



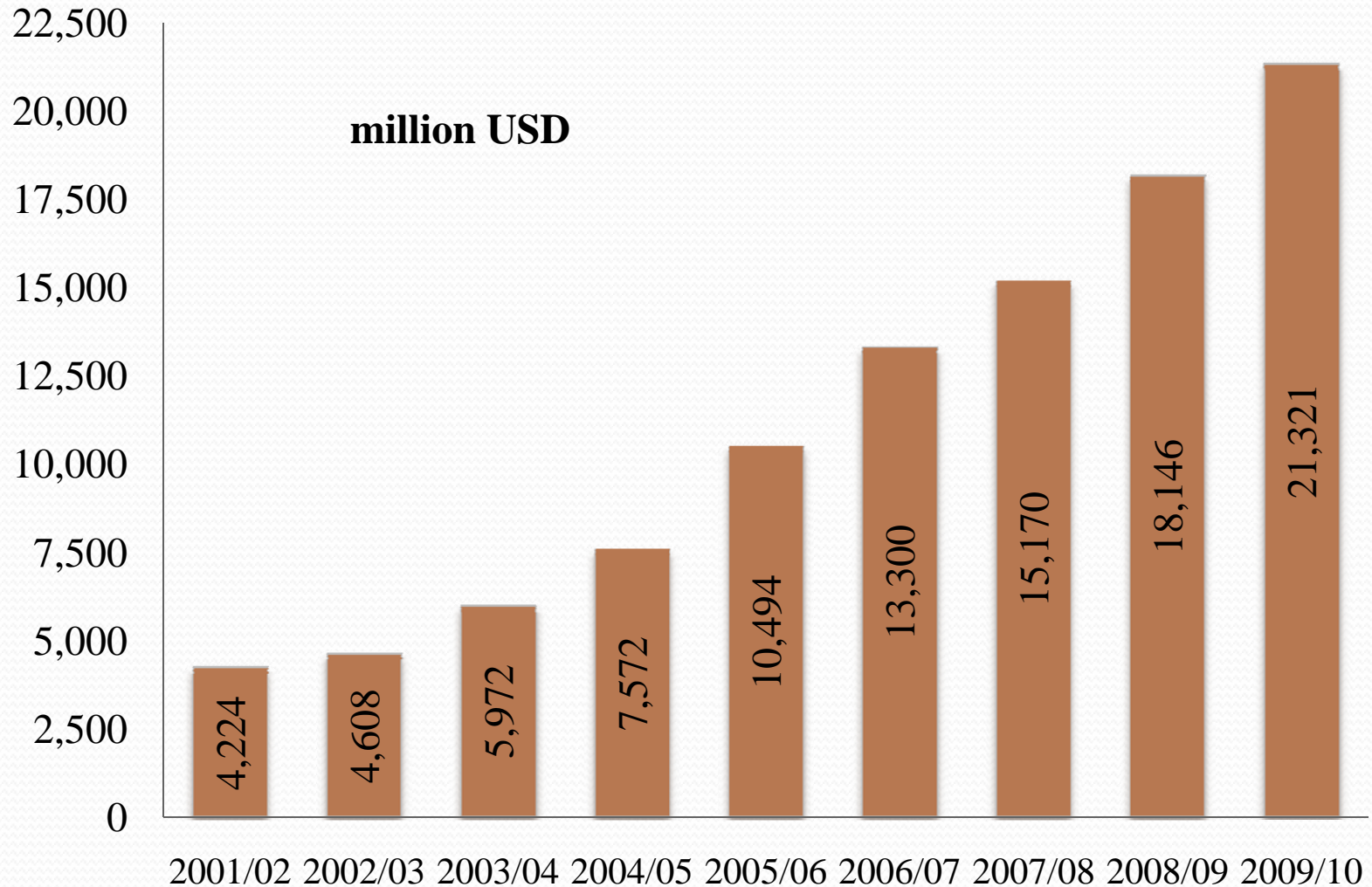
Export Guarantee Fund of Iran (EGFI)

&

Debt Collection

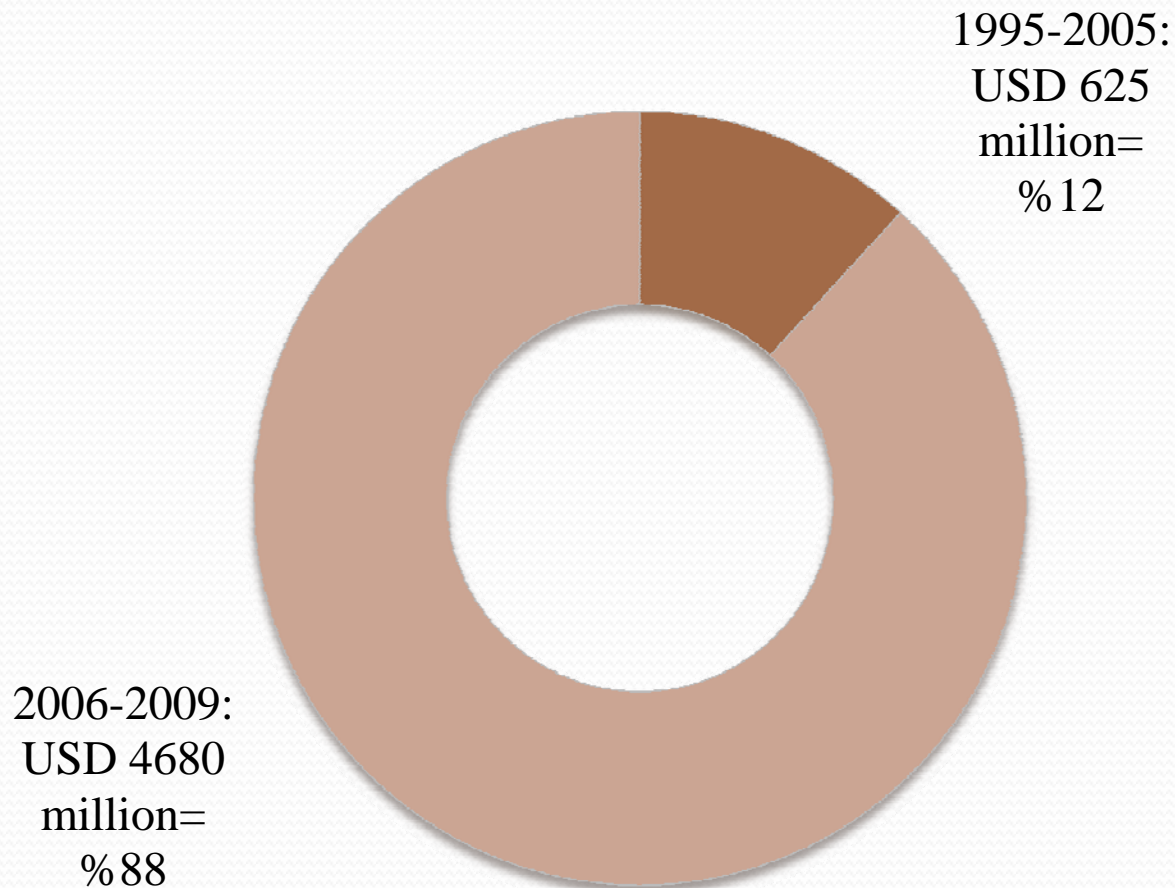


I.R. of Iran's non-oil exports

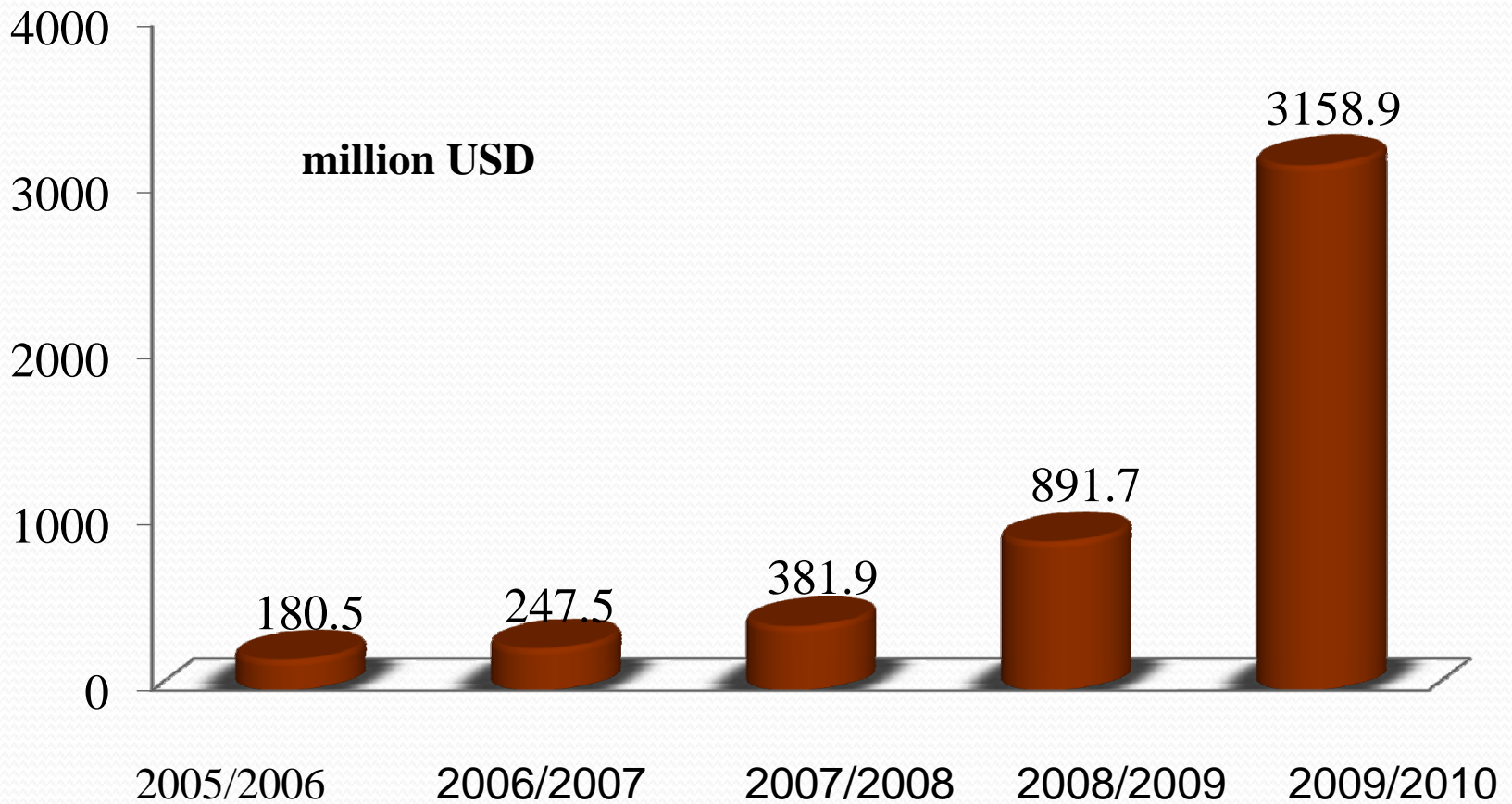


Historical comparison of EGFI's cover

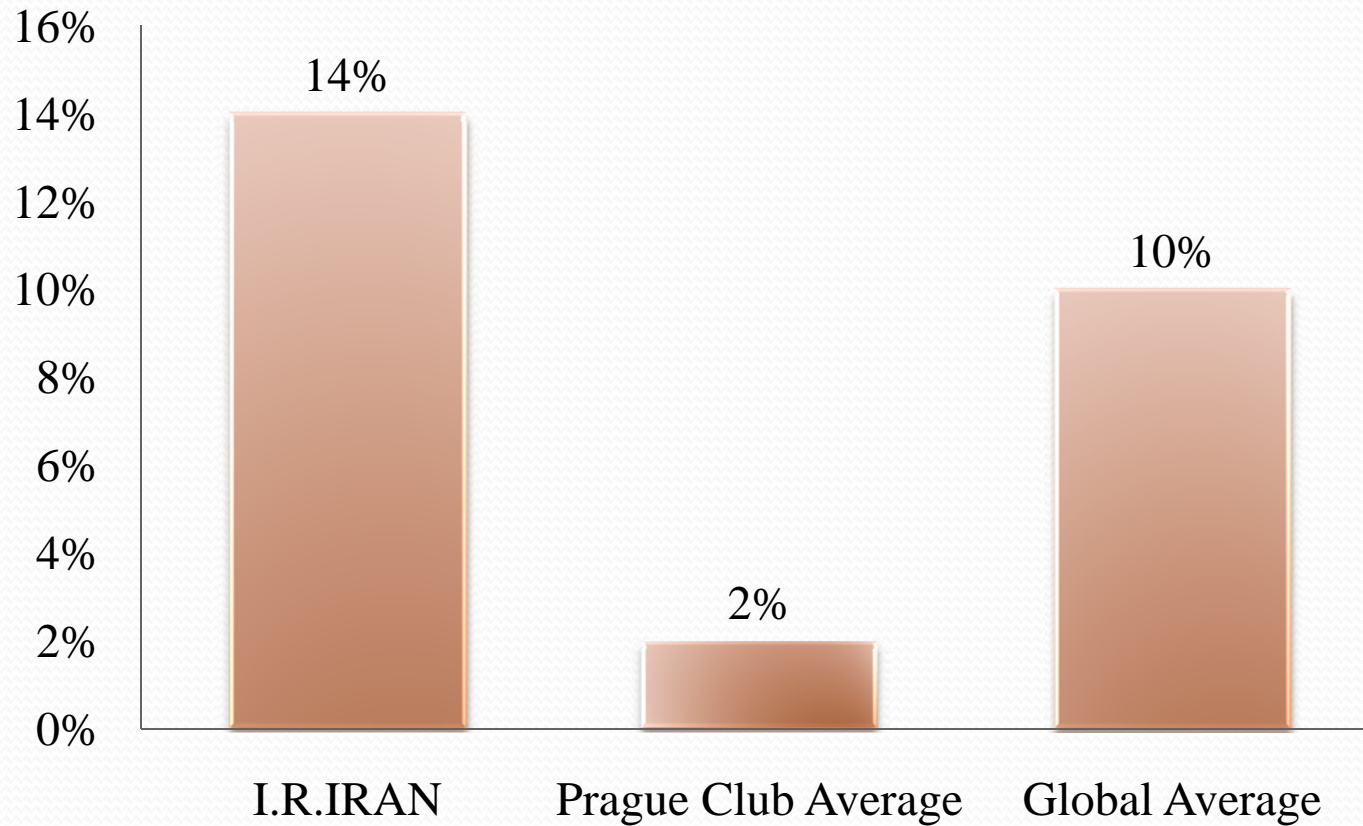
2005: a turning point for EGFI



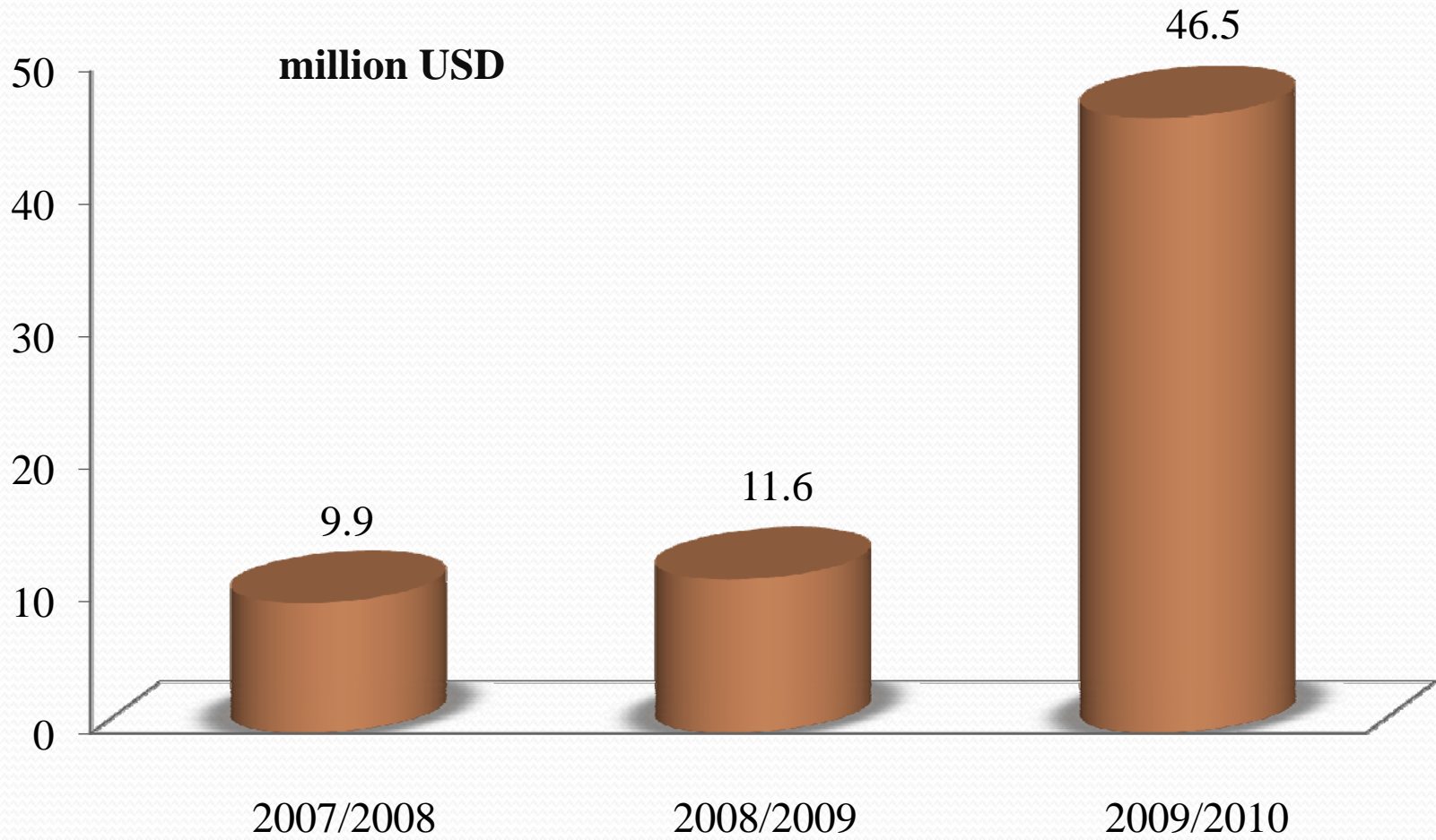
EGFI's New Business



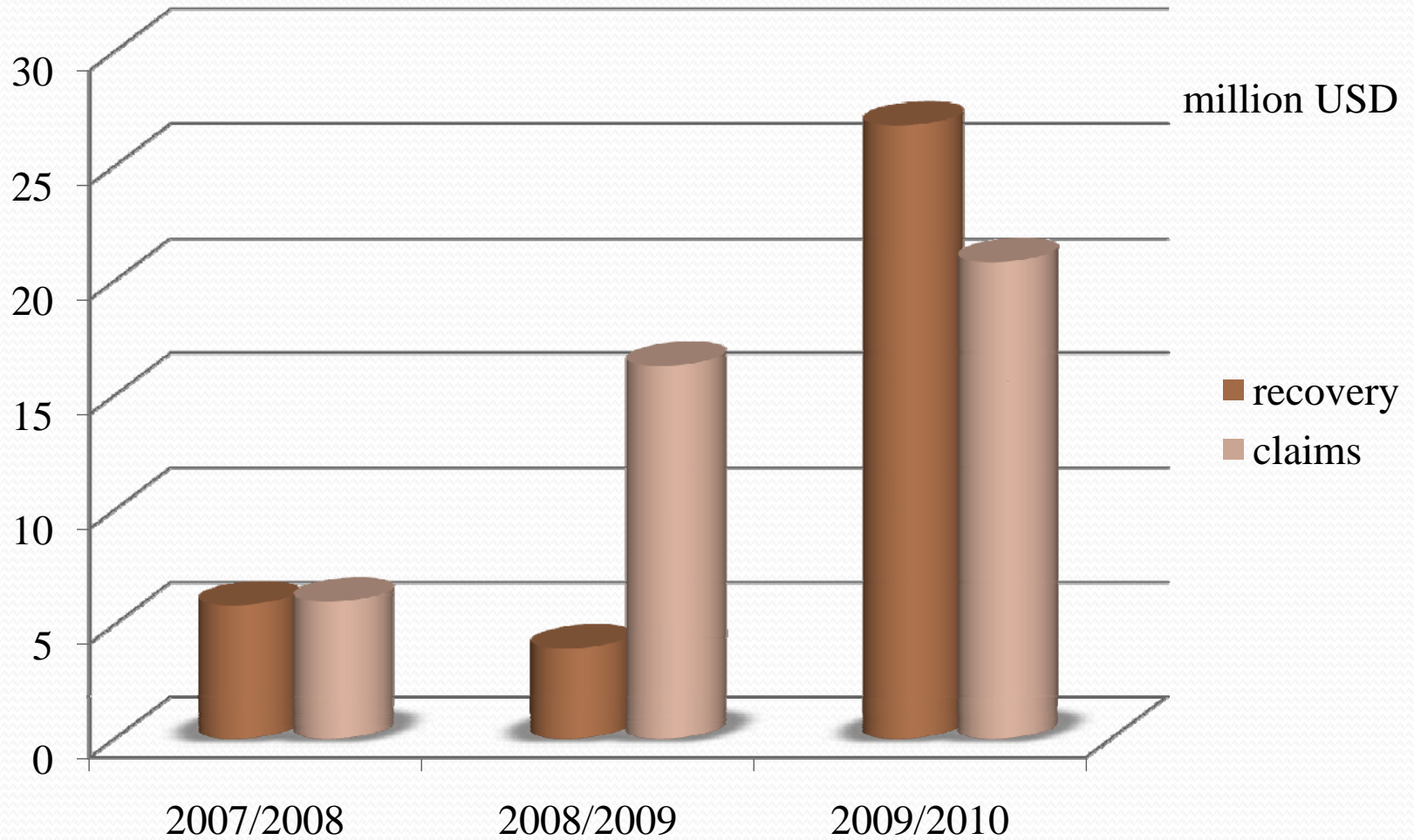
Covering national exports



Premium

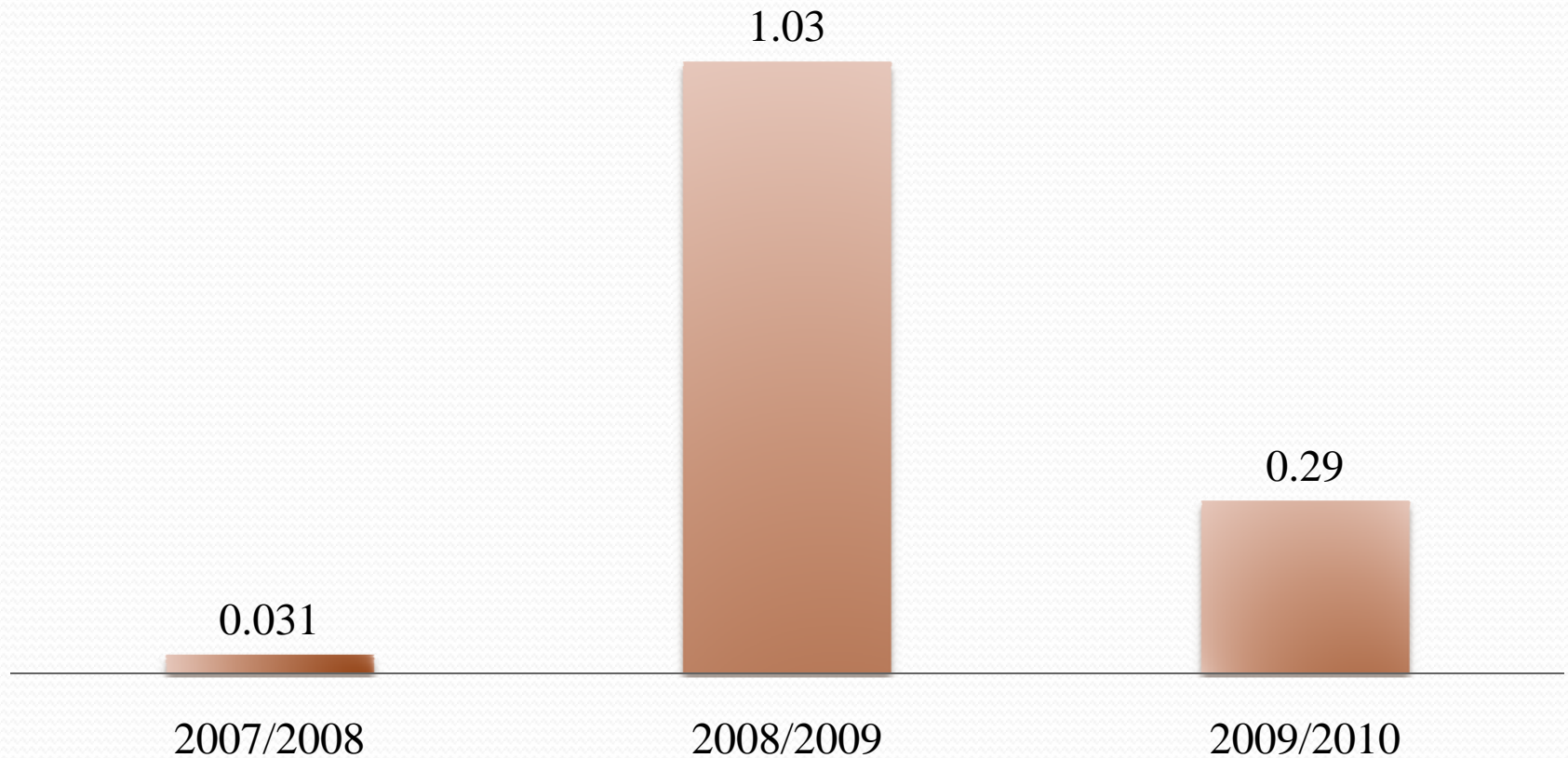


Claims and Recovery



Net Loss Ratio

Claims paid-Recovery/Premium



Lessons learnt from claims & debt collections:

- Diplomacy;
- On Time reaction (before and after paying the claims);
- Follow ups through different channels;
- Analysis of debtor, and its country's situation;
- Role of ECA as intermediary



EGFI's

Cases of Debt Collection

Turkmenistan

- Project: An infrastructure project with the total value of USD 26.8 million
- Contractor: an Iranian engineering company
- Employer: A Ministry of Turkmenistan
- History: The employer did not pay a part of its debt on due date (USD 9.2 m.). Contractor and employer signed an agreement to reschedule debt repayment in 11 installments. Iranian government asked an Iranian bank (EDBI) to discount the debt with EGFI's cover.

Turkmenistan (Cont. 2)

- Insurer: Export Guarantee Fund of Iran
- Type of policy: Specific policy for discounting of debts
- Cover percent: 100%
- Amount of insurance policy: USD 8.5 million
- Policyholder & Beneficiary: an Iranian bank (EDBI) as discounting bank
- Debtor: governmental Transportation and Communication Fund of Turkmenistan
- Guarantor: A Ministry in Turkmenistan

Turkmenistan (Cont. 3)

But there was default !!!

- Turkmanistani Fund did not pay some of the installments, and EGFI had to pay to the Iranian bank for about USD 6.5 million.

Turkmenistan (Cont. 4)

Debt collection started through negotiations via different channels:

1. Two countries' embassies;
2. Ministry of Motor Transport and Roads of Turkmenistan;
3. Ministry of Foreign Affairs of both countries;
4. and finally negotiations made between EGFI's CEO & top officials of Turkmenistan including Ministry of Foreign Affairs, etc. in two Joint Commission Meetings between countries.

Diplomacy and government support worked,
and debt collection was made.

Turkmenistan (Cont. 5)

- Turkmenistani Fund accepted to repay the debts.
- The recovered amount of USD 6.5 m. was received by EGFI
- Total time for debt collection: 15 months

Zimbabwe

- Insurer: Export Guarantee Fund of Iran
- Type: Buyer's credit guarantee
- Cover percent: 100% of principal and interest
- Amount of insurance policy: Euro 15 million
- Policyholder & Beneficiary: Export Development Bank of Iran (EDBI) for extending buyer's credit
- Debtor: Commercial Bank of Zimbabwe
- Guarantor: Ministry of Finance and Economic Development of Zimbabwe
- Exports:
Three Iranian companies exporting: Tractors, combine harvester, & electrical equipments

Zimbabwe (Cont. 1)

- Euro 1.3 million was settled by debtor on due date
- Other installments to EDBI were in default
- So EGFI paid Euro 15 million to EDBI during some years (more than policy amount because of the interest amount of installments)
- EGFI could recover Euro 2.4 million
- The rest of the debt was rescheduled for 5 years in Iran & Zimbabwe Joint Commission Meeting by the support of both governments as well as EGFI's delegates' pursuance.



Thank you