



BRITISH EXPORTERS ASSOCIATION

UK Export Finance

Supporting the National Export Challenge

October 2015

BExA's 6th Annual Benchmarking, incorporating ECGD 2014-15 results

BExA

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BExA would like to thank all contributors with special thanks, once again, to Jon Coleman (BAE Systems), Susan Ross (Aon) and Guillaume Simonnet (Euler Hermes).

		BExA's 2014 key recommendations	Out-turn
1	UKEF	Accessibility and cutting red tape	<i>Minimal progress</i>
2	UKEF	Supporting SMEs	<i>Improving levels of support to SMEs</i>
3	UKEF	Medium term finance	<i>Introduction of CIRR based Direct Lending Facility represents a big plus for UK exporters</i>
4	UKEF	Cooperation with private market	<i>Minimal progress</i>
5	UKEF	Resourcing	<i>Good progress: more regional advisers appointed; UKEF records 'assisted' exports</i>
6	UKTI	Charging and information	<i>Minimal progress</i>
7	UKTI	Trade shows and delegations	<i>No change</i>

I. Foreword

This is the sixth annual benchmarking of UK Export Finance (UKEF) undertaken by the British Exporters Association (BExA). The results of this year's review illustrate the significant improvements in UKEF's product range and support since 2010. Having lobbied for these changes, we are consequently delighted that our recommendations are now bearing fruit.

UKEF can rightly state that it is in the top tier of European Export Credit Agencies (ECAs). However, with the structural changes in the global economy, including a slowing of 'BRIC'¹ economies and lower global commodity prices, especially oil, affecting capital investment, UK exporters face an increasingly competitive international environment. Other ECAs, both OECD and non-OECD, are responding by enhancing and expanding their activities, although there is uncertainty around the future direction of US Ex-Im. BExA contends therefore that refinements are needed to UKEF's products, within the bounds of the OECD Arrangement, as follows:

UKEF medium term	<ul style="list-style-type: none">• Re-Introduction of CIRR² for bank-funded Buyer and Supplier Credits
UKEF medium term	<ul style="list-style-type: none">• Introduction of Commercial Interest Reference Rates (CIRR) i.e. fixed rate support under the Export Refinancing Facility
UKEF with DfID ³	<ul style="list-style-type: none">• Concessional finance support for overseas development programmes• Re-introduction of 'tied aid'
UKEF SME support	<ul style="list-style-type: none">• Funding working capital guarantees for SMEs
UKEF SME support	<ul style="list-style-type: none">• Foreign exchange support for SMEs including for tenders

UKEF is not the only Government Department with an interest in increasing the UK's exports. BExA recommends that intra-Government Department liaison and co-operation is overhauled in support of the National Export Challenge (NEC⁴) to provide a coherent approach coupled with clear 'signposting'.

BExA believes the UK should re-introduce 'tied aid' for developing markets. Within the OECD, the UK is alone with Ireland, Iceland and Norway in not linking a percentage of its tax-payer-funded development aid budget to national supply chains. Other OECD countries on average link circa 20% of aid budgets to 'tied aid'. With tied aid, DfID would continue to retain full control and ensure that the UK's international standards can be applied while maximising the opportunity for UK exporters to participate in aid projects and at the same time this would be consistent with the objectives of the NEC.

The value of UK manufactured goods exports has 'flat lined' over the last few years. Economic conditions in the EU have resulted in a reduced EU share of UK exports (55% in 2010 to 45% in 2014), however this compensated by an equal increase in exports to non-EU markets. By expanding UKEF's product range, and applying energy to Government Departments working together, our exporters could be provided with world class support.

The objectives of the NEC may be ambitious (£1 trillion of exports), but if Government and business work together there is reason to believe that they can be achieved during the 2020's.

Jon Coleman
Chairman

¹ Brazil, Russia, India and China

² Commercial Interest Reference Rate <http://www.oecd.org/tad/xcred/cirrs.pdf>

³ Department for International Development <https://www.gov.uk/government/organisations/department-for-international-development>

⁴ National Export Challenge announced November 2011 - <https://www.gov.uk/government/news/new-measures-announced-to-boost-british-business>

II. Actions

Support for SMEs

Having effective taxpayer-funded support for our vibrant and innovative UK SME sector is vital. Whereas large companies are courted by the financial services sector, it costs the same to arrange facilities for a small company as a large one, so where export volumes are low, small companies can be uneconomic. It has been calculated that the average cost for the financial services sector of onboarding a company taking into account all regulatory checks is between £40,000 and £75,000. Yet, just as for large companies, there is pressure for SMEs to grow and collect cash. As will be seen from our tables and graphs, UKEF has grown its SME supplier base to over 200 exporters. UKTI⁵ also supports around 50,000 SMEs with its practical help in preparing them to export and finding new customers. But to achieve another 100,000 SME exporters by 2020 per the NEC will require even more activity.

BExA recommends:

- Allocation of an element of UKEF's Direct Lending Facility (DLF), or introduction of a specific budget, to fund UKEF-guaranteed working capital facilities for SMEs;
- Foreign Exchange support for SMEs including tender to contract exchange risk cover;
- Widening the role of the Business Bank to cover SME bank market failure including trade finance;
- UKEF working with UKTI and DfID to give UK SMEs the widest opportunities for export.

UKEF Accessibility

SMEs need to concentrate on growing their business volumes safely. It should be the goal of Government agencies to provide support in a manner that generates maximum benefit to SMEs without leading them to be bogged down in detail. UKEF should:

1. Reduce duplications between the Proposal Form and the Policy
2. Develop a transactional website to improve turn-around times and re-introduce the premium calculator on the website
3. Devolve underwriting responsibility to client- and broker- facing teams and become less risk averse on SME exports
4. Implement the Small Business, Enterprise and Employment Act provisions to the maximum extent.
5. Align UKEF short term cover to the private market:
 - a. Introduce clear and concise EXIP wording: obtain a Plain English Crystal Mark;
 - b. Permit non-material changes to contract scope
 - c. Enable UKEF to work with the private market on both a co-insurance and re-insurance basis.

UKEF Resourcing

UKEF is unusual for a Government Department in being a net contributor to the Exchequer and should be considered very differently by HM Treasury in relation to staffing. UKEF has, over recent years, seen the retirement of experienced personnel. To sustain the growth of the organisation and move it towards being more accessible, BExA recommends that UKEF:

- Develops a succession and recruitment plan
- Increases resources in light of the SBEEA
- Enhances the marketing of UKEF products and services through UKTI regional offices.

⁵ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/443633/UKTI-Annual-Report-Accounts-2014-2015-Web-Version.pdf

Medium Term Products

Commercial Interest Reference Rate (CIRR) and OECD Arrangements

BExA proposes some refinements of UKEF products to improve take-up:

1. The Direct Lending Facility (DLF), which, since 2014, includes finance at the Commercial Interest Reference Rate (CIRR) is now a valuable support for capital goods exports. The UK based international export finance banks have capacity and appetite to fund buyer and supplier credits without the requirement for the UK taxpayer to fund the lending. The re-introduction of CIRR support for bank funded buyer and supplier credits, in addition to the DLF, would ensure that UKEF can provide the full range of capital goods finance support on a par with other leading European and OECD ECAs – notably Coface, EKN, EDC and, when reactivated, US EXIM.
2. The Export Refinancing Facility (ERF), a capital markets based product, has the potential to free-up capacity for export finance banks to provide more Buyer and Supplier Credit facilities. BExA believes that the ERF would become more usable if it was arranged using the prevailing CIRR at the time of re-financing.
3. The OECD Arrangements (see Appendix F) are a necessary part of creating a level playing field amongst ECAs, but these Arrangements do not apply to agriculture and defence sector exports. UKEF should follow a number of other ECAs and operate prudently but freely in support of these sectors.

Whole Government support for exporters

Foreign & Commonwealth Office, UK Trade and Investment, Department for International Development

BExA has long suggested a central strategy for export support across all relevant departments would have greater impact. The Coalition Government brought in increased vigor to the commercial sections of overseas Embassies and Consulates, and at UKEF, Export Finance Advisors were placed in two dozen UKTI regional offices.

UKTI

As recommended in our earlier reports, BExA maintains that UKEF and UKTI should dovetail their support for trade missions and in Marketing Reports⁶: UKTI should identify potential customers and at the same time source a 'credit limit' from UKEF. UKTI should introduce a prospect insurance product akin to the French model for SME exporters, which would provide a true UKTI performance metric. UKEF can in turn work with the active commercial credit insurance market to supply credit recommendations, and outsource credit risk protection (credit insurance) provision where it is available, so the exporter can be protected against the risk of non-payment and approach a bank, where needed, to seek invoice finance pricing. This would enable an exporter to afford to approach a target customer with a full package of both product details plus the most competitive commercial terms of sale.

DfID

DfID, is showing an increasing awareness of its role and responsibilities in supporting overseas projects. BExA asks that DfID:

- Becomes active in alerting UK companies to its overseas projects;
- Works with UKEF to use part of its facility to support concessional finance;
- Allocates a portion of aid to be tied to UK suppliers, in common with the majority of other OECD countries – see Appendix B.

⁶ <https://www.gov.uk/guidance/overseas-market-introduction-service>

III. UKEF benchmarking

A. UKEF product mix analysis

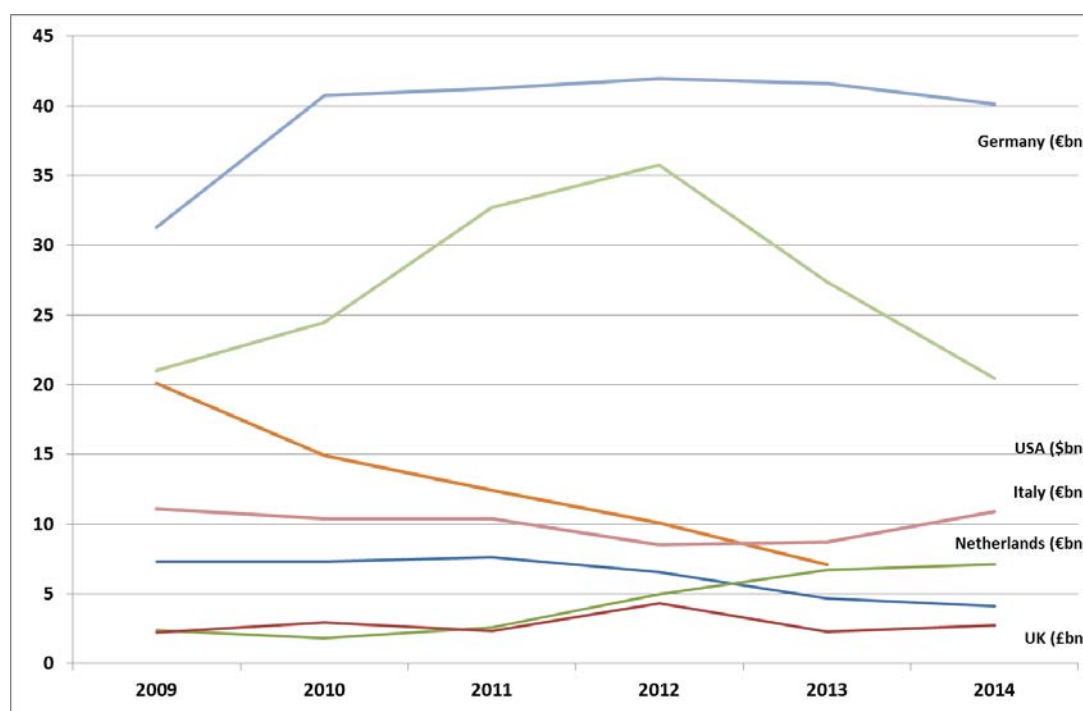
Table 1: UKEF's product range evolution since BExA's 1st Benchmarking paper

Products	Short-term insurance	Export credit schemes	Fixed rate financing (CIRR)	Foreign exchange risk cover	Direct lending	Investment insurance	Bond support scheme	Unfair calling insurance	Letter of credit guarantee scheme	Working capital facility	Score (out of 10)	
											UKEF	EU ECAs' average
July 2010	✗	✓	✓	✗	✗	✓	✗	✓	✓	✗	5	7.00
October 2011	✓	✓	✗	✗	✗	✓	✓	✓	✓	✓	7	7.25
September 2012	✓	✓	✗	✗	✗	✓	✓	✓	✓	✓	7	7.79
October 2013	✓	✓	✗	✗	✓	✓	✓	✓	✓	✓	8	7.88
October 2014	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	9	7.92

The gap in product range of tender-to-contract exchange risk cover is more relevant to UK exporters than for those in the Eurozone, although US dollar fluctuation will affect both sterling- and euro-denominated bids.

B. How did UKEF do in the last 12 months?

Graph 1: Comparison of selected ECAs' business volumes since 2008

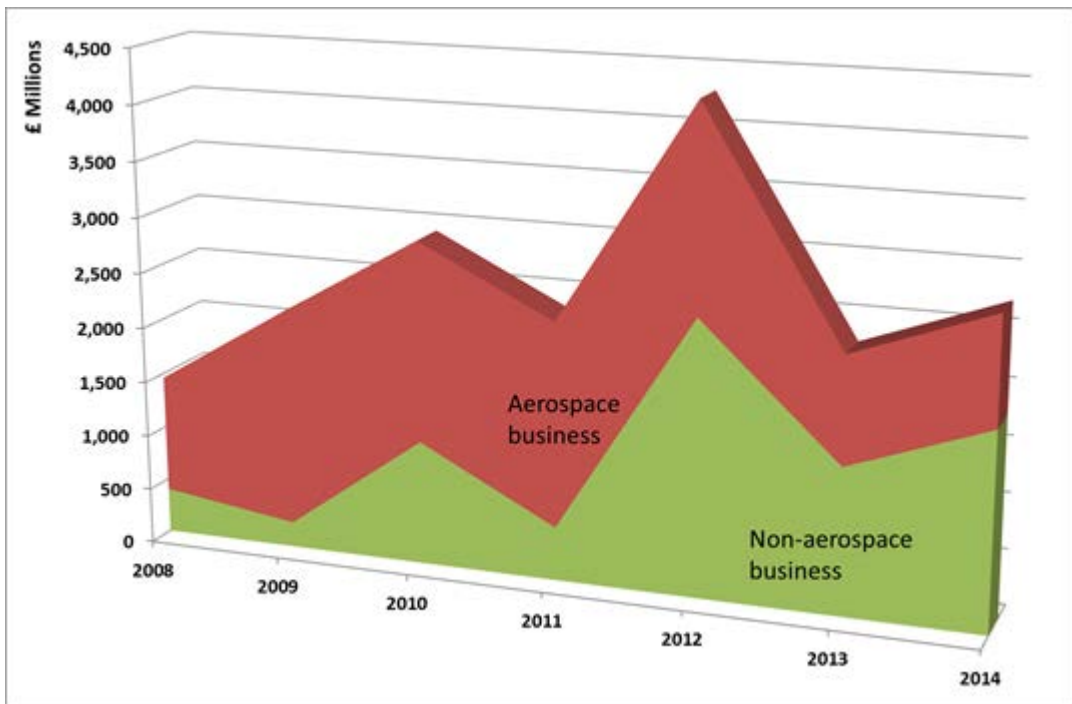


UKEF's support of exports shows steady progress. This is broadly in line with European Export Credit Agencies. By contrast, the USA shows a continued fall in volumes. The well-flagged lapse in US Ex-Im's authority actually occurred in July 2015⁷, but activity had slowed over the previous two years.

⁷ <http://www.exim.gov/authority-has-lapsed/>

C. Sectors supported

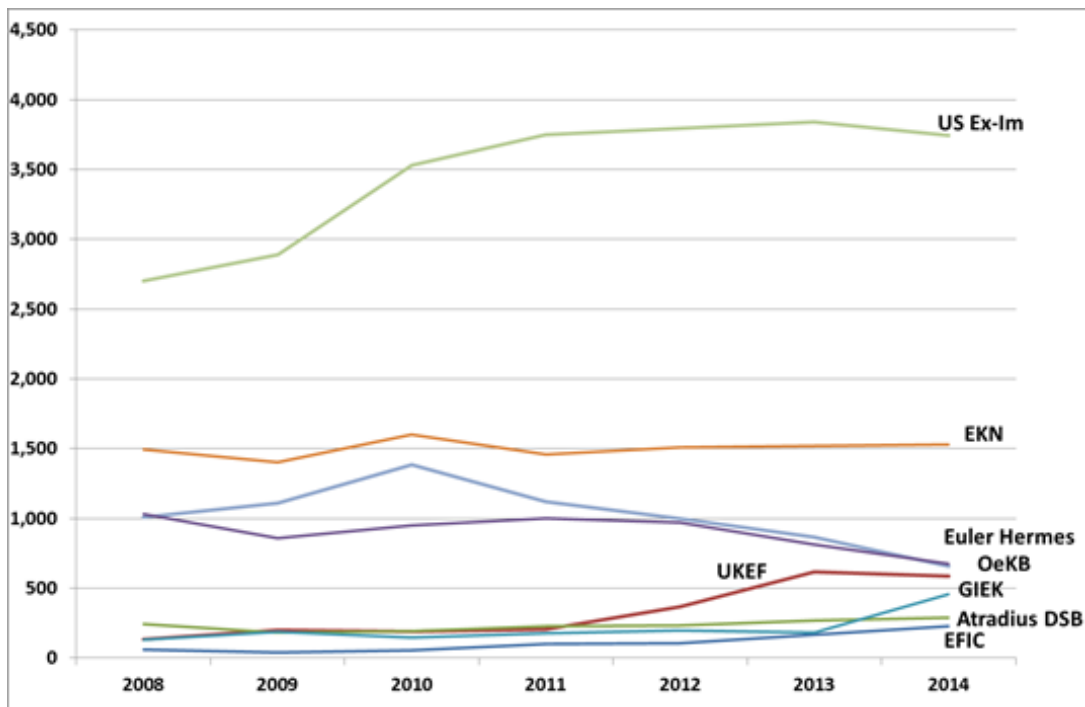
Graph 2: UKEF's business volume related to aerospace sector vs other sectors



While aerospace support is relatively constant, it is pleasing to see the growth in support for other sectors.

D. Activity

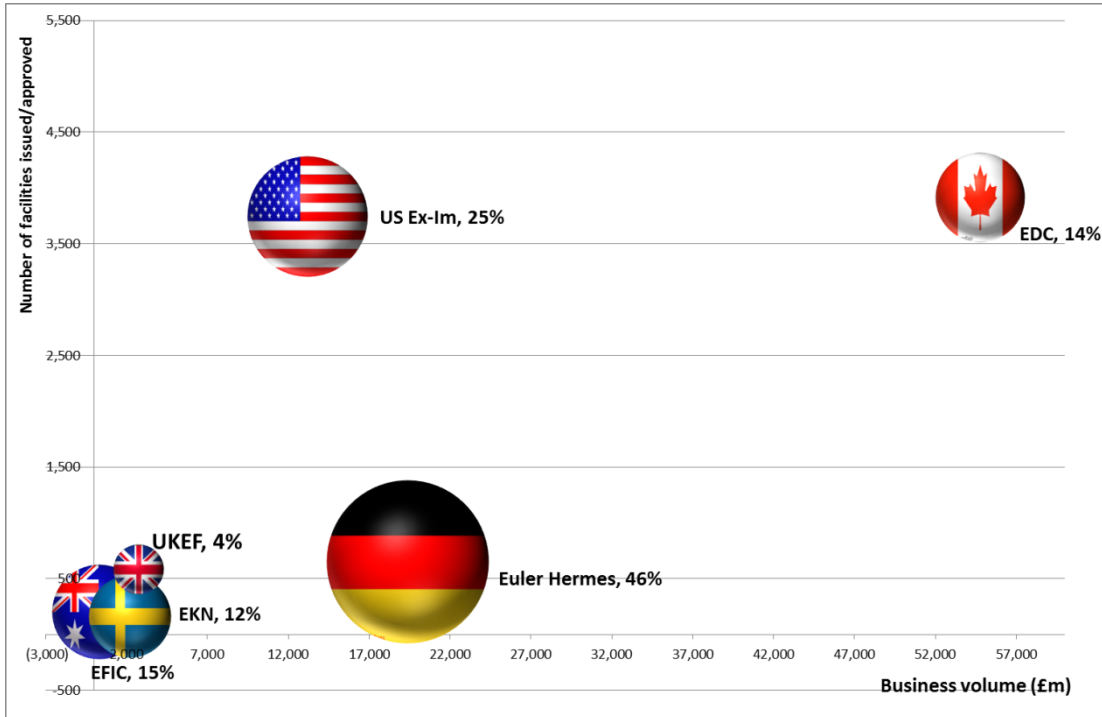
Graph 3: Number of issued guarantees/policies since 2008



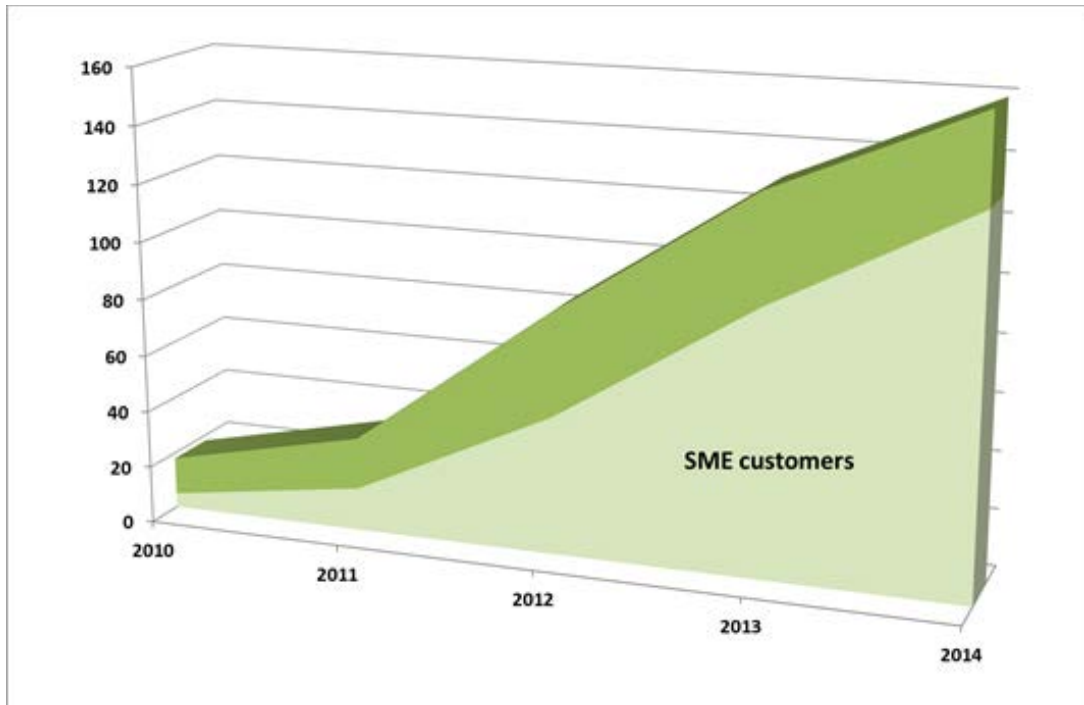
UKEF's wider product range is gradually leading to an increase in the number of facilities issued.

E. Engagement with SMEs and MSBs

Graph 4: Total business volume compared with the number of facilities issued/approved (size of the bubble shows support given to SMEs compared to overall support)



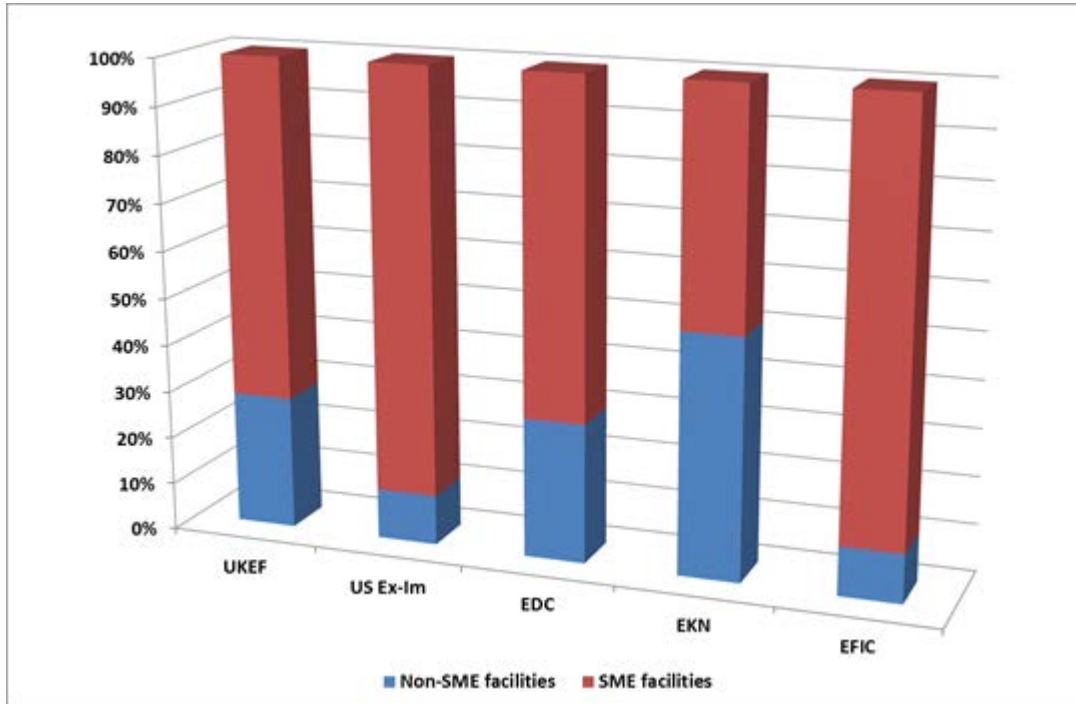
F. Total number of companies supported, proportion of which are SMEs



The proportion of UKEF support for SME support has doubled to 4% by comparison with 2013 while EKN trebled to 12%. US Ex-Im support tailed off (running up to its lapse in authority) and other ECAs are relatively constant.

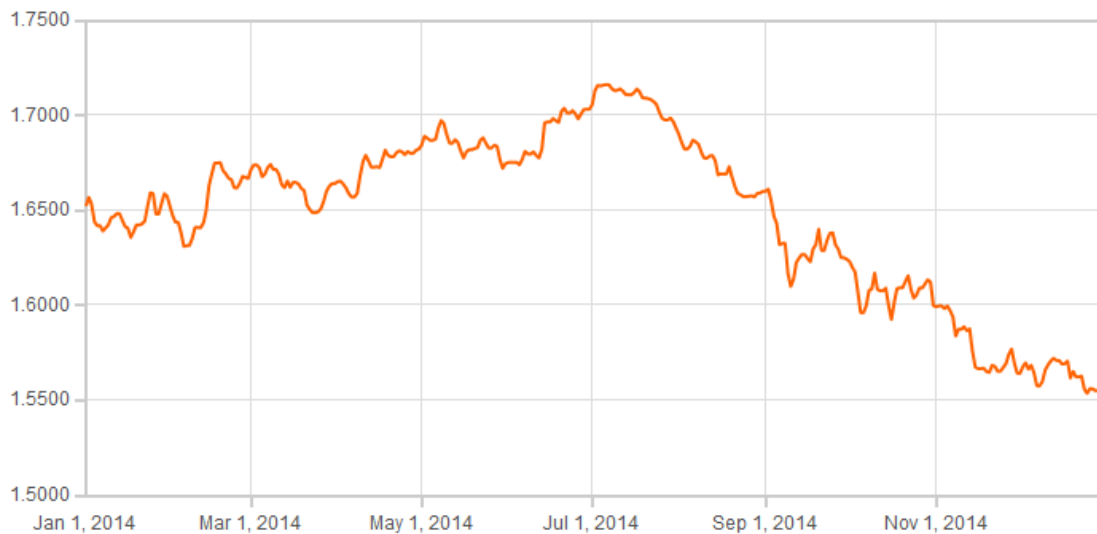
During 2014, UKEF also recorded 66 'Private Market Assists' where UKEF helped a commercial placement for an exporter.

G. Facilities provided to SMEs during 2014



Although the number of facilities is still a low level, the proportion provided to SMEs is pleasing.

H. Currency fluctuation during 2014 sterling: dollar exchange rate⁸



SMEs are particularly susceptible to Tender to Contract Exchange Rate Risk (TTC): they tend not to have treasury functions that can plan purchases in foreign exchange to match, or the negotiating power to insist on a clause to fix exchange rates at time of winning a contract (when currency receipts can be sold forward). A bid made in dollars on 6 February 2014 at an exchange rate of £1=\$1.631 would have lost 4% if contract award was 6th May when the exchange rate was £1=\$1.697.

⁸ <http://www.xe.com/currencycharts/?from=GBP&to=USD&view=2Y>

IV. 2015 Developments

BExA's benchmarking for 2014 would not be complete without mentioning 2015 activity:

- **US Ex-Im**'s activities have been on stop since July⁹. The reality of this is that multinationals change their production strategy to be able to access export support, an example being GE's investment in its UK industrial base¹⁰, announcing 28.9.15 that it will create 1,000 jobs in Scotland as a direct result of US Ex-Im's cessation.
- French state finance house **BPI** has taken over the financing of French exports¹¹
- Customer Due Diligence for **SME finance**¹² continues to be extensive and expensive
- **New Acts of Parliament**
 - **Small Business Economic Empowerment Act (SBEEA) 2015** will allow UKEF to support 'export' including the supply chain for export, and provide facilities that are not contract specific, which has the potential to allow support for finance for the build/manufacture phase of an export, as well as for foreign exchange.
 - **Insurance Act 2016** will impact on the structure of insurance policies issued from 12 August 2016 and this will require change to the UKEF Export Insurance Policy.

2015 Insurance Law

The updating of UK Insurance Law takes place for policies incepting after 12 August 2016. Amongst other things, the treatment of policy conditions known as 'warranties' has been brought in line with modern commerce. For example, clarity on the duty of disclosure and proportionate remedies for non-disclosure will be needed in UKEF's wordings¹³. At present, UKEF's EXIP warranty clauses amount to some 600 words. This is quite extensive by comparison with similar clauses in the London Market which are intentionally simpler in order to have impact – see inserted text.

Sample Warranty from recent London Market commercial and political risk placement (166 words):

- 1 The Insured warrants that it will retain for its own account, without recourse to any party the Uninsured Percentage under the Insured Contract.
- 2 The Insured warrants that, to the best of its knowledge, after reasonable due care, there is no circumstance, material to the Insured Contract, existing at the inception of the Policy Period which could give rise to a Loss hereunder and that all Information provided to the Underwriters by the Insured is true and correct in all material respects and that no material information has been withheld.
- 3 The Insured warrants that it has established and will continue to do all things reasonably practicable to maintain throughout the Policy Period, a legally enforceable obligation in the Obligor's Country.
- 4 The Insured warrants that at the time of inception of risk hereunder, it has obtained due authority and licenses (if so required) to perform the Insured Contract in all material respects under laws and regulations of the Obligor's Country and the Insured's Country.

⁹ <http://www.exim.gov/authority-has-lapsed/>

¹⁰ <http://www.thetimes.co.uk/tto/business/industries/engineering/article4567092.ece>

¹¹ <http://www.coface.fr/A-propos-de-Coface/Coface-en-France/Nos-partenaires/BPIFrance>

¹² BIS 2012 report quotes from a 2009 BIS document (no longer accessible) for equity investments, 'typical due diligence costs are generally between £20,000- £50,000' https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/32263/12-539-sme-access-external-finance.pdf

¹³ http://www.cms-lawnow.com/ealerts/2015/08/insurance-count-down-to-the-insurance-act?cc_lang=en&cc_as=6525F50F0617434E84FD31EAED7CF65C

V. Appendices

A. Glossary

DLF	Direct Lending Facility (for medium term credits)
ECA	Export Credit Agency
ECGD	Export Credits Guarantee Department (now called UKEF)
EFA	Export Finance Advisor
ERF	Export Refinancing Facility (for medium term credits)
EWCS	Export Working Capital Support
EXIP	Export Insurance Policy
FREF	Fixed (interest) Rate Export Finance for ECA supported medium term credits
HMT	Her Majesty's Treasury
HVO	High Value Opportunity
LCGS	Letter of Credit Guarantee Scheme
MSB	Medium-Sized Business
OECD	Organisation for Economic Cooperation and Development
OII	Overseas Investment Insurance
OMIS	Overseas Market Introduction Service
SCF	Supplier Credit Facility
SME	Small and Medium-sized Enterprise
SBEEA	Small Business Enterprise & Employment Act
TAP	Trade Show Access Programme
TTC	Tender to Contract (exchange risk) cover
UKEF	UK Export Finance
UKTI	UK Trade and Investment
Small Company Exception	Under the EC's Short term Communication ¹⁴ for export credit insurance 19.12.2012, ECAs can apply to the EC to provide export credit insurance for 'marketable' destinations for SMEs whose export turnover is less than €2m p.a.

¹⁴[http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52012XC1219\(01\)&from=EN](http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52012XC1219(01)&from=EN) -

B. Overseas Aid: bilateral commitments

Tying Status of Overseas Development Agencies by Individual Development Assistance Committee Member countries, 2013 ¹⁵					
Bilateral commitments (excluding administrative costs and in-donor refugee costs) USD					
<i>All figures in \$m</i>	Untied	Partially untied	Tied	Not reported	Total
Australia	3,541.7	-	-	27.4	3,569.1
Austria	250.6	-	316.4	-	567.1
Belgium	1,139.2	-	22.2	-	1,161.3
Canada	2,757.6	-	211.4	-	2,969.0
Czech Republic	17.6	0.1	26.1	-	43.8
Denmark	1,858.4	-	63.1	-	1,921.5
Finland	588.2	-	94.1	75.9	758.3
France	7,220.3	-	700.2	60.1	7,980.6
Germany	10,720.0	-	2,665.0	-	13,385.0
Greece	0.4	-	13.7	1.1	15.2
Iceland	26.9	-	-	-	26.9
Ireland	506.3	-	-	-	506.3
Italy	414.5	-	59.1	0.2	473.7
Japan	16,873.0	112.5	1,872.3	2,183.1	21,040.9
Korea	1,176.8	7.8	984.1	0.3	2,169.0
Luxembourg	271.3	-	4.7	3.6	279.6
Netherlands	2,600.1	38.4	51.0	-	2,689.5
New Zealand	267.5	0.6	35.8	-	304.0
Norway	4,057.9	-	-	-	4,057.9
Poland	138.1	-	-	1.4	139.5
Portugal	91.5	-	213.3	-	304.7
Slovak Republic	1.7	0.3	4.0	4.9	10.9
Slovenia	13.9	13.9
Spain	670.7	0.2	117.7	-	788.5
Sweden	2,779.8	10.0	167.6	-	2,957.4
Switzerland	2,830.7	-	151.0	9.8	2,991.5
United Kingdom	6,062.1	-	-	-	6,062.1
United States	18,626.5	-	6,909.5	-	25,536.0
Total	85,489.2	169.9	14,682.2	2,381.7	102,723.0

¹⁵ <http://www.oecd.org/dac/stats/statisticsonresourceflowstodevelopingcountries.htm> table 24

C. ECA product ranges

Countries	ECAs/Other government agencies	OECD member	Short-term insurance	Medium/Long-term export credit schemes	Fixed rate financing (CIRR)	Foreign exchange fluctuation cover	Direct lending	Investment insurance	Bond support scheme/issuance	Unfair calling insurance	Letter of credit guarantee scheme	Working capital facility
United Kingdom	UKEF	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
Australia	EFIC	Yes	✗	✓	✓	✗	✓	✓	✓	✓	✓	✓
Austria	OeKB/OeEB/Exportfonds	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✗
Belgium	ONDD	Yes	✓	✓	✓	✗	✗	✓	✓	✓	✗	✓
Brazil	SBCE/BNDES	No	✓	✓	✓	?	✓	?	✗	?	?	✓
Bulgaria	BAEZ	No	✓	✓	?	?	✗	✓	?	✓	✓	✓
Canada	EDC	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
China	Sinosure/China Eximbank	No	✓	✓	✗	✗	✓	✓	✓	✗	✓	✓
Croatia	HBOR	No	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
Czech Republic	EGAP/CEB	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
Denmark	EKF	Yes	✓	✓	✗	✗	✓	✓	✗	✓	✓	✓
Finland	Finnvera/FEC	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
France	Coface/BPI	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Germany	Euler Hermes/KfW	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
Greece	ECIO	Yes	✓	✓	✗	✓	✗	✓	✗	✗	✗	✗
Hungary	MEHIB/Eximbank	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
India	ECGC/Exim Bank	No	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Italy	SACE/SIMEST/CDP	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
Japan	NEXI/JBIC	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
Luxembourg	ODI/SNCI	Yes	✓	✓	✓	✗	✓	✓	✗	✓	✗	✓
Malaysia	Exim Bank	No	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
Mexico	Bancomext	Yes	✓	✓	✗	✓	✓	✗	✓	?	?	✓
Netherlands	Atradius	Yes	✓	✓	✗	✓	✗	✓	✓	✓	✓	✓
New Zealand	NZECO	Yes	✓	✓	✗	✗	✗	✗	✓	✓	✓	✓
Norway	GIEK/ECN	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
Poland	KUKE/BGK	Yes	✓	✓	✓	✗	✗	✓	✓	?	✓	✗
Portugal	COSEC	Yes	✓	✓	✗	✗	✗	✓	✓	✗	✗	✓
Romania	EximBank	No	✓	✓	✓	✗	✓	✓	✓	✗	✓	✓
Russia	EXIAR	No	✓	✓	✗	✗	✓	?	✓	?	✓	✗
Slovakia	Eximbanka SR	Yes	✓	✓	✗	✗	✓	✓	✓	✓	✓	✓
Slovenia	SID Bank	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
South Africa	ECIC SA	No	✓	✓	✓	✓	✗	✓	✓	✓	✗	✓
South Korea	K-sure/KEXIM	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓
Spain	CESCE/ICO	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
Sweden	EKN/SEK/ALMI	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
Switzerland	SERV	Yes	✓	✓	✗	✗	✓	✗	✓	✓	✓	✓
Taiwan	Eximbank	No	✓	✓	✗	✗	✓	✓	✓	?	✓	✓
Thailand	Eximbank	No	✓	✓	✗	✗	✓	✓	✓	?	✓	✓
Turkey	Eximbank	Yes	✓	✓	✗	✗	✓	✗	✓	✓	✗	✓
USA	Ex-Im/OPIC	Yes	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
<i>Total countries providing this product</i>			39	40	25	8	32	34	35	30	31	36

Methodology

BExA sourced data from ECA websites, supplemented by some direct contact. Where an ECA relies on another government department or institution to provide a product, e.g. direct lending, BExA took this into account. A 'point' was allocated for each of 10 key products or services. Where it was not certain if a particular product or service was offered, BExA did not give a point.

D. ECA business volumes since 2009

Country	Export Credit Agency/Other government agencies, banks etc	2009	2010	2011	2012	2013	2014	Unit	Currency
UK	UKEF	2,206.0	2,924.0	2,318.0	4,295.0	2,272.0	2,730.0	m	GBP
Argentina	BICE	635.7	786.5	1,069.2	1,377.8	1,415.9	n.a.	m	USD
Australia	EFIC	576.5	971.3	593.1	1,003.5	513.8	576.6	m	AUD
Austria	OeKB	8,230.0	6,294.0	12,504.0	10,567.0	8,482.0	10,585.0	m	EUR
Belgium	ONDD	9,470.9	7,411.0	7,303.0	7,612.0	6,860.0	13,964.0	m	EUR
Brazil	BNDES	137,400.0	168,400.0	139,700.0	156,000.0	190,400.0	183,800.0	m	BRL
Bulgaria	BAEZ	354.4	443.3	533.3	505.4	430.8	510.8	m	BGN
Canada	EDC	83,397.0	84,821.0	102,544.0	87,490.0	95,442.0	98,923.0	m	CAD
China	Sinosure/Eximbank	119,853.00	201,814.00	257,419.00	356,932.30	402,143.20	454,313.70	m	USD
Croatia	HBOR	2,500.0	2,150.0	1,700.0	2,560.0	6,520.0	4,600.0	m	HRK
Czech Republic	EGAP/CEB	86,926.0	110,956.0	78,828.0	98,300.0	71,957.0	57,282.0	m	CZK
Denmark	EKF	13,700.0	12,662.0	23,149.0	29,431.0	32,700.0	n.a.	m	DKK
Estonia	KredEx	n.a.	121.4	258.0	280.0	n.a.	n.a.	m	EUR
Finland	Finnvera	3,759.8	2,642.4	3,158.7	2,414.2	2,737.8	4,004.0	m	EUR
France	Coface	20,100.0	14,900.0	12,400.0	10,100.0	7,100.0	n.a.	m	EUR
Germany	Euler Hermes/KfW IPEX Bank	31,279.6	40,762.5	41,233.6	41,957.1	41,589.6	40,150.8	m	EUR
Hungary	MEHIB	79,741.5	106,004.3	121,201.0	131,787.2	n.a.	n.a.	m	HUF
	Eximbank	200,263.0	177,023.0	191,715.0	291,200.0	n.a.	n.a.	m	HUF
India	ECGC/Eximbank	682,057.5	756,033.3	921,407.3	704,356.1	718,074.5	778,964.3	m	Crores
Italy	SACE	11,100.0	10,400.0	10,400.0	8,500.0	8,700.0	10,900.0	m	EUR
Japan	NEXI/JBIC	11,564.1	10,348.8	10,133.6	12,541.0	10,723.3	n.a.	bn	JPY
Luxembourg	ODL	894.6	868.4	1,090.9	785.1	775.6	543.9	m	EUR
Malaysia	Exim Bank	1,788.0	1,700.0	5,100.0	2,800.0	1,900.0	n.a.	m	MYR
Mexico	Bancomext	3,000.0	3,037.0	5,287.0	8,442.0	n.a.	n.a.	m	USD
Netherlands	Atradius DSB	2,400.0	1,800.0	2,600.0	5,000.0	6,700.0	7,100.0	m	EUR
Norway	GIEK	16,641.0	24,205.0	25,264.0	15,179.0	24,169.0	20,666.0	m	NOK
	ECN	14,381.0	2,731.0	6,238.0	24,217.0	23,237.0	25,117.0	m	NOK
Poland	KUKE	676.7	1,437.3	1,578.8	1,307.1	1,612.0	n.a.	m	USD
Portugal	COSEC	170.3	269.4	1,003.0	358.6	269.3	239.6	m	EUR
Russia	EXIAR	n.a.	n.a.	n.a.	14,000.0	73,000.0	n.a.	m	RUB
Slovak Republic	Eximbanka SR	294.6	366.7	441.8	307.9	399.4	418.0	m	EUR
Slovenia	SID Bank	952.5	1,440.1	1,203.4	942.3	919.8	798.7	m	EUR
South Africa	ECIC SA	n.a.	1,008.0	2,573.0	3,967.0	n.a.	n.a.	m	ZAR
South Korea	K-sure/Kexim	215,055.0	257,605.0	269,921.0	286,262.0	282,874.0	271,321.0	bn	KRW
Spain	CESCE	7,293.4	7,306.2	7,600.2	6,575.3	4,676.0	4,134.0	m	EUR
Sweden	EKN	80,169.0	113,730.0	63,111.0	49,349.0	43,950.0	26,695.0	m	SEK
	SEK (direct lending)	122,476.0	48,749.0	51,249.0	56,235.0	55,701.0	57,118.0	m	SEK
Switzerland	SERV	3,529.0	3,588.0	3,321.0	3,843.0	3,536.0	4,290.0	m	CHF
Taiwan	Eximbank	64,483.0	70,969.0	81,758.0	99,399.0	103,672.0	116,086.0	m	TWD
Thailand	Eximbank	11,639.0	13,376.0	7,806.0	6,988.0	1,753.0	14,864.0	m	THB
Turkey	Eximbank	4,673.7	5,088.7	5,934.4	7,534.1	9,344.4	12,598.0	m	USD
USA	US Ex-Im	21,021.1	24,467.8	32,727.1	35,784.3	27,347.6	20,469.0	m	USD

n.a.: Not available

E. Sources

United Kingdom	www.gov.uk/government/organisations/uk-export-finance	Luxembourg	www.ducroire.lu
Argentina	www.bice.com.ar	Malaysia	www.exim.com.my
Australia	www.efic.gov.au	Mexico	www.bancomext.com
Austria	www.oekb.at/en	Netherlands	www.atradius.com/nl/en/dutchstatebusiness
Belgium	www.ondd.be	New Zealand	www.nzeco.govt.nz
Brazil	www.sbce.com.br	Norway	www.giek.no
Bulgaria	www.baez-bg.com	Poland	www.kuke.com.pl and www.bgk.com.pl
Canada	www.edc.ca	Portugal	www.cosec.pt
China	www.sinosure.com.cn and english.eximbank.gov.cn	Romania	www.eximbank.ro
Croatia	www.hbor.hr	Russia	www.exiar.ru
Czech Rep	www.egap.cz and www.ceb.cz	Slovakia	www.eximbanka.sk
Denmark	www.ekf.dk	Slovenia	www.sid.si
Estonia	www.kredex.ee	South Africa	www.dti.gov.za and www.ecic.co.za
Finland	www.finnvera.fi	South Korea	www.koreaexim.go.kr and www.keic.or.kr
France	http://www.bpifrance.fr	Spain	www.cesce.com and www.mcx.es
Germany	www.eulerhermes.de/en/products/products.html , www.agaportal.de/en/index.html and www.akabank.de/english/index.html	Sweden	www.ekn.se
Greece	www.ecio.gr	Switzerland	www.serv-ch.com
Hungary	www.exim.hu	Taiwan	www.eximbank.com.tw
India	www.ecgc.in and www.eximbankindia.com	Thailand	www.exim.go.th
Italy	www.sace.it	Turkey	www.eximbank.gov.tr
Japan	www.nexi.go.jp and www.jbic.go.jp	USA	www.exim.gov

F. International framework for ECAs

UKEF, the UK's official ECA, provides export credit insurance and finance support to complement and enable rather than compete with commercial offerings. UKEF support is highly regulated. International agreements aim to prevent undue subsidies, and/or a credit race.

These include:

- OECD "Arrangement on Guidelines for Officially Supported Export Credits" applies to the official support of credits longer than 24 months¹⁶.
- Compliant support is a recognised exception to Article 3 of the WTO Agreement on Subsidies and Countervailing Measures which otherwise prohibits export subsidy.
- Agricultural commodities and military equipment have different frameworks.
- Chile, Iceland and Israel, while members of the OECD, do not comply with the Arrangement.
- The Arrangement is incorporated into EC law and therefore compliance is mandatory for the EU. (Council Decision 93/112/EEC, amended by Decision 97/530/EC)¹⁷.
- The EC DG Trade co-ordinates policy (Council Decisions 73/391/EEC and 76/641/EEC) which provide for consultations among member states on official support for long term export credits.
- EU members may not provide "State Aid" for intra-EU exports.
- EU ECAs are not allowed to provide short term export credit insurance to 'marketable' countries, including North America, Australasia and Japan. The ECAs of these countries, on the other hand, have no such restrictions on providing cover for sales to the EU.

Poland's ECA, KUKE, describes the international framework and co-operation between ECAs¹⁸.

¹⁶ <http://www.oecd.org/tad/exportcredits/>

¹⁷ <http://eur-lex.europa.eu/JOIndex.do>

¹⁸ http://www.kuke.com.pl/international_cooperation.php

BExA is a politically independent national trade association representing the interests of the export community

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