



President of Export Credit Insurance Organization

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Greek exporters need to feel confident about insurance policies regarding export credit

Firstly, I would like to salute this event, an institution, Statbank's Diamonds of the Greek Economy, congratulate you on the creative work you have been doing over the past 20 years, and wish you strength and ability to keep pursuing this effort for many more years to come.

In recent times, we have heard plenty of significant proposals and analyses on the methods of penetrating markets characterized by different culture, preferences, and way of life, as well as about the political leadership's efforts and decisions regarding the export-oriented growth of our country, a country that has nothing to envy. On the contrary, we are envied by others for our history, civilization, natural wealth, sun and beaches, our products, which are unique, our capabilities as human beings, as well as our decency and effectiveness in attaining objectives.

Combining the aforementioned factors in an appropriate and organized fashion, simplifying procedures and determining priorities, while also informing and educating exporters, is a task for the various export associations, as well as the Export Promotion Agency (OPE), and I can state that exceptional work is being done in this department. This is also confirmed by market data, as we managed to increase exports by 57% between 2009 and 2013, to represent 15.2% of the country's GDP figure.

It is particularly important in the era of globalized markets and efforts to survive as enterprises and as an economy, to make coordinated moves, and operate amid a stable economic environment.

Besides the particular problems of recent years, the Greek economy is characterized as "small" in size and "susceptible" to external threats. Increased export orientation, then, including incoming tourism and shipping, stands as a significant growth factor.

The global financial crisis has exposed

weaknesses in enterprises that, until now, seemed robust, not just in Greece, but abroad as well. Consequently, clients whose business conduct was excellent until recently, currently find themselves in situations of not being able to meet obligations, which is affecting the financial state of Greek exporting companies, and in turn, is disabling them from covering their obligations.

And this is the point where I need to also make reference to the Export Credit Insurance Organization (OAEP).

OAEP is a non-profit private entity that is monitored by the Ministry of Development and Competitiveness and administered by a nine-member council. It does not burden the state budget. It functions based on private-sector financial criteria, amid a competitive environment, as other privately-run firms - both foreign-based and Greek - guaranteeing credit, also operate in our country.

This means that intense competition exists, and Greek exporters need to feel confident about fast, effective and advantageous insurance policies with regard to export credit.

At this point, I need to stress that OAEP's objective is to help Greek exporters in every possible way. Both in terms of organization and correct procedures, by providing information on the credit worthiness of clients abroad, which, to a certain degree, ensures exports; as well as financially, through payment of low-cost insurance fees, so as to avoid transferring added cost to consumers, which, in turn, makes export products less competitive. It is of crucial importance to be able to finance Greek exporters through the following two methods:

By handing the insurance contract to one's associated bank as a means of ensuring financing.

Through direct financing from virtually all banks with which we have already signed agreements as part of the "Export Orientation" program, as long as the product that stands to be exported has been insured by OAEP.

Financing through this program amounts to one million euro, offers 80% coverage of insured invoices, and works as a recyclable limit, which means that, depending on the time of the credit offering, an exporter may

make returns three to four times a year. With financing through this program, OAEP guarantees deposits of equivalent amounts at all banks, therefore offering a solution to the cash flow problem that exists in the banking sector.

All procedures are simple and swift, and all the required steps are detailed on the organization's website.

I need to mention that organizations similar to OAEP exist in most parts of the world, both in private and public sectors. We all meet twice a year in various countries and exchange opinions and experiences, so as to make exporting from all countries simpler and more effective, without superfluous procedures, and in the safest possible way.

To achieve this objective, we have also been engaged in long-running collaborations with economic and commercial affairs agencies (OEY), from which we obtain useful information. We are also working with a new export-orientation agency, aligning our efforts with the course being pursued by the Ministry of Development and Competitiveness, in an effort to offer services that provide complete solutions to export companies.

Finally, I must mention that, at OAEP, we do not distinguish between small and big clients. We insure our clients from their very first export deal, and from the very first euro, against commercial and political dangers. Also, besides short-term credit we also insure mid-to-long term technical projects, services, and investments made abroad.

In other words, OAEP serves as a protective shield for exporters, offers incentives for safe exporting, while also contributing to the creation of liquidity, acutely missing from today's marketplace.

Having made a brief presentation of the services offered by OAEP - insuring and providing credit to Greek exporters - I believe that we are contributing substantially to the development of our nation's export orientation, while also simplifying procedures for safe ways towards further penetration of foreign markets.

By providing exporters with both insurance and credit, OAEP is offering the export industry precious support in the overall drive for the country's economic growth through export orientation.