



Federal Ministry  
for Economic Affairs  
and Climate Action

# Investment Guarantees Interim Report 2022

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# Interim Report 2022

## The first half at a glance

The new **cover volume** assumed in the first half-year of 2022 was 1.0 billion euros (capital and earnings), down on the same period of the preceding year (1.8 billion euros). In contrast, the number of guarantees accepted (first half-year 2022: 14; first half-year 2021: ten), increased. The reason for this divergence in the development of numbers and volumes is that the Federal Government on the one hand assumed more guarantees for **small and medium-sized enterprises** (first half-year 2022: 29%; first half-year 2021: 10%) while on the other hand only a few guarantees were given for major projects. Overall the development in 2022 reflects the fraught international environment for investment, only slowly recovering from the COVID-19 pandemic, as well as the effects of the continuing war in Ukraine.

The eleven projects which were covered under the 14 guarantees assumed are spread over eight **markets** (first half-year 2021: six).

71% of newly assumed cover was accounted for by Asia, making the continent – as in preceding years – the **regional focus** of covered investments in the first half-year. Asia similarly leads in terms of the number of applications approved with 43%, ahead of Central and South America with 36% and Europe with 21%. The PR China led the field among the markets in the first half-year 2022 by number of applications approved, followed by Argentina, Serbia, Taiwan and Guatemala, which all share second place. When the volume of applications approved is considered, the PR China also came in first.

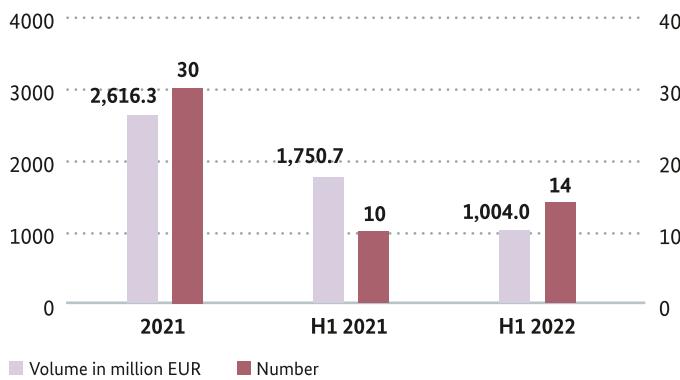


Some 42% of applicants (first half-year 2021: 25%) **received cover for the first time** in the first half-year 2022. These companies applied for cover to secure projects in, among other countries, Turkey and Serbia.

Although the number of **newly registered applications** in the first half-year 2022 rose steeply (32; first half-year 2021: 12), the volume of the newly registered applications, 1.1 billion euros, came in considerably lower than in the previous year (3.7 billion euros). This can probably be attributed to the fact that most applications were made by small and medium-sized enterprises. The regional focus here was on projects in Uzbekistan, followed by Turkey. The strongest demand in terms of the number of newly registered applications was for cover for investments in Taiwan as well as in Ukraine.

## Development of accepted applications

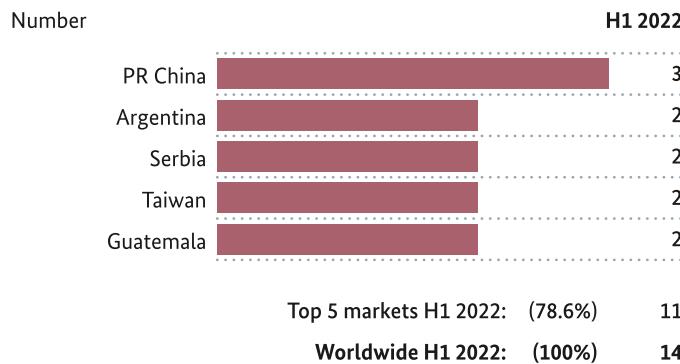
Volume and number



The total volume of **pending applications** as of mid-2022 stands at 11.2 billion euros (mid-2021: 11.5 billion euros). The largest single amounts here are for projects in the PR China (4.2 billion euros) and Russia (2.6 billion euros), which have been among the top 5 markets for years, followed by the United Arab Emirates (2.2 billion euros), Uzbekistan (0.3 billion euros) and Argentina (0.3 billion euros). In numbers of pending applications (229), projects in Russia and the PR China rank ahead of Ukraine, India and Iran. As a rule, pending applications are applications which were made now in order to observe the stipulated deadline and are successively being completed by the companies concerned.

## Top 5 markets

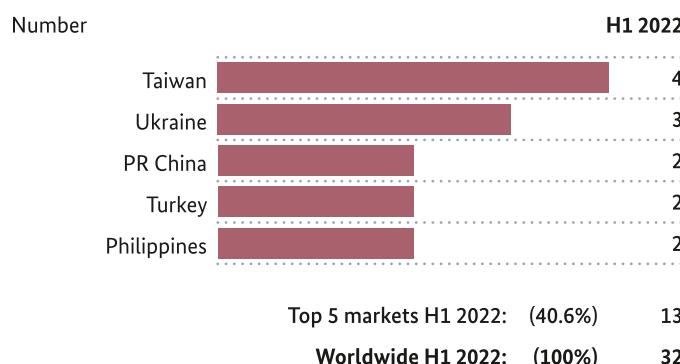
### Applications accepted



The number of **enquiries** (61) has decreased year-on-year (first half-year 2021: 80). Nevertheless, the share of enquiries submitted by small and medium-sized enterprises stayed at a high level (67%; first half-year 2021: 59%). This indicates in general that companies of all sizes continue to have a substantial need for risk protection, but that the practical implementation of new investments is evidently being delayed, particularly in the case of small and medium-sized enterprises.

## Top 5 markets

### Newly registered applications



## Applications accepted by sectors

in % and number

### Primary sector

7.1% = 1

Agriculture, forestry, water management

### Tertiary sector

14.3% = 2

Waste management

7.2% = 1

Other services

**H1 2022**

### Secondary sector

14.3% = 2

Automotive industry

14.3% = 2

Glass and ceramics industry

14.3% = 2

Construction industry

14.3% = 2

Leather and textile industry

7.1% = 1

Chemical and pharmaceutical industry

7.1% = 1

Mechanical engineering

14  
Applications

71.4% of the applications approved in the first half-year were accounted for by the industrial sector. The automotive industry as well as glass and ceramics were the leading **sectors** here (each with 14.3%). 21.4% of guarantees assumed went to services and thus the tertiary sector. Waste disposal, with 14.3%, was the leading sector here. 7.1% of applications went to agriculture, forestry and water management and thus to the primary sector.

The newly assumed guarantees support projects with an **investment volume** totalling 1.1 billion euros, which secure or create some 9,600 **jobs** in the markets. At the same time the covered projects also contribute to safeguarding jobs at production locations in Germany.

## Cover policy on individual markets

Due to the Russian invasion of Ukraine, the Federal Government suspended the assumption of investment guarantees for **Russia** and **Belarus** until further notice in February 2022. No further cover applications for investment guarantees in these countries will be processed. On top of this, an EU-wide ban on investment guarantees for Russia is in force. Already existing investment guarantees continue to secure German investments against political risks in Russia and Belarus.

As regards applications for investment cover for **Ukraine**, the Federal Government continues to monitor the fast-changing situation closely. It is and will remain their goal to provide optimal support for Ukraine politically and economically. Decisions on applications will be made on the basis of the individual risk situation on a case-by-case basis. Already existing investment guarantees continue to secure investors and financing banks against political risks in Ukraine.

In the first half-year of 2022, the Interministerial Committee (IMC) for Investment Guarantees decided on the assumption of guarantees for projects in connection with investments in **Taiwan**, granting full cover for the invested capital. Since no bilateral Investment Protection Treaty (BIT) exists between Germany and Taiwan, the guarantees were assumed on the basis of the country's domestic legal system.

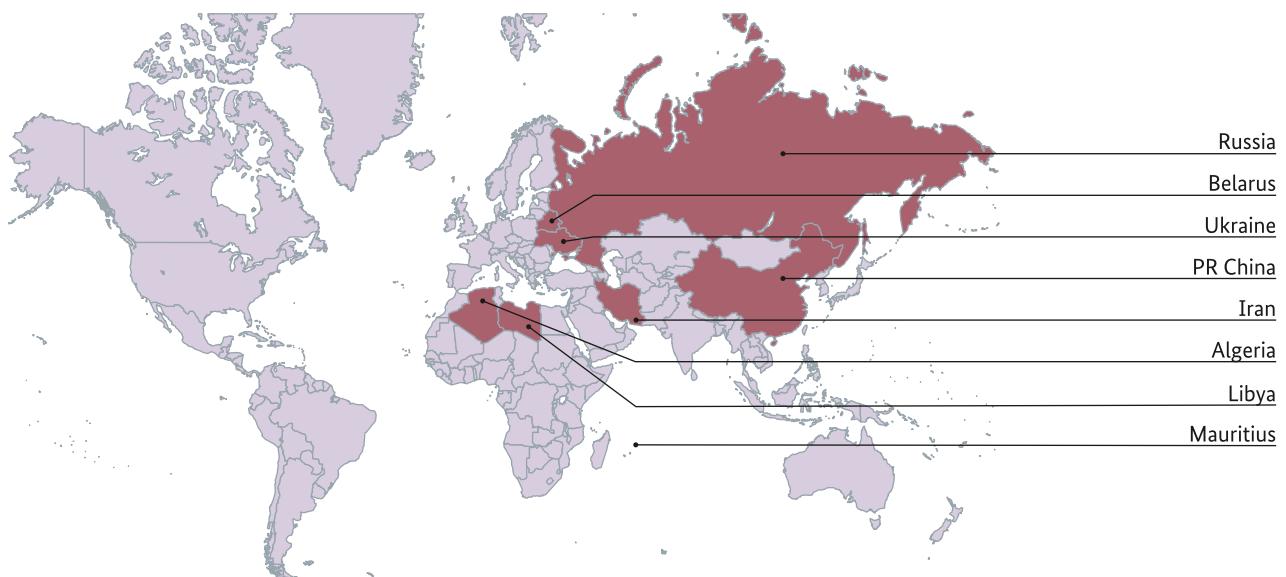
The Federal Government also assumed full capital cover for investments in **Serbia**, **Nicaragua** and **Guatemala**. The required conditions for legal protection are met under the BIT with the Federal Republic of Germany applying in each case.

## Crisis management and loss prevention

In the first half of 2022 the Federal Government again supported several covered investment projects in order to prevent the failure of the projects and the occurrence of events of loss. Against the background of the war in Ukraine, the main focus of such crisis management was covered projects in Ukraine, Russia and Belarus. In Algeria, Iran, Libya as well as in Mauritius, too, the Federal Government supported German investors. In a project in the PR China which has long been beset by problems it was also possible, thanks to intensive support from the Federal Government, to reach a conclusive solution which takes account in appropriate form of the German investor's economic interests.

No claims were paid out during the period under review.

### Active crisis management worldwide – focus countries in the first half of 2022



The map material used here is for illustrative purposes only. It does not contain an official statement of the Federal Republic of Germany.

## Result of the first half-year

The maximum liability of the Federal Government (exposure) from outstanding commitments at mid-year 2022 stands at 29.1 billion euros and thus remains at a high level (end of 2021: 28.7 billion euros). The number of guarantees in the portfolio has fallen to 587 (end of 2021: 592) due to the expiry of guarantees, cancellation or termination of guarantees for other reasons (for instance through the sale of shares in a project company).

The guarantee portfolio at the end of the first half-year comprised projects in 57 markets, whereby the composition of the top 10 markets in the guarantee portfolio remained unchanged in comparison to the previous year. With 48%, projects in Asia (principally in the PR China and India) continue to predominate in the portfolio. 31% of outstanding liabilities were for projects in (Eastern) Europe, here above all Russia and Turkey. Guarantees for projects in Central and South America came in third place with 14%. Projects in Africa accounted for 7% of the guarantee portfolio. In volume terms the PR China, with 11.3 billion euros of covered investments, was the country with the highest value; projects in Russia, with 7.3 billion euros,

### Top 10 markets

#### Guarantees and volume in guarantee portfolio

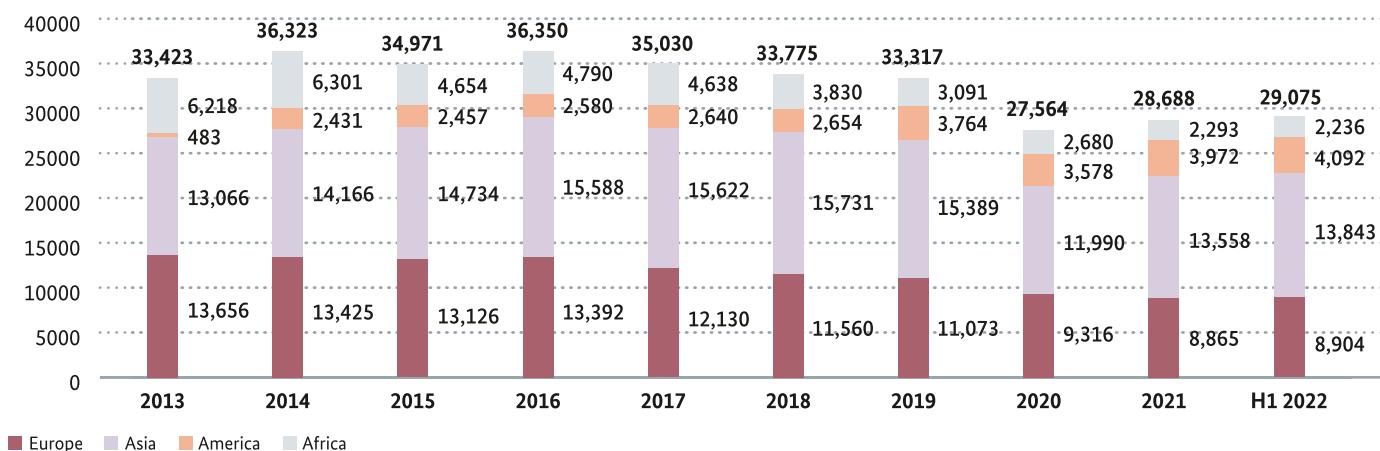
as at 30.06.2022

	Number	in billion EUR
PR China	154	11.3
Russia	108	7.3
Turkey	46	0.8
Belarus	26	0.2
India	24	1.0
Colombia	22	0.1
Ukraine	18	0.3
Iran	18	0.1
Vietnam	11	0.1
Brazil	10	0.1
Top 10 markets H1 2022:	437	21.3
Share of top 10 markets H1 2022:	(74.4%)	(73.2%)
Worldwide H1 2022: (100%)	587	29.1

■ Anzahl ■ Volumen

### Maximum liability (exposure) 10-years survey regional distribution

in million EUR



# Annex

## Investment Guarantees of the Federal Republic of Germany

Investment Guarantees have been an established and effective foreign trade promotion instrument of the Federal Government for decades. Investment Guarantees protect eligible German direct investments in developing markets and emerging economies against political risks. This promotion instrument plays an important role in fostering economic growth as well as in protecting and creating jobs both abroad and in Germany. The Federal Government commissioned PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC) to manage the federal funding instrument Investment Guarantees.

Information on other foreign trade promotion instruments of the Federal Government can be found at [www.bmwk.de/en](http://www.bmwk.de/en) under the heading Promotion of foreign trade and investment.

## Service

Further information as well as detailed consultation concerning the cover available may be obtained from PwC. General information on the investment guarantees of the Federal Republic of Germany is also available on the internet, e.g. the latest information in the DIA-Report, an informational video, the General Terms and Conditions, leaflets, a flyer as well as the annual and semi-annual report. We have created a special hotline for small and medium-sized enterprises. For details of this, please see our website ([www.investitionsgarantien.de/en](http://www.investitionsgarantien.de/en)).

## Notes

For reasons of calculation, tables and figures may show rounding differences of +/- 1 unit (EUR, % etc.).



[Contacts](#)  
[Investment Guarantees](#)

