



March 21, 2012

Dear members of the Productivity Commission

Sirs,

Chartis is one of the leading private sector insurers of export credit and political risk insurance in the world. We have been in this business since 1978 and operate in fifteen countries.

There was a period of time when government sponsored Export Credit Agencies used their inherent advantages to openly compete with private insurers. I have argued publically against this practice for many years. I am pleased to say that most Export Credit Agencies today have renounced that practice. As a matter of principle and philosophy they actively seek to avoid such competition.

We have underwritten political risk insurance in the Australian market for about twenty years.

I have reviewed the Draft Report on Australia's Export Credit Arrangements. If I thought the Export Finance & Insurance Corporation were competing with us, I would not hesitate to make the case against them. I don't think they are.

There may be valid reasons for the government of Australia to discontinue support for its exporting companies, but competition with private sector underwriters is not one of them.

Sincerely,

cc: Mr. Angus Armour, CEO, EFIC  
Mr. Keith Paul, Chartis Australia