

## Minutes

### Attendees:

President  
Vice President

Beatriz Reguero (CESCE)  
Christina Westholm-Schröder (SOVEREIGN)

ATI  
ATRADIUS  
AXA XL  
AXA XL  
BPIFRANCE  
CESCE  
CHUBB  
COFACE  
CREDIT OMAN  
EXIMBANKA SR  
HBOR  
NEXI  
PWC  
SACE  
SACE  
SERV  
TURKEXIM  
TURKEXIM  
US EXIM  
US EXIM

John Lentaigne – dial in  
Bert Bruning  
Daniel Riordan  
Joe Blenkinsopp  
Maelia Dufour  
Carmen Vara  
Julian Hudson  
Patrice Luscan  
Imaad Al Harthy  
Silvia Gavorníková  
Ante Alić  
Kei Kawahara  
Michael Huber-Saffer  
Michal Ron  
Irene Gambelli  
Robert Suter  
Enis Gultekin  
Neslihan Diniz  
James Cruse  
Isabel Galdiz

Secretary General  
Secretariat

Vinco David  
Paul Heaney  
Arturs Karlsons  
Eve Hall  
Haoyun Wan  
Aycan Ertugrul  
Laszlo Varnai

## **1. Welcome, Opening Remarks by the President**

The President thanked the Secretariat for the arrangements and welcomed the members of the Management Committee (MC). She welcomed those Management Committee members for whom this was the first meeting. She informed that John Lentaigne, ATI, will be calling in. M. Senthilnathan, ECGC, sent his apologies.

## **2. Minutes of the Meeting held in Hyderabad, 20 October 2019**

The President confirmed that the comments to the draft minutes had been incorporated. The minutes were adopted.

## **3. Matters Arising**

No matters were raised. It was decided to cover item 6, Task Forces Updates, first – please see below in numeric order.

## **4. Berne Union Strategy**

The President referred to the meeting in Segovia on 16 - 17 December 2019 and thanked the Secretariat for their hard work in preparing the strategy documents for discussion. She noted that the three main pillars were confirmed as the strategic objectives – networking, information exchange and visibility. The aim of the exercise was to discuss how to add value to the Members. She emphasised the need for a realistic and practical action plan as well as for transparency. She hoped for the MC to agree which actions could be launched right away and what next steps should be ready by the meeting in Budapest - agree what specific activities will be taken in the communication and marketing area for example. She acknowledged that committee structure changes would take a longer time to agree and the meeting in Nur-Sultan might be an ambitious but realistic goal for proposing a plan to the Plenary.

Strategic objectives documents outlining the three pillars were discussed.

### **- Internal Networking**

The Secretariat summarised the Internal Networking paper which also briefly outlined the current practices for the benefit of those members less familiar with the Berne Union setup. The Management Committee was encouraged to give specific feedback on proposals as outlined in the main body of the document.

Members of the Berne Union expect networking, peer learning opportunities, knowledge exchange, the building of relationships with peers, and promoting of good business practices. The paper focused on how to balance and stimulate members' attendance (regular vs occasional participants) and information sharing. It addressed the importance of timeliness in preparing for the meetings; cross-committee interaction and discussions across committees; as well as aspects of website development as applicable to networking.

The President welcomed the ideas and encouraged the Secretariat to start trying using these recommendations already in Budapest. She pointed out that the document referred to internal communications (as opposed to items covered under Visibility pillar / external communications). It was acknowledged that there was natural overlap between networking, information-sharing and educational aspects and that the interdependencies were outlined in

the Interactions Diagram in the summary document.

HBOR pointed out that webinars in the past had been a technical challenge and could be more frequent. It also enquired about the procedure in deciding topics for the specialist meetings. The Secretary General noted that the latter is determined by the members' feedback.

SACE stated that as the meetings were long already, excursions and any other extra activities should be strictly optional for attending. Coffee breaks could also be longer during the meeting days to allow for bilateral meetings. SACE stated that certain members tend to be the presenters over and over again with some others not willing to share. Also, some members use the meetings as well as bilateral meetings only for educational purposes rather than information sharing.

SERV suggested naming the members who delay data reporting and questioned whether country and topic breakouts on plenary days were indeed popular or even required as they were not very well attended and usually not very interactive.

CECSE suggested personal phone calls to prompt members to action and creating more customised and user-friendly breakout sessions at the general meetings.

BPIFRANCE encouraged the use of digital devices even more (e.g. Slido) as this ideal for shy people. It was very important to communicate clearly to the members when they were expected to contribute topic suggestions for the upcoming meetings (whether right after live meetings on whiteboards, via general post-meeting feedback survey, or indeed via a separate topic request survey) as many members take this very seriously and wish to be able to contribute on time. HBOR agreed.

The Secretariat added that software was available to encourage smaller, member driven discussion groups during meetings.

SACE said that online discussion forums do not allow contacting specific members. Due to various enquiries, SACE tends to prioritise communicating via personal email which does not benefit a wider audience on topics that may be of interest to others. It further advocated the availability of more member information on our website, e.g. on products and Country cover policy, in order to reduce the number of general questions currently posted on the discussion forum.

AXA XL stated that they always try to include at least one less experienced person to encourage young professionals and that as a group, they would benefit from more direction and encouragement.

The Vice President added that the aim of the exercise was to deliver networking and knowledge exchange in a better, more efficient way.

US EXIM mentioned that there are often questions that get answered on a case by case basis between the members that would be of interest to a wider membership and enquired what would be the best way to facilitate such knowledge exchange.

### Follow up

The Secretariat was asked to start implementing actionable items in the proposals already for the Budapest meeting.

***For the Budapest MC, a follow-up paper will outline any additional input required as applicable***

## - **Information Exchange and Visibility / Influence**

These two pillars were discussed under one document heading. The outcome of the Segovia Meeting was a proposal to focus on improving:

- structure of information shared
- volume and quality of content output
- accessibility of information via website development
- Secretariat capacity for data analysis

In addition, articulating a clear objective for communications strategy with respect to 'visibility'.

The Secretariat introduced the paper, explaining that its objective was to distill the outcome of the Segovia discussions in order to formulate a coherent overall strategy for knowledge exchange and visibility, and to then describe a series of concrete proposals to achieve these.

The overall recommendations were:

1. To develop systems and processes to improve the structure and accessibility of information – This includes changes to workflow in the collection and dissemination of information, as well as IT development to make finding and using information easier
2. To reorient the focus of the Secretariat's output towards 'content creation' – the proposal is to embrace the creation of content *not only for meetings*, but also independently.
3. To prioritise the promotion of the Berne Union as a 'thought leader' in external communications strategy

### Content

There was broad support for the proposals to increase analysis and content creation and to plan around this.

The President endorsed the focus on content creation as a priority but added that the content should continue to come from and developed for the committees.

SACE suggested that in addition to content planning it is valuable to accommodate more agile information gathering relating to e.g. current affairs and to proactively create content around this.

### Information Access

BPIFRANCE emphasised the need to be able to access information by reference to topic content. This requirement would be covered by the proposal to develop a 'knowledge library' for all BU content output, accessible by members via the website.

The proposed Knowledge library is already at technical design stage but requires work to define and structure the relevant categories of information on which it will be based.

It was questioned whether a task force might be useful for this, since the members as ultimate users should have a view how they would want to access and find information. The President requested instead that the Secretariat should come up with a first draft for the MC and proposed that a task force or focus group could be established later as and if required.

## Visibility

SACE questioned whether empowering / promotion of members on BU website was indeed needed (2.7).

COFACE commented that it is difficult to establish a communications message which is acceptable to all members on behalf of whom it is delivered and still relevant to the press. Equally, targeting 'Thought leadership' is difficult as this implies the need to propose new angles and take a position on potentially sensitive subjects. Overall the Berne Union should rather avoid the potential risks that this kind of stance would present, even if this means that information delivered is somewhat flat (neutral presentation of data trends etc.).

SERV commented that regulators are not the only target audience to promote our industry / products to and that 'risk mitigation' was a point of interest for the wider trade community.

The Secretariat summarised that the objective of pursuing the goal to be seen as 'thought leaders' should be about synthesising collective information of the members, without taking a stance on anything. The objective would be to position the Berne Union as an authority for this kind of summary content, making it available to trade press and pursuing a kind of 'soft' PR strategy, rather than seeking to proactively 'sell' stories.

## Cost

SACE suggested holding back from the proposal to conduct and / or commission research and reports, since that would be cost sensitive (3.7).

The President affirmed that priority should be given to items which can be delivered within the current budget.

## Follow up

The Secretariat was asked to create a priority list for the proposals to be implement and to propose a timeline of phases for introduction each element.

***For the Budapest MC, a follow-up paper will outline priority action points, implementation timeline and analysis of additional input required, as well as a firm statement of communications policy and strategy, on the basis of the discussions***

- **Education and Green Products / Sustainability**

The President confirmed that these topics were acknowledged as additional points to consider but were not discussed in detail at the meeting in Segovia, as it was concluded that they were not strategic objectives. However, several items under sustainability where such that could be actioned already without further discussion.

- **Committee Restructuring**

In order to better deliver what the members need, the Segovia meeting resulted in clear interest in revising the current setup of Committees. Three options were presented:

### **Option A**

- Keeping the ST, MLT, INV, PC Committees largely intact
- Adding an ECA Committee and a Private Insurers Forum (PIF)
- MLT opening to private and multilateral members

- Membership requirement of Committees based on either business threshold or organisation type

### **Option B**

- Option A plus committees with adjusted focus and Membership criteria
- Move single risk from ST to MLT
- Move INV to MLT Committee and enhance the INV Technical Panel for business related to investment insurance
- Membership not linked to business threshold requirements, i.e. anyone who writes that business can join

### **Option C**

- Overhauling the concept and purpose of member groups and meetings, e.g. meetings not necessarily along business lines, but according to themes, etc.

The President stated that there are valid reasons why we have the committees.

ATRADIUS added that option C might look too stretched but would like to learn what the thinking had been behind these suggestions.

The Secretary General stated that "blue sky" approach was encouraged in Segovia, to suggest something as if you were to start from scratch. Should we structure around themes and not business lines? We could possibly lose out if there were no more focused groups around current business lines. Personally, he agreed that option C was rather revolutionary, and it was better to broadly stick around business lines.

The President commented that revolutionary would be alright, but the real question was do we need this change and the new structure.

SACE commented that the current committee structure was not just along business lines, but also according to type of organisation (private, ECA or multilateral).

US EXIM said that some good points were raised for discussion. Perhaps it was possible to keep the old committee structure without necessarily keeping the old approaches - how could we get the benefits from option C?

CHUBB did not agree that ST single risk should be moved to MLT.

ATRADIUS queried the role of research within the current structure and how to use better cross committee opportunity. Finding broader themes for AGMs is one option. The President noted that this will already be happening in Budapest.

EXIMBANKA SR suggested the use of specialist meetings to complement existing structures. Option C looked interesting but too ad hoc perhaps for longer term.

ATI commented that the current committee structure does not work at all well for either multilaterals or private insurers, whereas the proposed Options A & B would create more committees. Question was raised whether we could expand the remit of the current committees (especially the INV committee, to add MLT) and have a mixture of B and C possibly. Flexibility was the main point i.e. to make the agendas more business focused and potentially flexible. The Vice President seconded.

It was questioned whether the Private Insurers Forum really was needed. It might work not as a separate committee but as an add-on. CHUBB agreed with SERV.

SACE suggested an alternative Option B as follows:

- Creating an ECA Committee to discuss any ECA-related business, regardless the underlying product or transactions' tenor. More in detail, ECA products that are usually provided both on a ST and MLT basis (e.g. supplier credit, L/C confirmation, surety bonds, working capital guarantees) would be discussed within this Committee.
- Merging the current MLT and INV Committees in a revised MLT Committee, open to public and private members active in the MLT (over 12 months) and INV (PRI) business. This Committee would mainly focus on large transactions / Project Finance deals / sovereign risk / PRI.
- Keeping the ST Committee open to both public and private members, but with an exclusive focus on Trade Credit Insurance, generally referred to as revolving cover on trade receivables, either on a whole-turnover or a single-risk basis (in this regard, members mainly active in the ST business shall identify the most appropriate definition / scope of the Committee. On a related note, as revolving insurance can also be provided on a single-risk basis, using the term 'single-risk' to also define traditional cover provided by ECAs on single export may not be accurate).
- Keeping the PC Committee intact.
- Keeping the INV Technical Panel (if appropriate).

In summary, the Management Committee preferred option B, without increasing the structure of current committees. Using more themes within and alongside committees was also highlighted.

The goal was to inform the Plenary in Budapest about the progress with a view to have a plenary vote in Nur-Sultan. Request to have the proposal from the Secretariat at least 15 days before the MC. It was acknowledged that restructuring would impact on data transparency.

CREDITOMAN stated that Prague Club Committee was a success delivering what it was supposed to deliver and that baseline should be kept as is.

***It was decided that the Secretariat would fine-tune impact on memberships, fees, etc. under adjusted Option B by Budapest MC meeting.***

## **5. Secretariat Update**

### **– Preliminary results 2019**

The Secretary General informed that for 2019 a deficit had been agreed of £19k; the actual figure will be about £1k smaller. The income from membership fees was £10k lower than budgeted as ECICS from Singapore had resigned. The salaries and staff costs related savings from vacancies were offset by the cost of 360 Degree staff reviews and increase in pension contributions, as approved by the MC in 2019.

IT costs were slightly higher, mostly due to website maintenance. Total operating expenses were below budget, partly due to lower costs for the Yearbook as a result from some advertising income. The meeting expenses were coming in £17k higher due to extra contribution in Hyderabad and greater travel costs. Professional fees were lower than budgeted.

The one-off discount for the Prague Club members for 2019 was charged against the reserves. The Data Tool and related web development were also charged against the reserves.

The Secretariat clarified that lower budget for the Specialist meetings for 2020 was due to the Prague Club Specialist meeting happening every two years, with the next one not until February 2021 in Dubai. Budget for professional fees for 2020 was kept at 2019 budget level to allow for any recruitment costs if needed. There is also increase in 2020 BU websites (intranet) maintenance costs.

– **RCG CEO meeting**

The Secretary General reported that on 15 - 16 January he attended with the CEOs and other senior officials the Regional Coordination Group (RCG) meeting in Tokyo, hosted by NEXI. The RCG meeting is for the regional group of Asian ECA Berne Union members.

The meeting was attended by Export Finance Australia, HKEC, KSURE, NEXI, Sinosure, TEBC, Thai Eximbank and the Secretary General. The main discussion topics were business trends; reinsurance, especially among ECAs; prospects of the energy market, with focus on geopolitics, energy sources and growing demand in Asia; and changing patterns in export to Africa. A short summary statement issued after the meeting was distributed to the Management Committee and has been made available on the Berne Union website.

NEXI thanked the Secretary General for contributing to the meeting.

## **6. Task Forces Update**

– **Data Task Force**

US EXIM gave a short summary about ongoing work done in the Data Task Force (DTF). The products and their classification by each member had been taken as Product Matching Exercise (PME) in the previous years. The data reportings and PMEs of the members were revised, mismatches between them has been asked to members. Currently, the mismatches are being corrected by the Secretariat, the task is scheduled to be finished by the end of February 2020.

SERV asked whether all Members were now on board for open reporting and transparency. US EXIM stated that about ten were sitting on the bench.

US EXIM added that the number of task force members had decreased, but that the group still had sufficient size. The Vice President inquired whether there was a private member still on the DTF. AXA XL commented that their representative was indeed.

The Secretariat explained that it was focused on processing and checking the incoming, new data and helping the members with classifications. The question arose whether Defence required a separate classification. This would be for the task force to consider.

BPIFRANCE mentioned a problem with where to report single transaction cash contracts with long execution periods. The Secretariat will be in touch with them after the meeting.

US EXIM informed the MC that a detailed report on the issues, efforts, progress and next steps of implementation of the new data system will be shared with the MC members in the near future.

## – Outreach Task Force

EXIMBANKA SR stated that the Capacity Sharing Marketplace (CSM) was being planned in Budapest for Monday, 11 May 2020. Good attendance was expected due to a central European location, with the focus on the engagement of DFIs, MDBs and private sector finance providers. The focus of the meeting in Budapest will be on strategy updates of the different institutions within the ecosystem, platforms and initiatives promoting co-finance and risk sharing, case studies highlighting opportunities for cooperation, future perspectives, and "blended finance".

A plan for raising awareness of the CSM initiative with both internal and external stakeholders was outlined. This will include a dedicated message to Berne Union members highlighting the CSM objectives and informing how members can participate. The OTF update to the plenary will focus on better engaging members in this initiative by explaining how it can benefit them directly.

The President concluded that it would be very good to make more contact with the Berne Union members to raise awareness, advertise the event across the board and get further input. CSM is part of the Berne Union long-term strategy.

## – Legal and Regulatory Task Force

The Secretariat mentioned the upcoming one-day joint specialist meeting with ICISA on regulation, expected to be held on 27 November 2020, hosted by Clyde & Co, in London and asked the MC to get in touch with any topic or speaker suggestions. [Note: This has now been rescheduled to 23 November.] AXA XL mentioned that external speakers were targeted for the event. The task force and Secretariat intended to invite regulators. About 100 – 120 people were expected but limiting attendance per member might be required.

SACE enquired whether sanctions can be discussed as a topic, as it impacted operations of several members. It was agreed that it could be indeed.

The Secretariat mentioned that the task force proposed a three-way approach to contact and educate regulators about the Berne Union and its members' business and impact. The plan was to first use the fact sheet / smaller brochure as drafted by the Secretariat to kick off conversations. An additional more technical document would be developed which would need 6 - 12 months to get ready. Some outside help might be needed in this development. The goal was to approach executives, regulators and policy makers first, followed by the technical staff.

## – HR Task Force

The President announced that the Secretary General's contract had been extended for three more years.

A salary band-based structure for the Secretariat staff was being developed with the aim to establish a transparent structure and manage expectations. A home working / flexible working policy for more flexible working arrangements was being developed as well. No decision had been made to fill the vacancy for the IT role as current staff had absorbed the tasks previously filled by the IT manager. The performance review for 2019 had been completed. This was an ongoing process.

The Management Committee welcomed Haoyun Wan, the Sinosure secondee at the Berne Union for the duration of 2020.

SERV asked about outstanding vacancies. The President advised that the IT Manager position was not filled and there was still a debate what profile that open position should have, probably more focusing on data or business analysis.

## **7. Membership Issues**

### **- Resignation of ABGF**

As a result of the National Privatisation Programme (PND) ABGF non longer issues export credit guarantees. The Secretary General expressed regret that ABGF had closed its credit insurance operations and that the export credit guarantee team was let go. On 5 December 2019, ABGF representatives indicated via e-mail that ABGF, due to the above, cannot continue its Membership within the Berne Union.

***MC Resolution 2020-01: The Management Committee acknowledged the resignation of ABGF and that due to insufficient notice period the 2020 invoice for the membership fee remained due. The Secretariat is to follow up to collect the outstanding fees.***

### **- Proposed suspension of LCI**

LCI had requested to suspend its membership for 2020 due to political and economic turmoil in Lebanon as a consequence of which its business had deteriorated.

***MC Resolution 2020-02: The Management Committee agreed with the suspension of LCI membership for one year and agreed to waive the fee of GBP 8,900 for 2020. The MC also exceptionally agreed not to cut LCI access to the Berne Union website during the freeze, as LCI has been a large contributor to the Berne Union work.***

### **- Proposed extension of Observer membership for Bandex**

As discussed in Hyderabad, Bandex was not yet eligible for full membership in 2020 as they did not yet conduct export credit or investment insurance business. Bandex had informed the Secretariat that they would not be issuing a policy for another year or two. Bandex wished to continue as an Observer member for an additional two years, a fee-based membership (20% discount on full membership fee), which would give them ongoing access to Berne Union members and information base.

The new Statutes do not have any time limitation on Observer membership after the originally two-year limitation intended by old Statutes. No Plenary vote is required.

***MC Resolution 2020-03: The Management Committee agreed with the extension of the Observer membership of Bandex for a further two years.***

### **- Prague Club Committee Guest membership vote of the Ukrainian ECA**

The Secretary General informed that the new ECA of Ukraine had applied for Guest status of the Prague Club Committee and that an online vote was currently being held in the PCC. Ukreximbank, the other member from Ukraine, had supported the application. It was expected that the vote will gain necessary support in the PCC and that the Ukrainian ECA will be attending the Budapest Spring meeting to make a presentation in the Prague Club. (Note after the meeting: The vote has now closed, and the necessary support has been obtained.)

## 8. Auditor Reappointment

The Secretary General said that, in line with good governance, competitive quotes had been sought for preparing the annual audit of the financial results. The Secretariat approached ten highly ranked mid-sized accounting firms based in or near London. Moore Kingston Smith (MKS) had quoted an audit fee of GBP 9,000 plus VAT, UK corporate tax submission fee of GBP 1,500, plus first year's setup fee of GBP 4,000. Several other firms had declined to quote due to inability to come close to the fees currently paid for the service.

The current auditor's audit fee for 2019 was GBP 5,500 plus VAT; the fee for filing the UK corporate tax submissions was an additional GBP 340 plus VAT. Palmers has been providing quality of service at a competitive cost and has prior knowledge of our organisation.

It was debated that as the business setup of the Berne Union was operationally uncomplicated, the extra costs and disruption did not justify the benefits of changing an auditor at this time.

***MC Resolution 2020-04: The Management Committee approved the reappointment of Palmers Chartered Accountants for a further period of 3 years, ending 31 December 2023.***

## 9. Initiatives update

### - **Planned meeting with the ICC Export Finance Forum**

The Secretary General confirmed that a meeting with the ICC banks will take place on 4 March. Regulation will be a major topic of discussion. It was also suggested to invite the banks to discuss their own recent business and experience.

### - **Joint meeting with FCI and ICISA on factoring**

The Secretary General reported that on 9 January 2020 the annual joint meeting was held by FCI, ICISA and the Berne Union on matter of common interest.

Agenda items discussed:

- Bank regulation for factoring companies benefiting from credit insurance. The representatives of three associations agreed that publications, education and work with media could be the areas of further cooperation.
- Developments in reverse factoring as distinguished from traditional factoring.
- African Data Repository where Factors Network presented on buyer information gathering, especially when working with SMEs obligors. ATI and Afreximbank had emphasised that there were more structural and regulatory problems in the region that hinder development of factoring and credit insurance.
- Education, where FCI is setting up e-learning courses. FCI would redraft a text on the credit insurance part of their e-learning programme for further review by the Berne Union and ICISA.
- FCI upcoming annual meeting is in Washington DC from 21 - 25 June 2020.

US EXIM reminded that the Berne Union should move away from discussing policy and regulatory matters. There are more appropriate forums for that. The Secretary General said that the business discussed with FCI and ICISA was largely short-term by private companies.

SACE noted that one of its subsidiaries (i.e. SACE FCT) provides factoring services and might have been interested in contributing to the discussion, however it was not aware of the event. It asked the Secretariat to provide adequate information about similar future initiatives.

The President stated that it was important to communicate to the members about these meetings.

## 10. Upcoming Events

### – BU meetings: confirmed dates + hosts

The Secretary General referred to the document that listed upcoming specialist meetings and general meetings for 2020 and 2021. General meetings in 2020 will be hosted by EXIM Hungary in Budapest and KAZAKHEXPORT in Nur-Sultan. He reported that following a call to host the 2021 AGM, also announced at the Plenary in Hyderabad, several firm offers had been made.

ATI, a multinational, had proposed Kigali / Rwanda for the 2021 AGM location. They had a team ready and recent experience in hosting an event in Kenya in 2018 for the Spring Meeting. UKREXIMBANK had communicated their strong interest in hosting the 2021 AGM as well. EXIMGARANT Belarus was discussing the possibility with their management board.

GIEK had expressed interest in hosting 2022 Spring Meeting in Norway to coincide with their anniversary.

***The Management Committee supported ATI's bid for the 2021 AGM and GIEK's bid for the 2022 Spring Meeting. It was decided to contact UKREXIMBANK to assess their interest in hosting 2022 AGM.***

## 11. Any Other Business

-

## 12. Closing Remarks, Next Meeting

The President thanked the Management Committee members for their active involvement and the Secretary General and Secretariat for their many efforts especially with the preparation of the Strategy documents. She welcomed those Management Committee members for whom this was the first meeting.

The Secretary General thanked both the President for leading the meeting and the Vice President and President for all their preparatory work.