

GOVERNMENT TO SUPPORT BUSINESSES THROUGH TRADE CREDIT INSURANCE GUARANTEE

Businesses with supply chains which rely on Trade Credit Insurance and who are experiencing difficulties maintaining cover due to Coronavirus will get support from the government, the Economic Secretary to the Treasury, John Glen has announced.

Trade Credit Insurance provides cover to hundreds of thousands of business to business transactions, particularly in non-service sectors, such as manufacturing and construction. It insures suppliers selling goods against the company they are selling to defaulting on payment, giving businesses the confidence to trade with one another, but due to Coronavirus and businesses struggling to pay bills, they risk having credit insurance withdrawn, or premiums increasing to unaffordable levels.

To prevent this from happening, the government will temporarily guarantee business-to-business transactions currently supported by Trade Credit Insurance, ensuring most of the insurance coverage will be maintained across the market. This will support supply chains and help businesses to trade with confidence as they can trust that they will be protected if a customer defaults on payment.

Full details: https://www.gov.uk/government/news/government-to-support-businesses-through-trade-credit-insurance-guarantee?utm_source=8b939942-aacd-4435-98c6-752bb665de60&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate