



ANNUAL REPORT 2022



Table of contents

CHAPTER I	The Office du Ducroire	7
	Message from the Chairman	9
	Corporate governance	10
	Mission: one-stop shop for exporters	12
CHAPTER II	Activities 2022	15
	1. Insurance	16
	Key figures	16
	Insurance of medium- and long-term business	19
	Insurance of short-term business	21
	Insurance of prefinancing contracts	24
	Insurance of bank guarantees	24
	Insurance of bank loans	25
	2. Financial support for exports	26
	Key figures of 2022	26
CHAPTER III	Annual Accounts	31
	1. Auditor's report	32
	2. Balances sheets and profit and loss accounts	36
	Insurance	36
	Financial support	46
	3. Notes to the annual accounts	48
CHAPTER IV	Appendix	65
	Corporate & Social responsibility	67



CHAPTERI

THE OFFICE DU DUCROIRE

- 1. MESSAGE FROM THE CHAIRMAN
- 2.CORPORATE GOVERNANCE
- 3. MISSION: ONE-STOP SHOP FOR EXPORTERS

**As Luxembourg's official export credit agency, we are keenly aware of the threats posed by global warming.

ECAs play a critical role in the green transition.**

Message from the Chairman

ARSÈNE JACOBY



Dear Customers, Dear Exporters, Dear interested Readers,

The crisis in Ukraine has spurred climate transition and triggered the race towards energy self-sufficiency. Political tensions, the invasion of Ukraine, and the Covid lockdowns have prompted governments to rethink their dependencies and "friendshoring" has become the talk of the town. But rather than reshoring production it is diversification of supply chains that will improve economic resilience and support the transition towards net-zero carbon economies.

As Luxembourg's official export credit agency, we are keenly aware of the threats posed by global warming. ECAs play a critical role in the green transition. Targeted strategies as well as new products are being developed to halt global warming and adapt to its consequences. But sustainability extends well beyond just the issue of environmental protection. ESG frameworks and standards are shaping investment decisions and are driving corporate transformation.

In order to uphold responsible and sustainable business practices, ODL has introduced a new procedure regarding ESG screening. In line with government politics we assess each proposed project against a set of E, S and G factors with a view to determine its eligibility for support. If after the approval of cover, any breaches in ESG are detected, ODL will take appropriate measures ranging from the nullity of the insurance policy to future exclusion of any form of public support.

A major global effort will be needed to reconstruct Ukraine once the war is over. A World Bank report estimated the cost of rebuilding Ukraine at around 400 billion US dollars over the next 10 years. ECAs will play an important role in supporting Ukraine's recovery via securing inter alia supplies of essential products and accompanying foreign direct investment. ODL stands ready to support the flow of investments, goods and services to help rebuild Ukraine.

Let me close by expressing my deepest gratitude to the hard-working and dedicated staff of ODL. This adventure started more than 6 decades ago and its ongoing success is evidence of the commitment of the women and men who are continuing to support our export community day in day out.

On behalf of the entire Board of Directors of ODL, I would like to thank you for your unwavering support.

Corporate governance



BOARD OF DIRECTORS

- Mr Arsène JACOBY, Chairman Ministry of Finance
- Mr Yves BAUSTERT Commissariat aux Assurances
- Mr Pierre FRISCH Ministry of Finance
- Mr André HANSEN Ministry of the Economy
- Mr Jean-Louis THILL Ministry of Foreign and European Affairs
- Mr David ARENDT Private sector
- Ms Cindy TEREBA Private sector
- Mr René WINKIN Private sector

COPEL (Comité pour la promotion des exportations luxembourgeoises)

- Mr André HANSEN, Chairman Ministry of the Economy
- Mr Max FISCHBACH Ministry of the Economy
- Mr Arsène JACOBY Ministry of Finance
- Mr Michel LEESCH Ministry of Foreign and European Affairs
- Mr Gilles SCHOLTUS Ministry of the Economy

MANAGEMENT & TEAM

- Ms Simone JOACHIM CEO
- Ms Danielle WIRTZ Deputy CEO
- Ms Anne-Cécile ACHTEN Legal Counsel
- Ms Elaina BRUCCOLERI (since May 2023)
 Account Manager ESG & International Affairs
- Mr Charles-Emmanuel DE RIBAUCOURT Credit Analyst
- Mr Cristiano LEAL Accountant
- Ms Nadine MARQUES Account Manager - Financial support
- Ms Ann SAHLIN (since January 2023) Credit Analyst
- Mr Nelson TEIXEIRA
 Account Manager Financial support
 & Insurance

AUDITOR

Deloitte Audit



CREDIT COMMITTEE

- Mr Arsène JACOBY, Chairman
- Mr Pierre FRISCH
- Mr Hugo WOESTMANN



LEGAL COMMITTEE

- Mr David ARENDT, Chairman
- Mr Michel LEESCH
- Mr Tom LOESCH



AUDIT AND BUDGET COMMITTEE

- Mr Claude WIRION, Chairman
- Mr Arsène JACOBY
- Mr Pierre KRIER

Mission

ONE-STOP SHOP FOR EXPORTERS

ODL, a public institution created in 1961, supports Luxembourg exporters in their international development through:

- financial support for exports
- insurance facilities for exports, imports, investments
- insurance facilities for banks that finance the Luxembourg companies.

ODL promotes Luxembourg exports of goods and services by granting financial support either as partial reimbursement of the costs related to the promotion of exports and the participation in trade fairs, or as advances repayable under certain conditions.

As an insurer, ODL covers Luxembourg exporting companies against the risk of non-payment of their customers / suppliers due to insolvency, payment default or due to political events such as the risk of currency transfer, war, revolutions, natural disasters, risk of expropriation or government action.

ODL also offers insurance facilities for banks that grant credit lines to Luxembourg exporters and /or that issue bank guarantees in favour of the customers of the Luxembourg companies. ODL covers the banks against the risk of default of the Luxembourg company, which creates leverage by allowing the bank to increase the credit lines without taking any additional risk.

ODL offers innovative products enabling it to respond to the needs of Luxembourg exporters in general but also, the specific needs of SMEs and start-ups or whenever the private insurance market fails.

All financial support and insurance facilities granted by ODL comply with national and international rules, regulations and laws.







Insurance

KEY FIGURES OF 2022

	2022	2021
New business insured	1.207.403.183€	875.114.301€
Written premium	6.634.586€	11.381.403€
Earned premium. net of reinsurance	6.346.767€	11.966.232€
Outstanding commitments as of 31 December	802.463.036€	681.022.932€
Claims paid	1.968.348€	38.126.748€
Recoveries for claims paid	1.464.124€	3.020.881€

New business increased by 38 %, although two big contracts concluded with Russian debtors in January 2022 were cancelled after Russian invasion of Ukraine.

The written premiums dropped by nearly 30 % compared to 2021 where premiums were driven mainly by the reinsurance scheme of the private sector.

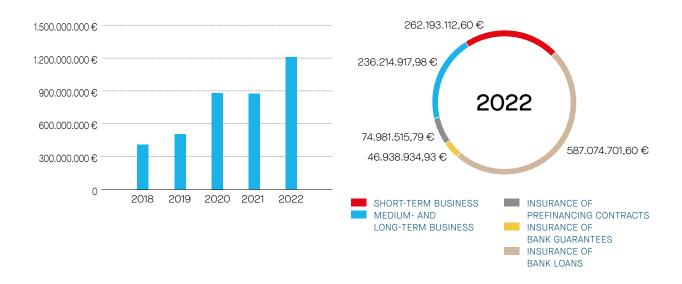
Overall 53 % of the new business was related to insurance of bank loans and bank guarantees, 41% to export insurance and 6 % to pre-financing contracts.

The outstanding commitments at year-end increased by 120 million euros compared to 2021. The highest commitment by country is to Luxembourg representing 26 % of the outstanding commitment, followed by Turkey and then India.

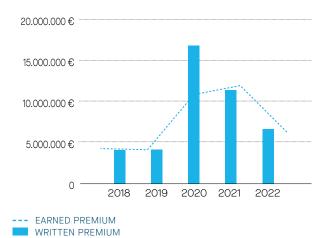
ODL settled claims amounting to 1,97 million euros and recovered 1,46 million euros for claims paid previously.



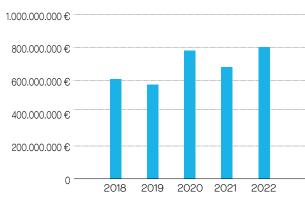
New business insured



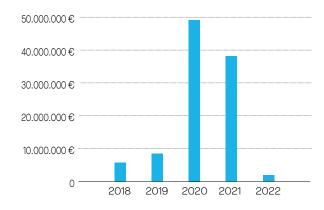
Written and earned premium



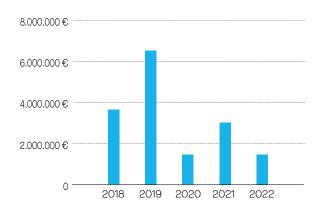
Outstanding commitments as of 31 December



Claims paid



Recoveries for claims paid



INSURANCE OF MEDIUM- AND LONG-TERM BUSINESS: EXPORT CONTRACTS

ODL insures **Luxembourg exporters and their banks** against the risk of non-payment of their export contracts due to payment default of their customers or due to political events.

ODL covers exports of capital goods, industrial projects, general construction works and engineering services, with a completion period exceeding 12 months, that are either payable on a prorata basis according to deliveries made or the progress of work (cash transactions), or financed through credit over several years (buyer credit / supplier credit). For all repayment periods exceeding two years, the regulations of the OECD Arrangement on officially supported export credits (which sets rules regarding credit terms, interest rates, required down payment percentages and insurance premiums) applies.

In a supplier credit, the Luxembourg exporter grants extended payment terms to its foreign buyer. Usually the credit is documented by bills of exchange / promissory notes drawn by the exporter and accepted by the buyer. The bill of exchange can be discounted by a bank, with or without recourse against the exporter.

In a buyer credit, the lending bank grants an export credit to the foreign buyer and the Luxembourg exporter can draw on the credit and receives cash payment for the execution of the commercial contract.

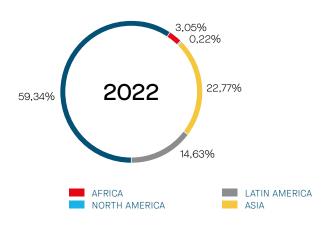
At request of the lending bank and in addition to the buyer credit cover, ODL may grant an on demand guarantee, callable on first demand, to the refinancing bank. In the internal relationship between ODL and the lending bank, the Terms and Conditions of Buyer Credit policy remain applicable.

In addition to the coverage of non-payment risk, ODL can cover the cancellation (pre-shipment) risk as well as the unfair calling of bank guarantees (bid bond, advance payment guarantee, performance guarantee) that are often requested by the buyer in an export contract.

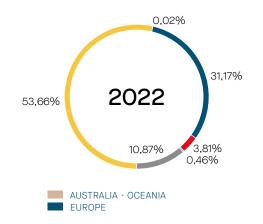
(IN THOUSANDS OF EUR)		ITH STATE		UT STATE Arantee		ACCOUNT THE STATE		TOTAL
	2022	2021	2022	2021	2022	2021	2022	2021
New business insured	196.613	178.268	39.601	- 31	0	0	236.214	178.237
Number of transactions insured	117	115	17	1	0	0	134	116
Written premium	2.515	2.247	353	- 1	0	0	2.868	2.246
Reinsurers' share								
New transactions insured	0	0	0	0	0	0	0	0
Written premium	0	0	0	0	0	0	0	0
Outstanding commitments as of 31 December	350.022	355.989	24.657	1.262	0	0	374.679	357.251
Offers of cover outstanding as of 31 December	211.074	391.846	314	0	147.495	147.495	358.883	539.341
Claims paid*	1.424	37.134	0	0	0	0	1.424	37.134
Recoveries for claims paid	964	2.209	0	0	0	0	964	2.209

^{*} gross amount, before reinsurance

Breakdown of new business insured for mediumand long-term business in 2022



Breakdown of medium- and long-term commitments on 31 December



82 % of the new medium- and long-term business insured in 2022 relates to debtors located in Europe and 11 % in Asia while 55 % of the outstanding

commitment at the year-end for medium- and longterm business relates to debtors located in Asia and 27 % to debtors in Europe.

Breakdown of medium- and long-term outstanding commitments

IN MILLIONS OF EUR

Total	Payment delays	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
374,68	40,93	203,46	52,59	16,18	15,87	9,75	8,41	8,70	7,73	7,44	3,61	0,00	0,00

The commitments take into account the percentage of cover and include the principal and estimated interest.

INSURANCE OF SHORT-TERM BUSINESS (CREDIT TERMS UP TO 12 MONTHS)

Business for the account of ODL (with and without State guarantee)

ODL insures Luxembourg exporters against the risk of non-payment of their customers located in non-marketable risks countries.¹ These risks are covered with the guarantee of the State.

In case of failure of the private insurance market, ODL may cover exports to EU countries and core countries of the OECD (marketable risks). These risks are then covered without the guarantee of the Luxembourg State.

¹Communication of the Commission applying to short-term export credit insurance (OJ C392)

(IN THOUSANDS OF EUR)		WITH STATE GUARANTEE	W	ITHOUT STATE GUARANTEE		TOTAL
	2022	2021	2022	2021	2022	2021
New business insured	99.620	72.318	40.739	0	140.359	72.318
Written premium	502	312	84	0	586	312
Reinsurers' share						
Insured transactions	0	0	0	0	0	0
Written premium	0	0	0	0	0	0
Outstanding commitments as of 31 December	25.747	17.007	8.939	0	34.686	17.007
Claims paid	51	63	0	0	51	63
Indemnities recovered	118	252	0	0	118	252

In consequence of the COVID-19 outbreak, the European Commission noticed in March 2020 that there was in general a lack of sufficient private insurance capacity for short-term export-credits and considered all commercial and political risks associated with exports to the countries listed in the Annex to the Communication to short-term business as temporarily non-marketable

until 31 March 2022.² Therefore, no new business was insured without State guarantee in 2021.

In its role as a one-stop shop for exporters, ODL acted as co-insurer of Allianz Trade in whole turnover policies covering buyers located worldwide.

Business for the account of the State

Individual Top-Up

In 2022, ODL continued to manage the Individual Top-Up policy for the account of the State. The programme was launched by the Government during the financial crisis in 2008. It provides additional cover where full cover is not available under the exporter's private credit insurance policy due to the risk profile of the buyer or the country risk.

² Sixth Amendment to the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak and amendment to the Annex to the Communication from the Commission to the Member States on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to short-term export-credit insurance (2021 /C 473/01)

	2022	2021
Number of companies having used the Top Up coverage	7	6
New business insured	121.834.149 €	188.487.526€
Outstanding commitments as of 31 December	27.301.948€	40.908.827€
Written premium	216.978€	374.998€
Claims paid	0€	0€

COVID 19: Reinsurance of short-term credit and surety risks

Following the amendment to the short-term export-credit communication of the 28th of March 2020, the European Commission considered all countries as non-marketable or as temporarily non-marketable risk countries. In this respect, the Luxembourg authorities have introduced a reinsurance programme destined to complement a broader package of measures that aims to avoid a systemic crisis in the Luxembourg economy. Under the reinsurance programme managed by ODL, the credit insurers undertook to keep the credit limits that were used in the 12 months preceding March 1, 2020 as intact as possible until the end of June 2021.

Thus, commercial relations and trade flows could be maintained. In return for this commitment, ODL, acting on behalf of the State, undertook to reinsure the risks underwritten by the credit insurers.

The maximum loss coverage of the State was fixed at 145,17 million euros representing 0,58 % of the total outstanding credit limits of 25 billion euros.

At request of the private insurers, the reinsurance programme was terminated on the 30th of June 2021.

	2022	2021
Written premium	169.273€	6.626.869€
Outstanding commitments as of 31 December	83.321.130€	89.201.130€
Claims paid	203.479€	892.775€
Indemnities recovered	382.544€	560.068€

The written premium 2022 relates to premium adjustments for the business insured during the first six month of 2021.

INSURANCE OF PREFINANCING CONTRACTS

ODL insures Luxembourg importers and traders against the risk of non-reimbursement of their advance payment in case of non-delivery of the

ordered goods by the supplier located in a nonmarketable risk country. These risks are covered with the guarantee of the State.

WITH STATE GUARANTEE	2022	2021
New business insured	74.981.516€	28.718.604€
Outstanding commitments as of 31 December	72.075.712€	48.351.131€
Written premium	1.471.057€	1.262.223€
Claims paid	0€	0€
Claims recovered	0€	0€

INSURANCE OF BANK GUARANTEES

In January 2015, ODL launched an insurance for bank guarantees (e.g., performance bonds, advance payment bonds) issued in favour of the clients of national exporters.

This insurance protects the issuing bank against the risk of default of the exporters and thereby facilitates financing of international transactions through creating leverage for exporters that need credit lines from banks.

ODL generally covers 50 % of the amount of the guarantee.

The risks are covered with the guarantee of the State.

WITH STATE GUARANTEE	2022	2021
New business insured	46.938.935€	33.693.038€
Outstanding Commitments as of 31 December	23.797.557€	15.853.059€
Written premium	60.199€	55.036€
Claims paid	289.950€	37.008€

INSURANCE OF BANK LOANS

To complete its offer for banks, ODL introduced in 2019 an Insurance of bank loans. This insurance protects the bank against the risk of non-repayment of the loan by the Luxembourg exporting company and so enables the bank to grant higher credit lines.

ODL covers 50% of the amount of the bank loan.

The risks are covered with the guarantee of the State.

WITH STATE GUARANTEE	2022	2021
New business insured	587.074.702€	284.458.505€
Outstanding Commitments as of 31 December	186.602.104€	112.451.042€
Written premium	1.262.184€	503.965€
Claims paid	0€	0€

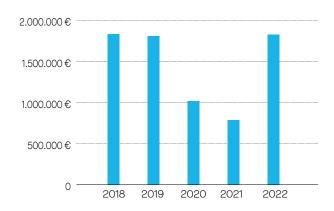
Financial support for exports

COPEL (Comité pour la promotion des exportations luxembourgeoises), is a decision-making body of ODL responsible for granting financial aid to Luxembourg companies for the marketing and the promotion of their export business.

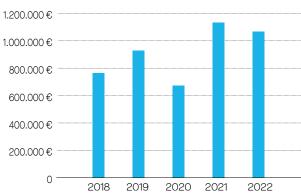
KEY FIGURES OF 2022

AMOUNT PAID		1.831.536€
TOTAL COMMITMENTS AS OF 31 DECEMBER		1.066.782€
NUMBER OF APPLICATIONS	received	566
NUMBER OF APPLICATIONS	declined	35
NUMBER OF COMPANIES	requesting a financial support	159
NUMBER OF COMPANIES	supported	132
NUMBER OF COMPANIES	requesting a financial support for the 1st time	32
NUMBER OF COMPANIES	supported for the 1st time	31
NUMBER OF YOUNG	requesting a financial support	56
AND MICROCOMPANIES	supported	48

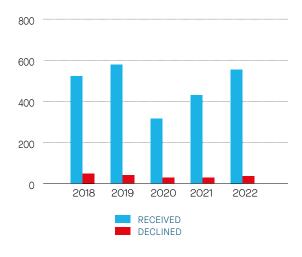
Amount paid



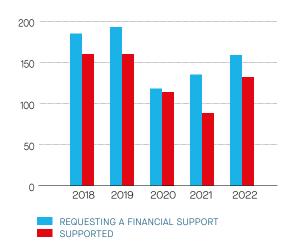
Total Commitments as of 31 December



Number of applications

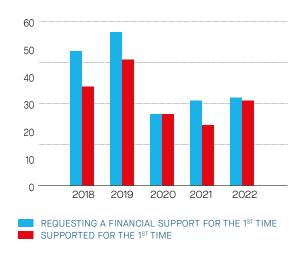


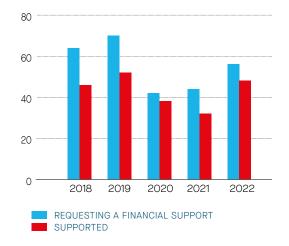
Number of companies



Number of companies

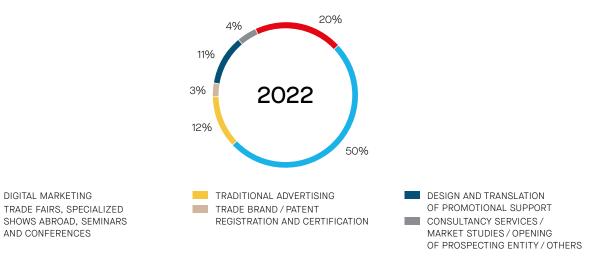
Number of young- and microcompanies (YMC)







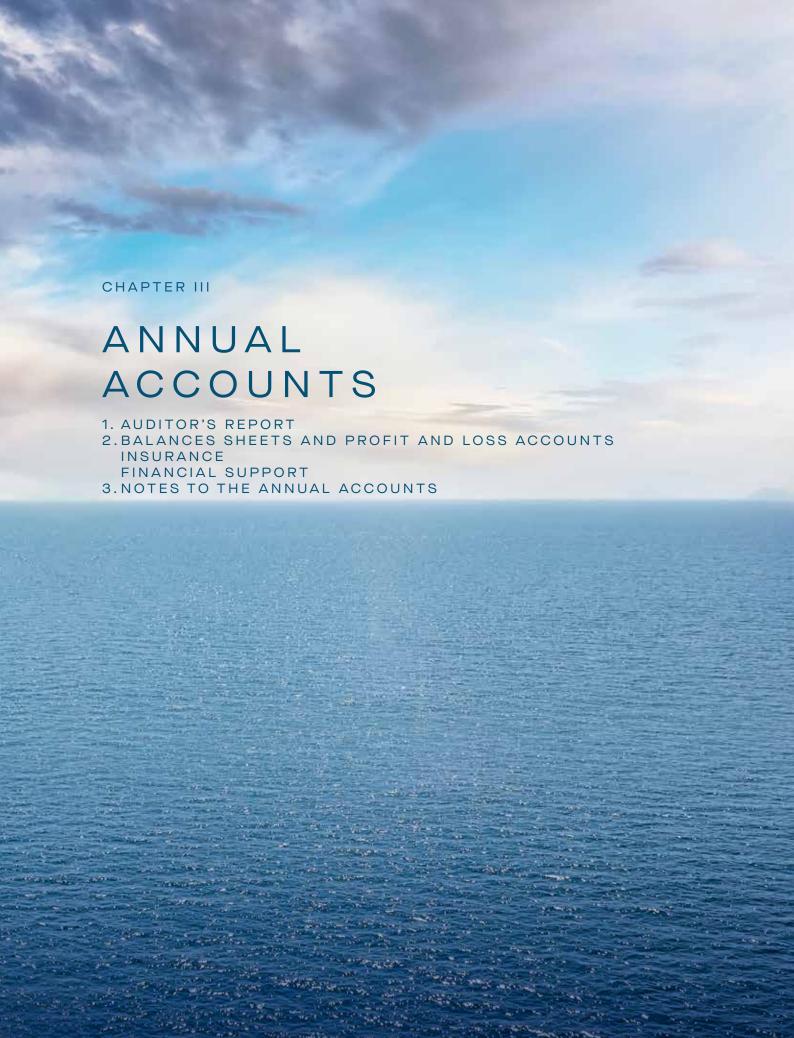
Requests by type of support



ODL partially reimburses the costs related to the design and the translation of promotional support, consultancy services and market studies, registration of trade brands and patents, advertising costs as well as the costs related to the participation to trade fairs. The aid granted is regulated by the law of 4 December 2019 on the Office du Ducroire Luxembourg and complies with European State aid regulations, in particular with the Commission Regulation called de minimis (with the actual ceiling of 200.000 EUR per company over a 3-year period).







Auditor's report

Deloitte.

Deloitte Audit Société à responsabilité limitée 20 Boulevard de Kockelscheuer L-1821 Luxembourg

Tel: +352 451 451 www.deloitte.lu

To the Finance Minister,
To the Board of Directors of
Office du Ducroire
65, rue d'Eich
L-1461 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the Audit of the Annual Accounts

Opinion

We have audited the annual accounts of the Office du Ducroire (the "Public Institution"), which comprise, for the year ended December 31, 2022:

- A separate balance sheet and profit and loss account for each competitive and non-competitive activity described in Articles 9 and 11 of the modified law of December 4, 2019, namely:
 - With State guarantee,
 - Without State guarantee,
 - For the account of the State.
- Separate notes to the annual accounts, including a summary of significant accounting policies, for each activity
 described in Articles 9 and 11 of the modified law of December 4, 2019 and above.
- A balance sheet and profit and loss account for the "Comité pour la Promotion des Exportations Luxembourgeoises" (the "COPEL").
- Separate notes to the annual accounts, including a summary of significant accounting policies, applicable to the COPEL.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Public Institution as at December 31, 2022, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Société à responsabilité limitée au capital de 360.000 € RCS Luxembourg B 67.895 Autorisation d'établissement 10022179

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Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the annual accounts" section of our report. We are also independent of the Public Institution in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report but does not include the annual accounts and our report of the "réviseur d'entreprises agréé" thereon. The annual report is expected to be made available to us after the date of the auditor's report.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors and Those Charged with Governance.

$Responsibilities\ of\ the\ Board\ of\ Directors\ and\ Those\ Charged\ with\ Governance\ for\ the\ Annual\ Accounts$

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

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In preparing the annual accounts, the Board of Directors is responsible for assessing the Public Institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Public Institution or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error,
 design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and
 appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from
 fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,
 misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are
 appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the
 Public Institution's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Public Institution's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Public Institution to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

Deloitte.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, Cabinet de révision agréé

Ludovic Bardon, *Réviseur d'entreprises agréé* Partner

Luxembourg, May 26, 2023

Balance sheets and profit and loss accounts

INSURANCE

BALANCE SHEET FOR THE ACCOUNT WITH STATE GUARANTEE AT 31.12.2022 AND 31.12.2021 IN EUR

		Note	31.12.2022	31.12.2021
AS	SSETS			
_	Investments			
Ċ.	Investments	0.11	4.700,400,00	4.057100.00
_	I. Land and buildings	3.1.1	4.728.400,00	4.857.100,00
_	III. Other financial investments	3.1.3		
	 Shares and other variable yield transferable securities and units in unit trusts 	3.1.3.1	32.781.994,51	11.093.135,59
	2. Debt securities and other fixed income transferable securities	3.1.3.2	74.841.660,62	74.345.143,26
	6. Deposits with credit institutions	3.1.3.3	27.394.477,15	0,00
			139.746.532,28	90.295.378,85
D.I	bis Subrogation and salvage	3.2	17.407.741,95	18.213.013,67
E.	Reinsurers' share of technical provisions	2.2		
	Provision for unearned premiums		2.935.020,25	3.337.230,64
	III. Provision for claims outstanding		26.348.740,33	26.410.830,82
			29.283.760,58	29.748.061,46
F.	Debtors	2.3		
	Debtors arising out of direct insurance operations		2.499.311,07	2.680.289,34
	II. Debtors arising out of reinsurance operations		1.012,55	10.264.302,79
			2.500.323,62	12.944.592,13
G.	Other assets	2.4		
	I. Tangible assets and stocks	3.3.1	167.218,06	219.466,49
	II. Cash at bank and in hand	3.3.2	10.232.332,95	45.473.085,56
			10.399.551,01	45.692.552,05
н.	Prepayments and accrued income	2.5		
	I. Accrued interest and rent		527.834,44	322.258,39
	III. Other prepayments and accrued income		533.641,90	509.857,33
			1.061.476,34	832.115,72
TOTAL ASSETS			200.399.385,78	197.725.713,88

The accompanying notes form an integral part of these annual accounts.

BALANCE SHEET FOR THE ACCOUNT WITH STATE GUARANTEE AT 31.12.2022 AND 31.12.2021 IN EUR

		Note	31.12.2022	31.12.2021
LIA	BILITIES	-		
Α.	Capital and reserves	3.4		
	Subscribed capital		70.000.000,00	70.000.000,00
	IV. Reserves		27.123.970,20	25.318.247,52
	VI. Profit or (loss) for the financial year		(967.408,36)	1.805.722,68
			96.156.561,84	97.123.970,20
c.	Technical provisions			
	I. Provision for unearned premiums	2.6.1	8.506.327,48	8.721.445,67
	III. Claims outstanding	2.6.2	53.398.318,90	47.694.676,84
	V. Equalization provision	2.6.3	27.298.451,21	29.808.815,97
			89.203.097,59	86.224.938,48
D.	bis Reinsurers' share of subrogation and salvage		12.648.177,53	13.233.274,65
E.	Provisions for other risks and charges	2.7		
	3. Other provisions		6.771,26	3.643,06
G.	Creditors	2.8		
	I. Creditors arising out of direct insurance operations		1.268.995,29	1.895,20
	II. Creditors arising out of reinsurance operations		0,00	140.094,48
	V. Other creditors. including tax and social security		91.844,60	53.362,21
			1.360.839,89	195.351,89
н.	Accruals and deferred income	2.9	1.023.937,67	944.535,60
			1.023.937,67	944.535,60
TO	TAL LIABILITIES		200.399.385,78	197.725.713,88

PROFIT AND LOSS ACCOUNT FOR THE ACCOUNT WITH STATE GUARANTEE AT 31.12.2022 AND 31.12.2021 IN EUR

		Note	2022	2021
I.	TECHNICAL ACCOUNT OF NON-LIFE INSURANCE BUSINESS			
1.	Earned premiums (net of reinsurance)	3.6		
	a) Gross written premiums		5.813.780,79	4.379.936,97
	b) Outward reinsurance premium		(25.821,87)	(117.046,88)
	c) Change in the gross provision for unearned premiums		215.118,19	1.687.778,11
	d) Change in the provision for unearned premiums. reinsurers' share		(402.210,39)	(989.423,01)
			5.600.866,72	4.961.245,19
2.	Allocated investment return transferred from the non-technical account	t	(391.860,32)	634.767,62
3.	Other technical income, net of reinsurance		374.626,55	1.334.392,51
4.	Claims incurred, net of reinsurance	3.6		
	a) Claims paid		(1.880.805,54)	(14.821.905,03)
	aa) Gross amount		(2.489.459,39)	(37.233.973,45)
	ab) Reinsurers' share		608.653,85	22.412.068,42
	b) Change in the provision for claims		(5.765.732,55)	14.244.265,32
	ba) Gross amount		(5.703.642,06)	40.479.863,47
	bb) Reinsurers' share		(62.090,49)	(26.235.598,15)
			(7.646.538,09)	(577.639,71)
6.	Bonuses and rebates, net of reinsurance		(186.858,98)	(163.323,53)
7.	Net operating expenses			
	a) Acquisition costs		(122.881,11)	(165.639,88)
	c) Administrative expenses	3.6	(853.673,98)	(939.054,64)
	d) Reinsurance commissions and profit participation		9.786,31	31.130,67
			(966.768,78)	(1.073.563,85)
9.	Change in equalisation provision		2.510.364,76	(3.995.600,57)
10.	. Balance on the technical account for non-life insurance Business		(706.168,14)	1.120.277,66

		Note	2022	2021
III. NO	DN-TECHNICAL ACCOUNT			
1.	Balance on the technical account - non-life insurance Business		(706.168,14)	1.120.277,66
3.	Investment income	3.8	1.806.434,18	1.187.711,26
5.	Investment charges	3.9	(2.459.534,72)	(129.675,23)
6.	Allocated investment return transferred to the non-life technical account		391.860,32	(634.767,62)
7.	Other income		0,00	339.506,41
8.	Other charges, including value adjustments		0,00	(77.329,80)
10	. Profit or (loss) on ordinary activities after tax		(967.408,36)	1.805.722,68
17.	Profit or (loss) for the financial year	_	(967.408,36)	1.805.722,68

BALANCE SHEET FOR THE ACCOUNT WITHOUT STATE GUARANTEE AT 31.12.2022 AND 31.12.2021 IN EUR

		Note	31.12.2022	31.12.2021
AS	SSETS			
c.	Investments			
	III. Other financial investments	3.1.3		
	 Shares and other variable yield transferable securities and units in unit trusts 	3.1.3.1	2.907.993,06	0,00
	2. Debt securities and other fixed income transferable securities	3.1.3.2	6.638.980,73	6.083.542,37
	6. Deposits with credit institutions	3.1.3.3	2.430.082,45	6.731.399,91
			11.977.056,25	12.814.942,28
G.	Other assets	2.4		
	II. Cash at bank and in hand	3.3.2	907.679,77	0,00
			907.679,77	0,00
н.	Prepayments and accrued income	2.5		
	III. Other prepayments and accrued income		16.362,88	16.362,88
			16.362,88	16.362,88
TO	OTAL ASSETS	_	12.901.098,90	12.831.305,16

BALANCE SHEET FOR THE ACCOUNT WITHOUT STATE GUARANTEE AT 31.12.2022 AND 31.12.2021 IN EUR

		Note	31.12.2022	31.12.2021
LIAB	ILITIES			
Α. (Capital and reserves	3.4		
ı	. Subscribed capital		3.000.000,00	3.000.000,00
I	V. Reserves		9.542.837,99	9.160.267,52
\	VI. Profit or (loss) for the financial year		24.068,42	382.570,47
			12.566.906,41	12.542.837,99
С.	Technical provisions			
ı	. Provision for unearned premiums	2.6.1	74.979,29	74,45
ı	II. Claims outstanding	2.6.2	0,00	0,00
١	V. Equalisation provision	2.6.3	159.939,33	81.612,51
			234.918,62	81.686,96
E. I	Provisions for other risks and charges	2.7		
2	2. Provisions for taxation	3.5	14.932,67	156.255,36
			14.932,67	156.255,36
н. и	Accruals and deferred income	2.9		
			84.341,20	50.524,85
TOTA	AL LIABILITIES		12.901.098,90	12.831.305,16

PROFIT AND LOSS ACCOUNT FOR THE ACCOUNT WITHOUT STATE GUARANTEE AT 31.12.2022 AND 31.12.2021 IN EUR

	Note	2022	2021
I. TECHNICAL ACCOUNT OF NON-LIFE INSURANCE BUSINESS			
Earned premiums (net of reinsurance)	3.6		
a) Gross written premiums		434.554,19	(402,33)
b) Outward reinsurance premium		0,00	0,00
c) Change in the gross provision for unearned premiums		(74.904,84)	3.521,80
d) Change in the provision for unearned premiums. reinsurers' share		0,00	0,00
		359.649,35	3.119,47
2. Allocated investment return transferred from the non-technical account		(38.359,29)	72.864,85
3. Other technical income, net of reinsurance		0,00	0,00
4. Claims incurred, net of reinsurance	3.6	0,00	0,00
a) Claims paid		0,00	0,00
aa) Gross amount		0,00	0,00
bb) Reinsurers' share		0,00	0,00
b) Change in the provision for claims		0,00	0,00
aa) Gross amount		0,00	0,00
bb) Reinsurers' share		0,00	0,00
6. Bonuses and rebates, net of reinsurance		0,00	0,00 40,24
7. Net operating expenses			
a) Acquisition costs		0,00	0,00
c) Administrative expenses	3.6	(170.251,52)	
d) Reinsurance commissions and profit participation			(95.388,49)
		0,00	
	_	0,00 (170.251,52)	0,00
9. Change in equalization provision			0,00 (95.388,49)
		(170.251,52)	(95.388,49) 486.593,08
10. Balance of the technical account for non-life insurance Business		(170.251,52) (78.326,82)	0,00 (95.388,49) 486.593,08
10. Balance of the technical account for non-life insurance Business		(170.251,52) (78.326,82)	0,00 (95.388,49) 486.593,08 467.229,15
IO. Balance of the technical account for non-life insurance Business	3.8	(170.251,52) (78.326,82) 38.895,37	0,00 (95.388,49) 486.593,08 467.229,15
IO. Balance of the technical account for non-life insurance Business II. NON-TECHNICAL ACCOUNT 1. Balance on the technical account - non-life insurance Business	3.8 3.9	(170.251,52) (78.326,82) 38.895,37	0,00 (95.388,49) 486.593,08 467.229,15 467.229,15
10. Balance of the technical account for non-life insurance Business 111. NON-TECHNICAL ACCOUNT 1. Balance on the technical account - non-life insurance Business 3. Investment income	3.9	(170.251,52) (78.326,82) 38.895,37 38.895,37 176.832,24	0,00 (95.388,49) 486.593,08 467.229,15 467.229,15 121.441,42 0,00
10. Balance of the technical account for non-life insurance Business III. NON-TECHNICAL ACCOUNT 1. Balance on the technical account - non-life insurance Business 3. Investment income 5. Investment charges	3.9	(170.251,52) (78.326,82) 38.895,37 38.895,37 176.832,24 (240.764,40)	0,00 (95.388,49) 486.593,08 467.229,15 467.229,15
10. Balance of the technical account for non-life insurance Business III. NON-TECHNICAL ACCOUNT 1. Balance on the technical account - non-life insurance Business 3. Investment income 5. Investment charges 6. Allocated investment return transferred to the non-life technical account	3.9	(170.251,52) (78.326,82) 38.895,37 38.895,37 176.832,24 (240.764,40) 38.359,29	0,00 (95.388,49) 486.593,08 467.229,15 467.229,15 121.441,42 0,00 (72.864,85)

The accompanying notes form an integral part of these annual accounts.



BALANCE SHEET FOR THE ACCOUNT OF THE STATE AT 31.12.2022 AND 31.12.2021 IN EUR

	Note	31.12.2022	31.12.2021
ASSETS			
C. Investments			
III. Other financial investments	3.1.3		
 Shares and other variable yield transferable securities and units in unit trusts 	3.1.3.1	3.841.818,29	0,00
2. Debt securities and other fixed income transferable securities	3.1.3.2	8.770.914,18	6.083.542,37
6. Deposits with credit institutions	3.1.3.3	3.210.439,30	11.272.270,6
		15.823.171,77	17.355.812,98
G. Other assets			
II. Cash at bank and in hand	3.3.2	1.199.157,17	0,00
		1.199.157,17	0,00
TOTAL ASSETS		17.022.328,94	17.355.812,98
TOTAL ASSETS	Note	17.022.328,94 31.12.2022	17.355.812,98 31.12.2021
	Note		
IABILITIES	Note		
IABILITIES			31.12.202
LIABILITIES A. Capital and reserves		31.12.2022	31.12.202 1 6.777.396,57
LIABILITIES A. Capital and reserves I. Subscribed capital		31.12.2022 6.777.396,57	31.12.202 6.777.396,57 6.436.172,12
LIABILITIES A. Capital and reserves I. Subscribed capital IV. Reserves		31.12.2022 6.777.396,57 10.578.416,41	31.12.202 1 6.777.396,57 6.436.172,12 4.142.244,29
IV. Reserves		6.777.396,57 10.578.416,41 (333.484,04)	
LIABILITIES A. Capital and reserves I. Subscribed capital IV. Reserves VI. Profit or (loss) for the financial year		6.777.396,57 10.578.416,41 (333.484,04)	31.12.2021 6.777.396,57 6.436.172,12 4.142.244,29 17.355.812,98
LIABILITIES A. Capital and reserves I. Subscribed capital IV. Reserves VI. Profit or (loss) for the financial year C. Technical provisions	3.4	31.12.2022 6.777.396,57 10.578.416,41 (333.484,04) 17.022.328,94	31.12.2021 6.777.396,57 6.436.172,12 4.142.244,29 17.355.812,98
LIABILITIES A. Capital and reserves I. Subscribed capital IV. Reserves VI. Profit or (loss) for the financial year C. Technical provisions I. Provision for unearned premiums	2.6.1	31.12.2022 6.777.396,57 10.578.416,41 (333.484,04) 17.022.328,94	31.12.2021 6.777.396,57 6.436.172,12 4.142.244,29

PROFIT AND LOSS ACCOUNT FOR THE ACCOUNT OF THE STATE AT 31.12.2022 AND 31.12.2021 IN EUR

		Note	2022	2021
I.	TECHNICAL ACCOUNT OF NON-LIFE INSURANCE BUSINESS			
1.	Earned premiums (net of reinsurance)	3.6		
	a) Gross written premiums		386.250,72	7.001.867,81
	c) Change in the gross provision for unearned premiums		0,00	0,00
			386.250,72	7.001.867,81
2.	Allocated investment return transferred from the non-technical account		(51.951,60)	74.814,70
3.	Other technical income, net of reinsurance		1.222.823,53	560.068,22
4.	Claims incurred, net of reinsurance	3.6		
	a) Claims paid			
	aa) Gross amount		(203.479,00)	(892.774,69)
	b) Change in the provision for claims			
	aa) Gross amount		0,00	21.920,96
			(203.479,00)	(870.853,73)
6.	Bonuses and rebates, net of reinsurance		(632.180,00)	0,00
7.	Net operating expenses			
	a) Acquisition costs		(763.638,18)	0,00
	c) Administrative expenses	3.6	(256.675,12)	(2.673.529,17)
			(1.020.313,30)	(2.673.529,17)
10.	. Balance on the technical account for non-life insurance Business		(298.849,65)	4.092.367,83
III.	NON-TECHNICAL ACCOUNT			
	Balance on the technical account - non-life insurance Business		(298.849,65)	4.092.367,83
	3. Investment income	3.8	239.491,31	124.691,16
	5. Investment charges	3.9	(326.077,30)	0,00
	6. Allocated investment return transferred to the non-life technical account	unt	51.951,60	(74.814,70)
	10. Profit or (loss) on ordinary activities after tax		(333.484,04)	4.142.244,29
	17. Profit or (loss) for the financial year		(333.484,04)	4.142.244,29

Balance sheets and profit and loss accounts

FINANCIAL SUPPORT

BALANCE SHEET FOR FINANCIAL AID ACTIVITY AT 31.12.2022 AND 31.12.2021 IN EUR

	Note	31.12.2022	31.12.2021
ASSETS			
CURRENT ASSETS			
Assets held at a bank			
Current bank accounts			
Current accounts		4.767.646,88	6.728.546,34
TOTAL ASSETS		4.767.646,88	6.728.546,34
	Note	31.12.2022	31.12.2021
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES Government allocations			
Government allocations	4.2	5.528.080,99	6.896.796,82
PROVISION FOR COMMITMENTS			
Other provisions			
Provision for financial support granted		1.066.781,58	1.133.016,76
CREDITORS			
Costs payable		341.279,37	317.448,59
FINAL RESULT OF THE YEAR		(2.168.495,06)	(1.618.715,83)
TOTAL EQUITY AND LIABILITIES		4.767.646,88	6.728.546,34

PROFIT AND LOSS ACCOUNT FOR FINANCIAL AID ACTIVITY AT 31.12.2022 AND 31.12.2021 IN EUR

	Note	2022	202
EXPENSES		(2.168.495,06)	(1.618.715,83
inancial support provided			
Financial support for trade fairs		(1.101.812,66)	(335.734,14
Costs of research or advisory costs		(44.743,62)	(23.941,26
Design costs		(106.399,32)	(107.854,85
Promotion costs (advertising)		(78.881,14)	(50.971,43
Registration / Certification		(69.574,65)	(42.133,89
Opening of representation offices		(37.944,61)	(6.500,00
Digital Marketing		(392.179,69)	(219.252,76
Call for tenders		0,00	0,00
oui for teriagre		(1.831.535,69)	(786.388,33
Other external charges			
Property leases		(48.680,30)	(70.900,25
Administrative expenses		(67.040,83)	(43.415,84
Travel expenses		(7.264,64)	(1.805,84
Bank fees and commissions		(9.236,67)	(962,00
		(132.222,44)	(117.083,93
Personnel costs			
Gross salaries		(220.401,75)	(208.824,70
Directors' fees		(50.570,36)	(48.732,00
		(270.972,11)	(257.556,70
Other operating costs			
Change in the other provisions (Provision for financial support granted)		66.235,18	(457.686,87
		66.235,18	(457.686,87
NCOME		0,00	0,00
Other income and interest			
Interest on financial accounts		0,00	0,00
FINAL RESULT OF THE YEAR		(2.168.495,06)	(1.618.715,83

Notes to the annual accounts

AT 31 DECEMBER 2022 (EXPRESSED IN EUR)

Note 1 - General Information related to all accounts

Office du Ducroire (hereinafter "ODL"), established in 1961, is the Luxembourg Export Credit Agency. It is a public institution governed by the modified Law of 4 December 2019.

ODL supports Luxembourg companies in their international development by providing:

- insurance against the risk of non-payment related to their export, import business and investments abroad.
- financial aid for the marketing and promotion of their export business.

In accordance to article 29 of the modified Law of 4 December 2019, ODL prepares four separate balance sheets at closing date and profit and loss accounts for the year then ended, for each type of activity:

- Insurance activity for the account of the State and with the approval of the Council of Government, if the risks exceed ODL's technical possibility in terms of tenor or intensity.
- Insurance activity for its own account and without a State guarantee if the risks are considered marketable by the Communication on short-term business of the European Commission.
- Insurance activity for its own account, and with a State guarantee under all other circumstances.
- The "financial aid business" is carried out for the account of the State.

ODL does not prepare consolidated annual accounts.

Note 2 - Summary of the accounting principles for the insurance business

The accounting and valuation principles for ODL are defined by the Board of Directors. They follow the statutory models applicable to insurance companies under the modified Law of 8 December 1994 relating to the annual and consolidated financial statements of insurance and reinsurance companies subject to Luxembourg law.

The financial year of ODL begins on the 1st of January and ends on the 31st of December.

The annual accounts are presented in euros (EUR). Assets and liabilities expressed in currencies other than euros are converted into euros at the exchange rate in force at the closing date. Foreign currency transactions executed during the financial year are converted to euros at the exchange rate prevailing at the date of the transactions.

Operating income and expenses are allocated to the financial year following the principle of the accruals.

2.1 Investments

2.1.1 Land and buildings

Land is valued at acquisition cost. The building is carried at acquisition cost less any accumulated amortisation. Amortisation is calculated using the straight-line method to allocate an item's cost to its residual values over its estimated useful life which is fixed at 30 years.

2.1.2 Investments in affiliated undertakings and participating interests

Investments in affiliated undertakings and participating interests held as investments are valued at acquisition cost including the expenses incidental thereto. In case of a permanent depreciation in value, value adjustments are made at the closing date. These value adjustments are cancelled if the reason for which the value adjustments were made has ceased to exist.

2.1.3 Other financial instruments

Other financial instruments include Shares and other variable yield transferable securities and units in unit trusts, Debt securities and other fixed income transferable securities and Deposits with credit institutions.

As from 1 January 2022, the Board of Directors has decided that the Other financial instruments are allocated among the insurance accounts with State guarantee, without State guarantee and for the account of the State according to their respective share in the total value of the financial assets 1 at the closing date.

2.1.3.1 Shares and other variable yield transferable securities and units in unit trusts

Shares and other variable yield transferable securities and units in unit trusts are valued at acquisition cost including the expenses incidental thereto. In the case of depreciation in value, value adjustments are made at the closing date. These value adjustments are cancelled if the reason for which the value adjustments were made has ceased to exist. Market value corresponds to the last available quote on the valuation day for shares listed on a stock exchange or quoted on another regulated market.

2.1.3.2 Debt securities and other fixed income transferable securities

Debt securities and other fixed income transferable securities are valued at amortised cost. Premiums (Agio), the positive difference between the acquisition and redemption values and discounts (Disagio), the negative difference between the acquisition and redemption values are apportioned to the profit and loss account over the period to maturity. In case of permanent depreciation in value, the Board of Directors might decide to make value adjustments at the closing date. These value adjustments are cancelled if the reason for which the value adjustments were made has ceased to exist.

Market value corresponds to the last available quote on the valuation day for securities listed on a stock exchange or quoted on another regulated market.

Securities for which the principal is guaranteed by a bank are valued at the acquisition cost, increased by the interest accrued. A value adjustment is made in case of permanent loss at the closing date. These value adjustments are not maintained if the reason for which these value adjustments were made has ceased to exist.

¹Shares and other variable yield transferable securities and units in unit trusts, Debt securities and other fixed income securities, Deposits with credit institutions and Cash at bank and in hand

2.2 Reinsurers' share of technical provisions

Reinsurers' share of technical provisions represents the actual or estimated amounts, which under reinsurance agreements, are reinsured.

2.3 Debtors

Amounts payable by debtors are recorded at nominal value. The Board of Directors might decide to make value adjustments in case of probable loss.

2.4 Other assets

Tangible assets and stocks are valued at acquisition cost and are amortised on a straight-line basis over their useful life which varies over a period of three to five years depending on the nature of the tangible asset. Cash at bank and in hand are presented at nominal value.

As from 1 January 2022, the Board of Directors has decided that the Cash at bank and in hand are allocated among the insurance accounts with State guarantee, without State guarantee and for the account of the State according to their respective share in the total value of the financial assets at the closing date.

2.5 Prepayments and accrued income

Accrued interest and financial income entitlement are interests and financial incomes already earned during the financial year but have not yet become receivable at the closing date.

The other prepayment and accrued income include charges recorded during the year but relating to a subsequent financial year together with incomes relating to the financial year but only payable after the end of the latter.

2.6 Technical provisions

2.6.1 Provision for unearned premiums

The provision for unearned premiums is the sum of the prorata temporis shares of the gross written premium allocated to each maturity after the closing date.

2.6.2 Claims outstanding

The claims outstanding is an estimate of ODL's liability for indemnities to be paid to the policyholders.

For each outstanding claim notified to ODL at the closing date, the provision is calculated on basis of 1) the risk category of the country of the debtor in default in force at the closing date and 2) the default period beginning at the maturity date and ending at the closing date. The provision also includes all future instalments of loans for which at least one instalment remains unpaid at the closing date.

2.6.3 Equalization provision

ODL establishes, in addition to the provision for claims outstanding, an equalization provision to cover exceptional and significant fluctuations in claims.

The equalization provision is calculated by applying a coefficient, defined by ODL's Board of Directors, to the outstanding commitments of each risk category at the closing date.

There is nevertheless a general ceiling for the yearly allocation to the equalization provision which cannot exceed the investment return transferred from the non-technical account to the technical account (60% of the result of the non-technical account) plus 75% of the technical account before allocation to equalization provision and transfer of investment return.

2.7 Provision for other risks and charges

The provision for other risks and charges is a provision established to cover recovery fees related to outstanding claims.

For the activity without the guarantee of the State, it includes the income taxes for the financial year.

2.8 Creditors

Amounts due to creditors are recorded at the nominal value and are due during the next financial year.

2.9 Accruals and deferred income

Accruals and deferred income correspond to income received during the financial year but relating to a subsequent financial year, as well as the charges incurred during the financial year but only payable in a subsequent financial year.

2.10 Earned premiums

Gross premiums are the total amount of premiums invoiced during the financial year. The earned premiums are the prorata temporis share of the premiums that are allocated to the current financial year. At the closing date, a provision for unearned premiums is recorded.

2.11 Other technical income, net of reinsurance

This item includes recoveries on claims paid, net of reinsurance, in direct insurance and reinsurance recorded at nominal value and subrogation and salvage recorded at liquidation value.

2.12 Claims incurred, net of reinsurance

Claims incurred, net of reinsurance include claims paid during the financial year and the change in the provision for outstanding claims.

2.13 Acquisition costs

Acquisition costs are the fees paid for brokerage and fronting relating to the insurance / reinsurance activity.

Notes 3 - Insurance business BALANCE SHEET ACCOUNT

3.1 Investments

3.1.1 Land and Buildings

Land and building are carried in the account with State guarantee.

On 19 August 2021, ODL purchased offices in a building (co-ownership) located 65, rue d'Eich in Luxembourg for EUR 4.900.000.

The share of land has been valued at EUR 1.000.000 by the Board of Directors.

Account with State guarantee	31.12.2021	Additions / Allocations	Disposals / Reversals	31.12.2022
Acquisition value	4.900.000,00	0,00	0,00	4.900.000,00
Land	1.000.000,00	0,00	0,00	1.000.000,00
Building	3.900.000,00	0,00	0,00	3.900.000,00
Accumulated depreciation	(42.900,00)	(128.700,00)	0,00	(171.600,00)
Land	0,00	0,00	0,00	0,00
Building	(42.900,00)	(128.700,00)	0,00	(171.600,00)
Book value	4.857.100,00	(128.700,00)	0,00	4.728.400,00
Land	1.000.000,00	0,00	0,00	1.000.000,00
Building	3.857.100,00	(128.700,00)	0,00	3.728.400,00

3.1.2 Investments in affiliated undertakings and participating interests

Investments in affiliated undertakings and participating interests are carried in the account with State guarantee. Since 2009, ODL holds a participation in NORTHSTAR EUROPE S.A. (hereafter NEUR).

Further to the decision of NEUR to wind down the company, the Board of Directors decided to adjust the value of the participation to 0 EUR.

Account with State guarantee	31.12.2021	Additions / Allocations	Disposals / Reversals	31.12.2022
Acquisition value	595.000,00	0,00	0,00	595.000,00
Value adjustments	(595.000,00)	0,00	0,00	(595.000,00)
Book value	0,00	0,00	0,00	0,00

3.1.3 Other financial instruments

The tables below show the split of the Shares and other variable yield transferable securities and units in unit trusts, Debt securities and other fixed income transferable securities and Deposits with credits institutions between the three insurance accounts.

3.1.3.1 Shares and other variable-yield transferable securities and units in unit trusts

	31.12.2021	Additions / Allocations	Disposals / Reversals	31.12.2022
Acquisition value	11.176.124,59	35.227.097,96	(5.093.509,26)	41.309.713,29
Value adjustments	(82.989,00)	(1.694.918,43)	0,00	(1.777.907,43)
Book value	11.093.135,59	33.532.179,53	(5.093.509,26)	39.531.805,86
Account: With State guarantee	11.093.135,59*			32.781.994,51
Without State guarantee	0,00*			2.907.993,06
Account of the State	0,00*			3.841.818,29
Market value	15.439.095,85			41.215.875,40

^{*}If the allocation method described under note 2.1.3 was applied on December 31, 2021, the breakdown between activities would have been as follows:

Account:	31.12.2021
With State guarantee	9.015.386,18
Without State guarantee	882.518,14
Account of the State	1.195.231,27

3.1.3.2 Debt securities and other fixed income transferable securities

Market value	87.583.351,50			85.095.136,97
Account of the State	6.083.542,37*			8.770.914,18
Without State guarantee	6.083.542,37*			6.638.980,73
Account: With State guarantee	74.345.143,26*			74.841.660,62
Book value	86.512.228,00	62.315.058,08	(58.575.730,55)	90.251.555,53
Discounts / Premiums 2022	159.915,42	278.183,68	(280.140,81)	157.958,29
Reversal Discounts / Premiums 2021	(210.366,55)	(118.214,12)	168.665,25	(159.915,42)
Acquisition value	86.562.679,13	62.155.088,52	(58.464.254,99)	90.253.512,66
	31.12.2021	Additions / Allocations	Disposals / Reversals	31.12.2022

^{*}If the allocation method described under note 2.1.3 was applied on December 31, 2021, the breakdown between activities would have been as follows:

Account:	31.12.2021
With State guarantee	70.308.447,82
Without State guarantee	6.882.509,43
Account of the State	9.321.270,75

The amortisation of discounts and premiums on debt securities and other fixed income transferable securities amounts as follows:

	2022	2021
Amortisation of discounts	159.969,56	33.797,54
Amortisation of premiums	(111.475,56)	(43.175,31)

3.1.3.3 Deposits with credit Institutions

	31.12.2022	31.12.2021	
Deposits with credit Institutions	33.034.998,90	18.003.670,52	
Account:			
With State guarantee	27.394.477,15	0,00	
Without State guarantee	2.430.082,45	6.731.399,91	
Account of the State	3.210.439,30	11.272.270,61	

^{*}If the allocation method described under note 2.1.3 was applied on December 31, 2021, the breakdown between activities would have been as follows:

Account:	31.12.2021
With State guarantee	14.631.574,73
Without State guarantee	1.432.288,07
Account of the State	1.939.807,72

3.2 Subrogation and salvage

Subrogation and salvage are carried in the account with State guarantee.

The outstanding amount to be recovered at the closing date is broken down as follows:

With state guarantee	31.12.2022	31.12.2021
Gross amount	17.407.741,95	18.213.013,67
Reinsurers' share	(12.648.177,53)	(13.233.274,65)
Net amount	4 759 564 42	4 979 739 02

3.3 Other assets

3.3.1 Tangible assets and stocks

Tangible assets and stocks are carried in the account with State guarantee.

Account with State guarantee	31.12.2021	Additions / Allocations	Disposals / Reversals	31.12.2022
Acquisition value	237.542,96	0,00	0,00	237.542,96
Value adjustments	(18.076,47)	(52.248,43)	0,00	(70.324,90)
Book value	219.466,49	(52.248,43)	0,00	167.218,06

3.3.2 Cash at bank and in hand

The table below shows the split of the cash at bank and in hand between the three insurance accounts.

	31.12.2022	31.12.2021	
Cash at bank	12.339.169,89	45.473.085,56	
Account: With State guarantee	10.232.332,95	45.473.085,56	
Without State guarantee	907.679,77	0,00	
Account of the State	1.199.157,17	0,00	

^{*}If the allocation method described under note 2.4 was applied on December 31, 2021, the breakdown between activities would have been as follows:

Account:	31.12.2021
With State guarantee	36.955.955,67
Without State guarantee	3.617.626,64
Account of the State	4.899.503,25

3.4 Capital and reserves

The capital belongs to the State. The capital can be increased through the incorporation of reserves or allocations by the Government.

Account with State guarantee	Subscribed capital	Reserves	Profit or (Loss) of the financial year
Balance at 31.12.2021	70.000.000,00	25.318.247,52	1.805.722,68
Allocation of results	0,00	1.805.722,68	(1.805.722,68)
Net result	0,00	0,00	(967.408,36)
Balance at 31.12.2022	70.000.000,00	27.123.970,20	(967.408,36)

Account without State guarantee	Subscribed capital	Reserves	Profit or (Loss) of the financial year
Balance at 31.12.2021	3.000.000,00	9.160.267,52	382.570,47
Allocation of results	0,00	382.570,47	(382.570,47)
Net result	0,00	0,00	24.068,42
Balance at 31.12.2022	3.000.000,00	9.542.837,99	24.068,42

Account of the State	Subscribed capital	Reserves	Profit or (Loss) of the financial year
Balance at 31.12.2021	6.777.396,57	6.436.172,12	4.142.244,29
Allocation of results	0,00	4.142.244,29	(4.142.244,29)
Net result	0,00	0,00	(333.484,04)
Balance at 31.12.2022	6.777.396,57	10.578.416,41	(333.484,04)

3.5 Provision for other risks and charges

This provision includes the income taxes to be paid for the activity without State guarantee.

Account without State guarantee	ACCRUAL	Advances	Balance
Municipal Business Tax:			
2022	2.541,00	0,00	2.541,00
Corporate Income Tax:			
2022	12.391,67	(12.045,20)	346,47
Total	14.932,67	(12.045,20)	2.887,47

Advances on future tax liabilities are reported under the caption "Other prepayments and accrued income".

PROFIT AND LOSS ACCOUNTS

3.6 Information related to premiums, claims, operating expenses and reinsurance

Account with State guarantee	2022	2021
Gross written premiums:	5.813.780,79	4.379.936,97
of which in direct insurance	4.680.864,14	3.496.522,71
of which in co-insurance	1.132.916,65	883.414,26
Gross earned premiums. net of reinsurance	5.600.866,72	4.961.245,19
Claims incurred. net of reinsurance	(7.646.538,09)	(577.639,71)
Administrative expenses	(853.673,98)	(939.054,64)
Reinsurance balance	226.635,56	(7.054.869,30)
Account without State guarantee	2022	2021
Gross written premiums:	434.554,19	(402,33)
of which in direct insurance	425.136,58	(402,33)
of which in co-insurance	9.417,61	0,00
Gross earned premiums. net of reinsurance	359.649,35	3.119,47
Claims incurred. net of reinsurance	0,00	0,00
Administrative expenses	(170.251,52)	(95.388,49)
Reinsurance balance	0,00	0,00
Account for the State	2022	2021
Gross written premiums:	386.250,72	7.001.867,81
of which in direct insurance	386.250,72	7.001.867,81
of which in co-insurance	0,00	0,00
Gross earned premiums. net of reinsurance	386.250,72	7.001.867,81
Administrative expenses	(256.675,12)	(2.673.529,17)

3.7 Administrative expenses

3.7.1 Employee benefit expenses

The total amount of employee benefit expenses is 881,606.94 EUR (2021: 830,631.99 EUR). 25 % of this amount (220,401.74 EUR) is invoiced to the Financial aid activity.

The table below shows the split of 75 % of the employee benefit expenses between the accounts of the insurance activity.

2022	with State guarantee	without State guarantee	account of the State	TOTAL
Wages. salaries and other benefits	327.384,85	65.476,97	98.215,45	491.077,27
Social security charges	96.557,71	19.311,54	28.967,31	144.836,56
Pension costs	16.860,92	3.372,18	5.058,27	25.291,37
Total	440.803,48	88.160,69	132.241,03	661.205,20

3.7.2 Remuneration to members of the administrative, managerial and supervisory bodies

Emoluments granted to the members of the administrative, managerial and supervisory bodies by reason of their responsibilities with respect to the financial year 2022 amounted to EUR 124,285.22 (2021: EUR 64,393.91) for the insurance activity and EUR 50,570.36 (2021: EUR 48,732.00) for the Financial aid activity. These are included in administrative expenses in the Profit and Loss Account.

3.7.3 Auditing fees

The total amount of auditing fees is 28,591.68 EUR (2021: 27,122.48 EUR). 25 % of this amount (7,147.92 EUR) is allocated to the Financial aid activity.

3.8 Investment income

	2022	2021
Income deriving from other investments	871.292,16	532.825,91
Profits deriving from the realization of investments	899.507,71	854.375,39
Readjustments on investments	0,00	12.845,00
Reversal Discounts (Disagios)	(118.214,12)	(84.416,58)
Discounts (Disagios)	278.183,68	118.214,12
Foreign currency exchange gains	291.988,30	0,00
Total	2.222.757,73	1.433.843,84
Account: With State guarantee	1.806.434,18	1.187.711,26
Without State guarantee	176.832,24	121.441,42
Account of the State	239.491,31	124.691,16

As from 1 January 2022, Investment income is allocated among the insurance accounts with State guarantee, without State guarantee and for the account of the State according to their respective share in the total value of the financial assets at the closing date of the previous year.

3.9 Investment charges

	2022	2021
Investment management charges	(209.050,57)	(86.499,92)
Value adjustments on investments	(1.694.918,43)	0,00
Losses arising on realization of investments	(1.010.931,86)	0,00
Reversal premiums (Agios)	168.665,25	125.489,94
Premiums (Agios)	(280.140,81)	(168.665,25)
Total	(3.026.376,42)	(129.675,23)
Account: With State guarantee	(2.459.534,72)	(129.675,23)
Without State guarantee	(240.764,40)	0,00
Account of the State	(326.077,30)	0,00

As from 1 January 2022, Investment charges are allocated among the insurance accounts with State guarantee, without State guarantee and for the account of the State according to their respective share in the total value of the financial assets at the closing date of the previous year.

3.10 Off balance sheet commitments

In the shareholder agreement signed in May 2009 between Northstar Trade Finance, the Société Nationale de Crédit et d'Investissement (SNCI), ODL and NEUR, ODL, as a non-funding shareholder, has provided to the funding shareholder Northstar Trade Finance a guarantee in the form of a participation in the transactions funded by NEUR (hereafter "NEUR commitments"). In the event NEUR is not able to assume itself the NEUR commitments without getting into financial difficulties having a serious effect on its net assets, the guarantee can be called in total or part by the Board of Directors of NEUR. The participation of ODL in NEUR commitments is limited to EUR 850.000. At the closing date, no request of payment under the guarantee has been addressed to ODL.

At the closing date, there are no other off-balance sheet commitments.

3.11 Evolution of the impact of the Russian invasion in Ukraine

Office du Ducroire is closely monitoring the impact of the Russia-Ukraine conflict on its activities.

As at December 31, 2022, there is no significant exposure to be reported with regards to risks insured by ODL.

3.12 Post-closing events

No major event was noted by the Board of the Directors and the management.

Notes 4 - Financial aid business

4.1 Assets held at banks

The assets held at banks are recorded at nominal value.

4.2 Government allocations

Government allocations are granted in accordance to article 37 of the modified Law of 4 December 2019.

	Government allocations	Final result of the year	Total
Balance at 31.12.2021	6.896.796,82	(1.618.715,83)	5.278.080,99
Movements during the year	250.000,00	0,00	250.000,00
Allocation of the balance	(1.618.715,83)	1.618.715,83	0,00
Balance for the year	0,00	(2.168.495,06)	(2.168.495,06)
Balance at 31.12.2022	5.528.080,99	(2.168.495,06)	3.359.585,93

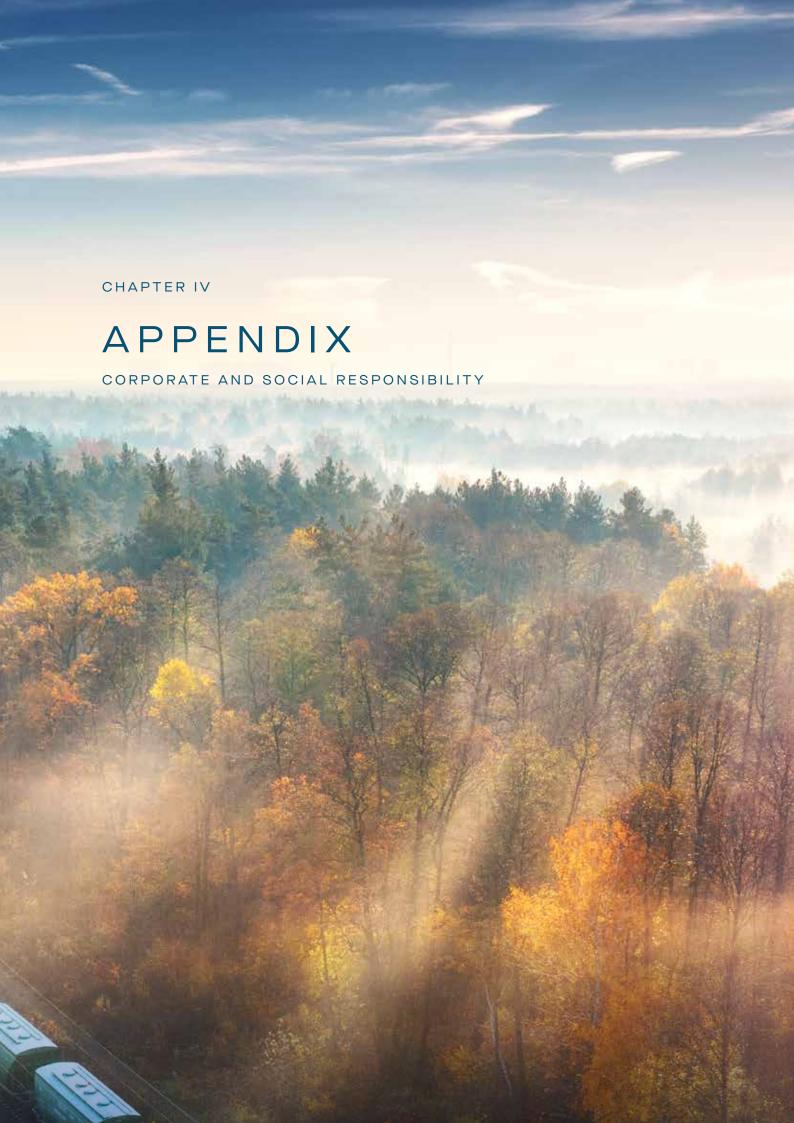
4.3 Provision for financial aids granted

Provision for financial aids granted are recorded at nominal value.

4.4 Creditors

Amounts due to creditors are recorded at the nominal value and are due during the next financial year.





To support responsible and sustainable business practices that respect the environment and human rights, and contribute to the fight against corruption, money laundering and the financing of terrorism, ODL has implemented a new Environmental, Social and Governance (ESG) procedure in 2022.

In addition to the OECD Recommendation of the Council on Common Approaches for Officially Supported Export Credits and environmental and social due diligence, the Revised Recommendation of the Council on Bribery and Officially Supported Export Credits and the Recommendation on Sustainable Lending Practices and Officially Supported Export Credits, ODL has adopted a wider ESG procedure, applicable to all insurance and financial support applicants, as well as insurance requests taking into consideration governance, environmental and social criteria, and sustainable financing.

Corporate & Social responsibility

ODL supports:

- the United Nations sustainability goals and in particular goals 9, 14 and 15;
- the multilateral environmental standards and agreements, including the Paris climate agreement, as well as the European Green Deal
- the OECD Guidelines for Multinational Enterprises
- the ESG guidelines of the World Bank and of the IFC
- the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFRD)
- the Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings (NFDR)
- the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (Taxonomy)
- the Corporate Sustainability Reporting Directive (CSRD)
- the environmental and social objectives and commitments of the Luxembourg government.

ODL's ESG procedure

The new internal procedure regarding ESG includes an analysis at two levels:

- Pre evaluation of each insurance / financial support applicant and of all parties involved with the help of an ESG form, which is to be completed by the company
- Pre evaluation of each insurance request
 for which the amount of the contract exceeds
 5 million euros and which does not fall within
 the scope of the OECD Common Approaches.
 The procedure based on the Common Approaches
 applies to any insurance request for single-risk
 export insurance for an amount equal to or above
 10 million SDR and with a repayment period
 of more than 2 years.

By ESG, ODL designates environmental, social and good governance criteria used to analyse and assess the degree to which sustainable development issues are taken into account. To complement the assessment, ODL has decided to include the fight against corruption, money laundering and financing of terrorism in its definition of governance.

Classification of parties and transactions concerning governance matters:

- Green: no negative information on governance issues
- Orange: limited or insignificant negative information on governance issues
- Red: Serious negative information on government issues such as suspicions that the transaction could be tainted by corruption, money or capital laundering, or financing of terrorism, or that a party involved is on a debarment list (financial sanctions) or has been convicted of breaching bribery laws

Classification of parties and transaction concerning social and environmental matters:

- Green: projects that contribute positively
 to the environment or that do not cause any
 harm to the environment (including existing
 projects that do not increase plant capacities
 or do not weaken the environmental and social
 footprint of the plant; that are not located
 in or near sensitive areas or sensitive sectors)
 and that do not have a negative social impact.
- Orange: projects that have a limited negative environmental and/or social impact
- Red: projects with a negative environmental and / or social impact

If after the approval of cover, any breaches in ESG are detected, ODL will take appropriate measures ranging from the nullity of the insurance policy, in particular by refusing payment or indemnification or by requesting a reimbursement of the sums already paid, to future exclusion of any form of public support.

OECD Recommendation on Common Approaches

Projects in the industrial sector have often consequences for the importing country's inhabitants and the environment. In order to prevent and mitigate adverse environmental and social impacts of projects, ODL complies with the OECD guidelines on environmental and social due diligence for export credits.

Therefore, ODL undertakes appropriate environmental and social reviews and assessments for those projects. All projects for which ODL receives an application and for which the contractual amount exceeds 10 million SDR (approximatively 12,5 million euros today), or which are located in an environmentally sensitive area, are classified according to their potential environmental and social impact. If the project has the potential to have significant adverse environmental and/ or social impacts, which are diverse, irreversible or unprecedented it is classified in category A. If its potential impacts are less adverse, the project is classified as category B and in category C if it has a minimal or no potentially adverse environmental and/or social impact.

ODL requires an Environmental and Social Impact Assessment (ESIA) to be carried out for all projects classified in category A. ODL verifies whether the ESIA is complete and impartial and, if necessary, calls on external environmental experts when assessing the quality of the ESIA.

The category B projects for which there is no ESIA are compared to general standards of the International Finance Corporation (IFC) and the sectoral IFC health and safety standards. If the project does not fit into the IFC standards, any other internationally recognized standards, such as European Union standards, may be used. Based on the IFC standards or the European directive, mitigating measures will be agreed upon with the exporter.

All A and B projects and their ESIAs are published on ODL's website.

OECD Recommendation on Bribery

In accordance with the terms of the OECD Convention on Combating Bribery, signed on 21 November 1997, Luxembourg has taken measures to criminalise acts involving bribery of foreign public officials, transposing the provisions of the Convention to Luxembourg law in the form of the Law of 15 December 2001.

The insurance application form therefore informs the policyholder of current legislation and requires an anti-bribery declaration, as defined under the OECD Convention.

To strengthen measures in the fight against bribery in international business transactions, OECD members adopted a revised recommendation (OECD Recommendation on Bribery and Officially Supported Export Credits) on 13 March 2019.

The procedure is two-fold:

 Anti-bribery declaration: With each application of cover, the exporters and banks, must submit an antibribery declaration in which they declare that the commercial and /or financial contract was not or will not be concluded due to criminal acts on the part of any of its employees or anyone acting on its behalf. In addition, they declare that neither the policyholder nor any person acting on his behalf is included on debarment lists accessible to the public and have not been prosecuted before a national court or, in the course of the five years preceding the application, been convicted by a national court or subject to equivalent national administrative measures for breach of the laws designed to combat bribery of foreign public officials in any country whatsoever.

· Due diligence:

If there should be any indication from the declaration or from other sources that bribery may have been involved, further investigation will be made by ODL. This focuses on the one hand, on the internal measures, processes and structures put in place by the policyholder to prevent and combat bribery. On the other hand sales agents involved in the deal as well as commission and remuneration payments will be examined. If there are indications of bribery, the Board of Directors will decide what measures need to be taken.

OECD Recommendation on Sustainable Lending Practices

ODL undertakes to promote only lending to Low Income Countries that supports a borrowing country's economic and social progress without endangering its financial future and long-term development prospects. In consequence, such lending should, inter alia, generate net positive economic returns, foster sustainable development by avoiding unproductive expenditures, preserve debt sustainability and support good governance and transparency.

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