



# ECIC NEWS

STAKEHOLDER NEWSLETTER | ISSUE 3 | 30 SEPTEMBER 2016

INSIDE  
THIS  
ISSUE

Page 01  
MESSAGE FROM  
THE CEO

Page 02  
TRADE INVEST AFRICA  
NEWS  
BULLETIN

Page 03  
LATEST  
NEWS

Page 04  
RECENT  
EVENTS

Page 06  
UPCOMING  
EVENTS

## MESSAGE FROM THE CEO

Towards the new paradigm for ECIC:

### THE ROAD AHEAD

The ECIC celebrates fifteen years of existence this year. This is a significant number of years that reflect the commitment and determination for success in growing the Corporation as could be seen in the cumulative annual growth rate of 8% in our underwriting portfolio and implementation of strong market positioning strategies. Growth is not measured only in terms of the insurance portfolio value or number of deals under consideration, but also in terms of improvement in human capital through skills diversification and excellent work-life balance.

The insurance portfolio is expected to grow further with new products and modernized underwriting processes aimed at reaching those market segments which may not have been well served in the past. Lines of credit for the support of small and medium transactions and special underwriting framework for black industrialists are some of the initiatives that are being implemented to address the customer needs. In addition, the research team is exploring new trade and investment opportunities in favour of South African exporters and investors on the continent and overseas. In the same way, Business Development unit has increased its capacity with new professional staff intake in order to further bring on board new project sponsors and developers who need our support.

In line with the objectives of our shareholder ministry, the Department of Trade and Industry we are currently exploring the business case for expanding our role to becoming an Eximbank providing a variety of structured

trade finance solutions. Investigation in this regard is at an advanced stage. Of particular interest to our stakeholders is for the ECIC to acquire capabilities that will turn it into a truly one stop-shop, providing a variety of export credit facilities, guarantees, advisory services and insurance products to complement the work presently being undertaken by banks and development finance institutions in South Africa. This has also brought to the fore the need to draw up the enabling legislation.

The current business environment is characterized by the escalation of political risks in key markets; continued global markets volatility and uncertainties; threat of South African sovereign downgrade; tightening regulations; the volatility of the South African Rand and other adverse global events. All these can have an undesirable impact on the country as a whole as well as negatively on ECIC's ability to provide further underwriting, given that the country's credit status has a bearing on the capacity to provide foreign trade credit insurance. Under such conditions, it is very important if not critical for the ECIC to pursue new strategies in order to strengthen its self-sustenance. These strategies include the establishment of strong partnerships with other industry players, vertically and horizontally. Our fledgling partnership with the Afreximbank has already begun to produce visible benefits to the ECIC, and we intend to build in this relationship further in the coming days.

In spite of a difficult domestic and global economic environment the ECIC is moving



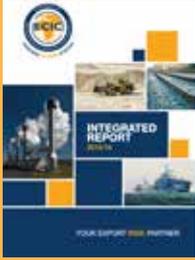
KUTOANE KUTOANE

forward and surely positioning itself in the market. Our Marketing and Communication unit has, since the beginning of this year, relentlessly sought to procure space in both local and international media features. There is an increased visibility with respect to advertising and media campaigns. Billboards and online creative were incorporated to reflect the revised corporate identity and logo. These channels boldly sent the message of partnership in uncharted territories. Whilst the online media campaigns were placed with major websites as a direct "click through" access to our vibrant online information, the print media expanded in various magazines and newspapers.

We have ensured that we sponsored major trade conferences to promote and position the ECIC brand in key markets, including the gatherings of trade finance, infrastructure, civil, rail, water, energy and IT role players, to name a few. ECIC had the opportunity to interact and form partnerships with industry specialists and financiers. We look forward to getting support from all our stakeholders and partners in sailing together towards the realisation of our expanded mandate while defining and relentlessly pursuing the long term growth opportunities.

**Kutoane Kutoane**  
Chief Executive Officer

YOUR EXPORT RISK PARTNER



## LATEST ECIC INTEGRATED REPORT

[Click here](#) for the latest ECIC 2016 Integrated Report.

# FEATURES

TRADE INVEST AFRICA

## NEWS BULLETIN

### THE LAUNCH OF TRADE INVEST AFRICA

The ECIC (SOC) Ltd, will be a key partner to the new Trade Invest Africa initiative that was recently launched.

The Minister of the Department of Trade and industry (the dti), Dr Rob Davies, launched the Departments' new initiative, Trade Invest Africa on 15 July 2016. The initiative is mandated to specifically champion South Africa's trade policy through an investment-led approach and to promote mutually beneficial trade relations with the rest of Africa.

In this regard, Trade Invest Africa is tasked with facilitating South African investments into the continent. This is a key element in the implementation of the dti's trade policy objective which is to increase exports of value-added goods and services. The other focus is to create an opportunity for sourcing relations for imports from other African markets.

Trade Invest Africa is positioned to implement and expedite South Africa's developmental integration approach. The approach is premised on three key pillars, namely: market integration,

industrialisation and infrastructure development.

It is these pillars which inform the strategy for facilitating investment driven exports to achieve regional industrialisation and infrastructure development. Moreover, Trade Invest Africa will be addressing the market access issues experienced by South African exporters operating on the continent.

The Trade Invest Africa programme is to enhance South Africa's trade and investment relations with the rest of Africa and thus contribute to increasing the levels of intra-Africa trade and intra-Africa investments. This will not only seek to create market access for South Africa's goods and services, but also foster economic development through industrialisation and infrastructure development in other African markets.

The establishment of Trade Invest Africa will also bridge the observed gap between the South African Government and the private sector. In this regard, part of Trade Invest Africa's objective is to build and leverage strategic partnerships between the government, exporting companies, business associations



and financiers for the advancement of intra-Africa trade and investments.

The initiative will operate as a one-stop shop, to facilitate South African business with all necessary services related to trade and investment on the continent. Included in the initiative's offerings are: the facilitation of access to capital; access to markets; as well as other non-financial support such as market intelligence and information sharing.

Enquiries and further information regarding the initiative can be directed to the dti's call centre on 012 394 9500 or website on [www.thedti.gov.za](http://www.thedti.gov.za)



## LATEST NEWS

### 01 PRETORIA NEWS

Make doing business easy to boost cross-border trade

[READ MORE](#)

### 02 ENGINEERING NEWS

Africa's 2015-16 growth projections will be difficult to meet

[READ MORE](#)

### 03 ENGINEERING NEWS

Export credit finance key to international project development

[READ MORE](#)

### 04 ENGINEERING NEWS

Energy security key for prosperous copper mines

[READ MORE](#)

### 05 BUSINESS DAY

Credit Insurance Group seeks expanded role

[READ MORE](#)

Visit our website to read more on these and other ECIC latest news articles.

[www.ecic.co.za](http://www.ecic.co.za)



## RECENT EVENTS

### 01 WORLD ECONOMIC FORUM

ECIC has recently become a member of the World Economic Forum (WEF) Africa Regional Partnership. WEF is the international organisation for public-private cooperation and host the biggest economic events in the world that brings together foremost political, business and other global leaders of society shaping regional and industry agenda's. The ECIC CEO attended WEF in Kigali during the 11 - 13 May 2016.

ECIC, as the African Regional partner of the World Economic Forum is aligned to its corporations objectives of creating strategic partnerships with key stakeholders on the global platform with focus in the African continent.

This was the 26th World Economic Forum on Africa and convened regional and global leaders from business, government and civil society to discuss digital economy catalysts that can drive radical structural transformation, strengthen public-private collaboration on key global and regional challenges, and agree on strategic actions that can deliver shared prosperity across the Continent.

### 02 TXF ROME

TXF Rome 2016 was a flagship global conference that differs from the norm, providing genuine honest debate and interactive, informative sessions.

ECIC CEO, Kutoane Kutoane and Head of Marketing and Communications, Ismail Carr, attended TXF Rome 2016, held from the 08th – 10th June, in Rome Cavalieri, Waldorf Astoria, Italy, under the theme "Export, Agency and Project Finance" where key borrowers and project sponsors from across the globe discuss their financing strategies.

Various government and ECA heads from crucial manufacturing sectors discussed what they are doing to help their exporters, investors and the market. These topics included how they are developing products, the areas where they expect to see increased cover as well as what innovations have come to the fore in the ECA world.

Other topics discussed was around addressing common challenges to gaining ECA and DFI support, best practices to structuring multi-tranche deals, and how to work with local, regional and international banks, agencies, DFIs/MFIs and other institutions in order to achieve funding. They also discussed what is needed to speed up transactions/projects to get them over the line.

Some debate topics included:

- The rules that might advantage non-OECD exporters in contrast to potential favouritism that might benefit their OECD equivalents
- The role of the exporter in modern export finance
- Could 'Brexit' destabilise the global economy
- Has China managed to avoid a hard landing and is the emerging market economies' adjustment complete
- How will commodity price volatility impact the outlook ahead
- Is the Federal Reserve sowing the seeds of the next US recession
- Central banks' engagement in currency wars



## RECENT EVENTS

### 03

### INFRASTRUCTURE AFRICA FORUM 2016

ECIC partnered with the continent's biggest infrastructure conference, Infrastructure Africa, through a sponsorship opportunity. The conference, focused on Africa's regional gender equality within the infrastructure space and took place from the 09th – 10th June 2016 at the Sandton Convention Centre.

The two day trade conference brought together African government ministers, industry specialists from the infrastructure funding corporations, including technocrats in civil, rail, water, energy, I.T and telecoms sectors to explore trading opportunities and to form partnerships with a view of developing plans to address Africa's infrastructure development constraints.

This fifth Infrastructure Africa Business Forum also aimed to accelerate the business of infrastructure development and women's empowerment in Africa. The conference and exhibition provided an opportunity for companies to focus on the continent's growth hotspots, discuss infrastructure trends, and meet project developers and relevant government authorities, whilst exploring infrastructure business opportunities.

The event was co-hosted by the African Development Bank and Siyenza Events. ECIC participated in discussion panels represented by the Chief Operations Officer, Mandisi Nkuhlu, on topics related to the Infrastructure projects funding.

### 04

### MANUFACTURING INDABA

Following the success of the 2015 event, the 3rd annual Manufacturing Indaba was held on the 28th – 29th June 2016, at Emperors Palace in Ekurhuleni, where ECIC once again participated.

The Manufacturing Indaba was co-hosted by the dti with an objective of bringing together key role players in the manufacturing industry from both the public and private sectors to discuss the National Development Plan's re-industrialisation programme through increasing the SA export led manufacturing base.

ECIC participated on the discussion panel themed "South Africa's role in growing manufacturing across the continent" represented by ECIC Senior Economist, Tsidiso Disenyana.

The aim of the Manufacturing Indaba was to bring together business owners, industry leaders, government officials, capital providers and professional experts to discuss challenges and to brainstorm solutions. The success of the nation depends on a strong and innovative manufacturing base. The objective was to continue to work together to promote prosperity through manufacturing, science and innovation.

Visit our website to read more on these and other ECIC events.

[www.ecic.co.za](http://www.ecic.co.za)



## UPCOMING EVENTS

ECIC is a proud partner of the following events:

### 01

#### KZN EXPORTERS AWARDS

ECIC will once again participate in the KZN Exporter of the Year Awards to be held in October 2016.

[READ MORE](#)

### 02

#### CAPE TOWN EXPORTERS AWARDS

The competition, now in its 26th year, is organised by the Cape Chamber of Commerce and Industry and sponsored by the Export Credit Insurance Corporation (ECIC).

[READ MORE](#)

### 03

#### MANUFACTURING INDABA

The Manufacturing Indaba is organised by Siyenza events together with the dti Trade Africa division. ECIC has been requested to participate on the panel discussion under the topic: "The value of Spatial Interventions including Special Economic Zones (SEZ) and incentives to assist and support the growth of manufacturing businesses".

[READ MORE](#)

### 04

#### AFRICA RAIL AND PORTS EVOLUTION

Coinciding with the KZN Exporter week, ECIC will host an exhibition stand at the Africa Rail and Ports Evolution conference to be held at the Durban ICC on the 18 October 2016 from 09h00 – 18h00, and we will also be participating on the panel discussions under the topic Project Trade Finance.

[READ MORE](#)

### 05

#### KZN EXPORTER WEEK

The KZN exporter week is an event organised by the Trade and Investment KZN. The 2016 KZN Exporter week has partnered with the Africa Ports and Rail Evolution and the Durban Chamber Exporter Awards. ECIC will be participating on all platforms and has been requested to deliver a presentation on export insurance products, at the opening event, hosted by Trade and Invest KZN.

[READ MORE](#)

### 06

#### AFRICA RISK CONFERENCE

The Risk Africa Conference brings together C-Suite executives from South Africa and the region to discuss their views on risk factors affecting business looking to expand their operations on the continent. Drawn by the continent's promising prospects for strong economic growth and its abundant resources and growing consumer markets, multinational companies are entering and expanding their business footprints in Africa.



# PROUDLY 15 YEARS OF SUPPORTING SA EXPORTERS AND INVESTORS

All emerging markets rely on exports to sustain their economies, South Africa is no exception. The Export Credit Insurance Corporation of South Africa (ECIC) is committed to supporting our South African businesses who export and invest in capital projects beyond our borders. ECIC provides political and commercial risk insurance for cross-border transactions, offering risk mitigation solutions to our business partners



PHOTO: GETTY IMAGES

If you're planning on exporting to or investing in capital projects beyond our borders, contact ECIC for assistance

**+27 12 471 3800 | [info@ecic.co.za](mailto:info@ecic.co.za) | [www.ecic.co.za](http://www.ecic.co.za)**

ECIC is a registered service provider with the FSB No. 30656

**YOUR EXPORT RISK PARTNER**