Working Party on Export Credits and Credit Guarantees

NOTIFICATION OF CHANGES IN THE EXPORT CREDIT SYSTEMS

Note from Denmark

This document reports changes notified by Denmark to its Export Credit System.

Contact: Ms. Barbara Offe, Export Credits Division, Trade Directorate, OECD
Tel. 33 (0)1 45 24 89 11; Fax. 33 (0)1 44 30 61 58; e-mail: barbara.offe@oecd.org

JT00119598

Document complet disponible sur OLIS dans son format d'origine
Complete document available on OLIS in its original format
CHANGES IN THE DANISH SYSTEM

1. EKF has recently introduced a new investment guarantee as a supplement to existing cover possibilities for Danish investors.

2. For many years the existing investment guarantee scheme – administered by the Ministry of Foreign Affairs - has offered guarantees against political risk to Danish companies, which invest directly, by equity or loan, in overseas companies. However, the geographical area covered has been restricted to developing countries on the DAC-list (BNI below 3.000 USD) and eastern countries. Further some indirect political risks are not covered.

3. Compared with similar schemes in other countries, the limited coverage of the existing Danish scheme has been unsatisfactory, and EKF has recently introduced a supplementary investment guarantee scheme.

4. The new scheme will cover investments in developing countries and emerging markets with BNI higher than USD3.000. Cover is provided against direct political risks, such as nationalisation, expropriation, war, inability to transfer remittances, etc., and certain indirect political risks, such as breach of a government undertaking.

5. For direct political risks the percentage of cover will be 95%, and the standard premium 0,75% - 1,25%. For indirect political risks the cover percentage will be 60% to 90% and the premium 0,5% - 2%. The normal initial maximum period of cover is 15 years.