

# Press release: UKEF launches enhanced overseas investment insurance product to protect UK businesses investing abroad

The enhanced support comes as the Department for International Trade looks to encourage more UK companies to invest overseas, realising the opportunities presented by fast-growing developing economies around the world.

UKEF's overseas investment insurance provides UK companies investing abroad with protection against losses, primarily related to political or extraneous events. This new policy will widen the scope of the risks against which the government can insure these investors.

It has been designed to offer cover where there is a commercial demand but the private sector doesn't have the capacity, such as markets which may have complex legal or political contexts, or in which difficulties may arise over transferring local-currency earnings.

Secretary of State for International Trade Liam Fox said:

Overseas direct investment can be a vital way for UK businesses to grow their revenues and enter new markets, building a strong domestic economy as well as helping to share prosperity and build strong bilateral relationships around the world. As an international economic department, the Department for International Trade is supporting UK companies to fully realise the benefits of the global marketplace with this new overseas investment insurance product from UK Export Finance.

James Bamford, Chairman of the Lloyd's Market Association Political Risks, Credit and Financial Contingencies Business Panel, commented:

UKEF's overseas investment insurance is now a market-leading product and will greatly enhance the support the private sector can provide. Together, we can offer greater assurance to UK investors and help them fulfil their international ambitions by focusing on advantageous commercial opportunities rather than political complications.

1. [UK Export Finance](#) is the UK's export credit agency. UKEF provides loans, guarantees and insurance to help exporters win, fulfil and get paid for export contracts, and protect investments made overseas.

2. To be eligible for OII cover from UKEF, the customer must be based in the UK and seeking to invest in an enterprise outside the UK.
3. The policy premium, details and risks covered are decided on a case by case basis but may include:
  - war, civil war, revolution and insurrection in the host state
  - expropriation or nationalisation of the enterprise in which the investment is made (or of its property) contrary to international law
  - restrictions on remittances, including exchange controls, imposed by the host stateThe policy pays out up to 90% of the loss after a specified waiting period (typically 6 months).
4. You can find [details of UKEF's overseas investment insurance product here](#).
5. Sectors in which UKEF has provided financial support to UK companies include: aerospace, construction, oil and gas, mining and metals, petrochemicals, telecommunications, and transport.
6. UKEF has a regional network of [24 export finance advisers supporting export businesses](#).
7. UKEF supports exporters with a range of products that include:
  - Overseas investment insurance
  - Bond insurance policy
  - Bond support scheme
  - Buyer & supplier credit financing facility
  - Direct lending facility
  - Export insurance policy
  - Export refinancing facility
  - Export working capital scheme
  - Letter of credit guarantee scheme