

Credit & Political Risks Insurance

Brokers' Guide



Disclaimer: This guide is designed to provide information on the Credit & Political Risks Insurance service provided by Dhaman and the process of becoming an approved broker; it cannot be considered an exhaustive and complete presentation of the service and the process. 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it may contain errors, omissions, or information that was accurate as of its publication but subsequently has become outdated by insurance changes or conditions, new laws, regulations, or other circumstances.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.

02-2025

WHO WE ARE

The Arab Investment & Export Credit Guarantee Corporation "**Dhaman**" is a multilateral credit and political risk insurance provider. Launched in 1974 and headquartered in Kuwait, its membership comprises all Arab countries and four pan-Arab financial institutions.

OUR RATING

In April 2025, Standard & Poor's Global Ratings attributed a rating of '**A+**' long-term issuer and financial strength credit ratings to Dhaman. The outlook is stable.

The major rating factors are the solid financial risk profile, exceptional liquidity, strong enterprise risk profile, and extraordinary support from Dhaman's shareholders.

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.

OUR MANDATE

To facilitate the flow of Foreign Direct Investment (FDIs) into member countries and to support Arab export and import by:

- Providing Credit and Political risk insurance for exporters, investors, contractors, and financial institutions.
- Conducting research and studies to improve Member Countries' business environment and investment climate.

OUR VISION

Be the market leader in advancing sustainable trade and investment for Arab countries.

OUR TEAM

Dhaman's team has extensive experience in credit & political risk insurance and advanced education skills; the team also has advanced experience in risk management, finance & banking, financial analysis, trade & project finance, and international law.

OUR VALUE PROPOSITION

- 50 years of operational experience in the Arab world and the international markets.
- Long-lasting capital support from member countries.
- Preferred Creditor Status.
- Easy access to decision-makers and information sources.
- A+ S&P rating.
- Strong international network.
- Strong and permanent reinsurance support from the market.

THE RISKS WE COVER

Credit Risks

- Insolvency.
- Protracted default

Contract Frustration

- Inability to perform a contract with private or public obligors for political reasons, including non-payment / non-honoring by public obligors.

Non-Honoring of Sovereign Financial Obligation

- The failure of a sovereign or a sub-sovereign entity to make a payment when due under an unconditional financial payment obligation or guarantee.

Political Risks

- Confiscation, expropriation, nationalization, deprivation, including creeping expropriation.
- Political Violence: War and civil disturbances, including revolution, insurrection, coups d'État, sabotage, terrorism & business Interruption.
- Currency inconvertibility and transfer restrictions.
- Breach of contract, including arbitral or judicial award default.

OUR CUSTOMERS

We provide bespoke, comprehensive, and cost-effective risk-mitigation products to exporters, Investors, banks, and insurance & reinsurance companies.

OUR INSURANCE PRODUCTS

1- For exporters

- Comprehensive Export Credit Insurance Policy (multi-buyer policy).
- Specific Export Credit Insurance Policy (single transaction policy).

2- For financial institutions

- Non-Payment Insurance Policy for Financial Institutions: This Policy is intended to cover the Insured's financial exposure against the risks of non-payment of the obligor (with the underlying obligor being strictly a bank) under Eligible Trade Finance Transactions (i.e., short-term trade loan, letter of credit, etc.).
- Non-Honoring of Sovereign Financial Obligations Insurance Policy: intended for financial institutions that provide loans to sovereign and sub-sovereign entities for infrastructure projects and other developmentally sound projects in Arab countries.
- Trade Finance Insurance Policy: It protects financial institutions against the non-payment risk of a corporate borrower. It extends coverage for different trade finance instruments like:
 - Discounting receivables
 - Factoring ST trade loans
 - WC facilities related to a specific trade transaction
 - Invoices reimbursements

3- For investors

- Direct & Indirect Investments Insurance Policy.
- Lenders & Shareholder Loans Insurance Policy.

To provide political risk insurance, we require a no-objection letter (NOL) from the Member Country, which notes that the government recognizes Dhaman's support of the project. The NOL is also part of our preferred creditor status (PCS) implementation process.

4- For contractors

- Mobile Assets Insurance Policy.

5- For insurance and Reinsurance companies

- Treaty reinsurance.
- Facultative reinsurance.

ELIGIBILITY CRITERIA

- Member Countries export worldwide: all goods and services of the member countries' origin.
- Non-member countries export to member countries: Commodities, equipment, food, and other developmentally sound goods & services.

- For investment guarantee (PRI): the insured project must be in a member country, and the investor may be from a member or non-member country.
- We consider reinsuring/co-insuring ECAs and other underwriters who may support investment and trade in member countries. The Preferred Creditor Status that we enjoy as a multilateral agency means that our presence can be a catalyst for other underwriters to support PRI in member countries that otherwise would receive less support.
- Dhaman will not support the movement of arms or arms-related services, lethal or otherwise.

BECOME AN APPROVED BROKER

Interested Brokers officially licensed or registered in the country in which they do business are kindly requested to complete the broker identification form and send it back to Dhaman along with the following documents:

- Broker's License
- Financial statements for the last 3 years
- Policy wordings
- The company's business profile, including an organization chart and the main shareholders' names.
- Complete set of KYC documentation.

CONTACT DETAILS

Dr. Hassan Hamdan

Director of Operations Department

Tel: +965 24959511

hassan.hamdan@dhaman.org

Applicant Identification Information			
Name of the Company:			
Address: Street:			
City:	Country:	Postal Code:	
Registration No.:			
Country of Incorporation:		Date of Incorporation:	
Group to which the Applicant belongs (If applicable):			
Applicant Products/Services:			
Primary Business Types:			
Main Insurance Services/Products:			
Size of Business:	☐ >= US\$250M	☐ US\$100M -US\$250M	☐ US\$50M – US\$100M ☐ <= US\$50M
Number of Clients:			
Contact Information			
Position:			
First Name:		Last Name:	
Telephone No.:			
Email:			
Please attach the following documents to the application and email to Hassan.hamdan@dhaman.org, islam.alsaffy@dhaman.org, salem@dhaman.org - Broker's License - Financial Report for the last 3 years. - Policy wordings - The company's business profile includes an organizational chart, and main shareholders' names. - Complete set of KYC documentation (attached).			



Covered risks and tenors (Years)

Contract Frustration	Credit	Confiscation Expropriation	Political Violence	Currency Inconvertibility and Exchange Transfer	Breach of Contract	Non-Honoring of Sovereign Financial Obligation
<i>Inability to perform a contract with private or public obligors for political reasons, including non-payment / non-honoring by public obligors.</i>	<i>Private Obligor non-payment.</i>	<i>Host government act(s) that expropriate/ confiscate/deprive a company of assets/equity/ ability to operate / contractual rights.</i>	<i>War, civil war, revolution, insurrection, terrorism or Sabotage in the host country, causing asset damage and business Interruption.</i>	<i>Host government operation of a law or an order, decree, or regulation having the force of law which prevents, restricts, or controls the conversion from local currency to Policy Currency and the transfer of the Policy Currency outside the host country.</i>	<i>The host government's breach or repudiation of a contract with the investor includes arbitral or judicial award default.</i>	<i>The host government fails to make a payment when due under unconditional financial payment obligation or guarantee.</i>
Tenor	Tenor	Tenor	Tenor	Tenor	Tenor	Tenor
15	7	15	15	15	15	15
Waiting Period: up to 180 days						

KEY FACTS & FIGURES

PCS

Preferred
Creditor
Status

100%

Political
Claims
Recovery

A+

by S&P
Global
Ratings

50+

years
of
experience

operations@dhaman.org



www.dhaman.org

