

100  
**YEARS**  
OF NEW  
OPPORTUNITIES

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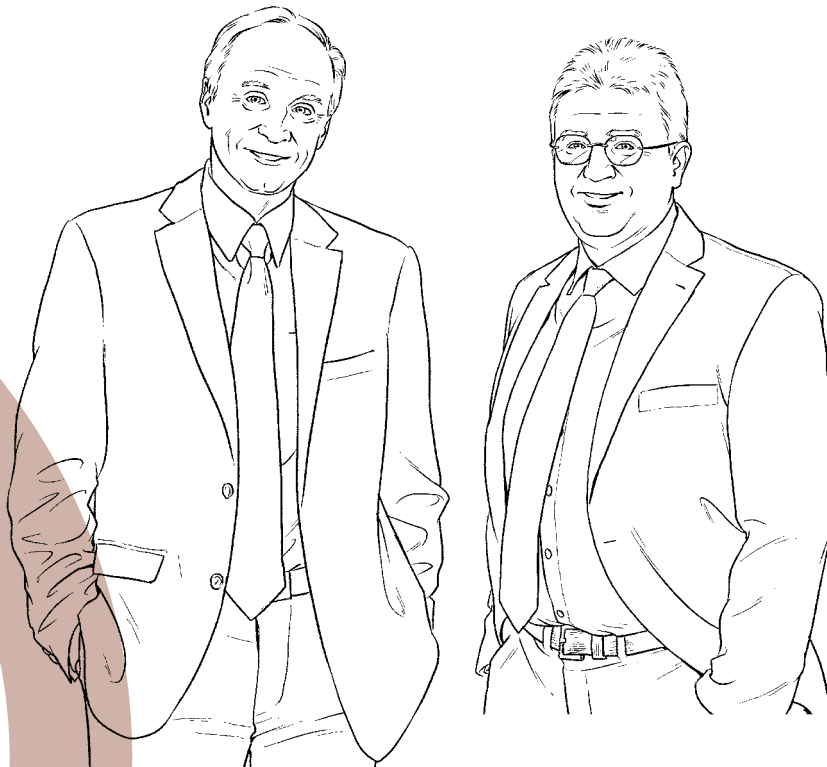
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# 100 YEARS OF NEW OPPORTUNITIES



**VINCENT REUTER**

**DIRK TERWEDUWE**

We are here for exporters. People who do business should be free to focus on what they want to do, making the most of their product and commercial strengths.

Our shareholder, the Belgian state, has given us a clear mission: to develop international trade activity in the real economy. So in our support for business today, and our creation of new products to meet emerging service needs, that always remains our guiding principle and the fundamental objective of all that we do.

This mission is shared by everyone who work at Credendo, across the export credit agency team and the group's range of credit insurance and surety operations.

Our teams have a deep sense of purpose and commitment to supporting our customers.

In a fast changing environment that constantly presents new risks and challenges, our role is to provide exporters, in Belgium and across Europe, with the financial security that allows them to expand their trade.

And this vision goes beyond purely economic priorities and the mandate to operate on a long-term profitable basis.

Credendo also has a mission to make a positive contribution to a world that is confronted by climate change. So our job is also to help European business in the common effort to make a better future for the planet.

**Vincent Reuter,**  
Chairman of the Board  
of Directors

**Dirk Terweduwe,**  
Chief Executive Officer

# 100 YEARS OF **HOT TOPICS**

1936  
1921 1939  
1924 19

1983  
1958 1982 2004  
1956 1975 2005  
1949 1970 2013 2015  
48 1960 1991 2019 2020  
1964 1993 2021

# 1920-1930 THE REAL START OF THE 20<sup>TH</sup> CENTURY

WORLD

# 1929

## Black Thursday the start of the global crisis

In the second half of the 1920s, overproduction in US agriculture and industry created market problems and led to cuts in production. On 24 October 1929 share prices crashed on the Wall Street stock exchange. The United States' protectionist approach to the crisis sent shockwaves through the international markets and the global economy collapsed into a long period of depression.



# 1922

EUROPE

## Vladimir Lenin establishes the Union of Soviet Socialist Republics (USSR)

Bolshevik revolutionary Lenin created a one-party state that pursued a policy of nationalisation and ruthlessly suppressed all dissidence through state terror. Following Lenin's death, Joseph Stalin implemented a programme of rapid industrialisation. The Soviet Union played an important role in defeating Nazi Germany, but became the United States' rival during the Cold War. Mikhail Gorbachev's more liberal policies weakened the authority of the state and in 1991 the Soviet Union collapsed.



**BELGIUM**

# 1924

## Belgium acquires Ruanda-Urundi

The Western Allies stripped Germany of all its colonies under the Treaty of Versailles. In 1924 the League of Nations allocated Ruanda and Urundi, which had previously formed part of German East Africa, to Belgium as mandated territories. These areas were governed from the Belgian Congo. Following Congolese independence, Rwanda and Burundi also became independent states in 1962.

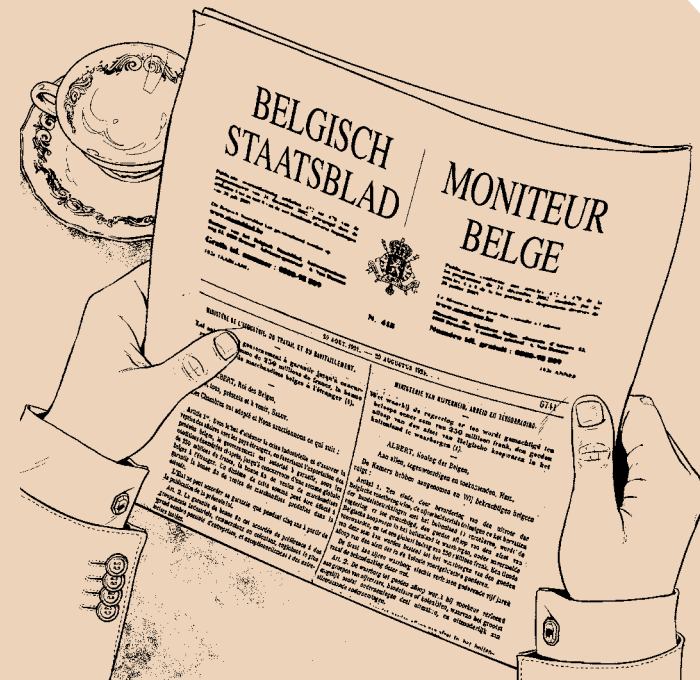
# 1921

**CREENDO**

## The Ministry of Economic Affairs establishes a Delcredere Committee

In the aftermath of the war economic activity picked up to meet the need for reconstruction and development in the countries that had been ravaged by this terrible conflict. Against this background, the Belgian Ministry of Economic Affairs established a Delcredere Committee to enable Belgian industries to resume their activities on foreign markets and to guarantee Belgian export transactions. Belgium became the second country in the world to establish an export credit agency.

— Establishment of a Delcredere Committee published in the *Belgisch Staatsblad / Moniteur Belge* of 20 August 1921 —



# 1930-1940 THE THREAT INCREASES

CEO • PRESIDENT

**1939-1941**

**ALBERT GOFFIN**

Director of the National Bank of Belgium

**1939-1956**

**VICTOR LEJEUNE**

# 1933



EUROPE

## The establishment of Nazi Germany

In 1933, the leader of the National Socialist German Workers' Party, Adolf Hitler, was appointed Germany's Chancellor. A year later he also became the country's President. His dictatorship was based on nationalism, militarism, state terror and racism. He gave the order to kill millions of Jews. In 1939 Germany invaded Poland and in 1940 it defeated the Netherlands, Belgium and France. Ultimately, however, the Soviet Union, the United States and their allies brought an end to the Third Reich in 1945.

WORLD

# 1931

## World peace at risk: the powerlessness of the League of Nations

Japan's invasion of China in 1931 met with only a verbal protest from the League of Nations. Italy's war against Ethiopia in 1935 and the rearmament of Germany in 1936 also went without consequence. To prevent such powerlessness, when the United Nations was established in 1945 the organisation was given the authority to exert diplomatic and economic pressure in the event of conflicts, as well as to deploy an international military force.



# 1936

BELGIUM

## The first National Labour Conference

To end social unrest, the Prime Minister of Belgium, Paul van Zeeland, called a National Labour Conference. Representatives of employer and employee organisations met together for the first time, with the government acting as mediator. An agreement in principle was reached, which included one week's paid holiday, the adjustment of wages and family allowances, compulsory sickness and invalidity insurance and the recognition of trade unions.



CREDENDO

# 1939

## The Delcredere Committee becomes an autonomous public financial body

The temporary support mechanism introduced after the war became a permanent tool in Belgium's efforts to prevent the recurrence and limit the severity of economic crises. The Act of 31 August 1939 transformed the Delcredere Committee into an autonomous public financial body with a state guarantee, the Nationale Delcredere dienst | Office national du Ducroire, with the task to cover political risks.

— First head office of the Nationale Delcredere dienst | Office national du Ducroire situated rue Van Orleystraat 12 in Brussels —

# 1940-1950 THE IRON CURTAIN

**PRESIDENT**

**1941-1975**

**BARON EUGÈNE DE BARSY**

President of the Banking,  
Financial and Insurance  
Commission

**WORLD**

## The Bretton Woods Agreement

Meeting in Bretton Woods, USA, the Western Allies expressed their preference for free trade, based on fixed exchange rates, for a deflationary policy in the event of a deficit and an inflationary policy in the event of a surplus in the balance of payments, and for the dollar to become the international currency. Within the framework of this agreement, the International Monetary Fund (IMF) and a Bank for Reconstruction and Development, better known as the World Bank, were established.

**1944**



**1949**

**EUROPE**

## The North Atlantic Treaty Organisation (NATO)

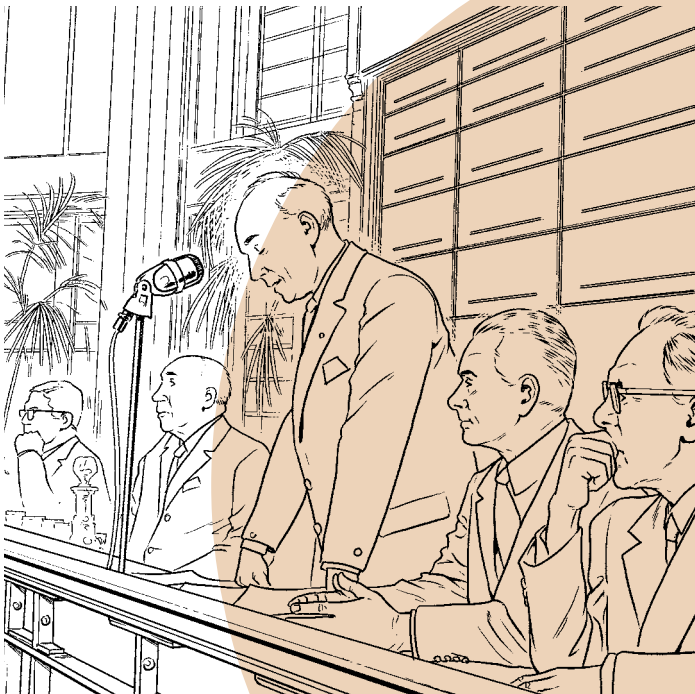
Following the defeats of Germany and Japan, the United States and the Soviet Union were unable to agree on how spheres of influence should be distributed, triggering the Cold War. Ten European countries, including France, the United Kingdom and the Benelux countries, signed the North Atlantic Treaty with the United States and Canada in March 1949. NATO was established in 1950 with the primary objective of guaranteeing the collective defence of the territories of its member states.



1948

## Women's suffrage

In 1919 women only had the right to vote in local elections. Belgium was one of the last European countries to award full voting rights to women in 1948. Only then were they treated as equal citizens and political participation opened up to all adult Belgian citizens. The first parliamentary elections with universal suffrage took place in June 1949.



CREENDO 1949

## Imports are also covered

From 1948 the Belgian economy recovered. The state gradually increased the capital of the export credit agency as well as the scope of its missions. The commitment ceiling was raised to support the growth in international trade. From 1949 the agency also started covering import credit risks, i.e. the risk of non-delivery of prefinanced goods that were due to be transformed or incorporated into products intended for export.

— *Baron de Barys, more than 30 years in the presidency of the Nationale Delcredere dienst | Office national du Ducreire* —

# 1950-1960 THE GOLDEN YEARS

WORLD

CEO

1956-1976  
ARTHUR THOMAS

## The Bandung Conference

In 1955, at a conference in Bandung, 23 Asian and 7 African states took a stand against the polarisation of the Cold War. They wanted to steer a neutralist course as Third World nations.

By taking up the fight against imperialism, colonialism, neocolonialism, racism (including apartheid), Zionism and all forms of aggression, occupation and interference from abroad, they stimulated the decolonisation process and liberation movements.

# 1955



# 1957

EUROPE

## The Treaties of Rome

The Benelux countries, France, Italy and the Federal Republic of Germany expanded their existing collaboration in the coal and steel industries to include all economic sectors. The European Economic Community (EEC) allowed the free movement of people, capital and services. In addition, the same states set up the European Atomic Energy Community (Euratom) with the purpose of working together on the peaceful use of nuclear energy.



**BELGIUM**

## The School Pact

Gaston Eyskens' minority Christian Democratic government brought an end to the school conflict that had been raging for many years between the Catholics, who were defending free education, and the liberals, who were standing up for official education. The Prime Minister reached a compromise with the liberal and socialist opposition parties in which the continued existence of both educational systems was guaranteed and the School Pact Committee was established.

# 1956

**CREENDO**

## Commercial risk covered

In 1956, the insurance cover offered by the agency was extended to include commercial risk – in other words, the risk of default by a debtor. This risk arises from idiosyncratic factors such as poor creditworthiness or systemic risks such as sector risk or country risk (sharp currency depreciation, high real interest rates, an economic recession or a context of widespread corruption).

The Act of 31 December 1958 extended the agency's area of competence to include the promotion of foreign trade in general.

— *Square de Meeûs 40 in Brussels, head office of Delcredere / Ducroire for almost 50 years* —



# 1960-1970

## DECOLONISATION

WORLD

### The United Nations Conference on Trade and Development (UNCTAD)

UNCTAD was established in 1964 within the framework of the United Nations. Its purpose was to expand the financial aid given to developing countries, remove the obstacles faced by exports from the Third World and protect poorer countries against fluctuations in the prices of raw materials on the global market. To begin with, UNCTAD primarily served as a sounding board for the grievances of poorer countries.

# 1964



EUROPE

# 1967

### The Harmel Doctrine

At the request of NATO, Belgian Minister for Foreign Affairs Pierre Harmel formulated a new strategy to prevent the Cold War from escalating any further. For him diplomacy and military security were complementary. He advocated sufficient military power and political solidarity to achieve a just peace in Europe. He called for all member states to undertake initiatives to promote closer links between East and West.

# 1960

## Congolese independence

Just days after the declaration of independence a mutiny broke out in the Congolese army. When the rebellion turned against the colonists, they were repatriated by the Belgian military. Congo fell into political chaos. In 1965 Joseph-Désiré Mobutu seized power with Western support. The more his leadership evolved into a violent dictatorship, the more Belgium distanced itself from the Mobutu regime.



# 1964

## Coverage of transactions on behalf of the state

In the 1960s international trade gathered pace. The term of export credit transactions increased and it became difficult for exporters or bankers to commit to credit terms exceeding 5 years. From 1962, the agency obtained the permission to contribute to the financing of the transactions it was covering. Under the Act of 3 June 1964 the agency was authorised to guarantee, on behalf of the state, export credit transactions that entailed risks with a severity and duration exceeding the insurer's capacity, but that were considered appropriate by the government.

— Contact magazine, the Nationale Delcrederedienst / Office national du Ducreire newsletter —

# 1970-1980 THE LIMITS TO GROWTH

CEO • PRESIDENT

**1975-1982**

**BARON JEAN GODEAUX**  
President of the Banking, Financial  
and Insurance Commission

**1976-1985**

**JEAN LAURENT**

WORLD

# 1972

## Report to the Club of Rome

In 1968 Italian industrialist Aurelio Peccei and British chemist Alexander King set up a think tank of scientists, technocrats and business people. The report they commissioned, 'The Limits to Growth', warned that continued overconsumption would lead to the depletion of raw material reserves in the relatively short term. Their call for environmental awareness caused a commotion, but a political change of course failed to materialise.



# 1975



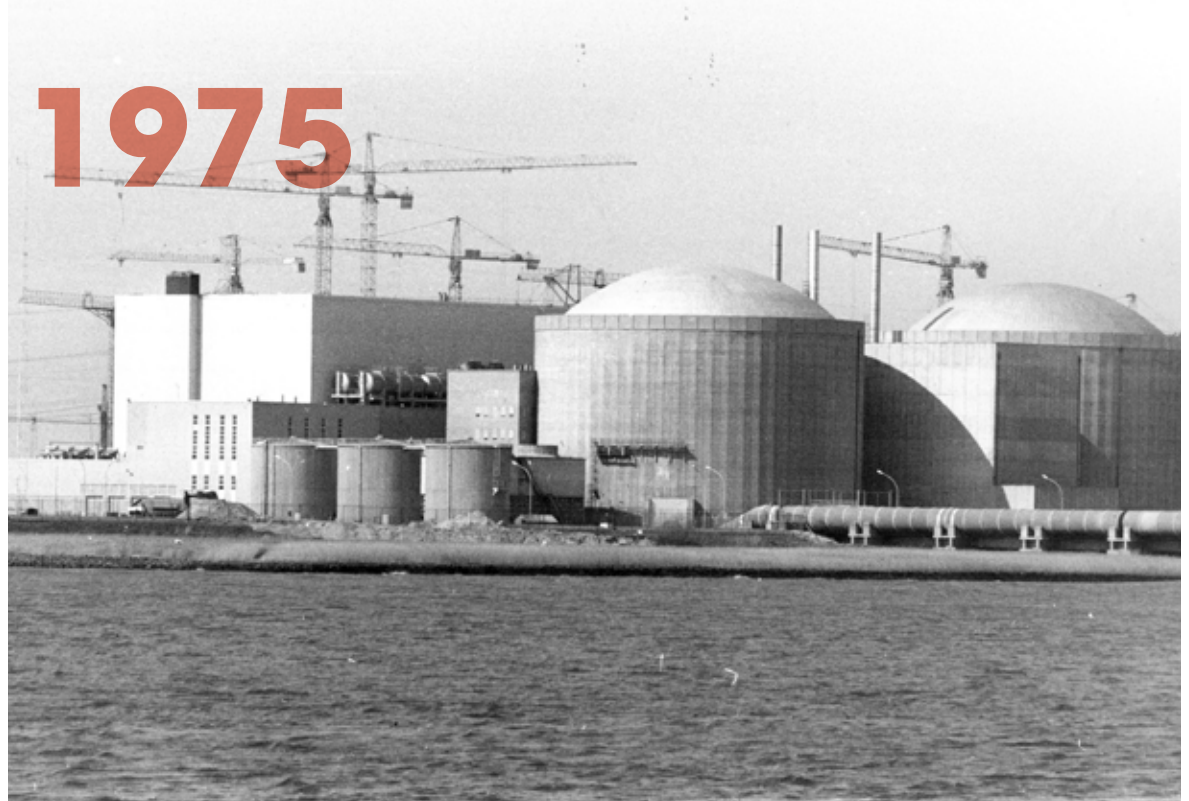
EUROPE

## The Conference on Security and Cooperation in Europe (CSCE)

In 1973 all European countries (except Albania), the United States and Canada came together within the framework of the CSCE. In the Final Act, signed in Helsinki in 1975, they called for respect for human rights, the free movement of people and information and the acceptance of post-war borders. It was an international declaration of intent to ease tensions between East and West. The Cold War would not end until 1989, however.

## Nuclear plants Doel 1 and 2 and Tihange 1 enter operation

As, by the end of the 1960s, fossil fuels alone were no longer sufficient to meet the increasing demand for energy, the Belgian government decided to build seven nuclear plants. Nuclear plants Doel 1, Doel 2 and Tihange 1 entered into operation in 1975. The other four nuclear plants followed over the course of the 1980s. Thirty years later the phasing-out of nuclear power came on to the agenda for ecological reasons. Nuclear power will gradually be replaced by sustainable and renewable sources of energy; industries where Belgium is active with some worldwide champions.



## 1970

### Coverage of Belgian direct investments abroad

In 1970 the agency's object was expanded once again to cover political risks associated with Belgian direct investments abroad. The aim was to supplement the public development aid provided to developing countries by encouraging a flow of private technical and financial resources. Today, the political risk insurance for investments abroad covers expropriation, political violence, business interruption, currency inconvertibility and transfer restriction, award default and embargo.



# 1980-1990 SUPERPOWERS IN TRANSITION

WORLD

PRESIDENTS

**1982-1989**

**OSWALD ADRIAENSEN**

Member of the Banking, Financial and Insurance Commission

**1989-2009**

**JEAN-PIERRE PAUWELS**

Director of the National Bank of Belgium

CEO

**1985-2000**

**WILLY BOES**

## The Intermediate-Range Nuclear Forces Treaty

On 7 December 1987 US President Ronald Reagan and Soviet leader Mikhail Gorbachev signed the INF Treaty in Washington. For the first time since the beginning of the nuclear arms race an entire category of nuclear missiles, namely those with a range of 500 to 5,000 kilometres, was eliminated. In addition to the disarmament treaty, verification and inspection protocols were also signed as a symbol of mutual trust.

# 1987



# 1989

EUROPE



## The Fall of the Berlin Wall

In 1985 Mikhail Gorbachev made the decision, for budgetary reasons, to stop supporting the Eastern Bloc. Shortly afterwards Hungary, Poland and Czechoslovakia became democratic states. The communist regime of the German Democratic Republic (GDR) collapsed in 1989 following prolonged mass protests. The Berlin Wall fell on 7 November. Germany was finally reunified on 3 October 1990 when the GDR joined the Federal Republic of Germany.

# 1982

BELGIUM

## Devaluation of the Belgian franc

To withstand the economic crisis, the Belgian government decided to prioritise the competitiveness of Belgian companies. A first crucial intervention was the devaluation of the franc together with a wage freeze, which made Belgian products almost 15% cheaper abroad. This devaluation signalled the beginning of the recovery policy and had an immediate impact on exports. The trade balance came out of the red in 1983.



# 1983

CREENDO

## More financial resources to meet exporters' needs

The agency's products and services proved increasingly popular with businesses and the public credit insurer started covering contracts for ever higher amounts. Risks became increasingly concentrated on emerging and developing markets, where the financial situation was sometimes precarious. To address this growth in risks, the government increased the agency's capital on several occasions, and for the last time in 1983, as well as the ceiling for authorised commitments.

— Prince Albert, the future King Albert II of Belgium, honoring the company with his visit in 1989 —



# 1990-2000 GLOBALISATION ON THE MARCH

WORLD

## Establishment of the International War Crimes Tribunal in The Hague

On 25 May 1993 the Security Council decided to set up an International War Crimes Tribunal, tasked with dealing with violations of the law of war, genocide and crimes against humanity committed during the Yugoslavian Civil War. This was the first international court for war crimes since the Allies had tried German and Japanese perpetrators of war crimes in Nuremberg and Tokyo.

# 1993

A photograph of the United Nations flag, which is blue with a white emblem of a world map surrounded by olive branches, flying on a white pole against a clear blue sky.

EUROPE

# 1992

## Signing of the Maastricht Treaty

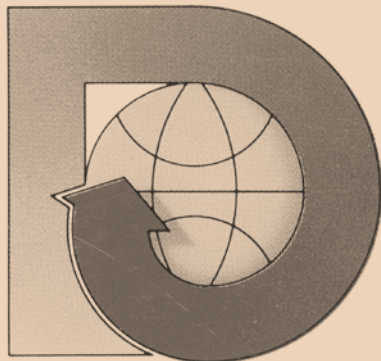
On 7 February 1992 the member states of the European Community signed the Maastricht Treaty. Their organisation consequently became a European Union with a shared foreign policy, a common security policy, collaboration on judicial matters and internal affairs and, later, a single currency. The treaty was an important step forwards in European integration.

# 1993

**BELGIUM**

## Belgium becomes a federal state

As an important stage in the federalisation process, which had begun in 1970, a new constitutional amendment turned Belgium into a federal state made up of the Flemish, French and German-speaking Communities for person-related matters and the Flemish, Walloon and Brussels-Capital Regions for place-related matters. Foreign trade was regionalised.



**CREENDO**

# 1991

## An extended mission

In 1991 the agency's missions were redefined to encompass the promotion of international economic relations in the broadest sense. This created the framework for the development of a modern Export Credit Agency (ECA). Internationally, the agency remains actively and directly involved in activities undertaken within the framework of the European Union, the Organisation for Economic Co-operation and Development and the Paris Club.

# 2000-2010 START OF THE THIRD MILLENNIUM

CEOs • PRESIDENT

## SINCE 2009

**VINCENT REUTER**  
Managing Director of the  
Walloon Union of Companies

## 2003-2009

**YVES WINDELINCX**

## SINCE 2009

**DIRK TERWEDUWE**

# 2002



EUROPE

## Introduction of the euro

On 1 January 2002 all member states of the European Union, apart from Denmark, the United Kingdom and Sweden, introduced the euro banknotes and coins, replacing their national currencies. The European Central Bank in Frankfurt assumed responsibility for the common monetary policy. Convergence criteria laid down in the Stability Pact aimed to guarantee the euro's value. The euro acquired global currency status, alongside the US dollar.

WORLD

# 2001



## Terrorist attacks on the United States

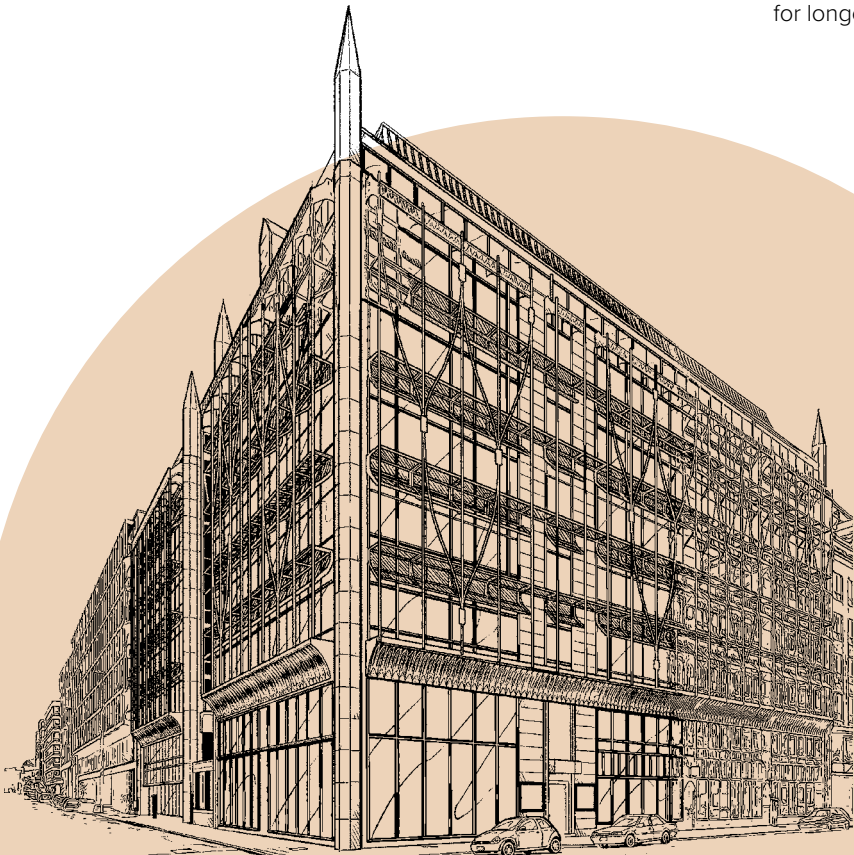
On 11 September 2001 airliners hijacked by Al-Qaeda terrorists destroyed the Twin Towers in New York and one wing of the Pentagon. There were almost 3,000 fatalities. President George W. Bush declared war on international terrorism and singled out Iraq as his target. In spring 2002 American troops and their allies brought down Saddam Hussein, but the region was permanently destabilised as a result.

# 2005

BELGIUM

## The Generation Pact tackles the consequences of an ageing population

On 11 October 2005 Guy Verhofstadt's government presented the Generation Pact to Parliament. To contain the budgetary impact of the ageing population and make social security more affordable, the government proposed measures that would see more people working for longer. Its attempt to increase the pensionable age in proportion to increased life expectancy met with social protests.



CREENDO

# 2004

## Development towards a European credit insurance group

From 2004 on, the agency transferred its short-term credit risk insurance activity to a private limited liability company (Ducroire SA / Delcredere NV) and acquired stakes in two credit insurers, one specialising in excess-of-loss and top-up cover (TCRe in 2004) and the other operating on the single-risk market (Garant in 2006). In 2007 it acquired a stake in the capital of KUPEG, the market leader in short-term credit insurance in the Czech Republic. It set up a joint venture in Russia with the local insurer Ingosstrakh in 2009.

— Current head office of Credendo, rue Montoyerstraat 3 in Brussels —

# 2010-2020 CLIMATE CHALLENGES ON TOP OF THE AGENDA

WORLD

# 2015

## The Paris Climate Conference

Taking the conclusions of the United Nations' Intergovernmental Panel on Climate Change (IPCC) as its starting point, the conference reached an agreement that aimed to limit global warming to 1.5 degrees and to drastically reduce use of fossil fuels, a major cause of CO<sub>2</sub> emissions. On Earth Day, 22 April 2016, 174 countries signed the agreement in New York.



# 2020

EUROPE

## Brexit

In the referendum of 23 June 2016, called by British Prime Minister David Cameron to strengthen the United Kingdom's position in the EU, 51.9% of British voters opted for the UK's withdrawal. After two general elections and a series of political crises, the British Parliament passed the Withdrawal Agreement on 22 January 2020. A few days later the European Parliament followed suit. This brought an end to 47 years of British participation in European integration.



BELGIUM

# 2019

## Belgium becomes a member of the Security Council

At the General Assembly of the United Nations on 8 June 2018 Belgium was chosen to become for two years a non-permanent member of the Security Council by 181 of the 193 countries who participated in the vote. The Belgian delegation drew attention to its interest in human rights, particularly in relation to the plight of children caught up in war zones, and positioned itself against impunity in international conflicts. It also championed European collaboration within the Security Council.



# 2013

CREENDO

# CREENDO

## A new common identity

In 2013 the various companies were brought together under the umbrella of Credendo Group. Credendo ("to believe" in Latin) became the common identity for all group companies, articulating their shared values, approaches and strengths. Today, the group has a presence in 15 European countries. In 2020, in the face of the Covid-19 crisis and at the request of the Belgian state, Credendo set up a reinsurance programme for private credit insurers who provide short-term commercial credit insurance and launched the Credendo Bridge Guarantee.

— One group, one team, one name —

# 2021

## ONE HUNDRED YEARS OF PROMISES DELIVERED

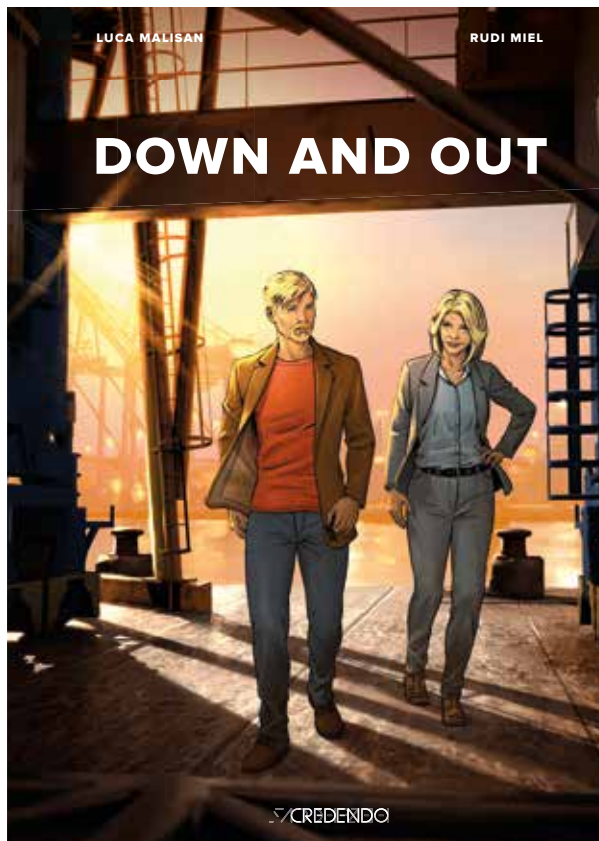
One hundred years after the birth of Ducreire, the world's second export credit agency, Credendo has now become an internationally recognised credit insurance group. The group has undergone a sustained and significant transformation over the last 20 years.

Credendo, based at the heart of the capital of Europe, is now active across the continent, with a presence in 15 European countries, from Cork to Moscow.

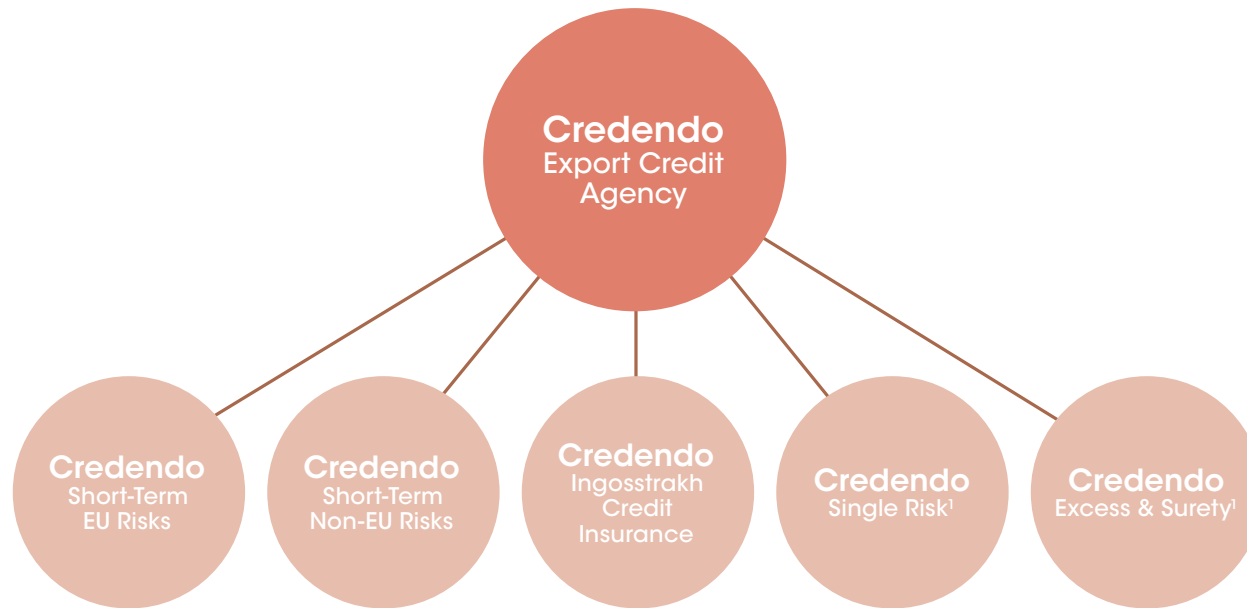
Through international involvement, Credendo remains true to its original aims: to help Belgian exporting firms with their international transactions by providing political and commercial risk cover, and to promote international trade. Credendo is now a European group active in all segments of credit insurance, with a range of products covering risks worldwide.

The Credendo brand, which has become the common identity for all of the group's companies, remains fundamentally attached to the country in which it first began and has developed. With a nod to its Belgian roots, and to celebrate its 100th anniversary, Credendo, with its headquarters in the home of comic-book art, has published a comic book called "Down and Out", providing a behind-the-scenes look at its business.

It is this same ability to look at its work with fresh eyes that allows Credendo, with 100 years of challenges and delivered promises behind it, to consider the future with equanimity.



# GROUP STRUCTURE



**EXECUTIVE COMMITTEE  
CREDENDO – EXPORT CREDIT AGENCY**

From left to right:

**NABIL JIJAKLI,**  
Deputy Chief Executive Officer

**DIRK TERWEDUWE,**  
Chief Executive Officer

**FRANK VANWINGH,**  
Deputy Chief Executive Officer

1. The merger process between our two specialised entities, Credendo – Excess & Surety and Credendo – Single Risk, should be completed in June 2021, with retroactive effect as from 01/01/2021. The new entity will be named Credendo – Guarantees & Speciality Risks.

The background is a solid dark brown color. On the left side, there are two overlapping circles of a lighter brown shade. A thin white vertical line is positioned to the left of the text.

# CURRENT **CHALLENGES**



# CREDENDO – EXPORT CREDIT AGENCY

## OFFERING PROTECTION IN A CHANGING WORLD

Exporters face the uncertainties presented by political instability, the upsurge of populism, and the impacts of climate change, economic crisis and financial pressure in the countries where they trade. It is our job to shield them and manage these constantly evolving risks.



DIRK TERWEDUWE



Supporting Belgian manufacturers of capital goods and project developers around the world, we regularly fine-tune our analysis.

DIRK TERWEDUWE, CHIEF EXECUTIVE OFFICER OF CREDENDO

Climate change, the rise of China, India and Brazil as major trading powers, a resurgence in developing country debt, the Covid-19 pandemic – the landscape of risk evolves continuously, presenting new challenges, opportunities and patterns of competition.

Yet many risks remain ever present.

“Economic fundamentals are still a major influence,” argues Credendo’s Chief Executive Officer, Dirk Terweduwe.

“As an export credit agency supporting Belgian manufacturers of capital goods and project developers around the world, we regularly fine-tune our analysis, in response to changing conditions.”

However, international risks are largely shaped by factors that have been significant for decades.

Dirk Terweduwe points to the example of developing countries that benefitted from debt cancellation and were then able to focus on economic growth and improving services for their populations. Yet in recent times the likes of Mozambique, Republic of Congo, Zambia, Lebanon and Argentina have fallen back into financial crisis – and others could follow.

“Today interest rates remain historically low. But when they rise again many countries could struggle to service their debts,” he warns.

After standing aside from previous international debt reduction initiatives, China has now joined other members of the G20 in promising to help. But the details of the new debt relief plan have yet to be worked out.

Political instability also remains widespread.

“Around the fundamentals we still have more noise. That presents further challenges,” says Terweduwe. He believes that the current resurgence of populism is fuelled by the anger that people feel when they suffer negative impacts from globalisation.

Such international uncertainties present a challenge for Belgian companies whose export deals impose long-term and often large exposures. It is the job of Credendo – Export Credit Agency to protect them by assuming these risks.

“If we can’t live with the volatility then we should not be in this insurance business,” says Terweduwe.

The form and pricing of the support that Credendo and agencies in other OECD member countries provide is governed by common rules – the Arrangement. But neither private sector financial institutions nor the big emerging trade powers have signed up to this framework and there is speculation that it will have to be

simplified and relaxed, to persuade China, Brazil and India to join.

Meanwhile, the threat of climate change imposes on Credendo a responsibility to support the energy transition.

“Developing solar and wind power, and hydrogen technology will require huge investments with long repayment terms,” notes Terweduwe.

For companies that export capital goods and build international projects, often in countries presenting significant economic or political risks, Credendo’s support is crucial because payment periods can extend over many years.

And this applies even to smaller transactions for items such as machinery, because banks are often reluctant to provide medium-term funding for transactions in higher risk countries.

So Credendo has stepped in to fill the gap, with a specialist team serving small and medium enterprises.

“Our forfaiting product provides funding for the SMEs, whose contracts are typically in the EUR 600-700,000 range. So the SME gets the payment immediately, as we take on the exposure for the length of the agreed payment term,” says Terweduwe. “We also provide buyer loans up to EUR 8 million.”



# CREDENDO – SHORT-TERM EU RISKS

## UNDERSTANDING THE NEEDS OF EACH CLIENT



**Flexibility is fundamental. We adapt our approach to the distinctive features of each market and the varied requirements of our customers. But we operate in the modern European economy, so our tailor-made service is underpinned by IT systems that allow us to deliver automated credit limit decisions and competitive pricing.**



**CHRISTOPH WITTE**



**Our client base consists mostly of SMEs that need cover for transactions in their home economies and the rest of the EU.**

**CHRISTOPH WITTE, GENERAL MANAGER OF CREDENDO – SHORT-TERM EU RISKS**

No two markets are the same; each has distinctive features – and that is as true for the Czech Republic, Slovakia and Poland as for any other country.

“In contrast with many colleagues in the Credendo group, our client base consists mostly of SMEs that need cover for numerous low value transactions, mainly in their home economies and the rest of the EU,” says Christoph Witte, General Manager of Credendo – Short-Term EU Risks.

Credendo takes care to understand its customers’ specific needs and the local environment in which they operate. For example, export is important for the Czech and Slovak economies, whereas in the much larger Polish market there is also a substantial demand for the insurance of domestic risks.

“We adapt to the requirements of each national setting – and seek also to cater for the particular needs of each individual client,” says Witte.

“Insuring so many small transactions, we must offer very competitive pricing and extremely quick service, making the best use of our information systems. Therefore, a lot of our decisions on credit limits are automated.”

Even so, Credendo still meets with every client at least once a year to review their needs. And each is allocated to a specific Account Manager, Underwriter and Claims Manager. Customer centricity is in our DNA.

“We are also very flexible and we have the self-confidence to support clients who prefer to split their business between two credit insurers. And thanks to Credendo’s IT systems and international capabilities, we can adapt our approach to cover both EU and non-EU risks on a similar basis, to spare our customers unnecessary administrative complications. This is essential for our growth ambitions,” concludes Witte.

# CREDENDO – SHORT-TERM NON-EU RISKS

## STAYING IN TOUCH IN TROUBLED TIMES

Political instability and problems affecting whole economic sectors are a reality of today's global trading environment. We have to stay alert and keep our customers closely informed.

**KARIN DEESEN**



“

International crisis events are ever more frequent and far reaching.

**KARIN DEESEN, DEPUTY GENERAL MANAGER OF CREDENDO – SHORT-TERM NON-EU RISKS**



**STEEFAAN VAN BOXSTAEEL**

“

We used to be labelled as the insurer for emerging markets and challenging risks. But increasingly clients ask us to cover business in developed markets too.

**STEEFAAN VAN BOXSTAEEL, GENERAL MANAGER OF CREDENDO – SHORT-TERM NON-EU RISKS**

“There is a lot of business that would not take place at all if Credendo was not there,” says Stefaan Van Boxstael, General Manager of Credendo – Short-Term Non-EU Risks.

“Credendo used to be labelled as the insurer for emerging markets and more challenging risks. But increasingly our clients ask us to cover their business in developed economies too.”

Van Boxstael, who oversees all of Credendo's short-term credit insurance operations, points out that the 'risk gap' between developing and developed markets is often quite narrow. All countries have been affected by the pandemic and all are affected by the increasingly brief interludes between international crisis events.

“Of course, country political risks will always be significant, but we have also built up a deep understanding of economic sector issues – because these can have a broad international impact,” says Van Boxstael.

When China expanded its production of steel to more than 50% of the world's production in 2015, this affected the prices worldwide and caused financial difficulties for many companies.

In the highly competitive market for credit insurance, Credendo makes full internal use of the latest operational IT processes. But the credit insurer maintains a strong focus on listening to clients and providing steady support.

“During the 2008-2009 financial crisis, and again during the Covid-19 crisis, we consulted our clients one by one, before making any changes to cover. When Mali slid into political crisis in 2020, we stopped underwriting new business temporarily, but restored cover after just one month,” explains Van Boxstael.

“We aim to ensure that our clients do not face nasty surprises.”

“I don't want to become a copy of our competitors. I want to make the most of our strengths.”

# CREDENDO – INGOSSTRAKH CREDIT INSURANCE

## OUR RUSSIAN REACH BROADENS

Credendo supports domestic trade across many sectors in this multilayered economy, where we have a network of connections nationwide. We also cover exports to Central Asia, the Caucasus and Belarus – markets of increasing importance.



**DINA DMITRIEVA**



**The credit insurance environment is highly competitive.**

**DINA DMITRIEVA, DEPUTY GENERAL MANAGER OF CREDENDO – INGOSSTRAKH CREDIT INSURANCE**



**ALEKSEY BEZDENEZHNYKH**



**As business here steadily diversifies, we cater for both Russian and foreign companies active in a growing range of sectors.**

**ALEKSEY BEZDENEZHNYKH, GENERAL MANAGER OF CREDENDO – INGOSSTRAKH CREDIT INSURANCE**

“Ten years ago, almost all our clients were multinationals trading here. Today, many are big Russian companies – and they include numerous exporters. That is a measure of how our activity has grown and changed,” says Aleksey Bezdenezhnykh, General Manager of Credendo – Ingosstrakh Credit Insurance.

In its Moscow subsidiary, Credendo has overseen a steady buildout from an early focus on pharmaceuticals and consumer electronics to coverage of risks in at least 15 different sectors.

“Patterns of business have become more diverse,” he explains. Multinationals have now set up local manufacturing, while Russian-owned companies increasingly look beyond the home market and sell to Belarus, the Caucasus countries and Central Asia.

“And of course if our client requires an insurance coverage for Europe or

worldwide, it can benefit it from our parent group’s service. We can make the necessary introductions.”

The Russian credit insurance scene is intensely competitive. So the quality of service, tailor-made for the needs of individual customers, really matters.

“At Credendo, we are flexible. If a company is only seeking cover for part of their sales we will still look at that and provide support if we can,” says Bezdenezhnykh.

“The nationwide office network of our minority shareholder Ingosstrakh, a general insurer, introduces us to companies across the country that are looking for credit insurance coverage of their sales. And we have built up close links with an infrastructure of other trusted service providers, such as factoring companies and banks, which we can recommend to our clients.”

# CREDENDO – EXCESS & SURETY and CREDENDO – SINGLE RISK

## CATERING FOR SPECIALITY REQUIREMENTS



Today's business scene is varied. So we have developed a range of insurance tools to meet different situations or provide the surety support essential for some transactions.

Companies and their business support needs are as diverse as the markets where they trade.

"Credendo – Excess & Surety provides alternative support options," explains Eckhard Horst, General Manager of Credendo – Excess & Surety.

Companies selling commodities or capital goods often need single-risk cover, tailor-made for every large contract.

When doing business overseas, companies can decide to protect on a case-by-case basis their export or import contracts, their investments and assets against a large spectrum of political and commercial risks. Credendo can tailor bespoke cover to address their specific needs.

"We also have clients who manage their own credit exposure, whom we support with excess-of-loss insurance, which protects against losses above a level they could tolerate," explains Horst.

For other customers, Credendo provides top-up support, to supplement the cover their front-line credit underwriters have put in place – because there is a limit to the

exposure any insurer can accept, even when levels of risk are acceptable.

"Supported by our top-up cover, a leading international cosmetics group has been able to grow its sales with flexibility and confidence," reports Horst.

But credit risk is not the only challenge. Today many buyers also demand surety – bonds and guarantees – as collateral for tender bids, for their performance in supplying goods and services, or operating a franchise, or even their payments of rent and tax.

"In countries such as Italy the market is standardised and regulated. But it is digitalised, so speed and good IT is vital," says Horst.

"With 11 offices across Europe we have a thorough understanding of buyers' requirements and local business practice – so we can innovate and transfer expertise. We used a French-style construction guarantee to underwrite the development of an apartment building in Poland, where this type of surety was previously not the norm."

In the first semester of 2021, Credendo – Excess & Surety and Credendo – Single Risk merged into one entity to become Credendo – Guarantees & Speciality Risks, a unique provider of guarantees and specialised trade credit insurance: surety, excess-of-loss insurance, top-up cover and single-risk policies.



BRIGITTA AYASCH

"Some companies prefer to protect transactions case by case.

BRIGITTA AYASCH, GENERAL  
MANAGER OF CREDENDO –  
SINGLE RISK



ECKHARD HORST

"We provide alternative support options for companies that need cover outside the framework of standard volume turnover credit insurance.

ECKHARD HORST, GENERAL  
MANAGER OF CREDENDO –  
EXCESS & SURETY



FUTURE  
**CHALLENGES**

Improving  
Challenging Investing  
Developing Shaping  
Promoting Supporting  
Adapting  
Innovating

# RISK NEVER STANDS STILL



NABIL JIJAKLI

FRANK VANWINGH

**This third decade of the 21st century confronts human society with unparalleled challenges. As the pandemic has demonstrated, our impact on the environment can trigger crises that affect communities worldwide. In the face of climate change, sustainable development is an imperative. Populist politics offer no real solutions. But there is good news: great progress has been made in lifting people out of poverty, and knowledge is much more widely shared.**

## An era of uncertainty

Rarely has the outlook for international risk looked so complex.

Old certainties are long gone. Today we live in a multipolar world, where China, and perhaps soon India too, compete with the USA for influence.

The rise of populism, with some political leaders exploiting social grievance and identity issues, promotes simplistic answers that fail to tackle the serious challenges we face.

“The greatest of these is climate change and humans’ impact on fragile ecosystems,” says Credendo’s Deputy Chief Executive Officer, Nabil Jijakli.

“For our societies the pandemic, devastating health and economic activity, is a ‘training exercise’ in what can go wrong.”

At Credendo our response has been agile: we have offered Belgian companies extra liquidity and secured the level of credit limits given by private credit insurers, to avoid the sort of brutal business funding squeeze seen across the world after the 2008-2009 financial crisis.

“But we have to prepare for even greater future challenges,” notes fellow Deputy Chief Executive Officer, Frank Vanwingh.

“

Ecosystems are fragile and the pandemic has been a training exercise in how to manage the consequences when these are damaged or disrupted. But nor can we forget other risks.

NABIL JIJAKLI,  
DEPUTY CHIEF EXECUTIVE  
OFFICER

There are positive international trends. Poverty is now less widespread, while more children are enrolled in school. The internet has extended access to knowledge and key services, while governments in many developing countries are now subject to democratic accountability.

However, the world also faces huge risks. Numerous countries and businesses have taken on huge debts; once interest rates begin to rise, the cost of servicing these will impose severe pressures.

“Tackling climate change will require not only massive investment but also a change in mindset and a recognition of the full consequences. For example, the shift to electric cars will clean up our air in Europe but still leave an environmental



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We screen our projects for their social and human rights impact.

FRANK VANWINGH,  
DEPUTY CHIEF EXECUTIVE  
OFFICER

footprint, from the generation of electricity or the use of minerals in battery manufacture,” says Jijakli.

“And the surge of populist politics, with its threat to the acceptance of basic truths, threatens social and political instability. That is why Credendo takes human rights and governance standards into account in its assessment of country risk.”

Patterns of economic activity are evolving too – and we have to cater for its different needs.

“We are investing heavily in product development at AREA42, our vehicle for innovation in support of the fast-growing fintech sector – because this emerging business-to-business ecosystem requires new forms of security and payment protection,” Vanwingh points out.

“Credendo has also extended its capacity to support businesses based in countries beyond Europe,” explains Vanwingh.

Closer to home, Credendo also stands ready to expand its support for small and medium-sized enterprises.

“Fundamentally, we have to be able to develop and respond, to remain flexible and ready to adapt to the challenges presented by this changing world,” argues Jijakli.

“And we seek to work with others, particularly in tackling climate change. We are forging a dialogue with both individual companies and business federations, with the public sector and NGOs.”

## Good governance matters

Sustainable development is central to our outlook – for climate change is the major challenge facing the world. We assess potential projects against rigorous environmental and social criteria.

Our own internal operation emissions have been reduced by a third over ten years. With carbon offsets against necessary travel, we achieved carbon neutrality in 2019.

And we support our clients in moving towards a sustainable approach.

We also seek to back projects making a positive social impact.

Quality of governance, transparency and a focus on the long-term well-being of populations are all key risk factors that shape our cover decisions.

At Credendo we have a responsibility to support projects that contribute to the fight against climate change.

“Tackling climate change requires huge investment over the very long term,” says Vanwingh. “We are covering higher risks, for larger amounts and over many years.”





## DRINKING WATER SUPPLY IN GHANA

In Ghana we have underwritten a EUR 30 million line of credit to fund the expansion of drinking water supply in Bono region. Coverage is being extended from just one main town to at least eight others, and with capacity to meet growing demand for many years ahead.



## FORMOSA 2 PROJECT IN TAIWAN

In Taiwan we have supported the Formosa 2 wind farm, whose 376MW – enough to supply 380,000 households – will help the island reach the goal of 5.5GW installed offshore wind generation capacity by 2025. Over its operational life, Formosa 2 should offset 18.75 million tonnes in carbon emissions.

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