



المؤسسة العربية لضمان
الإستثمار وائتمان الصادرات
The Arab Investment & Export
Credit Guarantee Corporation



A+
S&P Global
Ratings

Direct Investment Insurance Policy (DIIP) Product Guide



Disclaimer: This guide is designed to provide information on the investment insurance service provided by Dhaman; it cannot be considered a comprehensive and complete presentation of the service. While every effort has been made to make the information presented here as complete and accurate as possible, it may contain errors, omissions, or information that was accurate as of its publication but subsequently has become outdated by insurance changes or conditions, new laws, regulations, or other circumstances. Dhaman denies any liability or responsibility to any person or entity for any loss or damage alleged to have been caused, directly or indirectly, by the information or other content in this guide.

WHO WE ARE

The Arab Investment & Export Credit Guarantee Corporation (Dhaman) is a multilateral credit and political risk insurer owned by 21 Arab countries and 4 pan-Arab financial institutions. Established in 1974 and headquartered in Kuwait, Dhaman is the first multilateral investment insurance provider globally.

Dhaman's mission is to promote foreign direct investment (FDI) into Arab countries by mitigating political and non-commercial risks for investors and lenders worldwide.

OUR RATING

Dhaman is rated A+ (Stable Outlook) by S&P Global Ratings, reflecting:

- Strong financial risk profile
- Exceptional liquidity
- Robust enterprise risk management
- Extraordinary shareholder support

OUR MEMBER COUNTRIES

Algeria, Bahrain, Djibouti, Egypt, Emirates, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Somalia, Sudan, Syria, Tunisia, and Yemen.

WHAT WE COVER

The **D**irect **I**nvestment **I**nsurance **P**olicy (**DIIP**) protects investors against losses arising from political risks in Arab countries.

Coverage applies when:

- Operations are disrupted or terminated due to political events
- Investors are unable to repatriate capital, profits, or dividends

ELIGIBILITY CRITERIA

To be eligible for support under the **DIIP**, the underlying investment must satisfy Dhaman's criteria of eligibility, which include, among others, the following conditions:

Eligible Investor:

- Foreign investors investing in Arab countries.
- Arab expatriates investing in their home countries (with funds transferred from abroad).
-

Eligible project¹:

- Greenfield or brownfield investments.
- Financially viable and economically sustainable projects.
- Projects aligned with host country development objectives.
- Compliance with environmental and social regulations.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

(ESG) COMMITMENT

Dhaman embeds ESG considerations at the core of its underwriting and risk assessment through a robust Environment & Social Management System (ESMS). All projects undergo screening, due diligence, and monitoring to effectively manage environmental and social risks throughout their lifecycle.

Aligned with international standards, including the IFC Performance Standards and the UN Sustainable Development Goals (SDGs), Dhaman supports sustainable, inclusive, and responsible investments.

This approach strengthens risk management, ensures compliance, and enhances long-term resilience and value for investors and stakeholders.

¹ Investments in the defense industry, casinos, spirits, etc., are not eligible for insurance.

INSURED RISKS

The investor is entitled to insure one or more of the following risks:

- **Confiscation, Expropriation, Nationalization (CEN)**
Compulsory seizure or any other action taken by the host country's public authorities that deprives the investor of his fundamental rights in a project. "Creeping" expropriation - continual restrictions of property rights that have an expropriator effect- is also covered over time.
- **Currency Inconvertibility and Transfer Restrictions**
Direct or indirect measures or actions taken by the public authorities in the host country² that restrict the ability of the investor to:
 - i. Convert local currency from the insured project (profits, capital, interests) into foreign exchange for transfer outside the host country.
 - ii. Transfer foreign exchange outside the host country.
- **Political Violence (PV)**
Acts of war, terrorism, civil disturbance, revolutions, coup d'états, and insurrections directly damage or destroy the insured project's tangible assets or interrupt the operations essential to the project's financial viability.
- **Breach of Contract**
The investor's inability to enforce an award rendered in his favor against the host country's "denial of justice" pursuant to a breach or repudiation by the host country of an agreement on the investment project.

DURATION OF COVERAGE

- Standard: up to 10 years (renewable).
- Aligned with concession/PPP agreements where applicable.
- Flexible cancellation by the investor.
- Non-cancellable by Dhaman except in case of claim or breach.

² Economic devaluation of the currency is not covered.

DEVELOPMENT IMPACT

Beyond risk protection, Dhaman's DIIP serves as a catalyst for sustainable economic development across Arab countries. Through its Development Impact Framework, Dhaman systematically evaluates and enhances the contribution of insured investments to growth, job creation, infrastructure, and regional integration.

By reducing risk, Dhaman mobilizes foreign investment, improves access to finance, and supports private sector development.

Success is measured not only by financial performance, but by its contribution to inclusive and sustainable growth.

WHY CHOOSE DHAMAN?

Insuring investments in Arab countries by Dhaman offers investors a unique set of advantages:

- Over 50 years of experience in Arab markets
- Coverage in complex and high-risk environments
- Conventional and Sharia-compliant solutions
- Strong backing from member states
- Fast and efficient underwriting process
- Competitive pricing structure
- Flexible coverage adjustments over time
- No termination penalties
- Up to 100% loss recovery potential due to Preferred Creditor Status (PCS)
- Proven track record of claims recovery

Key Strength: Preferred Creditor Status (PCS)

Dhaman benefits from a unique legal status that significantly enhances recovery prospects and protects investors' interests.

INSURANCE PROCEDURE

- Preliminary Application (free)
- Non-Binding Indication (NBI)
- Final Application & Documentation
- Due diligence
- Host country approval
- Policy Issuance.

COST OF THE INSURANCE

- Application Fee
- Due Diligence Fee (credited if policy is issued)
- Premiums
 - Risk-based pricing
 - Country and project-specific
 - Payable annually

COMPENSATION

- Standard compensation: 90% of loss
- Potential recovery up to 100%, depending on recoveries from the host country

CONTACT

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operations@dhaman.org

www.dhaman.org

Our preliminary application form is also available if you are keen to get a non-binding insurance quotation:



Preliminary Investment Insurance Application

Applicant details:

Applicant Name: Nationality:
Address:
Tel: Fax: E-mail:
Authorized Person:
Title:

Type and Value of Investment:

☐ Direct Investment ☐ Equity Participation ☐ Loan ☐ Contractor's Equipment
☐ In-Kind ☐ In Cash Amount to be covered:

Risks to be covered:

☐ Breach of Contract ☐ War & Civil Disturbance
☐ Currency Inconvertibility and Transfer Restrictions ☐ Expropriation

Beneficiary Project:

Project Name:
Address:
Host Country:
Expected Date of Fund Transfer:

Notes:

- 1- This is a non-binding application; the applicant shall bear no commitment by presenting this application.
- 2- All information in this application will be treated strictly confidentially.
- 3- At a later stage, the applicant shall provide additional detailed information and complete the final insurance application form.

Name
Title:
Signature:
Date: ././...

To send by:
Email: operations@dhaman.org

KEY FACTS & FIGURES

PCS

100%

A+

50+

Legal
Preferred
Creditor Status

Recovered
political risks
claims

Outlook stable
by S&P Global
Ratings

Years
of
experience

operations@dhaman.org



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