

Export Credit Insurance Scheme of ECGA of Oman aims to mitigate the risks involved to Omani exporters. While exporting goods it can be lucrative and rewarding, it can also be risky as there is always a possibility of the buyer may not pay. Under such circumstances, ECGA of Oman provides credit insurance cover which enables the exporter to minimize such risks of non-payment due to commercial and non-commercial risks. Thus the Agency enables you as an exporter to mitigate such risks of non-payment by buyers in foreign countries.

Risks Covered

Commercial Risks:

- Insolvency of the buyer
- Default by the buyer to the exporter after acceptance of goods.
- Failure or refusal to accept goods by the buyer which comply with the sales contract

Non-Commercial Risks:

- Delays in transferring funds from buyer's country.
- Any action of the government of the foreign country which wholly, or partly, prevent performance of the contract.
- Political events or economic, legislative or administrative measures occurring outside the Sultanate of Oman which prevent or delay transfer of payment,
- War, civil commotion or any other action in the buyer's country preventing performance of the contract.
- Cancellation or non-renewal of an import license or imposition of new restrictions on exports after date of contract.
- Failure or refusal on the part of a public buyer to fulfill any of the terms of the contract where ECGA of Oman has agreed that the buyer is a national government authority.

Thus, ECGA of Oman supports and encourages the promotion of exports trade by covering above risks to exporters.

Benefits to Exporters

- Minimize the credit risks and maximize opportunities by exporting goods abroad .
- Sell safely on credit terms and compete effectively to other suppliers.
- Derive better credit control by keeping tab on the buyers and credit limits as approved by ECGA of Oman.
- Assign your Export Credit Policy as additional collateral to a bank in order to obtain additional financing at better terms.
- Discount export bills at preferential interest rates with Banks.
- Provides greater financial liquidity and flexibility in administering foreign receivables portfolio.

Fields of Activities Eligible for Export Credit Insurance:

Export Credit Insurance is available to any Omani exporter, of any size operating in any industrial, commodity or service sector.

Credit Period :

Short-Term Credit up to a maximum of 180 days, Coverage commences from the date of the export contract or from the date of shipment.

Scope of Coverage

80% for Commercial Risks.
85% for Non-Commercial Risk.

Pre-requisite:

In order to qualify for export credit insurance, the product or service has to be either wholly or partly produced in Oman

Premium:

Based on agreed modes of payments, credit period and country gradings

Documents Required:

- Duly filled Application Form for Export Credit Policy
- Copy of Commercial Registration of the Establishment / Company
- Latest Audited Financial Accounts
- Profile of the Establishment / Company
- Information details of foreign buyers

"As Credit Insured exporter, while you trade at ease to international markets and reap the profits, ECGA of Oman will bear the risks"