



ECGC इंडीया

ECGC/ RMD-98/01

April 02, 2007

All Scheduled Commercial Banks,
(Excluding RBBs and LABs)

Dear Sirs,

Sub: "Risk Management System in Banks – Guidelines on Country Risk Management"

Please Refer to the RBI circular No. DBOB.BP.BC.71/21.04.103/2002-03 dated 19.02.2003 on the above subject. We are enclosing the updated Country Risk Classification as on 02.04.2007 for your kind information.

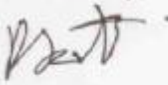
The same list is also available at our website www.ecgc.in through the address <https://www.ecgcindia.com/Portal/pdf/recentrisk.pdf>. You may like to copy and paste this link on your web browser, i.e. Internet Explorer, Netscape etc.

You are requested to provide us your e-mail address so that we can send you the same list electronically as well.

You may also contact us in this regard at rmd@ecgc.in or webmaster@ecgcindia.com.

Thanking you,

Yours faithfully,


loty

(R. Sathyanarayanan)
AGM (Risk Management Division)

Encl : As above.



भारतीय निर्यात ऋण
गारंटी निगम लिमिटेड
EXPORT CREDIT GUARANTEE
CORPORATION OF INDIA LTD.

(भारत सरकार का उद्यम)
[A Government of India Enterprise]
आप निर्यात का ध्यान केंद्रित करें, हम संकितों से जोखिम ढकेंगे
You focus on exports. We cover the risks.

ECGC Classification	Risk Category	Description
A1 (1/7)	Insignificant	Politically stable, broad-based, strong and well-developed economy with a diversified export portfolio, strong external payments position with no possibility of transfer delay whatsoever.
A2 (2/7)	Low	Politically stable, relatively strong and well-developed economy. Comparatively well-diversified export portfolio, moderately strong external payments situation that is unlikely to lead to transfer delays.
B1 (3/7)	Moderately Low	No pronounced political instability, relatively strong economy but either structurally imbalanced or with poor growth rates, comparatively not well-diversified export portfolio, rather weak external payments position which is however unlikely to lead to transfer delays.
B2 (4/7)	Moderate	Political instability (either present or imminent) and/or structurally imbalanced or with poor growth rates, and not well-diversified export portfolio which however is unlikely to lead to transfer delays. Should these occur they are resolved without refinancing or reschedulings
C1 (5/7)	Moderately High	Political instability and/or unstable economy characterised by severe structural imbalances and poor or negative growth rates and characterised by narrow export base and pronounced weak external payments position, which is likely to lead to transfer delays, Payment problems, including refinancing or reschedulings are likely. Full recovery on all debts is likely over the long term.
C2 (6/7)	High	Pronounced political instability and/or unstable economy characterised by very severe structural imbalances, poor or negative growth rates and weak and narrow export base and pronounced weak external payments position. Serious payment problems, including reschedulings and/or prolonged arrears are likely. Losses on some debts are likely over the short and medium term. Write-offs cannot be discounted.
D (7/7)	Very High	Acute and severe political instability, chronically unstable economy characterised by severe structural imbalances, very poor and/or negative growth rates, very weak and narrow export base, severe and chronic external payments problem including a record of repeated reschedulings and prolonged arrears are inevitable. Eventual forgiveness or effective repudiation likely. Severe losses on most debts are a possibility over the long term.

Country Risk Classification of Export Credit Guarantee Corporation of India Limited
as on 2nd April 2007



Countries in Open Cover

Note : The country mentioned in the brackets represent the parent country

Sr. No.	Country	Group
1	Albania	C1
2	Algeria	B1
3	American Samoa (US)	A1
4	Andorra	B2
5	Anguilla (UK)	A1
6	Antigua and Barbuda	B1
7	Argentina	B1
8	Aruba (The Netherlands)	A1
9	Australia	A1
10	Austria	A1
11	Azerbaijan	B1
12	Bahamas	B1
13	Bahrain	A2
14	Bangladesh	A2
15	Barbados	B1
16	Belarus	B1
17	Belgium	A1
18	Belize	C1
19	Benin	C1
20	Bermuda (UK)	A1
21	Bhutan	A2
22	Bolivia	B1
23	Bosnia & Herzegovina	B2

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Country Risk Classification of Export Credit Guarantee Corporation of India Limited
as on 2nd April 2007



Note : The country mentioned in the brackets represent the parent country

Sr. No.	Country	Group
24	Botswana	A2
25	Brazil	B1
26	British Pacific Islands (Pitcairn Islands) (UK)	A1
27	British Virgin Islands (UK)	A1
28	Brunei	B1
29	Bulgaria	B1
30	Burkina Faso	C1
31	Burundi	C1
32	Cambodia	C1
33	Cameroon	B2
34	Canada	A1
35	Canary Islands (Spain)	A1
36	Cayman Islands (UK)	A1
37	Central African Republic	D
38	Chad	C1
39	Channel Isles (UK)	A1
40	Chile	A2
41	China	A2
42	Christmas Island (Australia)	A1
43	Cocos (Keeling) Island (Australia)	A1
44	Colombia	A2
45	Comoros	C1
46	Congo Republic	C1
47	Cook Islands (New Zealand)	A1
48	Costa Rica	B1

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Sr. No.	Country	Group
49	Cote d'Ivoire	B2
50	Croatia	B1
51	Cyprus	B1
52	Czech Republic	A2
53	Democratic Republic of Congo	C2
54	Denmark	A1
55	Djibouti	C1
56	Dominica	C1
57	Dominican Republic	B2
58	Ecuador	C1
59	Egypt	B1
60	El Salvador	B2
61	Estonia	B1
62	Ethiopia	B2
63	Falkland Islands (UK)	A1
64	Faroe Islands (Denmark)	A1
65	Finland	A1
66	France	A1
67	French Guiana (France)	A1
68	French Polynesia (France)	A1
69	French South Atlantic Territories (France)	A1
70	Gabon	C1
71	Georgia	B2
72	Germany	A1
73	Ghana	B2

Country Risk Classification of Export Credit Guarantee Corporation of India Limited
as on 2nd April 2007



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Sr. No.	Country	Group
74	Gibraltar (UK)	A1
75	Greece	A2
76	Greenland	B2
77	Guadeloupe (France)	A1
78	Guam (US)	A1
79	Guatemala	B2
80	Guinea	C1
81	Guinea Bissau	B2
82	Haiti	B2
83	Heard Island and Mcdonald Islands (Australia)	A1
84	Hong Kong	A2
85	Hungary	A2
86	Iceland	B1
87	India	A1
88	Indonesia	B1
89	Iran	B1
90	Ireland	A1
91	Israel	A2
92	Italy	A1
93	Jamaica	B2
94	Japan	A1
95	Jordan	B1
96	Kazakhstan	A2
97	Kenya	B1
98	Kiribati	C2

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Country Risk Classification of Export Credit Guarantee Corporation of India Limited
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Note : The country mentioned in the brackets represent the parent country

Sr. No.	Country	Group
99	Kuwait	A2
100	Laos	C1
101	Latvia	B1
102	Lesotho	B2
103	Libya	A2
104	Liechtenstein	A1
105	Lithuania	B1
106	Luxembourg	A1
107	Macao (China)	A2
108	Madagascar	B2
109	Malawi	C1
110	Malaysia	A2
111	Maldives	A2
112	Mali	B2
113	Malta	B1
114	Marshall Islands	C1
115	Martinique (France)	A1
116	Mauritania	C1
117	Mauritius	A2
118	Mayotte (France)	A1
119	Mexico	A2
120	Micronesia	B2
121	Moldova	C1
122	Monaco	A2
123	Mongolia	C1

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Country Risk Classification of Export Credit Guarantee Corporation of India Limited
as on 2nd April 2007



Note : The country mentioned in the brackets represent the parent country

Sr. No.	Country	Group
124	Montenegro	C1
125	Montserrat (UK)	A1
126	Morocco	B1
127	Mozambique	C1
128	Myanmar	C2
129	Namibia	B1
130	Nauru	D
131	Nepal	A2
132	Netherland Antilles (The Netherlands)	A1
133	Netherlands	A1
134	New Caledonia (France)	A1
135	New Zealand	A1
136	Niger	C1
137	Nigeria	B1
138	NIUE Island	D
139	Norfolk Island (Australia)	A1
140	Northern Mariana Islands (US)	A1
141	Norway	A1
142	Oman	A2
143	Pakistan	A2
144	Palau	B2
145	Panama	B1
146	Papua New Guinea	B2
147	Paraguay	B1
148	Peru	B1

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**Country Risk Classification of Export Credit Guarantee Corporation of India Limited
as on 2nd April 2007**



Note : The country mentioned in the brackets represent the parent country

Sr. No.	Country	Group
149	Philippines	B1
150	Poland	A2
151	Portugal	A1
152	Puerto Rico (US)	A1
153	Qatar	A2
154	Reunion Islands	B1
155	Romania	B1
156	Russia	A2
157	Samoa	C1
158	San Marino (Italy)	A1
159	Sao Tome & Principe	C1
160	Saudi Arabia	A2
161	Senegal	B2
162	Serbia	C1
163	Singapore	A1
164	Slovakia	B1
165	Slovenia	B1
166	Solomon Islands	C1
167	South Africa	A2
168	South Korea	A1
169	Spain	A1
170	Sri Lanka	A2
171	St. Helena and Ascension (UK)	A1
172	St. Kitts (Christopher) and Nevis	C1
173	St. Lucia	C1

Signature

Country Risk Classification of Export Credit Guarantee Corporation of India Limited
as on 2nd April 2007



Note : The country mentioned in the brackets represent the parent country

Sr. No.	Country	Group
174	St. Pierre & Miquelon (France)	A1
175	St. Vincent and the Grenadines	C1
176	Sudan	C1
177	Suriname	C1
178	Swaziland	B2
179	Sweden	A1
180	Switzerland	A1
181	Syria	C1
182	Taiwan	A2
183	Tanzania	B1
184	Thailand	B1
185	Togo	C1
186	Tokealu (New Zealand)	A1
187	Tonga	C1
188	Trinidad and Tobago	A2
189	Tunisia	A2
190	Turkey	B1
191	Turks and Caicos Islands (UK)	A1
192	Tuvalu	C1
193	UAE	A2
194	Uganda	B2
195	UK	A1
196	Ukraine	B2
197	Uruguay	B1
198	United States of America	A1

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Country Risk Classification of Export Credit Guarantee Corporation of India Limited
as on 2nd April 2007



Note : The country mentioned in the brackets represent the parent country

Sr. No.	Country	Group
199	US Pacific Islands (US)	A1
200	US Virgin Islands (US)	A1
201	Vanuatu	C1
202	Vatican City	A1
203	Venezuela	B1
204	Vietnam	B1
205	Wallis and Futuna (France)	A1
206	Western Sahara	D
207	Yemen	B2
208	Zambia	B2
209	Zimbabwe	C1

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Country Risk Classification of Export Credit Guarantee Corporation of India Limited
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Countries in 'Restricted Cover - Group I' for which revolving limits
are approved normally valid for a year

Note : The country mentioned in the brackets represent the parent country

Sr. No.	Country	Group
1	Angola	C1
2	Armenia	B2
3	Cape Verde	C1
4	Equatorial Guinea	C1
5	Eritrea	C2
6	Gambia	C1
7	Grenada	C2
8	Guyana	C2
9	Honduras	C1
10	Kyrgyzstan	C1
11	Liberia	C2
12	Macedonia	C1
13	Nicaragua	C2
14	Palestine	D
15	Rwanda	B2
16	Seychelles	C1
17	Sierra Leone	C1
18	Tajikistan	C1
19	Turkmenistan	C1
20	Uzbekistan	B2

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Country Risk Classification of Export Credit Guarantee Corporation of India Limited
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Countries in 'Restricted Cover – Group II' where Specific Approval will be given on a case-to-case basis on merits

Note : The country mentioned in the brackets represent the parent country

Sr. No.	Country	Group
1	Afghanistan	D
2	Cuba	C2
3	Fiji	C1
4	Iraq	D
5	Lebanon	C1
6	North Korea	D
7	Somalia	C1
8	Timor – Leste (East Timor)	C2

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