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 existing export credit system.

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CHANGES IN THE DANISH SYSTEM

1. The Ministry of Foreign Affairs has recently introduced a new facility under the mixed credit programme.

2. Since 1993 tied mixed credits have been offered to development projects in developing countries with a GNI per capita less than 80% of the World Bank limit for 17-year loans. This facility will be continued.

3. The new untied facility applies in principle to the programme countries targeted by the Danish development assistance in general. However, it has been decided not to provide mixed credits for public projects in countries, which are in the HIPC process and have not yet reached completion point. Eligible countries are therefore at the moment: Bangladesh, Benin, Bhutan, Bolivia, Burkina Faso, Egypt, Kenya, Mozambique, Nepal, South Africa, Tanzania, Uganda and Vietnam. The list of countries is dynamic, and therefore changes will occur.

4. In general, it is the intention that the conditions for untied mixed credits will be the same as applies for tied mixed credits (i.e. a concessionality level of 35% for medium- and low-income countries and 50% for LDCs).