



## MEMORANDUM

**TO:** Multi-Buyer, Bank Letter of Credit and Repetitive Policy Holders,  
Insurance Brokers, Delegated Authority Lenders and City-State Partners

**FROM:** EXIM Office of Risk Management

**SUBJECT:** Country Limitation Schedule (CLS)

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**Cover Policy Changes:** A new CLS with the following cover policy changes is effective February 3, 2022:

**Cabo Verde:** Closed for long -term transactions in the public and private sectors.

**Eswatini:** Closed for long -term transactions in the public and private sectors.

**Kyrgyzstan:** Opened for long-term transactions in the public and private sectors.

**Lesotho:** Opened for long-term transactions in the public and private sectors.

**Madagascar:** Closed for long -term transactions in the public and private sectors.

**Maldives:** Closed for medium-term transactions in the public and private sectors.

**Solomon Islands:** Closed for medium- and long-term transactions in the public and private sectors.

**Suriname:** Closed for short-, medium-, and long-term transactions in the public sector and closed for short- and medium-term transactions in the private sector.



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**Note Changes:** Please also be advised that changes to Notes have been made with respect to the following countries:

<b>Cabo Verde:</b>	Added Note # 13
<b>Eswatini:</b>	Added Note # 1, 13
<b>Kyrgyzstan:</b>	Removed Note # 13
<b>Lesotho:</b>	Removed Note # 13
<b>Maldives:</b>	Added Notes # 11a/b
<b>Solomon Islands:</b>	Added Notes # 11a/b, 13
<b>Suriname:</b>	Removed Notes #3, 5

**CLS Text Change:** Notes #5, 13, and 14 have been amended and now read as follows:

# 5. EXIM cover/support for public sector transactions is typically limited to transactions which commit the full faith and credit of the government (a sovereign obligation or guarantee).

Under the Short-Term Multi-Buyer Insurance Program, a sovereign obligor or guarantor is not required for transactions qualified under Discretionary Credit Limit Authority, in accordance with policy requirements. Under Special Buyer Credit Limit applications and Short-Term Single Buyer policies (ESS, FB, FV), requirement of a sovereign obligor or guarantor will be evaluated on a case-by-case basis.

# 13. Where the CLS indicates support is not available, EXIM can still consider financing arrangements that eliminate or externalize country risks. Potentially acceptable transactions include structured transactions that earn revenues offshore in a country with no CLS restrictions and are held in a bank or trust account acceptable to EXIM; third-party support from creditworthy entities in countries with no CLS restriction; and asset-backed lease and financing structures involving equipment such as aircraft.

Discretionary Credit Limits under Multi-Buyer Insurance policies are withdrawn where the Country Limitation Schedule indicates support is unavailable for short-term private and/or public sector obligors. Potential transactions involving financing arrangements that eliminate or externalize country risk may only be considered under a Special Buyer Credit Limit application.



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In addition, coverage under the WCGP may be available for a transaction that is supported by an irrevocable Letter of Credit issued by a bank, and/or due from a Buyer, located in a country where EXIM is open without restrictions for short-term transactions.

# 14. For private sector transactions, EXIM will consider transactions with financial institutions or other entities that are able to provide detailed financial information sufficient to enable EXIM to reach a credit conclusion. Financial statements provided in support of the transaction should be audited by an affiliate of an international accounting firm and prepared in accordance with International Financial Reporting Standards (IFRS), and the statements should reflect historical material bank borrowings.

Under the Short-Term Multi-Buyer Insurance Program, a commercial bank obligor or guarantor is not required for transactions qualified under Discretionary Credit Limit Authority, in accordance with policy requirements. Under Special Buyer Credit Limit applications and Short-Term Single-Buyer policies (ESS, FB, FV) requirement of the commercial bank obligor or guarantor will be evaluated on a case-by-case basis.

A commercial bank obligor or guarantor is not required for transactions under short-term programs, including transactions qualified in accordance with policy requirements under Discretionary Credit Limits authorized under Multi-Buyer policies. Under Special Buyer Credit Limit applications and Short-Term Single Buyer policies (ESS, FB, FV), the need for a commercial bank obligor or guarantor will be evaluated on a case-by-case basis.

Coverage under the WCGP requires that the transaction be supported by an irrevocable Letter of Credit issued by a bank acceptable to EXIM. Exceptions may be made by EXIM for private sector transactions that are insured for political-only risk or comprehensive (political and commercial) risk.

For more information, please visit EXIM's Website at [www.exim.gov](http://www.exim.gov) or call 1-800-565-EXIM.