



## The role of Export Credit in a financial crisis

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**Pag. 3****The crisis in four bullets****Pag. 4****After the crisis****Pag. 7****The evolution of an ECA**

**① We live in a global, complex world driven by technological innovation**



In a complex, global world there is no full decoupling

**② Distortions are on a global scale due to a macroeconomic policies and deregulation**



A complex world with no global governance

**③ Who is regulating what? The State as a regulator vs the market self – regulation**



A global world with no effective controls

**④ One world with global bubbles: macro policies and micro-behaviors**



We are all human, after all

**First rule:**

Do no harm!

**Second Rule:**

Use public resources efficiently




**Third rule:**

Do not jeopardize the future of the company

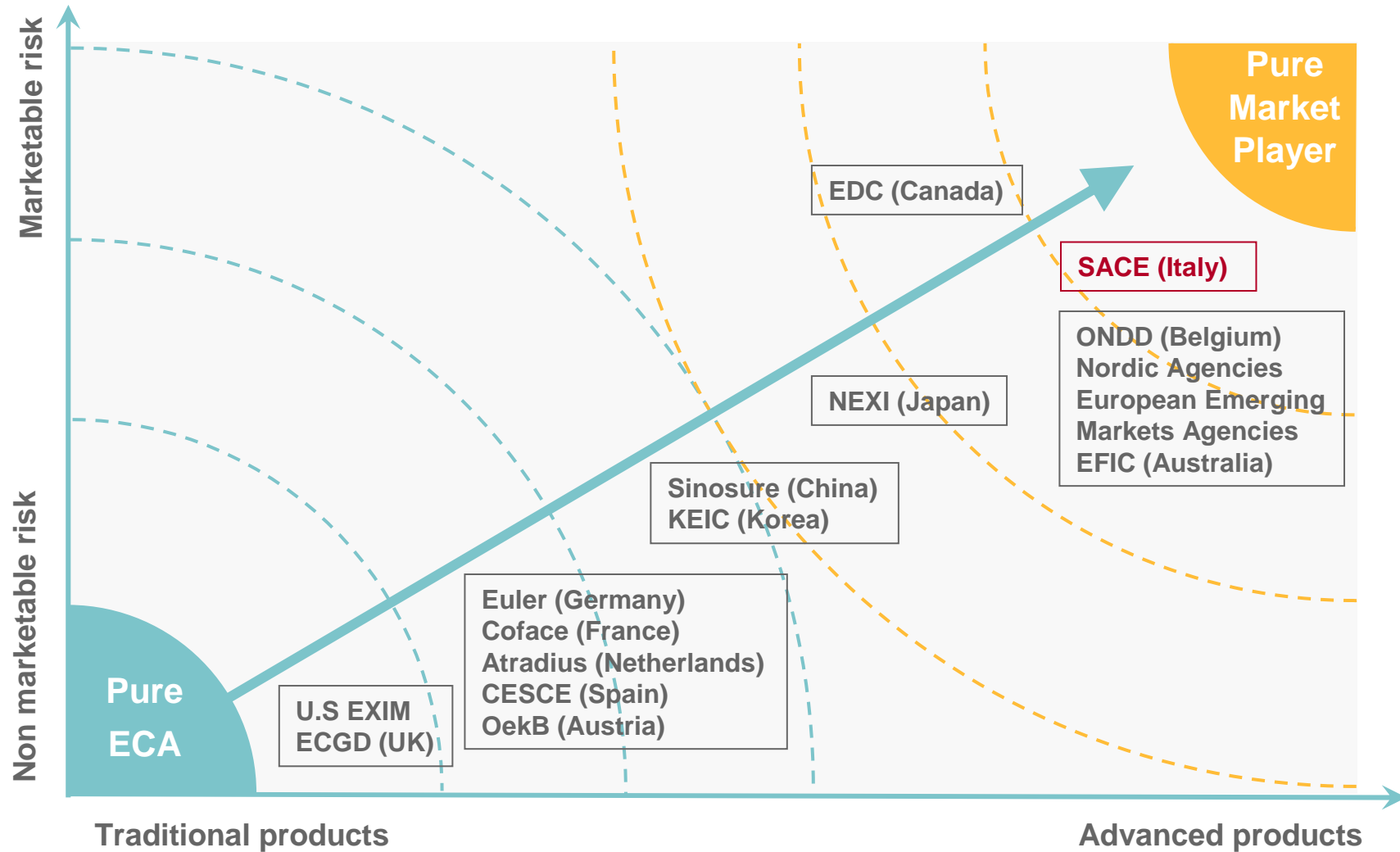
State interventions can create distortions if they alter the level playing field

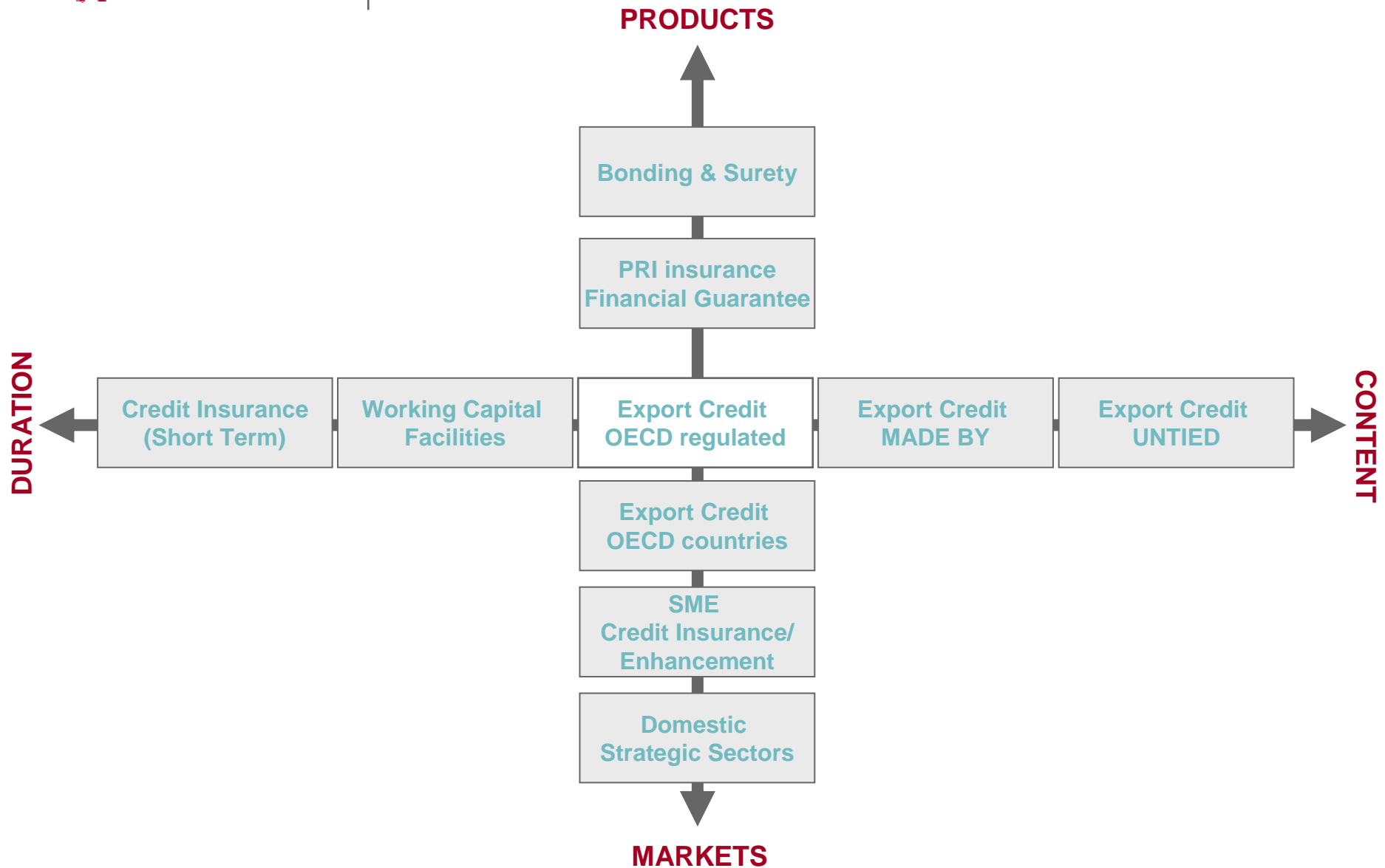
Negative financial results can easily be justified in terms of hard to measure “economic / social goals”

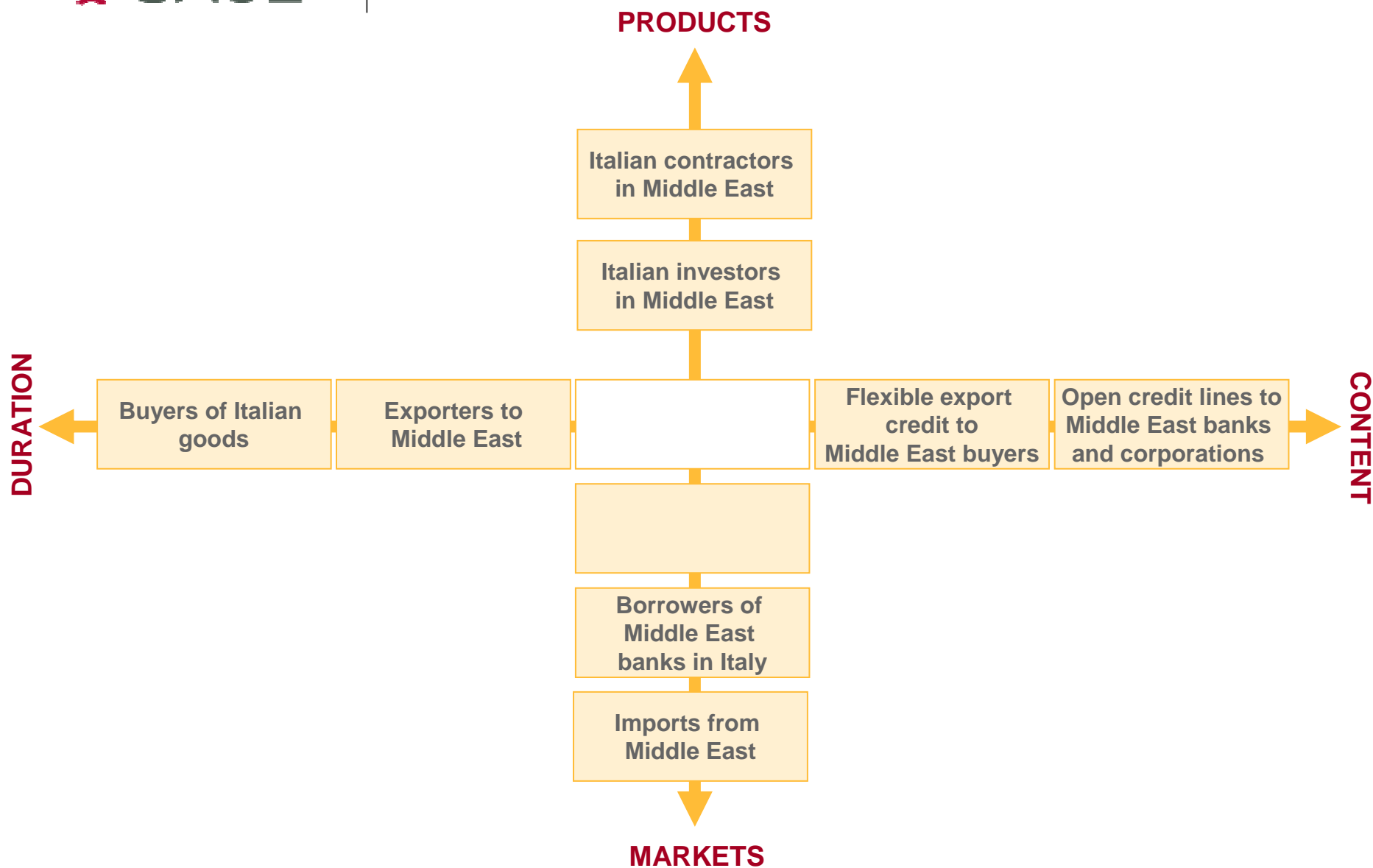
ECAs that run large deficits are politically weak.

- Global demand collapse causes corporations to scale back and postpone CAPEX. 
- Balance sheet impairment causes banks to reduce new lending, especially for non-key clients, large project financings, etc. 
- Higher risk perception and scarce economic capital raise the demand for risk mitigants, at a time when the financial strength of private risk insurers is deteriorating. 

- ✓ ECAs are approached at inception to play a catalytic role in raising the funding (from syndication to Club deals)
- ✓ ECAs are underwriting higher amounts and higher shares of the risks (up to 100%)
- ✓ ECAs are facing an increasing number of applications but also longer time for closing
- ✓ The all-in cost of the facilities is increasing due to the high “liquidity premium”









## The last step in the evolution of an ECA: from “pure cover” to lending

### FROM “PURE COVER” TO LENDING

#### TRENDS

- ✓ ECAs direct lending to the final users or intermediaries
- ✓ Twinning of public players: “pure cover” ECAs + public lenders
- ✓ Refinancing of outstanding export credits or refinancing options
- ✓ Other schemes

#### SACE

- ✓ Use of liquidity for the purchase of bonds
- ✓ Agreement with Cassa Depositi e Prestiti for the creation of Export Banca
- ✓ None
- ✓ Bond wrapping



**Thank you for your attention.**

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