



## DIVERSIFICATION TARGETS BY REGION

Region	Country
Africa	Egypt (CwA)
	Algeria
	Ethiopia (CwA)
	Benin (CwA)
	Congo, DR (CwA)
	Côte d'Ivoire (CwA)
	Ghana (CwA)
	Kenya
	Morocco (CwA)
	Rwanda (CwA)
	Senegal (CwA)
	South Africa
	Togo (CwA)
Tunisia (CwA)	

Europe	Albania
	Bosnia and Herzegovina
	Kosovo
	Montenegro
	North Macedonia
	Serbia
	Turkey

Caucasus/ Central Asia	Georgia
	Kazakhstan
	Uzbekistan

South/ Southeast Asia	India
	Indonesia
	Malaysia
	Philippines
	Thailand
	Vietnam

South America	Argentina
	Brazil
	Chile
	Colombia
	Peru

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Investment Guarantees: an instrument to promote foreign trade and investment provided by the



Federal Ministry  
for Economic Affairs  
and Climate Action

Commissioned to implement the federal funding instrument Investment Guarantees:



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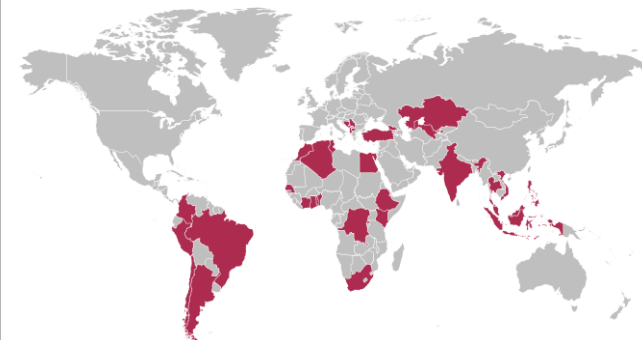
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## MARKET INFORMATION



## DIVERSIFICATION STRATEGY

INVESTMENT GUARANTEES OF THE  
FEDERAL REPUBLIC OF GERMANY

► Direct Investments Abroad



## PROMOTE DIVERSIFICATION

The Federal Government provides incentives for diversification of foreign trade relations and offers preferential conditions for the assumption of investment guarantees in selected countries (see list). The aim is to support German enterprises even more effectively in opening up new markets. The incentives are differentiated according to the respective OECD country risk category.

The following incentives apply to projects in the selected countries:

- Waiving of the application fee
- Reduced deductible in case of damage (2.5 % instead of 5 %)
- Annual guarantee premium reduced by 10 % (countries in OECD country risk category 1-5)

The benefits apply to a geographically balanced number of investment destinations that offer good conditions for German enterprises but have been less in the focus of business so far and play a minor role in the portfolio of investment guarantees. Against this background, countries were selected that particularly stood out as partners for German foreign trade, as transformation partners, as foreign policy partners in a rules-based global order or as emerging economic partners, taking into account economic and foreign policy criteria. A review of the incentives and target countries will take place after 5 years in autumn 2028.

## GUARANTEE REQUIREMENTS

The basic guarantee requirements continue to apply for the granting of cover, i.e. the country is generally open for cover, there is a reliable basis for legal protection, the project is eligible for cover according to the criteria of the investment guarantees and the justifiability of the risk for the granting of a guarantee is ensured.

In addition, the latest cover policy decision for the respective country must be taken into account. This can be found on the respective country page on the website [www.investitionsgarantien.de/en](http://www.investitionsgarantien.de/en). Due to the challenging economic and/or political situation in countries classified as OECD risk categories 6 and 7, guarantees may only be granted to a limited extent there, e.g. by limiting certain risks (e.g. conversion and transfer risks) or excluding them completely from the guarantee.

## INTERACTION OF THE CLIMATE STRATEGY AND THE DIVERSIFICATION STRATEGY

The diversification strategy goes hand in hand with the climate strategy for the federal guarantee instruments. A cumulation of incentives is possible, whereby the guarantee premium can be reduced up to 0.4 % p.a. This results in particularly attractive conditions for investments in renewable energies, transformation technologies and climate-friendly showcase projects in the countries benefiting from the diversification strategy.

## SPREAD RISK

As part of the diversification strategy, a moderate but targeted tightening of the cover conditions for countries where there is an excessive concentration of covered projects is also taking effect: In countries with a share of more than 20% of the total investment guarantee cover volume, the annual guarantee premium was increased from 0.50% to 0.55% of the covered investment volume (DIA Report No. 42).

Moreover, a hedging limit of a maximum of three billion euros per company and target country was introduced (so-called coverage ceiling), whereby the values of affiliated companies are added together (group consideration). Exceptions are only possible in certain, narrowly defined cases, provided there is a special strategic national interest. This hedging limit corresponds to about 10% of the current total cover volume of the investment guarantees. It is to be reviewed every three years and adjusted if necessary. By introducing the cover ceiling, risks are spread more widely. Existing guarantees above the cover ceiling will only be extended for a transitional period and under stricter conditions.