



BRITISH EXPORTERS ASSOCIATION

UK Export Finance

Supporting the National Export Challenge

October 2013

Benchmarking, incorporating ECGD 2012-13 results

BEXA

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BExA would like to thank all contributors with special thanks, once again, to Susan Ross (Aon) and Guillaume Simonnet (Thales UK).

I. Foreword

The Government's Exporting for Growth National Challenge (NEC), includes a target that 1 in 4 UK companies should export (the EU average) an increase from the current 1 in 5, and that by 2020 the UK should export £1 trillion p.a., more than double 2011's figure. BExA fully supports these goals and believes that UKEF has a vital role to play if we are to achieve them. UK exporters need to compete on an equal footing by offering their products and services on attractive commercial terms (credit and finance) in this highly competitive international marketplace. UKEF must recognise that it similarly operates in a competitive international ECA arena and therefore it needs to deliver products that at least match those offered by others.

In this paper, BExA compares UKEF with other ECAs, reflects upon differences in the range of support, and makes recommendations for change. We focus on the qualitative aspects of cover: how UKEF products can be made more accessible, flexible and effective and therefore successful. Progress on BExA's 2012 recommendations (see Appendix B on page 10) has been rather slow in some areas, which is why some of our 2013 recommendations reiterate our 2012 ones.

UKEF has demonstrated valuable flexibility in recent years. Its foreign content rules allow modern exporters to source competitively; Bond Support – championed by BExA for 8 years – has proved one of the most successful short term products; and the revamped short term cover – another of BExA's long term recommendations – is becoming more widely accepted. BExA would like to see products refined so that they are easier for companies, especially SMEs, to use.

On page 8, we look at how UKEF cooperates with UKTI. UKEF's support for UKTI's 21 priority destination markets signals encouraging signs of 'joined up Government'. Working better together should include website clarity, fast turnaround times, and the inclusion of customer credit information on UKTI OMIS reports enabling exporters to be able to offer the best commercial terms to creditworthy customers.

BExA's 2013 key recommendations

| | | |
|----|-----------------------------|---|
| 1. | Accessibility | Simplify application process. Remove unnecessary duplications. Reference UK Bribery Law to shorten anti-bribery and corruption declaration. |
| 2. | SME support and awareness | Extend further UKEF's regional adviser network. Improve engagement with high-street banks at branch level. Provide of concise website information. Apply for Small Company Exception allowing cover for EU trade. |
| 3. | Competitiveness medium term | Deliver Direct Lending, put in place the Export Refinance Facility and reinstate Fixed Rate Export Finance' |
| 4. | Quality | Improve turnaround times. At minimum match private market cover. Clear and concise definitions in policies. |

Return to growth

There are indications that the UK economy has turned a corner. Our overseas markets are also growing. Now is the time to capitalise on export opportunities. BExA proposes that the UK's reputation for customer-focused, high end engineering combined with innovative services – the result of many years of honing by our diverse workforce – should be repeated at UKEF: a well engineered, clear set of export support facilities to help its customers to win export orders.

Government recognises the vital role that the UK's exporters play in rebalancing the economy. UKTI and UKEF need to maintain focus and keep improving. It will take time to grow the understanding of how UKTI and UKEF can benefit exporters, for UKEF support to be included in export bids, and for orders to be negotiated. In the words of Lord Green, our valued Trade Minister, who is stepping down in December: 'It is a marathon not a sprint'. It is imperative that future Governments maintain the focus on the NEC.

Jon Coleman
Chairman

BExA

II. UKEF benchmarking analysis

A. UKEF product mix

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 | All ECAs' average |
| July 2010 | ✗ | ✓ | ✓ | ✗ | ✗ | ✓ | ✗ | ✓ | ✓ | ✗ | 5 | 7.11 |
| October 2011 | ✓ | ✓ | ✗ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 | 7.28 |
| September 2012 | ✓ | ✓ | ✗ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 | 7.69 |
| October 2013 | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 8 | 7.42 |

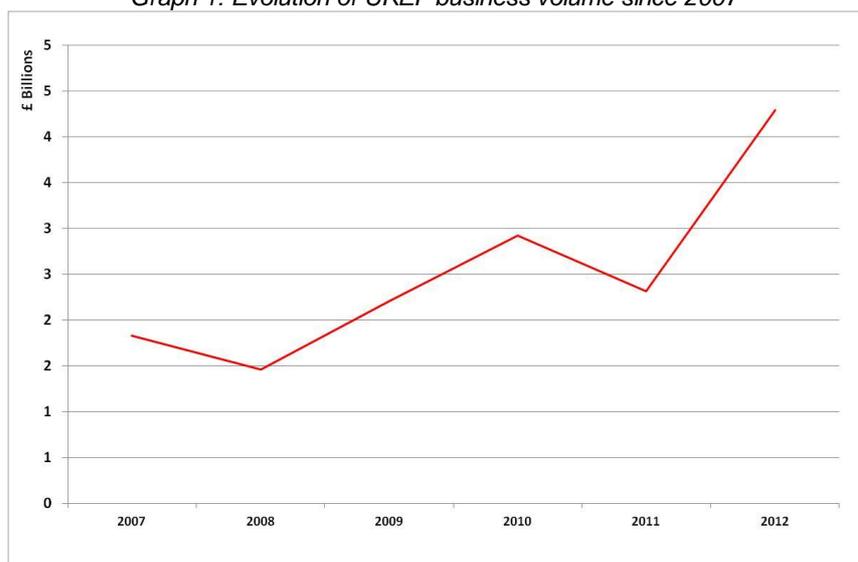
UKEF's score rose from 7 to 8 following the introduction of Direct Lending in September 2013. ECA averages deteriorated because of the inclusion in our numbers of new ECAs, including EXIAR of Russia (see Appendix D). Two key products are not offered by UKEF: a fixed interest rate mechanism (offered by the majority of competitor country ECAs) and tender to contract foreign exchange risk cover.

Competitor countries keep finding new ways to support exporters. Last year France created the Banque Publique d'Investissement to provide direct lending to French SMEs' overseas customers, and Canada's EDC offered credit lines to UK manufacturers. It is critical that UKEF, with HMT's support, implements Government decisions quickly. The Direct Lending Scheme took one year between announcement and being available while we are still waiting for the ERF which was announced in July 2012.

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

UKEF supported £4.3bn of exports in the year to March 2013, a near doubling of turnover. These figures appear to show an encouraging trend, however the growth came from UKEF support of a single £2bn defence sector transaction. Omitting this, the underlying business was actually static.

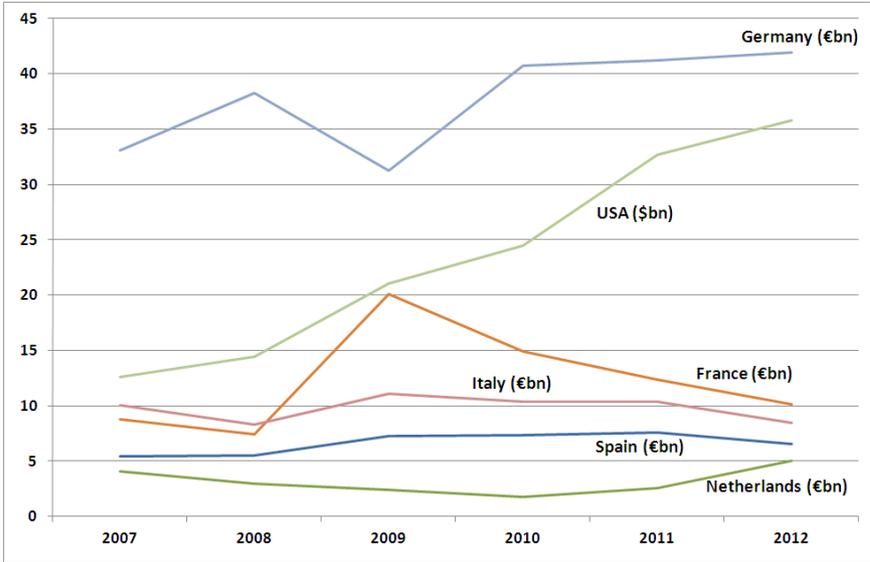
Graph 1: Evolution of UKEF business volume since 2007¹



¹ Figures for UKEF are for financial years starting 1st April whereas most, but not all, ECAs account in calendar years.

Over a similar period, volumes supported by US Ex-Im (USA) and Euler Hermes (Germany) continued to grow although some Eurozone ECAs slowed. China's Sinosure supported 40% more exports – over \$350bn. The complete table of the 40 ECAs' numbers can be found in Appendix E on page 13.

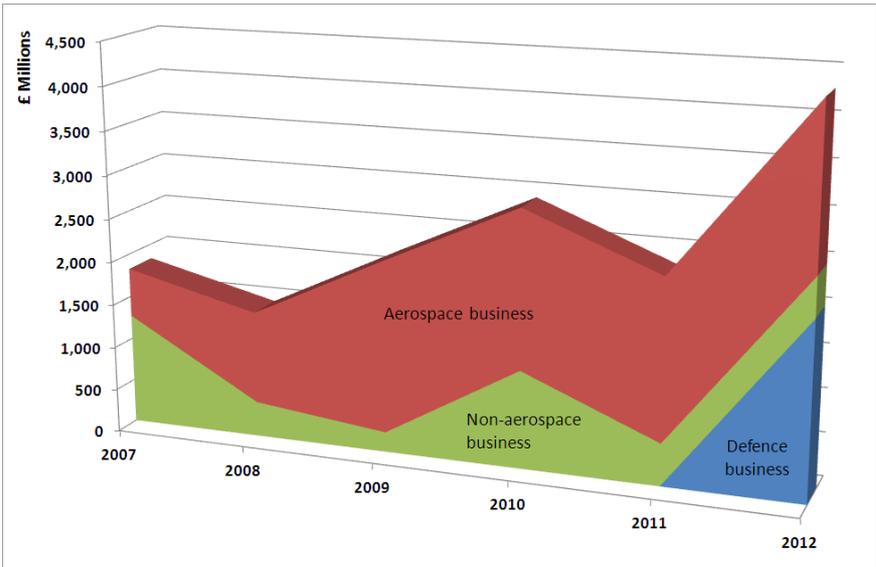
Graph 2: Comparison of selected ECAs' business volumes since 2007



C. Portfolio sector analysis

UKEF's vital support for the UK-manufactured wings and engines of Airbus aircraft continued. We also welcome the support for our national defence industry, however, it is disappointing that there was not more progress in other sectors of the UK economy.

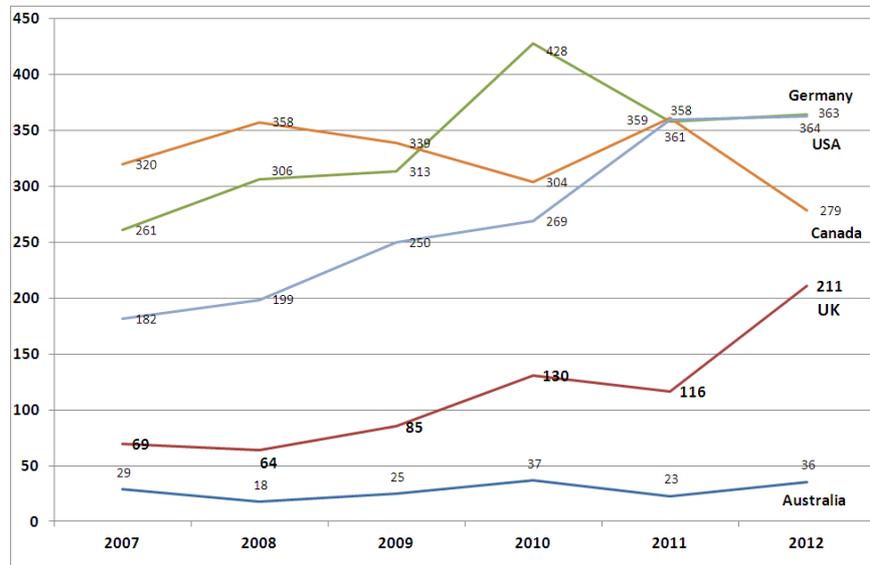
Graph 3: UKEF's business volume related to aerospace sector vs other sectors



D. Relative impact (value for money)

UKEF generated £211 of export orders for each £1 of operating costs, a near doubling, and at no cost to UK taxpayers². US Ex-Im and Euler Hermes are the pace setters, and both also outperform when it comes to supporting SMEs, an example that UKEF should certainly follow.

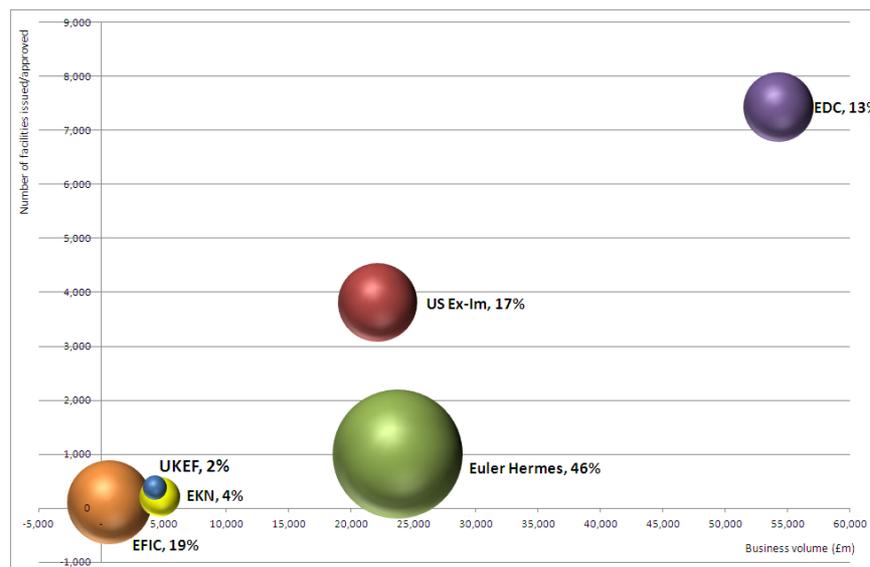
Graph 4: Selected ECAs' ratio of generated business volume vs operating costs



E. Engagement with SMEs and MSBs

From a base of near zero in 2010-11, UKEF supported almost £70m of SME exports, not forgetting the through-flow of support to the supply chain when UKEF backs UK capital goods exports. Some 40% of all facilities were for SMEs, up from 11% in the previous year. Graph 5 compares SME support in terms of the numbers of facilities/policies. The size of the bubble shows support given to SMEs compared to overall support.

Graph 5: Total business volume compared to number of facilities issued/approved



² Since 2001 UKEF's premium income has been higher than its operating costs (figures excluding claims and recoveries).

F. UKEF product review

Below, BExA scored each current product on a scale from 7 (excellent) to 1 (product overhaul needed), taking into account feedback received from its members including exporters, brokers, bankers and insurers.

| 7 | 6 | 5 | 4 | 3 | 2 | 1 |
|--|--|---|---|---|---|-------|
| Product | Required improvements | | | | | Score |
| Bond Support Scheme | More flexibility needed on security offered by SMEs. | | | | | 7 |
| Export Working Capital Scheme | Cover must not be contract specific. | | | | | 2 |
| Export Credit Insurance | Faster turnaround. Clear and comprehensive wording. Allow without recourse finance for framework purchase agreements | | | | | 5 |
| Bond Insurance Policy | Policy wording overly complicated, needs to reflect private market practice. | | | | | 5 |
| Overseas Investment Insurance | Overly complicated, needs to be usable by SMEs. | | | | | 4 |
| Letter of Credit Guarantee Scheme | Pricing mechanism needs to reflect OECD premium formula. Cover up to 95% as some other ECAs. | | | | | 1 |
| Supplier Credit Financing & Buyer Credit | Prescriptive documentation not allowing sourcing strategy to change during project life. Reintroduce FREF to level the playing field. Increase knowledge of SCF structuring. | | | | | 5 |
| Direct Lending Scheme | Promote scheme actively. Not competitive with other OECD ECA offers due to excessive margin proposed. Delegate delivery to ensure quality servicing post signature. | | | | | 3 |

Overall we feel that UKEF should continue its efforts at increasing awareness of its capabilities so that more exporters can take advantage of this support. This should include distribution through the UK high street bank networks. We also feel that UKEF should give the banks more autonomy to operate finance schemes which would encourage take-up. Last but not least UKEF should directly support the financial requirements of SMEs in the supply chain of UK prime exporters, even if this requires a change of ECGD's Act³. We urge the Government to make the necessary amendments.

³ The Export and Investment Guarantees Act 1991, as amended by the Industry and Exports (Financial Support) Act 2009.

G. UKEF working with UKTI

ECGD was re-named UKEF in 2011 to reflect its role in supporting UK exporters alongside UKTI. UKEF's move to Whitehall in July 2013 should reinforce the togetherness of the two organisations. There would appear, however, to be an unnecessary Chinese Wall: UKTI does not make use of credit insurer (UKEF or the private market) views of potential overseas customers attending a trade show, overseas trade delegation or reception, even though it is good business practice to check customers in advance and establish if credit can be given; lists of invitees to overseas receptions are not disclosed by UKTI and are deemed to be confidential.

Including Airbus, some 29% of UKEF support was for UKTI's 21 priority markets (see Appendix C on page 11). UKTI should work with UKEF to ensure that this percentage grows, especially for non-Aerospace related transactions. UKTI's priority markets include Poland and Romania, countries which, being EU countries, are deemed 'marketable' and therefore for which UKEF short term export credit insurance cannot be provided. This Government strategy anomaly could be resolved in part if UKEF applied to the EC for the 'Small Company Exception' which would allow cover to be provided to smaller exporters for EU sales.

The GOV.UK website brings together a number of government agencies, but help for exporters leads only to UKEF⁴. UKEF's role as complementing the private market is not made clear. Neither is there a route to UKTI's products for finding new markets: Passport to Export, OMIS⁵, TAP. The website needs thumbnails so that it is clear how these help and for whom. Furthermore, GOV.UK does not refer to how to price up an offer including payment terms that are competitive. There should be natural flow from the UKTI website through to the risk and finance issues of export, how commercial banking and export credit insurance can help, and where UKEF's valuable support fits in.

UKEF's appointment of EFAs within UKTI offices broadens the take-up of the message about finance support, the value of competitive commercial terms, and how UKEF complements the private market. However there are only a dozen EFAs and it takes time for the message to get through. High street banks are the natural disseminators of export guidance, and indeed fulfill this role in other countries, but export awareness is patchy in UK local branches of commercial banks.

Many UK SMEs are in fact indirect exporters⁶ because they are involved in HVOs supported by UKEF: the challenge is to encourage these companies to branch out and export for themselves, accessing the marketing and finance/export credit support of UKTI and UKEF.

UKTI charges up front for its marketing services: potential exporters cannot access UKTI advice or join a trade mission until the OMIS fee is paid. BExA has proposed for some time that UKTI should charge for its OMIS reports on success. France⁷ and Czech Republic⁸ have a prospect insurance product. These provide funding support for prospecting for exports and allow the SME to evaluate the opportunities and pay for the service on winning overseas orders and, in some cases, use the prospect insurance to unlock bank funding.

Exporters need to be able to evaluate which customers can be offered open credit terms, price up export offers, and compete with suppliers from other countries without undue delay. A bought-in on-line credit limit service would enable UKEF to provide a speedy service to SMEs – either direct or via UKTI – on the creditworthiness of named customers. A grid of premium rates dependent upon exporter experience and buyer rating would allow fast pricing. There should be no reason, in this information age, for bureaucratic delays to indications of cover for credit risk protection.

⁴ <https://www.gov.uk/government-help-for-exporters>

⁵ <http://www.ukti.gov.uk/export/howwehelp/overseasmarketintroductionservice.html>

⁶ Airbus provides work for more than 100,000 people through an extended supply chain of more than 1,000 companies located across the UK, buying £2bn annually from these UK companies. BAE Systems bought from 9,000 UK suppliers in 2012, 2,600 of which were SMEs. Rolls-Royce exports £4.2bn from the UK, employs 21,000 people, and spends £2.4bn with its 2,300 UK suppliers securing an additional 85,000 jobs.

⁷ http://www.coface.fr/CofacePortal/FR_fr_FR/pages/home/pp/assurprospection/Interet

⁸ <http://www.egap.cz/pojistne-produkty/produkt-p/strucny-popis-pojistneho-produktu-kontakty/index-en.php>

III. Appendices

A. Glossary

| | |
|-------------|--|
| EC | European Commission |
| ECA | Export Credit Agency |
| ECGD | Export Credits Guarantee Department (now called UKEF) |
| EFA | Export Finance Advisor |
| ERF | Export Refinancing Facility |
| 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 |
| TAP | Trade Show Access Programme |
| UKEF | UK Export Finance |
| UKTI | UK Trade and Investment |

B. BExA 2012 recommendations

| | BExA 2012 Recommendations | Priority | Progress |
|---|---|-----------------|------------------------|
| 1 | Increase awareness of UKEF by SMEs and MSBs | Very high | <i>Ongoing</i> |
| 2 | Liquidity support (in progress) | Very High | <i>Partly launched</i> |
| 3 | Implement strategies for succession planning / resourcing | Very high | <i>New CEO</i> |
| 4 | Reduce the administrative burden on its customers | High | <i>Still too high</i> |
| 5 | Take advantage of EU small company exception | High | <i>Consulting</i> |
| 6 | Improve turnaround times for capital goods exports | High | <i>Some progress</i> |
| 7 | Support the UK supply chain of large exporters | Medium | <i>No progress</i> |
| 8 | Introduce foreign currency bidding cover for SMEs | Medium | <i>No progress</i> |
| 9 | Introduce a fixed rate mechanism for export credits' drawing period | Medium | <i>No progress</i> |

C. UKEF business in UKTI's priority markets

| Country | Airbus business volume £ | Non Airbus business £ | Total £ |
|----------------------|--------------------------|-----------------------|----------------------|
| Brazil | 10,750,386 | 149,584,689 | 160,335,075 |
| China | 152,048,208 | 3,209,254 | 155,257,462 |
| Colombia | | | |
| Hong Kong | 54,533,551 | | 54,533,551 |
| India | 30,823,426 | 15,975,528 | 46,798,954 |
| Indonesia | | 9,800,566 | 9,800,566 |
| Saudi Arabia | | 7,546,897 | 7,546,897 |
| Malaysia | 109,102,301 | | 109,102,301 |
| Mexico | 11,980,459 | 606,710 | 12,587,169 |
| Nigeria | | | |
| Poland | | | |
| Qatar | | 1,722,463 | 1,722,463 |
| Romania | | | |
| Russia | 130,300,594 | 87,231,134 | 217,531,728 |
| Singapore | 62,907 | 43,228 | 106,135 |
| South Africa | | 2,390,684 | 2,390,684 |
| South Korea | | | |
| Thailand | 170,896,964 | 1,946,700 | 172,843,664 |
| Turkey | 92,804,960 | 588,957 | 93,393,917 |
| United Arab Emirates | 21,879,312 | 36,250 | 21,915,562 |
| Vietnam | 191,209,479 | | 191,209,479 |
| Total | 976,392,547 | 280,683,060 | 1,257,075,607 |

D. ECAs product ranges⁹

| 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 | Total |
|--|--------------------------------|-------------|----------------------|--|-----------------------------|------------------------------------|----------------|----------------------|-------------------------------|--------------------------|-----------------------------------|--------------------------|-------|
| United Kingdom | UKEF | Yes | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 8 |
| Australia | EFIC | Yes | ✗ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 8 |
| Austria | OeKB/OeEB/Export fonds | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ | 8 |
| Belgium | ONDD | Yes | ✓ | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ | ✓ | ✗ | ✓ | 7 |
| Brazil | SBCE/BNDES | No | ✓ | ✓ | ✓ | ? | ✓ | ? | ✗ | ? | ? | ✓ | 5 |
| Bulgaria | BAEZ | No | ✓ | ✓ | ? | ? | ✗ | ✓ | ? | ✓ | ✓ | ✓ | 6 |
| Canada | EDC | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| China | Sinosure/China Eximbank | No | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | 7 |
| Croatia | HBOR | No | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| Czech Republic | EGAP/CEB | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| Denmark | EKF | Yes | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | 7 |
| Finland | Finnvera/FEC | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| France | Coface/BPI | Yes | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 10 |
| Germany | Euler Hermes/KfW | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| Greece | ECIO | Yes | ✓ | ✓ | ✗ | ✓ | ✗ | ✓ | ✗ | ✗ | ✗ | ✗ | 4 |
| Hungary | MEHIB/Eximbank | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| India | ECGC/Exim Bank | No | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 10 |
| Italy | SACE/SIMEST/CDP | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| Japan | NEXI/JBIC | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| Luxembourg | ODL/SNCI | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✗ | ✓ | ✗ | ✓ | 7 |
| Malaysia | Exim Bank | No | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 8 |
| Mexico | Bancomext | Yes | ✓ | ✓ | ? | ✓ | ✓ | ? | ✓ | ? | ? | ✓ | 6 |
| Netherlands | Atradius | Yes | ✓ | ✓ | ✗ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | 8 |
| New Zealand | NZECO | Yes | ✓ | ✓ | ✗ | ✗ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ | 6 |
| Norway | GIEK/ECN | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| Poland | KUKE/BGK | Yes | ✓ | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ | ? | ✓ | ✗ | 6 |
| Portugal | COSEC | Yes | ✓ | ✓ | ✗ | ✗ | ✗ | ✓ | ✓ | ✗ | ✗ | ✓ | 5 |
| Romania | EximBank | No | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | 8 |
| Russia | EXIAR | No | ✓ | ✓ | ? | ? | ✗ | ? | ? | ? | ? | ? | 2 |
| Slovakia | Eximbanka SR | Yes | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 8 |
| Slovenia | SID Bank | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| South Africa | ECIC SA | No | ✓ | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✗ | ✓ | 8 |
| South Korea | K-sure/KEXIM | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✗ | ✓ | 8 |
| Spain | CESCE/ICO | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| Sweden | EKN/SEK/ALMI | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| Switzerland | SERV | Yes | ✓ | ✓ | ✗ | ✗ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | 7 |
| Taiwan | Eximbank | No | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ | ✓ | ? | ✓ | ✓ | 7 |
| Thailand | Eximbank | No | ✓ | ✓ | ✗ | ✗ | ✓ | ✓ | ✓ | ? | ✓ | ✓ | 7 |
| Turkey | Eximbank | Yes | ✓ | ✓ | ✗ | ✗ | ✓ | ✗ | ✓ | ✓ | ✗ | ✓ | 6 |
| USA | Ex-Im/OPIC | Yes | ✓ | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 9 |
| Total countries providing this product | | | 39 | 40 | 24 | 6 | 31 | 34 | 34 | 30 | 30 | 36 | |

Methodology

BExA sourced data from ECA websites, supplemented by some direct contact with ECAs. Where an ECA relies on another government department or institution to provide a product or service, for example 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.

E. ECA business volume trends since 2007⁹

| Country | Export Credit Agency | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | Unit | Currency |
|-----------------|------------------------------------|-----------|-----------|------------|------------|------------|------------|------|----------|
| UK | UKEF | 1,830.0 | 1,460.0 | 2,206.0 | 2,924.0 | 2,318.0 | 4,295.0 | m | GBP |
| Argentina | BICE | 463.0 | 610.5 | 635.7 | 786.5 | 1,069.2 | n.a. | m | USD |
| Australia | EFIC | 554.4 | 369.2 | 576.5 | 971.3 | 593.1 | 1,003.5 | m | AUD |
| | <i>incl direct funding/lending</i> | 59.3 | 144.4 | 499.7 | 575.8 | 182.1 | 95.3 | m | AUD |
| Austria | OeKB | 20,244.0 | 21,866.0 | 17,385.0 | 8,282.0 | 10,606.0 | 12,220.0 | m | EUR |
| Belgium | ONDD | 9,931.1 | 15,926.6 | 9,470.9 | 7,411.0 | 7,303.0 | 7,612.0 | m | EUR |
| Brazil | BNDES | 64,900.0 | 92,200.0 | 137,400.0 | 168,400.0 | 139,700.0 | 156,000.0 | m | BRL |
| Bulgaria | BAEZ | 292.9 | 319.2 | 354.4 | 443.3 | 533.3 | 505.4 | m | BGN |
| Canada | EDC | 70,049.0 | 85,819.0 | 83,397.0 | 84,821.0 | 102,544.0 | 87,490.0 | m | CAD |
| China | Sinosure/Eximbank | 43,409.00 | 67,679.00 | 119,853.00 | 201,814.00 | 257,419.00 | 356,902.30 | m | USD |
| Croatia | HBOR | 2,312.0 | 1,701.0 | 2,500.0 | 2,150.0 | 1,700.0 | 2,560.0 | m | HRK |
| Czech Republic | EGAP/CEB | 69,407.0 | 63,546.0 | 86,926.0 | 110,956.0 | 78,828.0 | 98,300.0 | m | CZK |
| Denmark | EKF | 8,970.0 | 10,192.0 | 13,700.0 | 12,662.0 | 23,149.0 | 29,431.0 | m | DKK |
| Estonia | KredEx | n.a. | n.a. | n.a. | 121.4 | 258.0 | 280.0 | m | EUR |
| Finland | Finvera | 764.0 | 3,844.9 | 3,759.8 | 2,642.4 | 3,158.7 | 2,414.2 | m | EUR |
| France | Coface | 8,800.0 | 7,400.0 | 20,100.0 | 14,900.0 | 12,400.0 | 10,100.0 | m | EUR |
| Germany | Euler Hermes/KfW IPEX Bank | 33,070.8 | 38,283.0 | 31,279.6 | 40,762.5 | 41,233.6 | 41,957.1 | m | EUR |
| Hungary | MEHIB | 244,679.1 | 109,504.6 | 79,741.5 | 106,004.3 | 121,201.0 | n.a. | m | HUF |
| | Eximbank | | | 200,263.0 | 177,023.0 | 191,715.0 | n.a. | m | HUF |
| India | ECGC/Eximbank | 713,434.8 | 588,307.8 | 682,057.5 | 756,033.3 | 921,407.3 | 954,952.4 | m | Crores |
| Italy | SACE | 10,084.0 | 8,300.0 | 11,100.0 | 10,400.0 | 10,400.0 | 8,500.0 | m | EUR |
| Japan | NEXI/JBIC | 11,213.1 | 12,420.8 | 11,564.1 | 10,348.8 | 10,133.6 | n.a. | bn | JPY |
| Luxembourg | ODL | 1,050.0 | 1,405.6 | 894.6 | 868.4 | 1,090.9 | 785.1 | m | EUR |
| Malaysia | Exim Bank | 2,699.0 | 2,493.0 | 1,788.0 | 1,700.0 | 5,100.0 | 2,800.0 | m | MYR |
| Mexico | Bancomext | 2,844.0 | 4,312.0 | 3,000.0 | 3,037.0 | 5,287.0 | 8,442.0 | m | USD |
| Netherlands | Atradius DSB | 4,100.0 | 3,000.0 | 2,400.0 | 1,800.0 | 2,600.0 | 5,000.0 | m | EUR |
| Norway | GIEK | 11,400.0 | 15,222.0 | 16,641.0 | 24,205.0 | 25,264.0 | 15,179.0 | m | NOK |
| | ECN | 11,543.0 | 14,062.0 | 14,381.0 | 2,731.0 | 6,238.0 | 24,217.0 | m | NOK |
| Poland | KUKE | 1,476.8 | 1,787.5 | 676.7 | 1,437.3 | 1,578.8 | 1,307.1 | m | USD |
| Portugal | COSEC | 134.0 | 157.1 | 170.3 | 269.4 | 1,003.0 | 358.6 | m | EUR |
| Russia | EXIAR | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | | |
| Slovak Republic | Eximbanka SR | 304.0 | 365.8 | 294.6 | 366.7 | 441.8 | 307.9 | m | EUR |
| Slovenia | SID Bank | 530.2 | 914.0 | 952.5 | 1,440.1 | 1,203.4 | 942.3 | m | EUR |
| South Africa | ECIC SA | n.a. | n.a. | n.a. | 1,008.0 | 2,573.0 | 3,967.0 | m | ZAR |
| South Korea | K-sure/Kexim | 142,731.0 | 189,664.0 | 215,055.0 | 257,605.0 | 269,921.0 | 286,262.0 | bn | KRW |
| Spain | CESCE | 5,436.4 | 5,525.5 | 7,293.4 | 7,306.2 | 7,600.2 | 6,575.3 | m | EUR |
| Sweden | EKN | 23,943.0 | 32,905.0 | 80,169.0 | 113,730.0 | 63,111.0 | 49,344.0 | m | SEK |
| | SEK (direct lending) | 56,826.0 | 64,890.0 | 122,476.0 | 48,749.0 | 51,249.0 | 56,235.0 | m | SEK |
| Switzerland | SERV | 3,537.0 | 2,904.0 | 3,529.0 | 3,588.0 | 3,321.0 | 3,843.0 | m | CHF |
| Taiwan | Eximbank | 42,092.0 | 44,932.0 | 64,483.0 | 70,969.0 | 81,758.0 | 99,399.0 | m | TWD |
| Thailand | Eximbank | 2,089.0 | 8,821.0 | 11,639.0 | 13,376.0 | 7,806.0 | 6,988.0 | m | THB |
| Turkey | Eximbank | 4,707.3 | 5,083.7 | 4,673.7 | 5,088.7 | 5,934.4 | 7,533.7 | m | USD |
| USA | US Ex-Im | 12,569.4 | 14,398.9 | 21,021.1 | 24,467.8 | 32,727.1 | 35,784.3 | m | USD |

n.a.: Not available

⁹ Although we have made every effort to ensure that the information contained in this Appendix is accurate, we cannot guarantee the complete accuracy of the information provided and we would like to invite you to contact BExA if you identify any inaccuracy so that it can be corrected in our next benchmarking paper.

F. International framework for ECAs

UKEF is the UK's official ECA, providing export credit insurance and finance support to complement and enable rather than compete with commercial export credit insurance and trade finance. UKEF support, in line with that of its ECA peers, is highly regulated. International agreements aim to prevent national governments providing undue subsidies, and/or a credit race through their respective ECAs.

These include:

- OECD “Arrangement on Guidelines for Officially Supported Export Credits” applies to the official support of credits longer than 24 months¹⁰.
- 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)¹¹.
- 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 comprehensively the international framework and co-operation between ECAs on its website¹².

¹⁰ <http://www.oecd.org/tad/exportcredits/>

¹¹ <http://eur-lex.europa.eu/JOIndex.do>

¹² http://www.kuke.com.pl/international_cooperation.php

G. Sources

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

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

Published by BExA

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The logo for BExA, featuring the letters 'BExA' in a bold, red, sans-serif font. The 'B' and 'A' are significantly larger than the 'E' and 'X'.

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