



BRITISH EXPORTERS ASSOCIATION

UK Export Finance

100 years underwriting exports

October 2019

BExA's 10th Annual Benchmarking, incorporating UKEF 2018-19 results

Contents

I Foreword.....	2
II Summary of Recommendations	3
III Actions	4
IV A decade of UKEF: re-engineered and proactive	8
V UKEF Benchmarking (2018 figures).....	9
VI 2019 Developments.....	14
VII Appendices	15

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BExA

I Foreword

This is BExA's tenth annual benchmarking of UKEF against its peers, and it is UKEF's centenary year. The UK Government provides the capital to enable UKEF to operate, and UKEF carries out its support at no net cost to the UK taxpayer. UKEF's mission¹ is to ensure that no viable UK export fails for lack of finance or insurance.

Over the last decade BExA has reported on a quadrupling of the trade supported by UKEF. This is a great result. UKEF's product range has widened considerably over this period and BExA will keep pressing for innovation and improvements to the Department's agility as it begins its second century of underwriting exports.

UK Exporters operate in uncertainty while Brexit negotiations continue: with the EU accounting for 46% of our exports², this remains the single most important issue affecting the UK's ability to trade overseas. BExA calls on both the UK Government and the EU to agree as frictionless a trade agreement as possible that covers both goods and services. Changes in ministerial responsibilities at the Department for International Trade are disruptive of progress. None-the-less BExA will continue to work with each minister to continue the positive work of the Department, to press for improvements and avoid increasing bureaucracy and complexity, in line with the aims and objectives of the Department for International Trade's 2018 Export Strategy³.

UKEF's results for 2018-2019 financial year show a marked increase in volume to £6.8bn. Support was provided to 181 UK exporters selling to 72 countries. These exports sustain an estimated 47,000 UK jobs. It is encouraging that near 80% of supported exporters were SMEs, but investment is needed to continue the work informing and engaging with SMEs to deliver on the Government's ambitions to grow the exports of this demographic. A particular need for SMEs is for foreign exchange cover to encourage bids to be made in euros or dollars without front-loading costs while tendering for business.

In relation to capital goods exports, which draw in supplies from a myriad of UK businesses large and small, there is a need for another top up of the Direct Lending facility, plus a review the timing of the expensive and costly environmental reviews which are currently needed before an export contract is won.

In this report we reflect on the changes in UKEF over the last decade, in particular in relation to the range of products and services and in the detail of their delivery, and we look forward to the next decade of UKEF's support and UK export growth. UKEF is clearly agile and listening to the needs of its customers. As always, however, there is more to be done.

Marcus Dolman
Co Chairman
Large Exporters

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October 2019

¹ <https://www.gov.uk/government/organisations/uk-export-finance/about>

² <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-7593>

³ <https://www.gov.uk/government/publications/export-strategy-supporting-and-connecting-businesses-to-grow-on-the-world-stage>

II Summary of Recommendations

	Summary of 2018 recommendations	2018 Out-turn	Summary of 2019 recommendations
N E W			Review phasing requirement of IFC/Worldbank standard ESIA report for UKEF credit application so costs are only incurred when it is certain the project will be approved.
1 UKEF	Adequate capacity for the Direct Lending (DL) Facility. This critical tool must remain available for all exporters but particularly SMEs.	Autumn 2018: additional £2bn DL capacity agreed for 2020-2022	Increase DL Facility so it remains open for exporters, particularly SMEs, who need to offer fixed rate medium term finance to compete internationally to supply capital goods and services.
2 Whole Gov't	Implement recommendations of Dep't International Trade (DIT)'s Export Strategy.	Minimal progress visible due to Brexit focus.	DIT needs to implement the aims and recommendations of the Export Strategy, specifically funding for UK exporters to enter new export markets.
3 UKEF	Educate banking community on fixed rate medium term finance. Develop and integrate with Direct Lending.	UKEF confirmed fixed rate financing is available on long term credits but not at CIRR. UKEF is investigating options to offer non DL fixed rate CIRR solutions.	Continue education of financiers on the availability of fixed rate lending and improve access so fixed rate lending is seamlessly integrated with Direct Lending. Develop alternative non DL CIRR fixed rate solutions.
4 UKEF	Lobby for OECD Local Content rule improvements to reflect modern trade.	Ongoing	Renew focus in lobbying for OECD Local Content rule improvements to reflect responsible modern trade.
5 UKEF + DfID	Enable easy access by UK exporters to bid for Dept for International Development (DfID) projects.	Preliminary discussions on mechanics underway but solution still some way off.	Create framework for easy involvement by UK exporters in DfID projects. Allow concessional funding.
6 BBB & Non-Bank	SMEs still disadvantaged in banking. British Business Bank is ideal for extending capabilities to fill this gap.	UKEF onboarded a non-bank lender for Supplier Credits. No progress with BBB.	Continue to develop non-bank lenders and provide SMEs with options when their exports test the appetite of their house bank.
7 UKEF for SME	Continue developing Working Capital Guarantees (WCGS) for SMEs including utilisation of Direct Lending	Launched delegated authority for banks for short term finance but low utilisation. UKEF reviewing eligibility criteria and facility size. GEF will allow more working capital options for SMEs.	Continue developing WCGS/GEF for SMEs including via Direct Lending; raise awareness of the bank delegation access route to UKEF products and add Non-Bank Lenders. Develop new products support SMEs for market entry.
8 UKEF for SME	Tender to Contract: Work with private market to cover SME FX risk without restrictive security requirements.	UKEF asked for evidence of need. BExA working with specialists to derive demand and propose structure. Meanwhile sterling is volatile.	Work with private market to cover SME FX risk in tradeable currency pairs without restrictive security requirements, i.e. avoid cash collateral covering amount and margin call.
9 UKEF	Introduce Plain English documents, plus visible and faster delivery. Make premium calculator more user friendly and accessible.	Supplier Credit documentation suite under review and preliminary work started on new improved website.	Finalise Supplier Credit Documentation adhering to Plain English standards, enabling faster delivery and lower cost. Update UKEF website to improve engagement and turnaround times.
10 UKEF	Lobby for Basel regulations to allow UK's capital exports in € and \$ to be eligible for same treatment as EU and US exporters.	Minimal progress	Renew focus on lobbying Basel regulations to allow capital allocation by banks financing UK capital exports in € and \$ to be eligible for same treatment as EU and US exporters financing in home currency.

III Actions

Whole Government Support for Exporters and Service Providers during Brexit negotiations, transition and beyond

Co-ordinate the HMG (Her Majesty's Government) Departments for International Trade (DIT), Exiting the European Union (DExEU), International Development (DfID), Business, Energy and Industrial Strategy (BEIS), Foreign & Commonwealth Office (FCO) and HM Treasury (HMT).

Export Strategy

Last year's Export Strategy laid foundations for a whole Government approach to export with a stretching target to make export 35% of GDP. However, the ongoing uncertain Brexit situation seems to have diverted focus from this important initiative.

BExA was actively involved in development of the Export Strategy and encourages DIT and UK Government as a whole to deliver it. We offer assistance for key objectives:

- simplifying access to finance for smaller deals;
- providing support for market access;
- driving awareness of post-Brexit opportunities.

BExA is committed to ensuring that UKEF remains a key part of the Export Strategy and is fit for purpose to meet the challenges of our post-Brexit landscape.

Refine Medium Term Products to improve take-up

- **Direct Lending (DL)**

BExA welcomed October 2018's announcement of the £2bn temporary increase to DL as it demonstrated the Government's commitment to this important product. However, indications are that this is not enough; the phasing of this extra capacity comes too late to meet current demand and needs to be accelerated. We also request that extra capacity is permanent rather than temporary.

DL is extremely popular as it offers CIRR fixed interest funding. This is attractive to overseas customers and provides a level playing field with competitors from the majority of OECD countries. It is essential that DL is not curtailed or stymied. If DL capacity is constrained at a HMG level due to other macroeconomic factors then BExA requests that CIRR fixed interest finance is made available on Buyer Credits and the ERF as mentioned in last year's report⁴. BExA understands that UKEF is investigating options to provide CIRR rate lending through alternative sources; this is welcomed by BExA.

- **Environmental & Social Impact Assessment Reports (ESIA)**

BExA supports UKEF's adherence to the OECD's guidance on World Bank/IFC Environmental, Social and Human Rights standards. ESIA reports require significant financial outlay to complete (>£100k). Current UKEF processes require the ESIA report before UKEF credit approval is granted and this significantly

⁴ <http://www.bexa.co.uk/wp-content/uploads/BExA-benchmarking-2018-FINAL.pdf>

impacts the competitiveness of the UK export, especially in cases where the UK exporter is also the project developer. Some common sense needs to be applied to this process to ensure that the ESIA is completed at an appropriate time in the project lifecycle and that doesn't unduly impact the cashflow of the UK exporter – such as being a condition precedent to the drawdown of funds.

- **Capital allocation reductions regulations and Local Content rules**

BExA appreciates it takes time for negotiations to come to fruition in relation to:

(1) Basle for home country currency medium term ECA-supported lending and capital allocation.

This currently disadvantages the UK because international projects are typically denominated in US dollars or euro.

(2) OECD on local content rules in the 'arrangements'.

Improvements are needed to allow more local employment in projects, for example for infrastructure.

Both of these were addressed in last year's benchmarking and we ask that UKEF continues to push these items with the respective international institutions.

- **UK Aid**

BExA continues to ask that UK exporters are alerted to DfID funded projects, and that concessional funding should be made available. The availability of a concessional lending product is becoming increasingly important to enable UK exporters to be successful on much needed infrastructure projects in developing nations. BExA urges UKEF and DfID to progress their discussions on this product quickly to ensure that the UK does not miss out on high value, high development impact projects.

UKEF Accessibility, Small Value Exports, Flexibility & Resourcing

- **Simplified documentation, turnaround times, flexibility and resources**

UKEF's engagement with exporters has improved significantly over the last 12 months. This issue long been raised by BExA and change seems to be in progress. UKEF's recent budget increase will enable it to update its systems and increase its head count. It is vital this increase is capitalised upon to ensure UKEF products are easy to access with clear and simple processes and ensure that products are delivered in a predictable and timely fashion.

Delegated decision-taking and simpler processes and wordings would help UKEF's overall accessibility.

The home for supporting the payment risk and finance needs of single small value exports is surely UKEF, whatever the destination. Private sector providers - banks, brokers and insurers – now have extensive due diligence requirements which mean that individual small value transactions have to be turned away. UKEF should be actively providing solutions, complementing the private market and utilising the UK's position as global leader in FinTech.

UKEF's new General Export Facility (GEF) provides valuable and flexible working capital for supply chains and encourages innovation for export. The GEF allows this support without the need to identify an individual export contract. BExA is optimistic for the potential that this product hints at for smaller exporters.

BExA understands work is well underway on an improved UKEF website. This will help accessibility: other European ECAs already have functional, simple to navigate websites to support their exporters. BExA continues to ask that a basic premium rate calculator is embedded within the website.

Support for SMEs

It is a consistent theme of BExA benchmarking papers that we mention the difficulty SMEs have in accessing export finance. Unfortunately this is still as big a barrier to export as it has ever been. The fundamental issue for SMEs is their small number of banking relationships, usually only one, and their inability to attract the interest of other banks combined when landing export contracts that are perceived by banks to exceed the capacity of their balance sheet but which the SME can easily fulfil .

- Funding Working Capital and Bond Support, Access to Finance, Export Credit

UKEF's bank delegation for Bond Support and Working Capital guarantees involves 5 domestic UK retail banks. Bank delegation is being revamped to make it simpler and easier still to access. Concerns remain about the desire of the banks to actively market this product to their SME customers. There is considerable utilisation by SMEs of non-Bank Lenders at often high cost. UKEF and BExA need to work with the banks and non-bank lenders to resolve this conflict of interest to ensure that SMEs can benefit from UKEF working capital support.

- Exchange rate risk for tenders

This longstanding BExA request arises because UK exporters regularly need to prepare fixed price bids in US dollars or Euro to be competitive, while the sterling exchange rate is volatile, especially with Brexit. A contract awarded when the exchange rate has moved over the period of the tender could result in a company having to contract at a loss. Bidding is a necessary but costly process and SMEs need support to be able to win overseas contracts.

- Funding for Market Entry

Once of the biggest challenges for SMEs and MSB's is funding market entry in new jurisdictions. Provision of a loan for export contract development that is repaid on successful increase in exports should be considered by UKEF and across government. Barriers to market access will ensure that SMEs and MSBs will continue to be deterred from exporting – financial support for market access is essential to meeting the export growth aims of the Export Strategy.

- EU Export Credit Regulations

Current EU regulation prevents ECAs from covering short term trade to Europe, North America, Australasia and Japan. While the UK credit insurance market is very extensive, the on-boarding costs for an SME covering a first export, especially if the company is 'born-to-export', can mean there are no suitable providers. Leaving the EU has the potential to allow UKEF to provide short term cover for all destinations.

BExA recommends:

- A marketing campaign informing SMEs of options for UKEF export finance support.
- Widening the role of the British Business Bank (BBB) to cover SME bank market failure including for clearing facilities, delivery of working capital finance and medium term finance for small projects.
- Signing up more non-bank lenders for delivery of support. Currently one non-bank lender is authorised to provide supplier credits.
- Post Brexit, UKEF to provide payment risk protection for SME exports, including European, North American and Australasian destinations.
- UKEF to build on its ability to manage foreign exchange risk in 62 currencies and provide tender to contract exchange risk cover for SMEs.
- Build on the aims of the Export Strategy and have UKEF, DIT and DfID work together to give UK SMEs the widest range of opportunities and support for overseas aid projects.

IV A decade of UKEF: re-engineered and proactive

Our first benchmarking of UKEF (then called ECGD) was to support BExA's Export Manifesto for the 2010 General Election which occurred towards the end of the 'banking crisis'. We asked for a revitalising of UKEF and for a wider product range so that UK exporters could more readily compete for international orders.

At the start of the millennium, UKEF had supported £6bn exports per annum while by 2009, this had dropped to £1.46bn, 90% of which was finance support for Airbus sales. BExA proposed that UKEF broadened its offering to help turnaround our inward-looking UK economy and supported exports leading to the creation of sustainable jobs. Not all of BExA's requests have been granted but a decade on UKEF's turnover of £6.8bn is some achievement.

The table below summarises our recommendations and the results:

2010 BExA recommendations for UKEF	2009	2019	Outcome
1. Be part of Government trade policy.	✗	✓	Included in Trade policy & Export Strategy
2. Widen product range from capital/semi-capital goods to all goods/services and cover short-term credits - Short term credit insurance	✗	✓	EXIP
3. Finance support for SME - Bond Support - Working Capital Facility	✗ ✗	✓ ✓	Both products introduced and also available under bank delegation
4. Improve visibility and increase the number of facilities especially for SME	✗	✓	Marketing & Regional Managers
5. Foreign Exchange cover for tenders	✗	✗	We're still waiting for the final tick in the box for 10/10
6. Direct Lending	✗	✓	DLF introduced and well utilised
7. Free-up front-line staff by outsourcing first-stage information gathering and credit analysis to commercial organisations.	✗	✗	UKEF are still reliant on internal resource in many areas
8. Enlist credit insurance brokers to distribute products and help SMEs	✗	✓	Good relationship formed with credit brokers
9. Combine with a commercial entity in order to make administrative savings.	✗	✓	Reinsurance

V UKEF Benchmarking

7. UKEF product mix analysis

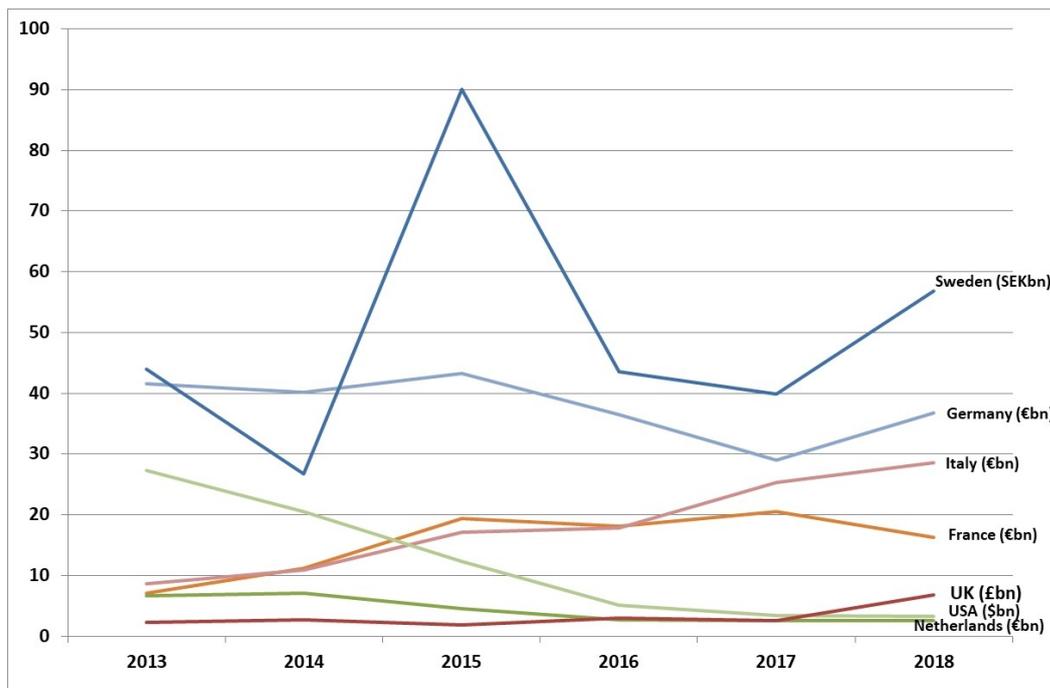
Table 1: UKEF's product range evolution since the inaugural BExA benchmarking paper.

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 ECA's Average
July 2010	✗	✓	✓	✗	✗	✓	✗	✓	✓	✗	5	7.00
October 2019	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	9	7.93

The continued absence of tender-to-contract foreign exchange risk cover (TTC) pegs UKEF's score at 9 out of 10. Availability and marketing of TTC would provide smaller exporters with comfort of being able to manage the risk of bidding in foreign currency.

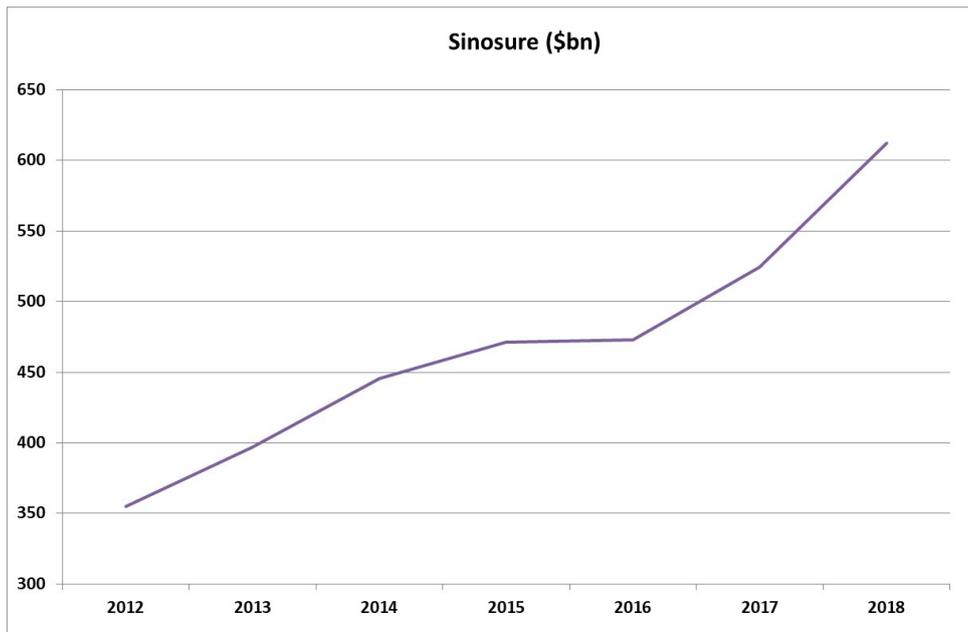
B. How did UKEF do in the last 12 months?

Graph 1: Comparison of selected ECAs' business volumes since 2013



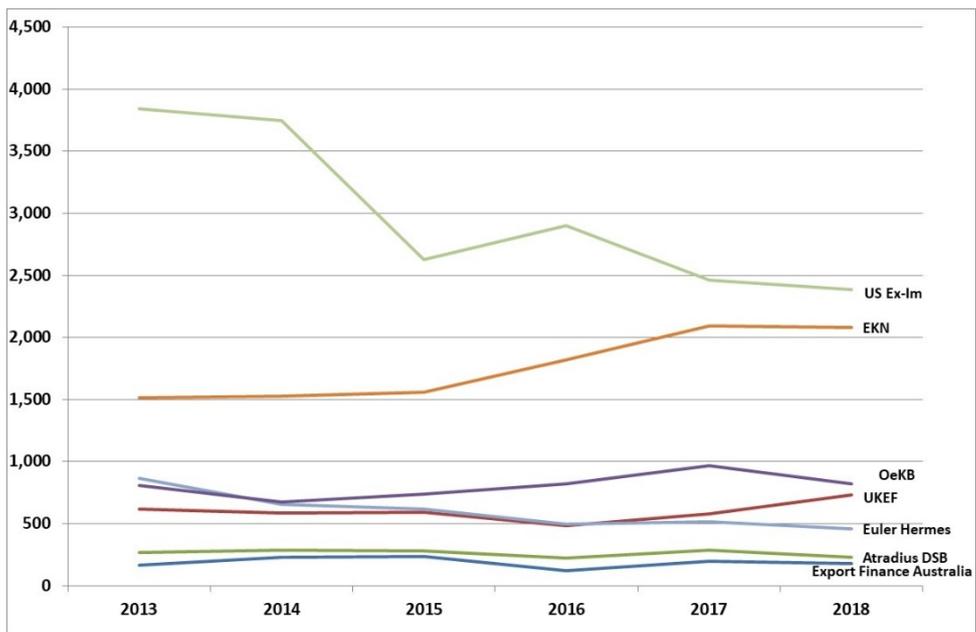
UK volumes show an increase, and we hope this will continue as the Export Strategy is put into action. US Ex-Im volumes will pick up now that it is back in operational mode. SACE, which supports SMEs and aircraft finance, continues its growth.

Any analysis of ECA volumes cannot ignore Sinosure (overleaf) which is out on its own as clear leader in business volumes.



C. Activity

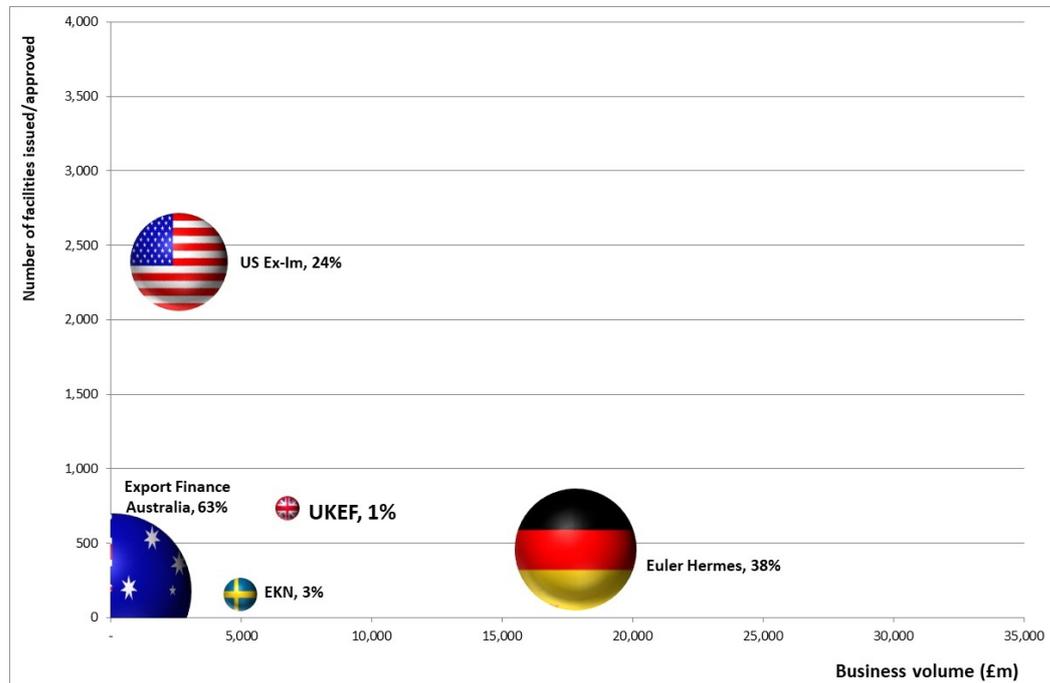
Graph 3: Number of issued guarantees/policies since 2010



In numbers of transactions, UKEF shows consistent improvement and compares well with most European ECAs. EKN has impressive growth in both transaction numbers and business volumes.

D. Engagement with SMEs and MSBs

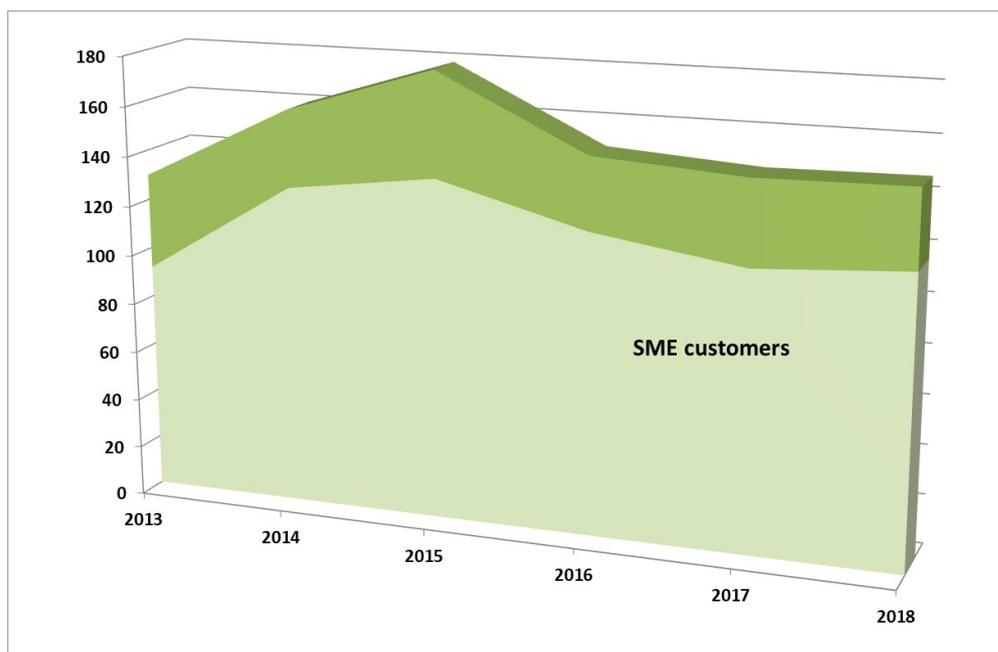
Graph 4: total business volume compared with the number of facilities issued/approved (size of bubble shows support given to SMEs compared to overall support)



UKEF's bubble this year is distorted by a single large contract while its SME support is stable. US Ex-Im has only been able to support low value <\$10m contracts whilst it's Board lacked a quorum hence a large bubble.

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

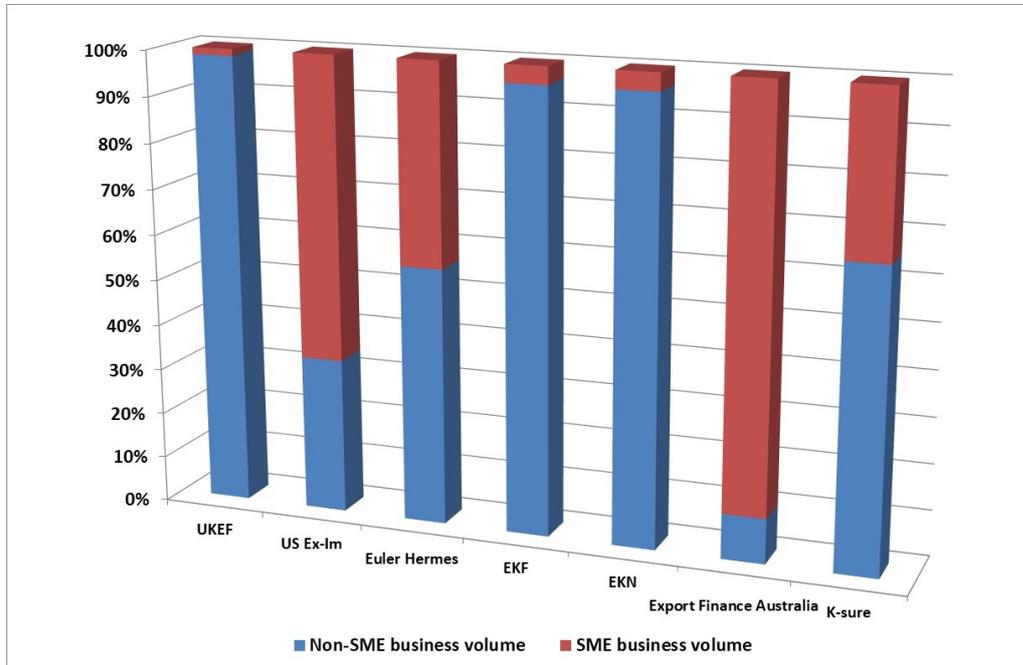
Graph 5: UKEF supported companies



By number of transactions, UKEF's business mix between SME and non-SME is stable.

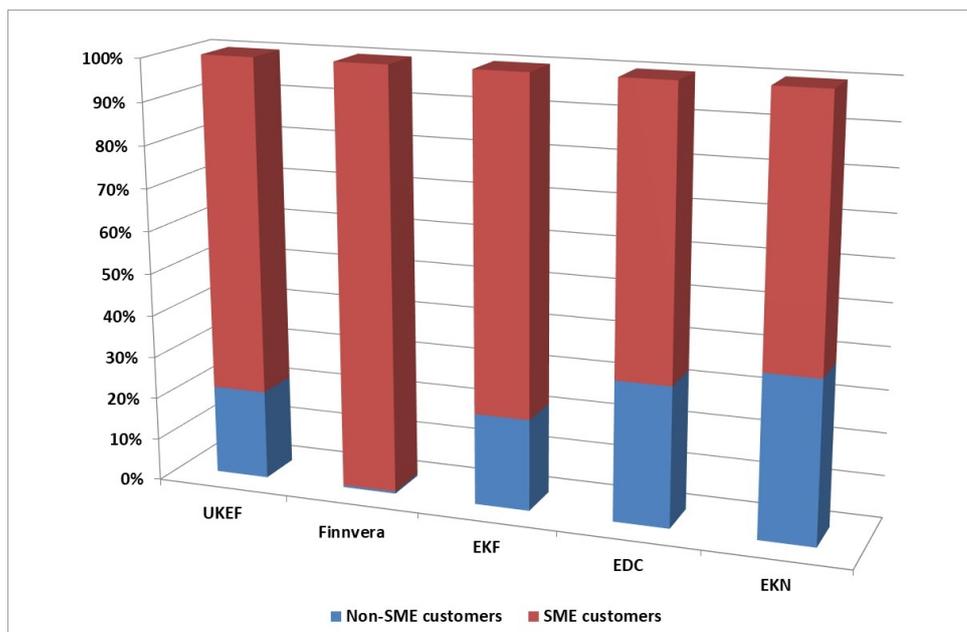
F. SME business volume split during 2018

Graph 6: ECA volumes supported in 2018, split by SME/Non-SME



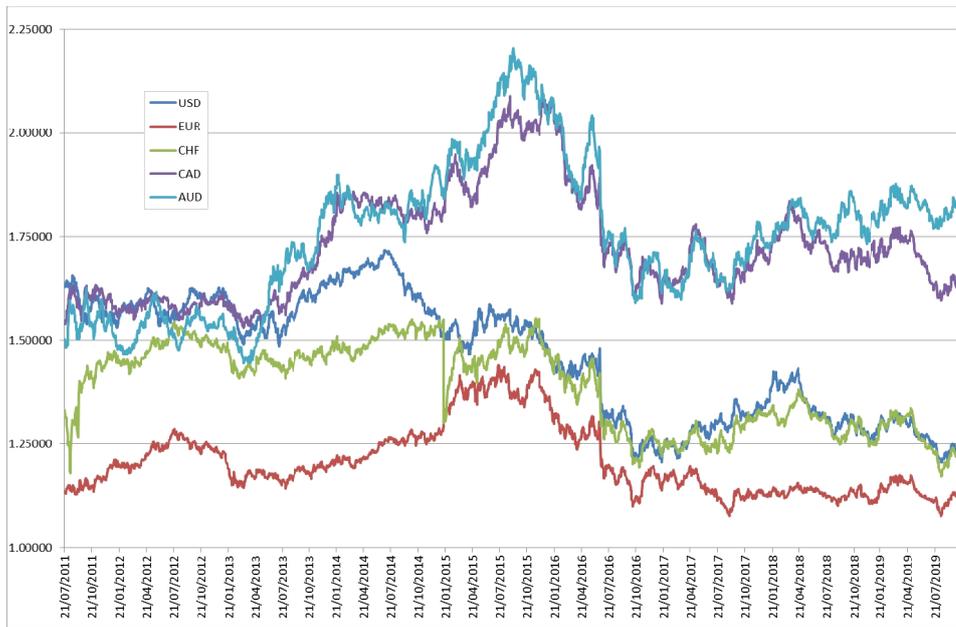
G. Facilities provided to SMEs during 2018

Graph 7: ECA Facilities issued in 2018, split by SME/Non-SME customers



H. Historical foreign exchange rate volatility vs. GBP

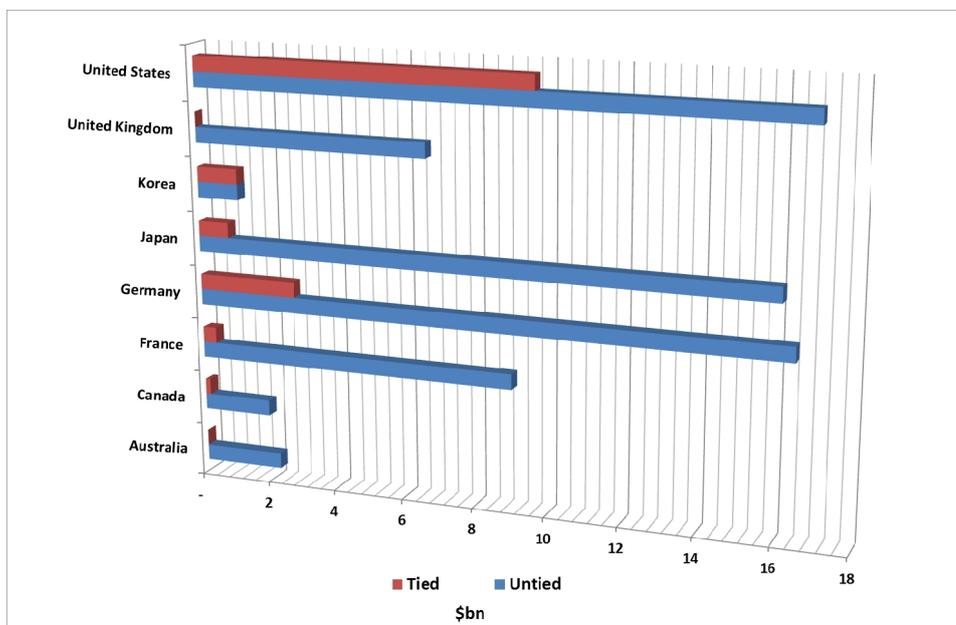
Graph 8: Previous 5 years daily closing Spot rate of sterling - source: Bloomberg



GBP volatility against major currencies continues due to the ongoing Brexit uncertainty. This volatility could easily wipe out a UK Exporter's profit if bid without some form of FX protection – unfortunately most SMEs take this risk because of the cost of hedging instruments.

I. Tied and untied aid

Graph 9: Comparison of tied vs un-tied aid provided by country in 2017 – source: OECD



The UK continues to be disadvantaged in developing markets against major competitors by not providing concessional lending products.

VI 2019 Developments

BExA's benchmarking for 2019 would not be complete without mentioning recent activity:

- Following on from the Brexit vote in 2016, the UK continues to try and negotiate an exit that works for the UK and the EU. With so many stakeholders this is proving difficult and has the added burden of being negotiated in the full glare of the UK press. Uncertainty for business is expected to continue up to the end of the Article 50 period and potentially beyond into any Transition Period.
- Donald Trump withdrew the United States from the JCPOA agreement in May 2018 and effectively closed the door on any export opportunities to Iran in the short to medium term. Increased tensions and military rhetoric are not helping defuse this difficult political situation.
- The **US Ex-Im** finally received its quorum of Board members in early 2019 and is now able to authorise new business over USD10m for the first time in over 3 years.
- Increased global tensions and an increasingly protectionist trade measures raise questions over the ability of the UK to be able to negotiate fair free trade deals with major trading partners following our exit from the EU.
- Another new UK Government is in place to try and finalise the UK's exit from the EU. At the time of writing the situation appears to be as uncertain as ever with increasingly hostile political manoeuvring underway.

VII Appendices

A. Glossary

CIRR	Commercial Interest Reference Rate
DIT	Department for International Trade
DG	Director General
EC	European Commission
ECA	Export Credit Agency
ECGD	Export Credits Guarantee Department (now called UKEF)
EFM	Export Finance Manager
EU	European Union
EXIP	Export Insurance Policy
HMG	Her Majesty's Government
GEF	General Export Facility (from UKEF)
LMA	Loan Market Association
OECD	Organisation for Economic Cooperation and Development
SME	Small and Medium sized Enterprise
SBEEA	Small Business Enterprise and Employment Act
TTC	Tender to Contract (exchange risk) cover
UKEF	UK Export Finance
UKTI	UK Trade and Investment (now DIT)
WTO	World Trade Organisation

B. ECA Product Ranges (2018 figures)

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/Ex portfonds	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	ODL/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	34	35	35	30	32	37

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.

C. ECA business volumes since 2013 (2018 figures)

Country	Export Credit Agency/Other government agencies, banks etc	2013	2014	2015	2016	2017	2018	Unit	Currency
UK	UKEF	2,272.0	2,730.0	1,793.0	2,966.0	2,530.0	6,776.0	m	GBP
	<i>incl direct funding/lending</i>		45.0	286.0	305.0	666.0	587.0	m	GBP
Argentina	BICE	1,415.9	n.a.	n.a.	n.a.	n.a.	n.a.	m	USD
Australia	Export Finance Australia	513.8	576.6	179.1	390.4	445.3	194.2	m	AUD
	<i>incl direct funding/lending</i>	149.0	123.0	117.0	99.0	72.0	51.0	m	AUD
Austria	OeKB	8,482.0	7,015.0	8,765.0	8,030.0	10,637.0	13,320.0	m	EUR
	Guarantees	3,512.0	3,842.0	3,758.0	3,566.0	5,355.0	5,720.0	m	EUR
	Export Financing Scheme	5,124.0	3,173.0	5,007.0	4,464.0	5,282.0	7,600.0	m	EUR
Belgium	Credendo	6,860.0	13,964.0	10,721.0	6,306.0	n.a.	n.a.	m	EUR
Brazil	BNDES	190,400.0	187,800.0	135,900.0	88,257.0	70,751.0	69,300.0	m	BRL
Bulgaria	BAEZ	430.8	510.8	n.a.	n.a.	n.a.	n.a.	m	BGN
Canada	EDC	95,442.0	98,923.0	104,246.0	102,069.0	103,771.0	112,670.0	m	CAD
	<i>incl direct financing</i>	17,497.0	20,638.0	24,433.0	26,587.0	26,756.0	35,109.0	m	CAD
China	Sinosure/Eximbank	402,143.20	454,313.70	n.a.	n.a.	n.a.	n.a.	m	USD
	<i>Sinosure</i>	396,970.0	445,580.0	471,500.0	473,120.0	524,600.0	611,990.0	m	USD
	<i>China Eximbank</i>	5,173.20	8,733.70	n.a.	n.a.	n.a.	n.a.	m	USD
Croatia	HBOR	1,000.0	1,020.0	1,540.0	1,440.0	1,727.9	2,692.0	m	HRK
Czech Republic	EGAP/CEB	71,957.0	57,282.0	44,541.0	33,920.0	47,092.1	41,421.0	m	CZK
	EGAP	63,438.00	47,233.00	40,502.00	31,895.00	42,793.0	35,811.0	m	CZK
	CEB	8,519.0	10,049.0	4,039.0	2,025.0	4,299.1	5,610.0	m	CZK
Denmark	EKF	32,700.0	15,222.0	14,098.0	13,885.0	11,507.0	33,683.0	m	DKK
Estonia	KredEx	n.a.	n.a.					m	EUR
Finland	Finnvera	2,737.8	4,004.0	5,635.0	1,474.0	6,518.0	2,596.0	m	EUR
France	Bpifrance	7,100.0	11,200.0	19,400.0	18,066.0	20,582.0	16,220.0	m	EUR
Germany	Euler Hermes/KfW IPEX Bank	41,589.6	40,150.8	43,232.2	36,515.1	28,962.4	36,795.6	m	EUR
	Euler Hermes	27,889.6	24,750.8	25,832.2	20,615.1	16,862.4	19,795.6	m	EUR
	KfW IPEX Bank (lending)	13,700.0	15,400.0	17,400.0	15,900.0	12,100.0	17,000.0	m	EUR
Hungary	MEHIB	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	m	HUF
	Eximbank	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	m	HUF
India	ECGC/Eximbank	718,074.5	778,964.3	n.a.	n.a.	n.a.	n.a.	m	Crores
	ECGC	269,511.5	279,254.3	n.a.	n.a.	n.a.	n.a.	m	Crores
	Eximbank	448,563.0	499,710.0	n.a.	n.a.	n.a.	n.a.	m	Crores
Italy	SACE	8,700.0	10,900.0	17,163.6	17,900.0	25,298.0	28,586.0	m	EUR
Japan	NEXI/JBIC	10,723.3	11,735.2	10,212.7	8,574.4	8,490.8	n.a.	bn	JPY
	NEXI	8,517.2	8,485.9	7,815.3	6,334.7	7,297.6	n.a.	bn	JPY
	JBIC	2,206.1	3,249.3	2,397.4	2,239.7	1,193.2	n.a.	bn	JPY
Luxembourg	ODL	775.6	543.9	549.3	697.9	555.7	411.1	m	EUR
Malaysia	Exim Bank	1,900.0	n.a.	n.a.	n.a.	n.a.	n.a.	m	MYR
Mexico	Bancomext	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	m	USD
Netherlands	Atradius DSB	6,700.0	7,100.0	4,500.0	2,700.0	2,500.0	2,500.0	m	EUR
Norway	GIEK	24,169.0	20,666.0	16,280.7	16,710.5	11,800.9	14,400.0	m	NOK
	ECN	23,237.0	25,117.0	17,863.0	10,121.0	3,418.0	2,880.0	m	NOK
Poland	KUKE	1,203.2	1,245.2	803.1	832.2	1,255.0	n.a.	m	USD
Portugal	COSEC	269.3	239.6	260.8	277.4	334.0	n.a.	m	EUR
Russia	EXIAR	73,000.0	n.a.	n.a.	n.a.	n.a.	n.a.	m	RUB
Slovak Republic	Eximbanka SR	399.4	418.0	372.3	243.7	232.0	n.a.	m	EUR
Slovenia	SID Bank	919.8	798.7	644.4	539.0	614.0	807.9	m	EUR
South Africa	ECIC SA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	m	ZAR
South Korea	K-sure/Kexim	282,874.0	271,321.0	242,100.0	213,700.0	202,300.0	208,100.0	bn	KRW

n.a.: not available

D. 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 Republic	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	www.coface.fr and 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

E. 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 months.
- 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)⁵.
- 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 ECAs⁶.

⁵ <http://eur-lex.europa.eu/JOIndex.do>

⁶ 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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