



ITFA Insurance Event highlights industry insights and recognises excellence

The ITFA Insurance Event held on June 21, 2023, at Crédit Agricole CIB's campus in Montrouge, France, was a resounding success, with a high turnout and engaging discussions on various topics of significance to the credit insurance industry. The event provided a platform for industry experts to share their insights and explore emerging trends, fostering collaboration and innovation within the sector.

The day began with introductions from Fabrice Schwartz and Lise Kessler from Crédit Agricole CIB, followed by Silja Calac, ITFA Board Member and Chair of the Insurance Committee from Banco Santander, who delivered ITFA's introduction, setting the stage for the discussions that followed. Jean-Maurice Elkouby, Chair of ITFA's Regulatory Advocacy Working Group, from ING, presented a **Regulatory Update**, shedding light on the ongoing lobbying efforts for credit insurance. Elkouby discussed the challenges and potential adjustments required as Basel 4 approaches.

"Although a number of battles have been won, we now have to wait for the final legislation and, most importantly, whether the European Banking Authority can deliver on the ambitious timetable," he said, speaking on the sidelines of the event. "Despite our best efforts, we may still suffer from a cliff effect on the current inventory of CPRI covers when Basel 4 is implemented. By October 2023, we should know with certainty."

During the session, Elkouby put forward various possible outcomes and the ways in which the industry could adapt to the new LGD percentage under Basel 4. "It will not be a question of life or death, but there will certainly be challenges ahead as we try and find a 'new normal'," he said. The presentation concluded with a Q&A, addressing key concerns raised by the audience, including the nuclear exclusion and eligibility criteria, as well as the need for more data gathering by banks to complement what the broker community already does successfully.

The **Claims Panel**, featuring a discussion between Claire Simpson from WTW and Audrey Zuck from A2Z Risk Services Limited, explored single-situation non-payment claims, delving into the intricacies of the claims process – especially the loss adjustment – and offering insights into real-life case studies. "The session aimed to debunk common claim myths and put credit claims into the wider insurance context," said Simpson. "The ensuing discussion brought the claims journey to life, demonstrating that the relationship between banks and insurers goes beyond the policy document in a deeper and enduring partnership, based on trust and transparent communication."

The session on **InsurTech**, moderated by Nathan Birnbaum from Crédit Agricole CIB, included speakers Alexia Boutin-Somnolet from Marsh, Adam Clark from Liberty Specialty Markets and Jay Hopkins from HowdenCAP. The panellists explored the impact of technology on the credit risk insurance industry, presenting perspectives from insurers, brokers and banks. The discussion



provided valuable insights into the potential future landscape of the industry in the face of advancing digital transformation.

Carol Searle at Texel Finance Limited led the **Documentation Update** panel, joined by members of the newly formed Documentation Working Group: Anna Morgan at BPL Global and Marian Boyle at Sullivan. The panellists presented the findings of a recent ITFA member survey on market practice surrounding banks' approaches and requirements in obtaining legal opinions when using credit insurance as credit risk mitigation (CRM) under relevant Basel rules and corresponding legislation. Boyle discussed two main areas of the capital requirement rules in which external lawyers may be involved in providing advice and legal opinions to banks. "First, CRM must meet prescribed eligibility criteria. Whilst there is no regulatory requirement that this is met by the provision of independent legal advice, banks often seek external legal advice on the eligibility of credit insurance. Secondly, banks need to satisfy themselves that the CRM is legally effective and enforceable in all relevant jurisdictions," she said. "The EU and UK implementation of Basel 3 makes it clear that this requirement must be satisfied by an independent, written reasoned legal opinion."

As outlined by Searle, the ITFA member survey results show that some banks do seek opinions on eligibility requirements, notwithstanding that such an opinion is not a regulatory requirement, in addition to an opinion on legal enforceability.

Morgan also reflected upon the advantages to banks of working with a template wording or framework which benefits from a legal opinion. In terms of efficiencies, it creates savings not only in cost but also in time to avoid protracted negotiations on a policy wording which could cause delay, she said.

The Documentation Working Group is producing a guidance note on market practice which will be informed by and include the survey results.

ESG, an increasingly vital aspect of the insurance industry, was the focus of the panel moderated by Marianne Ouzone-Hugon from Crédit Agricole CIB. The panel featured speakers Christophe White from Allianz Trade, Alex Holcroft from Aspen Insurance Group, Andrew Beechey from Tierra Underwriting Limited and Caroline Tran from AXA XL. The discussion revolved around the integration of environmental, social and governance factors into credit insurance practices, highlighting the industry's commitment to sustainable and responsible underwriting.

"Specifically, we engaged in an open dialogue concerning the creation of an ESG product in the insurance market," said Ouzone-Hugon. "The broader discussion also encompassed various other key themes, including the approach to the Green2Green product certification, a comparison between the EU Taxonomy and other sets of rules – and the market's efforts in reconciling these different methods, and the definition of the 'E' aspect of ESG within the insurance business."

The event culminated in the annual **Insurance Awards ceremony**, which recognised outstanding contributions in various categories, including Best Insurer, Best Insured Bank, and Best Broker across different types of insurance coverage.




The winners, as announced, were: Trade Credit Insurance Insurer - Allianz Trade; Surety Insurer - Tokio Marine HCC; Comprehensive Non-Payment Insurance Insurer - Liberty Specialty Markets; Trade Credit Insurance Bank - Societe Generale; Surety Bank - Banco Santander; Comprehensive Non-Payment Insurance Bank - Societe Generale.


In the Broker category, Marsh picked up the awards for Best Trade Credit Insurance Broker and Best Surety Broker, while BPL Global was named Best Broker for Comprehensive Non-Payment Insurance. “The event really served as a catalyst for knowledge sharing, collaboration and recognition within the credit insurance industry,” said Calac. “The ITFA Board would like to thank all the attendees and members of our Working Groups for their active participation and contribution to the event's success. As the industry moves forward, the insights gained from this event will surely contribute to the continued growth and evolution of credit insurance practices.”

Photographs from the event are available [here](#), while all presentations from the day can be provided upon request.


Highlights from the ITFA Insurance Event


Credit insurance industry experts gathered at Crédit Agricole CIB's campus in Montrouge, France, in June for the much-anticipated ITFA Insurance Event. The day was filled with engaging discussions, valuable insights and recognition of excellence within the sector:

 Jean-Maurice Elkouby from ING presented a Regulatory Update, shedding light on the ongoing lobbying efforts for credit insurance, addressing challenges and potential adjustments ahead of Basel 4.

 The Claims Panel, featuring Claire Simpson from WTW and Audrey Zuck from A2Z Risk Services Limited, delved into the intricacies of non-payment claims, offering real-life case studies and debunking common claim myths.

 The InsurTech session, moderated by Crédit Agricole CIB's Nathan Birnbaum, explored the impact of technology on the credit risk insurance industry, presenting perspectives from insurers, brokers and banks.

 The Documentation Update panel, led by Carol Searle at Texel Finance Limited, discussed market practices surrounding banks' legal opinions on credit insurance under Basel rules.

 ESG integration in credit insurance practices was a key focus, with speakers from Crédit Agricole CIB, Allianz Trade, Aspen Insurance Group, Tierra Underwriting Limited and AXA XL, highlighting the industry's commitment to sustainable and responsible underwriting and mooted the creation of an ESG product in the insurance market.



International Trade
and Forfaiting Association

itfa.org
info@itfa.org

🏆 The event culminated with the annual Insurance Awards ceremony, recognising outstanding contributions in various categories, including Best Insurer, Best Insured Bank and Best Broker. Congratulations to the winners!

We extend our gratitude to all attendees and Working Group members for their active participation, making the ITFA Insurance Event a true catalyst for knowledge sharing and collaboration within the industry.

Read the full report [here](#)

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