

Suite 808

EXPORT FINANCE PROTECTION

The following information is specifically for U.S. Exporters: For specifics to Australia, Canada, Ireland, The United Kingdom and New Zealand: please look to links below.

Export Insurance and Risk Mitigation

The U.S. Government offers U.S. companies insurance for both export transactions (Ex-Im Bank) and for overseas investments (OPIC). Coverage includes losses for non-payment, currency non-convertibility, asset expropriation and political violence.

Export Credit Insurance/Export-Import Bank

Ex-Im Bank's export credit insurance enables U.S. exporters to both finance their export activities and mitigate the risk of non-payment. The policies below enable you to offer credit to your international buyers and access working capital funds.

Benefits:

- **Risk Mitigation Tool** - Reduces non-payment risk
- **Marketing Tool** - Enables you to extend competitive credit terms to buyers
- **Financing Aid** - Increases cash flow. Helps you export to new markets with more confidence.

Ex-Im export credit insurance is offered in multiple policy forms:

Small Business Policy

Designed specifically for small, financially viable businesses that are new to exporting or have only occasionally exported. It can help increase an exporter's international sales by extending competitive credit terms while minimizing risks.

Multi-Buyer Policy

Policy enables U.S. exporters to reduce their risk of selling on credit terms by insuring their export accounts receivable against default or non-payment. The policy can help increase international sales by extending competitive credit terms to foreign buyers while minimizing risks.

Short-Term Single-Buyer Policy

Allow exporters to insure specific, short-term foreign receivables against loss due to commercial and specified political risks on a selective basis.

Lease Insurance Policies

Offers U.S. lessors the opportunity to expand their overseas leasing programs by providing comprehensive insurance for both the stream of lease payments and the fair market value of the leased products.
Policies for Commercial Lending Institutions

Bank Letter of Credit Policy

The Bank Letter of Credit Policy insures commercial banks against loss on irrevocable letters of credit issued by foreign banks for U.S. exporters.

Financial Institution Buyer Credit Policy

Insures individual short-term export credits extended by financial institutions to foreign buyers.

Financial Institution Supplier Credit Multi-Buyer Policy

Protects lenders financing (to include purchasing) the export receivables of small businesses on a non-recourse basis. The policy is available in documentary and non-documentary formats. There is no "whole turnover" requirement under the policy. The policyholder selects the exporters for approval under the policy.

For more information, Contact: Ex-Im Bank at (202) 565-3900; fax (202) 565-3931; your [local regional office](#), or the [Ex-Im "Products & Policies" section](#) of their website.

Political Risk Insurance for Foreign Investments

The Overseas Private Investment Corporation ([OPIC](#)) offers several programs to insure U.S. investments in emerging markets and developing countries against the risk of:

currency inconvertibility - the inability to convert profits, debt service, and other investment remittances from local currency into U.S. dollars or the inability to transfer funds;

expropriation - loss of an investment due to expropriation, nationalization, or confiscation by a foreign government; and

political violence - [Financial Institution Buyer Credit Policy](#) Insures: loss of assets or income due to war, revolution, insurrection, or civil strife. Coverage is available for new investments, privatizations, and investments to expand or modernize existing operations. Equity, debt, loan guarantees, leases, and most other forms of long-term investment can be insured. Special programs or contracts are also available for contractors, exporters, oil and gas projects, and small businesses and individual short-term export credits extended by financial institutions to foreign buyers.
Contact: Information Line, (202) 336-8799; fax (202) 408-5155

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- loss of assets or income due to war, revolution, insurrection, or civil strife. Coverage is available for new investments, privatizations, and investments to expand or modernize existing operations. Equity, debt, loan guarantees, leases, and most other forms of long-term investment can be insured. Special programs or contracts are also available for contractors, exporters, oil and gas projects, and small businesses.

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[Firstgov.gov](#)

For specific information on the following countries use the designated links:

AUSTRALIA

<http://www.sa.gov.au/>

<http://www.nla.gov.au/oz/gov/>

<http://www.gov.info.au/>

CANADA

<http://www.canada.gc.ca/depts/major/depind.e.html>

UNITED KINGDOM

<http://www.dti.gov.uk/> (regulations and law)

<http://www.businesslink.gov.uk/>

<http://www.sbs.gov.uk/> (small business service)

IRELAND

<http://www.irlgov.ie/>

NEW ZEALAND

<http://www.govt.nz/>

<http://www.ecommerce.govt.nz/>

UNITED STATES

<http://www.firstgov.gov/>

<http://www.export.gov/>

Please see '**Acknowledgements**' for sources of research