

Embargo until midnight on 12 November

Credendo Trade Forum

Results of export barometer: climate change high on the agenda for 90% of exporting companies¹

Brussels, 12 November 2019

- > On Wednesday 13 November 2019 more than 350 business leaders, bankers, diplomats and representatives of academia will be coming together for the fifth Credendo Trade Forum, which will revolve around the theme 'Climate change: Threat or new economic challenge?' The global economic situation and climate challenges will be on the agenda.
- > Dr Bertrand Piccard, president of the Solar Impulse Foundation, will talk about how, by developing concrete, efficient solutions, companies can turn climate-related challenges to their advantage.
- > The fourth export barometer reveals that 90% of exporting companies believe that businesses should already be taking measures themselves to combat climate change.
- > Confidence in the global economic climate is falling slightly due to heightened trade and geopolitical tensions.

Confidence in global economic climate falling slightly due to the challenging global situation

The global economy is currently in a more challenging situation due to heightened trade and geopolitical tensions, which is driving up uncertainty amongst exporters and resulting in deferred investment decisions. Trade relations are coming under pressure, although it is estimated that the global economy will still achieve – albeit declining – growth of 3%. However, this is the lowest level since the economic crisis. This is also reflected in Credendo's figures. "Over the past nine months we have issued 4 upgrades compared with 8 downgrades for medium- and long-term political risk," explains Nabil Jijakli, Group Deputy CEO of Credendo.

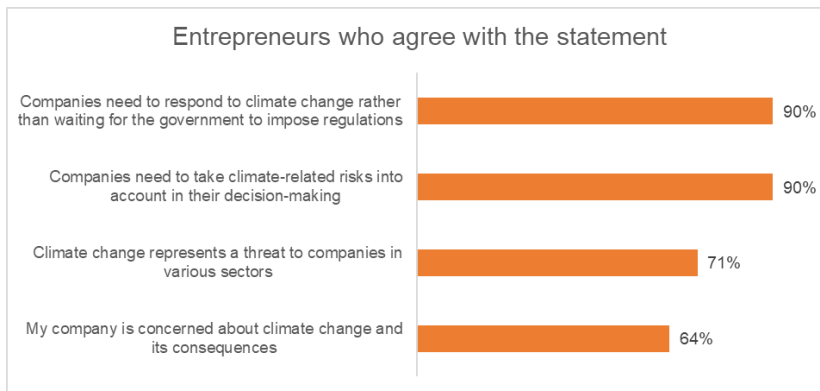
It should therefore come as no surprise that the confidence of entrepreneurs is down slightly on the past few years and that 37% of respondents say they do not anticipate any growth in the area of exports over the next three years. They regard our neighbouring countries, the EU countries and Asia as the most promising export regions, followed by North America and Canada, and the Middle East. In terms of the sectors with the greatest export potential, the top 3 are the same as last year: biotechnology (66%), pharmaceuticals (59%) and chemicals (51%).

A certain amount of caution is called for due to the challenging global situation. Almost half of the respondents indicate that they have suffered losses and/or damage in the past as a result of unpaid invoices. "It remains important for exporters to protect themselves against the risk of non-payment and Credendo can help with this. To ensure we provide our clients with better and clearer information, we have therefore updated our general terms and conditions," says Nabil Jijakli.

Other results of the export barometer

Protectionist measures are creating uncertainty amongst exporters. Some 43% of them say these measures will have a negative impact on their own business. Climate change was also a theme that was frequently mentioned. As many as 90% of exporters believe that they should already be taking measures themselves to combat climate change rather than waiting for the government.

¹ Survey conducted by Trends for Credendo. 1,371 Belgian business leaders took part.



In addition, more than 4 in 5 companies believe that the government should take measures, even if it has an impact on their business, while 94% are convinced that this will have an impact to a greater or lesser extent. Furthermore, 90% take the view that the European Union should impose environmental standards for imported products. Almost 1 in 5 companies expect climate change to have a negative impact on their business, while a similar proportion of exporters can also see opportunities in the areas of innovation and sustainability.

Fifth Credendo Trade Forum

Declan Costello from the EU Directorate-General for Economic and Financial Affairs will open the Trade Forum by outlining the new European Commission's priorities. Afterwards a debate involving chief economists from international banks will focus in more detail on the historically high levels of public and corporate debt.

During the second keynote speech of the afternoon Dr Bertrand Piccard, president of the Solar Impulse Foundation, will explain how, by developing concrete, efficient long-term solutions, companies can turn climate-related challenges to their advantage. His explanation will be preceded by a panel discussion during which CEOs will present their vision of the energy transition and sustainable development.

An overview will also be provided of country risks and the impact on ratings; Credendo's analysts will explain the impact that climate change has on country risks.

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Credendo

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almost €87 billion and earned premiums totalling €329.7 million. Credendo is Europe's fourth largest credit insurance group.

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