



NEWS BULLETIN

QUARTERLY NEWSLETTER OF THE EXPORT CREDIT GUARANTEE AGENCY OF OMAN SAOC

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EDITORIAL

I am pleased to introduce the second quarterly issue for 2014 of ECGA of Oman *News Bulletin*. It is always encouraging that the level of the Omani non-oil exports (excluding re-exports) has been growing continuously and that it has reached its highest historical level of over RO.3.8 billion in 2013 which constitutes one third of total Omani exports. The trend has been upward for the last five years. This despite fragile economic growth that the world is facing. The Export Credit Guarantee Agency of Oman has actively continued its catalyst role of promoting non-oil exports through its valuable credit insurance, guarantee and financing services to exporters while it has continued to remain self sustaining.

Lately, the Agency signed Memorandum of Understanding (MOU) with Rafd Fund so as to extend its support for SMEs and allow them to utilize its services once they start exporting. Also as detailed in this issue, the Agency signed MOU with the Public Authority of Industrial Estates (PAIE) so as to cooperate in various areas as well as attracting more exporters in the industrial estates.

Paying claims to exporters by ECGA of Oman is the benefit that they derive in mitigating their non-payment risks. One of the distinguishing features that characterizes credit insurance from most other kinds of commercial insurances is that once claims are paid, ECAs are expected to recover at least portion of claims they pay, if not all, whether arising from commercial or from political risks and thereof devote a good deal of time and resources to loss minimization and debt recovery. With the cooperation of the exporter as the insured contractual party in the transaction with the buyer, this allows recovery of paid claims to be realized. Moreover, ECGA of Oman has also another important objective apart from paying claims which is the end result of the risk mitigation by exporters and that is to promote Omani non-oil exports. This is because the exporters are more at ease in exploring new buyers as well as increasing their sales to existing buyers knowing that the Agency is providing protection against non-payment risks.

The Agency is presently involved in promoting new product for guaranteeing confirmation of letters of credit to confirming banks in Oman for issuing banks in buyers' countries. We hope with the cooperation of banks, this will further boost non-oil exports especially to non-traditional markets but also highly lucrative export businesses.

The Agency also contemplates to introduce other credit insurance and guarantee products in the future such as medium and long term credit insurance, investment guarantee and bonds. These products are part of ECAs products domain. This will provide opportunities for many companies in Oman to avail such services considering rapid transformation of the country's development with new infrastructure as well as many industrial projects under implementation gearing for exports as well as for domestic market. Hence ECGA of Oman welcomes such request in addition to its short term export and domestic credit insurance.

Under *Q&A section* of the Bulletin, it covers a number of various questions on ECGA's services for information and benefit to our

policyholders with regard to credit limits, loss minimization, default declarations, claims, etc as well as the importance of the Banks in enhancing the services that the Agency provides to exporters.

The Country Profile of Insured of Omani Exports, provides highlights on Ethiopia which is one of the densely populated markets in Africa. There is high market potential of promoting Omani non-oil exports products to that country. Presently, ECGA of Oman insured a number of Omani products to Ethiopia including electric water heaters, wire nails, automotive batteries, dairy products, automotive filters, polypropylene products, confectionery, fiber optic and cables.

As per the section of the *Omani Insured Exporter by ECGA of Oman*, this Bulletin provides profile on Oman Porcelain Co. SAOC as one of the highly successful insured exporters of ECGA of Oman. It produces variety of porcelain products for both domestic as well as for export market. It has insured its products to ECGA of Oman since January 2014 to 9 countries worldwide.

Under *Hints to Exporters*, it provides valuable insights to credit insured exporters on trade credit as well as the potential cost of credit risks of late payment by buyers which they need to realize. Under *lingua - Credit Insurance Terminology*, it defines the payment terms as it is normally understood as well as commencement of protected default by a buyer.

Finally, I take this opportunity to dedicate *Distinguished Person of the Year Award* which was bestowed to me in Moscow, Russia by the Association of Development Financing Institutions of Asia and Pacific (ADFIAP) to our institution the Export Credit Guarantee Agency of Oman for its valuable support it provides in serving exporters for almost twenty three years now and our beloved country of Oman under the Wise Leadership of His Majesty Sultan Qaboos.

Thanking You.

Nasir bin Issa Al-Ismaily
General Manager

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IN THE NEWS

1. Distinguished Person of the Year Award

Mr. Nasir bin Issa Al-Ismaily, the General Manager of the Export Credit Guarantee Agency of Oman (SAOC) has been adjudged by the Association of Development Financing Institutions in Asia and Pacific (ADFIAP) for the Distinguished Person of the Year Award. This prestigious Award was presented to Mr. Al-Ismaily during the 37th annual meeting of the ADFIAP in Moscow, Russia. (pictured)

According to ADFIAP the *“Distinguished Person Award”* is a lifetime achievement award given by ADFIAP to a person who has in his or chosen career, excelled and made a mark in the country or internationally and for his or her outstanding accomplishment(s).

Mr. Al-Ismaily was congratulated by many others for getting this unique award including His Excellency the Chairman of ECGA of Oman, members of its Board of Directors and staff. He also received congratulatory messages from the Secretariat of the Berne Union and its members as well as from the Aman Union.

Mr. Al-Ismaily commented the following on the Award *“It is a great honour for me for having been bestowed with the Distinguished Person of the Year Award for 2014 at the 37th Conference of the Association of Development Financing Institutions of Asia and Pacific (ADFIAP) held in Moscow, Russia. This is not only unique achievement for me personally but also reflects positively for my organization the Export Credit Guarantee Agency of Oman for its valuable and remarkable services it provides to exporters in serving our beloved country Oman for which I am very grateful indeed under the Wise Leadership of His Majesty Sultan Qaboos.*

As informed to me by the Secretary General of the ADFIAP that I am the fourth recipient of this special award in the 37 years history of the Association of 113 members from 45 different countries in Asia and the Pacific makes me very heartened and happy indeed.

I take this opportunity to convey my utmost appreciation to all for congratulating me.”



With Secretary General of ADFIAP



Award



With Participants from ODB



With the Chairman of ADFIAP and the host Vneshecombank of Russia

2. MOU signed between PEIE and ECGA of Oman

The Public Establishment for Industrial Estates (PEIE) and Export Credit Guarantee Agency of Oman (ECGA) signed A Memorandum of Understanding (MOU) between their two organizations.

The MOU was signed by Mr. Hilal bin Hamad Al Hasani, PEIE Chief Executive Officer, and Mr. Nasir bin Issa Al Ismaily, ECGA General Manager, on the sidelines of the Exports and Customs Seminar. (pictured). The MOU calls for cooperation in various fields including organizing conferences, seminars, workshops, webinars, and other events. It also focuses on promoting ECGA and its services to PEIE tenants (exporters), supporting the creation of business opportunities and organizing Business to Business Networking (B2B) between ECGA and PEIE tenants.

ECGA General Manager Mr. Nasir Al-Ismaily said *“The agreement is an important step towards promoting the country’s non-oil exports by attracting additional exporters in various industrial estates to avail the valuable services of ECGA of Oman. The Agency has been covering exports to 109 countries worldwide and provide other services including domestic credit insurance, pre-shipment financing, as well as post shipment financing.”*

3. Seminar on Export and Customs Seminar

Exports and Customs seminar was held on May 6th, 2014 at the Grand Hyatt Hotel in Muscat. The panel discussion was moderated by Mr. Ahmed Farooqui, General Manager – Procurement and Supply Chain at Oman Cables Industry. The panelists included the Head of Marketing at the Export Credit Guarantee Agency of Oman – Mr. Mohammed Al-Jabri, Mr. Warith Al-Kharusy, Executive Director of Al Safwa Group and Partners. Mr. Salim al Bortmany, Deputy General Manager of Areej Vegetable Oils and Derivatives and Colonel Mansoor bin Nasser Al-Rahbi, Assistant General of Customs Affairs at the Royal Oman Police. (pictured) While the Omani industrial sector is witnessing a significant boost in the country which is supported directly by the government through loans, facilities and well infrastructured industrial estates, experts who attended the seminar urge the growth of exports and facilitation of custom procedures to step up the reach of Omani exports to international markets.

Al Hasani commented, *“This seminar comes in line with efforts undertaken by the PEIE to support industrialists and gather experts from relevant institutions to discuss, raise various issues and outline recommendations to solve challenges. In fact, the Exports and Customs Seminar endeavours to achieve a positive impact reflected on the industrial sector in Oman through facilitating the access of exports to foreign markets by diminishing expected risks and challenges that exporters may face, and provide constant information and services to them.”*

Mr. Mohammed Al-Jabri (pictured) stated: *“Oman has a very strategic geographical location where it is ideal in terms of export as well re-export. In order to enhance the exports, both government and private sector need to work hand in hand to overcome any obstacles and barriers. ECGA’s future vision is to spread its services to all manufacturing units in Oman, and introduce new products which are geared for the global market. Export Credit Insurance Scheme of ECGA is a financial instrument which provides a protection shield to the exporters against default by the buyer, insolvency of the buyer, non-acceptance of goods or political and economic events which can occur outside the control of the exporter or the importer.”*



Signing MOU



Exchanging signed MOU



Group of Panelists



Attendees at the Seminar



4. Dutch Ambassador visited to ECGA's Offices

Her Excellency Ms. Barbara Joviassse the Ambassador of the Kingdom of the Netherlands paid a courtesy visit to ECGA of Oman where she held useful discussion with Mr. Nasir bin Issa Al-Ismaily, the General Manager of the Agency (pictured). The level of Omani non-oil exports to Netherlands has been growing. ECGA of Oman has paid one claim to Holland. There are presently a total of thirteen Omani exporters that are insuring their exports of non-oil products to thirty Dutch buyers. It is worth mentioning that the Agency also sent its staff to Amsterdam for training under the auspices of its Reinsurer – National Borg. The Agency also reinsures its business with the major lead reinsurers under its Quota Share Reinsurance Treaty with Atradius Reinsurance Ltd. and National Borg from Holland.



5. Reinsurer official visited ECGA of Oman

Reinsurer representative from Atradius Reinsurance Ltd. visited ECGA of Oman as part of their annual visit following renewal of Quota Share Reinsurance Treaty for 2014. Mr. Nick Davies met General Manager of ECGA of Oman Mr. Nasir bin Issa Al-Ismaily along with Mr. S. Rajesh from Aon Majan on Monday 24th March 2014 where various issues including operations, reinsurance as well as updated position of Atradius Re were discussed. Also present was the Head of Claims and Recoveries Mr. Imaad Soud Al-Harthy. (pictured).



6. ADFIAP meeting held in Moscow, Russia

The 37th annual meeting of the Association of Development Financing Institutions in Asia and the Pacific was held in Moscow, Russia from 23rd to 25th April 2014. The meeting was hosted by the State Corporation “Bank for Development and Foreign Economic Affairs “(Vneshecombank) of the Russian federation at the World Trade Centre in coordination with the Secretariat of the Association of Development Financing Institutions in Asia and the Pacific headquartered in Manila, Philippines. Mr. Nasir bin Issa Al-Ismaily the General Manager of ECGA of Oman attended the Conference as well as many other participants from development finance institutions and ECAs including those from Bhutan, Canada, China, Fiji, Germany, India, Iran, Japan, Malaysia, Mongolia, Nepal, Sultanate of Oman, Philippines, Samoa, Sri Lanka, Tajikistan, Thailand, Turkish Republic of Northern Cyprus, Turkey, United State of America, Vietnam and many other countries. ADFIAP has a total of 113 members from 45 countries worldwide. Earlier during the *Delegate-meet-Delegate* session Mr. Nasir bin Issa Al-Ismaily held useful discussions with representatives from the Export Import Bank of India, Credit Guarantee Corporation of Malaysia as well as the Secretary General of Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) respectively.

Following the two days meeting, the draft of Moscow declaration was then reviewed and approved by the members as highlighted below:

- (i) Accelerate financial inclusion as well as inclusive growth initiatives in various sectors
- (ii) Promote sustainable green finance program for the environmental projects
- (iii) Intensify efforts to support small and medium enterprises (SMEs) in various countries
- (iv) Create innovative solutions to future challenges

The Secretary General as well as the Chairman of the meeting then thanked the host Vneshecombank of Russia for hosting the meeting. He then welcomed the Representative of Vietnam Development Bank to the stage where she welcomed participants to Vietnam to host the 38th meeting.



7. ECGA of Oman Indemnifies Flexible Industrial Packages Co. SAOG for claim of buyer to Jordan

Export Credit Guarantee Agency of Oman (S.A.O.C) has paid a number of claims to exporters who insured their export sales against both commercial as well as non-commercial risks. The Agency indemnified claim to Flexible Industrial Packages Co. (SAOG) of their exports sales to their buyer in Jordan. Mr. Vinay Bhardwaj, the CEO of FIPCO was handed the Cheque by Mr. Imaad Saud Al-Harthy, the Head of Claims and Recoveries. Also present was the General Manager, Mr. Nasir bin Issa Al Ismaily of ECGA of Oman. (pictured).



8. ECGA of Oman Indemnifies Oman Chemical Co. LLC for claim of buyer to Saudi Arabia

Export Credit Guarantee Agency of Oman SAOC has indemnified another policyholder during 2014, Oman Chemical Co. LLC against non-payment of their export sales to their buyer in Saudi Arabia. Mr. Ashish Shah, General Manager Sales and Marketing was handed the cheque by Mr. Imaad Soud Al Harthy, Head of Claims and Recoveries. Also present was the General Manager Mr. Nasir bin Issa Al-Ismaily (pictured). Oman Chemical Co. LLC has been an active policyholder with ECGA of Oman since August 1994, and is engaged in manufacturing an extensive range of aerosol products for industrial and household purposes, and exports the GCC countries, as well as Singapore.



9. ECGA of Oman participated in Aman Union Database meeting held in Istanbul, Turkey

ECGA of Oman participated on 20th May 2014 in the Aman Union Database meeting which was held in Istanbul, Turkey which was organized by Turkish EXIMBANK. Under the auspices of the Secretariat of the Aman Union Mr. Imaad Soud Al-Harthy, Head of Claims and Recoveries represented the Agency. ECGA of Oman is one of the founding members of the Aman Union Database which was officially inaugurated in November 2013.

10. ECGA of Oman participates in 15th Annual Bond Seminar organized by Nationale Borg – Amsterdam

ECGA of Oman Senior Underwriter; Mr. Salim Abdullah Al-Ma'mari participated in the 15th Annual Bond Seminar organized by Nationale Borg in Amsterdam during the period 9th-11th April 2013. In addition to ECGA of Oman, many other insurers and reinsurers participated Russia, France, Germany, Ireland, Switzerland, UK, China, Romania, Turkey, and Kuwait. The seminar provided an insight on customs and excise bonds, various contract bonds, risk management and bond claims.

11. Berne Union celebrates 80 years of supporting trade and investment and nears US\$ 2 trillion in export cover

Members of the Berne Union – International Union of Credit & Investment Insurers – came together in London on 7 – 9 May 2014 for their annual Spring Meeting. The meeting was an occasion to celebrate the 80th anniversary of the Berne Union. The association's members provide risk mitigation products to exporters and investors, helping companies to safely trade internationally.

The meeting benefited from the participation of academics and experts in the field of country risk, from the banking industry, and from the IFC, leading to productive exchanges with state backed export credit agencies, multilateral institutions and private market insurers.

"As the global economy signals various levels of recovery, our members' impact on international trade has never been more relevant," says Berne Union President Dan Riordan. *"Specifically since 2008, export credit and investment insurers have proven their ability to respond to the needs of their customers and they will continue to offer innovative solutions for managing commercial and political risks."*

The meeting also launched the *Berne Union Annual Yearbook 2014* and a Berne Union application for iPhone and iPad, detailing the business levels and trends as experienced by its members. In this context, the volume of new exports and investments covered by members of the Berne Union increased by approximately 4% in 2013. This was mainly driven by short-term export credit insurance while new business in medium and long term export credit insurance reduced and investment insurance remained stable. Altogether, the total amount of cross-border transactions facilitated in reached US\$ 1.9 trillion in 2013, the highest level ever.

Out of the total business volume, more than USD 1.6 trillion represents short-term export credit insurance, while medium and long-term export credit insurance amounted to just over US\$ 160 billion.

Newly underwritten investment insurance transactions totalled close to US\$ 100 billion.

QUESTIONS & ANSWERS



Q. How can a policyholder assist ECGA in processing credit limit application more quickly?

A. First, the amount of the credit limit application should be realistic and close to the credit insured exporter's probable requirements in the foreseeable future.

Second, the policyholder should provide (ECGA) with full and correct details of the buyer's trading style, address and the name and address of his banker.

Third, it is important that the policyholder gives full and actual details of previous trading experience with the buyer.

Fourth, if the policyholder has up-to date credit information on the buyer he can attach such reports together with any other additional information to the application.

Q. When should the policyholder submit Default Declaration Form?

A. Notification of all payments not received within 2 months of their due dates should be sent to the Agency on the Overdue Declaration Form. The declaration should be sent on or before the 10th of every month.

Q. When payments are not realized due to exchange transfer delay, when should the claim be filed?

A. Where payments are not realized due to exchange transfer delay, claims can be filed with the Agency after six months from the date on which the buyer has, after making the payment in local currency, completed exchange control formalities necessary for the transfer of funds to Oman. Where the Agency has stipulated a longer waiting period, claims can be filed only after completion of such period.

Q. What is the validity period of a Buyer Credit Limit?

A. A credit limit does not have expiry date and it remains in force during the validity of the policy as it operates on revolving basis unless any credit limit is cancelled and advised by ECGA due to adverse information on the buyer or due to unutilization for specific period.

Q. What measures are expected you bank to do in order to minimize losses?

A. (1) You must use all reasonable and usual care and skill and take all practical measures, including any measures which may be required by us, to prevent or minimize loss and we shall not be liable for loss if you fail to take all such practicable measures to prevent or minimize loss within a reasonable time after you have learned of the occurrence of a cause of loss or of any event likely to cause loss;

(2) You must promptly notify us in writing when you become aware of the occurrence of any cause of loss, or of any event likely to cause loss, or that the Issuing Bank is unable to pay its debts as and when they fall due or that the Issuing Bank is in financial difficulties.

(3) You must provide us with all information and documents that we may require.

Q. How can Banks play a greater role in the process of enhancing the services that the Agency provides to exporters?

A. Export Credit Guarantee Agency of Oman has signed MOUs with most commercial banks operating in Oman under the post-shipment financing program whereby credit insured exporters can discount their export bills with commercial banks against preferential interest rates, thus reducing their post-shipment financing cost. ECGA of Oman can also issue pre-shipment export credit guarantees whereby banks are able to provide financing at a pre-shipment stage for working capital needs of exporters. In addition, the Agency will be launching a new product during the first half of 2014 titled "Documentary Credit Insurance Policy" whereby the commercial banks in Oman add their confirmation on irrevocable letters of credit after obtaining the Agency's guarantee in order to protect them against the risk of non-payment of an irrevocable letter of credit issued by the importer's bank. Therefore, these products offered to commercial banks in the Sultanate of Oman will play a great role in the process of encouraging and promoting export insurance.

Q. How does ECGA underwrite short term business to exporters?

A. ECGA underwrites short term business on a comprehensive basis by issuing standard Export Credit Policy under which each buyer is covered by way of individual credit limits which operates on revolving basis i.e. valid for multiple transactions. ECGA underwrites each individual buyer after assessing the buyer's credit worthiness and risks by obtaining detailed credit report on the buyer.


Q. How the Export Credit Policy help to raise financing?


A. The Export Credit Policy is normally perceived by the commercial banks as a valuable form of an additional security. If necessary the exporter can assign the benefits of the policy to the financing bank which allows ECGA to pay claims directly to the Bank in case of loss. In consequence the credit insured exporter can expect to enjoy improved financial facilities through relatively lower interest rates.


Q. Apart from commercial risks, ECGA of Oman also provide cover against non-commercial or political risks. What are the advantages of such cover?


A. This is the risk that a buyer cannot pay or goods cannot be delivered due to circumstances beyond control of the exporter or buyer. These circumstances usually include war, terrorism, riots and actions by governments such as changes in export or import regulations that affect the outcome of the transaction. Also, there may be a risk that money cannot be transferred from one country to another due to measures taken in the country where buyer is based. Also failure to pay by a public buyer is also considered as policy of ECGA of Oman.



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The total amount of trade credit that a company grants depends on the value of credit sales and the length of the credit period. The risk can be controlled by limiting the number of credit transactions or the credit period.
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Heavy reliance on a single customer for sales' turnover can create a very high credit risk. Exporter should be aware of how much credit it can afford to give to such a customer, recognizing the possible consequences of non- payment or of consistently late payments.
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The potential cost of a credit risk could be interest cost from late payment or bad debt written off. The cost of bad debt is usually measured as the full amount owed.
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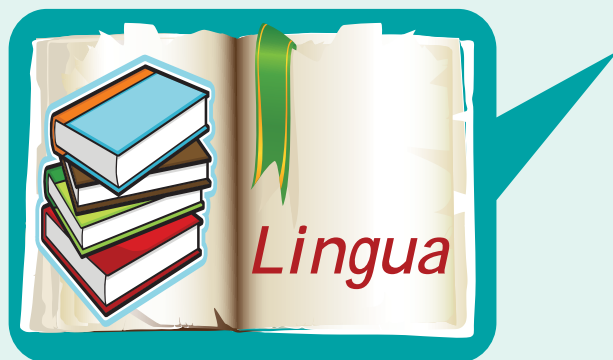
On an average 40% of company's assets are tied up in the form of commercial debt. All it takes for an otherwise well run business to become insolvent is for one major customer not to meet its payments. Even smaller debts can have a destructive effect. For example, if your profit margin is 5% and your client's debt is just RO. 10000, your company will have to achieve additional sales of RO. 100000 just to make up for the loss. Credit Insurance Policy from ECGA can protect from the consequences of such an event.



CREDIT INSURANCE TERMINOLOGY

Commencement of Cover - The date on which the insurance begins to take effect (at date of order or transaction, delivery or shipment, completion or performance of services) for each individual trade transaction covered under the policy.

Single Buyer Cover - Cover for all sales to one debtor or for a single contract with one debtor (as opposed to whole turnover and key buyer)



Waiting Period - The period, usually starting from the due date of payment or intervention order, after the expiry of which a claim may be submitted and the loss is assessed.

Imminent Loss – any events or circumstances that have lead or may lead to a high possibility of a claim

Retention of Title (ROT, Reservation of title) – A condition in a sales contract which reserves the seller's right of product ownership until the seller has received full payment.

Source: Catalogue of Credit Insurance Terminology

ICISA – International Credit Insurance & Surety Association.

COUNTRY PROFILE OF BUYERS OF OMANI INSURED EXPORT

ETHIOPIA

Ethiopia, officially known as the Federal Democratic Republic of Ethiopia, is a country located in the Horn of Africa. Ethiopia is the most populous landlocked country in the world, as well as the second-most populated nation on the African continent. It occupies a total area of 1,104,300 sq km, and its capital and largest city is Addis Ababa. Its population is 96,633,458 (July 2014 est.)



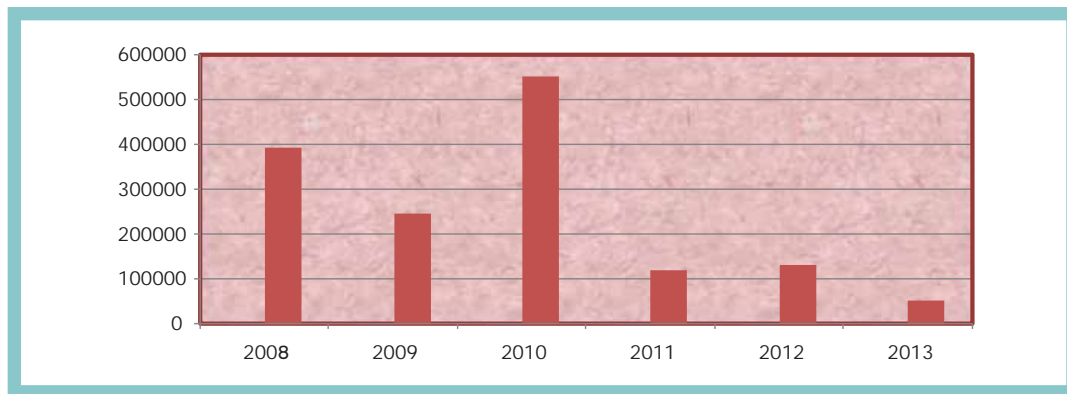
Ethiopia is the second largest country in Africa in terms of population with 83 million. It has emerged as one of the fastest growing economies. In 2012/13, its economy grew by 9.7%, the tenth year in a row of solid growth. In 2012, it was the twelfth fastest growing economy in the world. It is a potential high growth market for Omani exporters.

ECGA of Oman has insured Omani exporters to various products to Ethiopia including electric water heaters, wire nails, automotive batteries, dairy products, automotive filters, polypropylene products, confectionery, fiber optic cables, etc. Almost 78% of the total credit limits issued by the Agency to exporter are under Letters of Credit and remaining 22% on Open Account.

Omani non-oil exports to Ethiopia is characterized with erratic trend during the last 5 years as shown by the exports statistics below. However, there is a huge potential of Omani non-oil exports as it is presently being promoted as one of the target markets.

Year	2009	2010	2011	2012	2013
Exports	246,369	553,939	119,623	131,913	53,220
Growth %	-37%	124%	-78%	10%	-59.7%

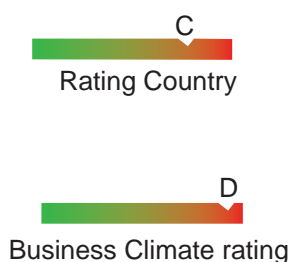
Source: Foreign Trade Statistics – Directorate General of Customs (ROP)



According to *COFACE Hand Book of Country Risk 2013*, the following profile is extracted on Ethiopia.

STRENGTHS
<ul style="list-style-type: none"> • Progress in economic diversification • Public investment in infrastructures (transport, energy and telecommunications) • Support from international donors • Highly qualified workforce thanks to vocational education • Net external creditor position

WEAKNESSES
<ul style="list-style-type: none"> • Vulnerable to climatic vagaries and volatility of raw materials prices • Failure to solve causes of food insecurity • Inadequate level of foreign exchange reserves • Governance deficiencies • State borrowing weakens the private sector • Border disputes



USD billion or %	2011	2013(e)	2014(f)
Economic growth %	7.5	6.5	6.5
Public sector balance (%GDP)	33.2	8.3	9.6
Current account balance (%GDP)	-4.8	-4.2	-3.6
External debt (%GDP)	0.7	-67.5	-7.0
Foreign exch. res. In months of imports	37.4	39.6	40.6

OMANI INSURED EXPORTERS BY ECGA OF OMAN

OMAN PORCELAIN COMPANY SAOC



Oman Porcelain Company SAOC was incorporated in 2009 as closely held public company. It is the first porcelainized ceramic tiles (PST) in Oman located at Sohar Industrial Estate.

Oman Porcelain Company started operation at the end of 2012, with a capacity 3 million square meters of ceramic tiles per annum.

The company is exporting 70% of its production to GCC countries, USA, Africa as well as other European countries.

Oman Porcelain Company is also planning to expand its operations and to start a new second line of production in the near future so as to increase sales in both domestic and export markets.

The company started availing the services of ECGA of Oman since the beginning of the year. The Agency has issued total credit limits of RO. 5.31 million to various of its buyers both in local as well as exports markets. It has insured a total of 25 buyers in different countries. With expected increases in their domestic and export sales, as well as expected increases in their production capacity, due to higher demand of its products, the Agency is prepared to support the company in extending more cover to many other buyers worldwide.



Porcelain Products of Oman Porcelain Company SAOC

Export Credit Guarantee Agency of Oman (S.A.O.C.)



Scope of ECGA's of Oman Services

The Omani exporters have long recognized and appreciated that one of the major keys to success is to insure with ECGA of Oman for safe export business. The Agency through almost 23 years of service to exporters provides confidence, encouragement and incentive to exporters by exploring new buyers and markets world wide. Its services are also highly beneficial to SMEs as they mitigate the credit risks while availing necessary financing for their businesses.

ECGA of Oman is here to help you minimize your risks

BUYER'S RISK

- ❖ Buyer's insolvency/bankruptcy
- ❖ Buyer's failure to pay
- ❖ Buyer refusing delivery of goods

COUNTRY RISK

- ❖ Foreign exchange transfer delay
- ❖ Import bans or cancellation of import licence
- ❖ Payment moratorium
- ❖ War, civil disorder, natural disasters

Other benefits of services provided to credit insured exporters include domestic credit insurance, post shipment financing through bills discounting by commercial banks as well as issuance of guarantees to commercial banks for pre-shipment financing needs of the exporters as well as newly guarantees for adding confirmation to letters of credit to banks.

"The key to success is to avail ECGA's services for safe export business. As credit insured exporters, while you trade at ease and reap the profits, ECGA of Oman will bear the risks."

For further information please contact:

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