Luxembourg welcomes the new draft Communication, which goes into the right direction. However, on a general basis, the Communication should reflect the real market situation and should create a level playing field among exporters. It should not disadvantage European exporters compared to non-European exporters. In addition the Communication should avoid excessive bureaucracy.

- § 9 the definition of “co-insurance”: the term co-insurance in § 24 does not correspond to the definition in § 9. We would appreciate a clarification on this.

- § 18 b) MS should be allowed to offer cover for small and medium-sized enterprises falling within the relevant EU definition with an annual export turnover of less than EUR 2 million or even EUR 5 million without prior notification, provided they apply the conditions set in section 4.3. and agree to an annual reporting.

  SMEs experience still difficulties to find credit insurance on the private market. This lack of availability or insufficiency of cover is caused by the low profitability reflecting an insufficient spread of foreign countries/buyers and lack of education and knowledge of the complexities of credit insurance among such companies entailing significant handholding and processing costs for the insurer.

- § 18 c) Luxembourg proposes that MS should be allowed to offer cover for single transactions with a risk period between 180 days and two years without prior notification, provided that they apply the conditions set in section 4.3. and agree to an annual reporting.

  There is currently sufficient capacity available in the private market with regard to the whole turnover policies (exception SMEs).

  In our experience however the private credit insurers have less appetite to cover a short-term single transaction to a specific buyer especially for risk period exceeding 180 days. (because of a longer commitment, the risk are less manageable). We also notice that often, the insurance, if any is available, does not cover all the level of risks (manufacturing risk, unfair calling of bonds).

- § 25 Luxembourg does not support the introduction of a compulsory administration fee as the premium should cover all costs.