



UK Export
Finance

UK Export Finance

Competitive finance when you buy from the UK





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About UK Export Finance



Our mission

To ensure that no viable UK export fails for lack of finance or insurance from the private sector, while operating at no net cost to the taxpayer

- **World's first export credit agency** with over 100 years' experience
- **UK government department** working alongside the Department for International Trade, Her Majesty's Treasury and over 70 private lenders and credit insurers
- We help UK companies **win, fulfil and get paid for export contracts**
- We operate within the conditions set out under the **OECD Arrangement** on Officially Supported Export Credits

In 2022-23:



Provided £6.5bn
in support of export contracts



532 companies directly
supported



55,000 UK jobs supported



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Financing for UK exports

Long-term financing and guarantees

Local currency financing in 60+ countries,

including Australia, Hong Kong, India, Indonesia, Philippines, Singapore, Korea, Taiwan, Thailand, Vietnam

Market representatives
based in **Indonesia**,
Malaysia
and **Korea**

UKEF provides attractive financing terms for overseas buyers of UK goods and services can help exporters **make their offering more competitive.**

Financing provided either via a **bank guarantee**, where UKEF acts as a credit enhancer, or in limited circumstances via **direct lending** with additional capacity (£2bn) for clean growth projects



RENEWABLE
ENERGY



TRANSPORT
INFRASTRUCTURE



AIRPORTS



HEALTHCARE



AGRICULTURE



Market Appetite

Source: <https://www.gov.uk/guidance/country-cover-policy-and-indicators>

Country	Market risk appetite	Local currency financing
Australia	At least £4billion	Yes
Brunei	£2billion to £3billion	No
Cambodia	£1billion to £2billion	No
Fiji	£500million to £750million	Yes
Indonesia	At least £4billion	Yes
Japan	At least £4billion	Yes
Laos	Case by case	No
Malaysia	At least £4billion	Yes
Myanmar	No cover	No
New Zealand	At least £4billion	Yes
Papua New Guinea	£1billion to £2billion	No
Philippines	At least £4billion	Yes
Singapore	At least £4billion	Yes
South Korea	At least £4billion	Yes
Thailand	At least £4billion	Yes
Taiwan	At least £4billion	Yes
Vietnam	At least £4billion	Yes



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Our products

<u>Buyer Credit Guarantee:</u>	Provision of guarantees against bank loans to overseas buyers of UK exports for up to 85% of the contract value, enabling the buyer to pay on extended credit terms. Usually provided on a floating rate of interest determined by the bank.
<u>Standard Buyer Loan Guarantee:</u>	Simpler financing package, which guarantees bank lending to an overseas buyer. Typically used for contracts below £30m. Bank takes the documentation risk. Usually provided on a floating rate of interest.
<u>Direct Lending Facility:</u>	Provision of loans directly (working with a bank as an agent) to overseas buyers of UK exports for up to 85% of the contract value, enabling the buyer to pay on extended credit terms. Usually provided at the fixed <u>OECD Commercial Interest Reference Rate</u> . Additional £2bn allocation for <u>clean growth projects</u>

Support for max. 85% of contract value





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Clean growth: eligible projects



Sustainable water
and wastewater
management



Clean
transportation



Climate change
adaption



Renewable
energy



Green buildings

Terrestrial and aquatic
biodiversity
conservation



Eco-efficient and/or
circular economy
adaption

Energy efficiency

Environmentally
sustainable
management

Pollution
prevention and
control

*UKEF's definition of clean growth
follows the **Green Bond Principles**.
Find out more [here](#).*

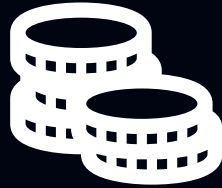
UKEF value proposition



**100%
unconditional
guarantee**



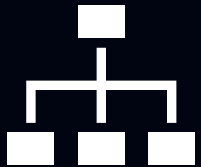
**Up to 22 years
repayment**



**60+ local
currencies**



**Global banking
relationships**



**Flexible
transaction
structures**



**Increased
support for
local costs**



**Min. 20% UK
content
goods, services &
intangibles**



**Supplier fair
matchmaking**





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UK content



Goods

Produced or processed and modified within the UK and eligible for a UK country of origin certificate



Services

Cost of any direct employees of UK applicants and of any personnel employed through sub-contracting arrangements with UK sub-contractors



Intangibles

Intangible assets originating in the UK where no Certificate of Origin is available

We can also work with foreign contractors with UK content in their supply chain



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Supplier fair model



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We organize one day
matchmaking events to
help **increase UK
content** in overseas
projects

DIT, trade
associations and
other key partners
help **identify and
invite** potential
suppliers

Buyer/EPC
contractor provides
project overview and
hosts **1-2-1 meetings**
with suppliers



ENKA





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UKEF premium

- UKEF premium is a one-off, upfront payment that can also be financed from the loan itself.
- Separate from interest charged on the loan and is based on:
 - Credit risk
 - Length of contract
 - Performance and repayment terms
- Premium calculator available for sovereign risk





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Case study: Monorail in Cairo

Product and value: Buyer Credit Facility – £1.7 billion

UK exporter: Alstom (previously Bombardier Transportation)

Project location: Egypt

Project sponsor: Egypt Ministry of Finance

Buyer: Egypt National Authority for Tunnels

Notable deal features:

- Consortium led by Alstom will build two new monorails, connecting the New Administrative City with East Cairo and 6th October City with Giza
- Directly supporting 100 UK jobs at the Alstom (previously Bombardier) Derby site, and many more in the supply chain
- UKEF's largest financing for an overseas infrastructure project
- UK content:
 - Rolling stock, engineering works, operation and maintenance





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Case study: Ankara-Izmir railway

Product: Buyer Credit Facility - €2.1 billion

Project location: Turkey

UK exporter: ERG International Group

- UKEF's **biggest ever** sustainable civil infrastructure deal
- 503km high speed electric railway connecting Izmir and Ankara, providing a faster, **lower-carbon alternative** to current transport
- Financing led by Credit Suisse and Standard Chartered Bank, with reinsurance provided by SACE, SERV and OeKB
- **UK content** expected to include railway lines, material and equipment for signaling, telecommunication and electrification systems, insurance and freight services



Case studies: Taiwan OSW

Formosa 2



376MW offshore windfarm in the Taiwan Strait, featuring 47 new turbines

£230m project finance support

UK content: installation and auxiliary services

Changfang and Xidao



600MW

£89m project finance support

UK content: cable laying and jacket supply

Greater Changhua



605MW

£200m project finance support

UK content: installation services, shipping materials and cable protection systems



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How to apply

Initial information needed:

- Project scope
- Name of borrower/guarantor
- Financing structure – sovereign/corporate/PF
- Planned UK content
- Value & currency of contract
- Potential major stakeholders
- Duration of borrowing
- Indicative financing plan





Thank you.

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