after such time on topics such as Rating and Pricing of Medium Term Risks, Claims and Recovery Management as well as the Investment Insurance Committee's Technical Expert gathering.

The Berne Union was founded 82 years ago with the vision to be an export credit insurer's platform for information exchange, sharing of expertise and networking among its members. This vision remains unchanged and relevant today. The mission of the Berne Union, to support and grow trade and investment globally, can best be evidenced by the new export and investment credit commitments made by Berne Union and Prague Club members which amounted to approximately USD 1.9 trillion in 2015. Out of the total business volume, about USD 1.6 trillion represents the support provided by short term export credit insurance, Berne Union and Prague Club members insured USD 110 billion of new foreign direct investment (FDI) and USD 154 billion of new medium to long term exports.

It is noteworthy that claims payments of Berne Union and Prague Club members have risen to USD to almost USD 6.5 billion after amounting to USD 4.6 billion in 2014. While this is increase in claims payments is a reflection of the currently fragile world economy it is also testimony to the reliability of export credit and investment insurers, adding to the resilience of exporters, banks and their trading partners during times of economic strain.

During 2015, the overall commitment provided by Berne Union and Prague Club members this represented backing of just over 11% of world trade when measured against the 2015 global trade figures published by the WTO.