



**BRITISH EXPORTERS ASSOCIATION**

# UK Export Finance

**Improving delivery of the 9 out of 10**

***March 2023***

BExA's 13<sup>th</sup> Benchmarking Report, incorporating UKEF 2021-22 results

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**BExA**

## I Foreword by BExA Chairman

The British Exporters Association (BExA) is delighted to present its 13<sup>th</sup> Benchmarking Report of UK Export Finance (UKEF). It reviews the work of UKEF in 2022 and looks ahead to the challenges and opportunities facing UK exporters in 2023.

We congratulate UKEF for maintaining its excellent 9/10 product score since 2014 and for its continued valuable support of UK exporters in 2022. Since BExA's first benchmarking report in 2010, UKEF has grown the product lines it offers and delivered significantly increased support for export orders and export growth. BExA views its relationship with UKEF as a strategic one of fundamental importance and regard the senior leadership team of UKEF as outstanding. We warmly welcome the distinguished Mr Tim Reid as its new Chief Executive, wish him every success and happiness in his new role, and offer our continued support to ensure the UK benefits from the best of UKEF, the world's oldest Export Credit Agency.

There is no one causal factor to the UK's complex economic environment. Those that we know of are broadly shared throughout the G7, created by the combination of post-2008 Global Financial Crisis reforms, COVID19, Ukraine, China, global inflation, national resilience response efforts and a reassertion of the rules-based international trading system. It could be argued that these conflate to produce the disturbed global supply chains and distorted global markets that UK exporters face and whom UKEF support, to ensure that no viable UK export is left unfinanced or uninsured at no net cost to the UK taxpayer.

Despite these complexities the UK's 2022 GBP 813bn exports are at record levels. It seems highly probable that His Majesty's Government will meet its GBP 1 trillion Export Strategy target by 2030. Exports must increase by approximately 2.5% pa in the 2023-30 period to achieve this. Thought might be given within Government as to whether the target should be upwardly moved given that only 261,000 UK companies export, meaning that 1/20<sup>th</sup> of the UK's company population produce approximately 1/3<sup>rd</sup> of the value of the UK's GDP by their exporting. Ample scope exists to increase SME exporters to help higher economic growth. Exporters tend to invent and innovate more than non-exporters, because they face a greater array of competitive forces from multiple national markets. The original Export Strategy suggested that exporters are 20% more effective and sustainable than non-exporters, but to understand this fully we recommend that UKEF considers replicating a form of the Bank of England's monthly Decision-Making Panel Survey as a pathway to greater UKEF-SME engagement.

For the first time this report introduces a "usability" metric alongside the product availability score. It aims to reflect UK exporter and service provider opinions on UKEF's usability performance across its product range. We also compare UKEF with some of its peers and propose improvements for the year ahead. BExA would like to explore with UKEF the "usability" of some of its products specifically to allow more UK companies to win, deliver, finance and be paid for viable exports, and enable multinational corporations to source more UK goods and services.

We thank Mr Louis Taylor and Mr Samir Parkash for their fine leadership, as CEO and Interim CEO respectively, and wish Mr Gordon Welsh great happiness in his retirement. We thank the Chief Executive, the senior leadership team, the Board and all members of UKEF for their public service and will do whatever we can to support them. Every BExA Benchmarking Report of UKEF is compiled by member volunteers in unpaid public service – we thank all contributors and pay a special tribute to the drafting group. It is an example of the public and private sectors working together to build our country's future.

*Dr Carl Stephen Patrick Hunter OBE, BExA Chairman – March 2023*

## II Summary of Key Recommendations

Whilst UKEF has continually enhanced its support since BExA introduced the first benchmarking report in 2010, with the product score rising from a 5/10 to the current 9/10, in every organisation there is always room for improvement. Our recommendations form the cornerstone of this report, and the summary below highlights key areas of focus that BExA believes could make a notable difference to the range, availability and usability of support provided to UK exporters.

	<b>Summary of 2021 recommendations</b>	<b>2022 Out-turn</b>	<b>Summary of 2023 recommendations</b>
1	<b>EXIP</b> policy requires a full refresh, inclusive of pre-credit cover. Premium needs to be best priced, first time, every time.	Little progress seen / reported publicly. However, we understand that UKEF expects to launch a new policy in 2023.	A refresh would allow UK exporters to access market-standard insurance in a clear, plain-English form, and compete on a level playing field. We believe that fair risk-based pricing should be provided to applicants; best premium rates first and every time.
2	<b>NEW:</b>		<b>Revolving Lines of Credit</b> for medium-term buyer finance facilities: UKEF currently provides revolving EXIP cover, but finance guarantees remain contract specific. A combination of these two – revolving lines of credit (credit up to one year), guaranteed by UKEF up to an agreed limit - would especially simplify financing of regular supplies of machinery and equipment and draw in more companies to export.
3	Work with private market to cover SME <b>FX risk</b> in tradeable currency pairs without restrictive security requirements, i.e. avoid cash collateral covering amount and margin call. The lack of this product was highlighted at the ITC Select Committee inquiry into UKEF products and services.	UKEF has reviewed a large, global BExA member's solution to this issue and written an internal paper.	BExA continues to ask for this important product. The large, global exporter member visited by UKEF has provided this type of product to its businesses for over 20 years covering thousands of deals with a value over £10bn without incurring an annual loss.
4	UKEF to improve its user experience through materially transforming its <b>digital</b> offering.	UKEF online premium quote tool (for sovereign risk only) launched in Sept 2022. Digital offering continues to lag that of other ECAs.	Applicants for UKEF support would benefit from being able to apply for cover and track applications through an online system (aside from the bank delegated trade finance products). We understand UKEF expects to go live with a digital EXIP application in Summer 2023.
5	UKEF to empower its underwriters, rather than split tasks into many component parts.	User feedback is that UKEF front-line staff remain unempowered to make simple commitments without referral to senior decision-makers.	UKEF requires multiple departments to assess even small offers of cover. BExA believes that simplified, delegated models for assessment of credit risk could be introduced to improve both turnaround times and exporter competitiveness.
6	DL is popular due to <b>CIRR</b> . Pressure on DL limits can be alleviated by making CIRR available on other products.	DL capacity remains limited. Fixed rate Buyer Credit now available.	We understand that the 2019 revised and extended DL limits are already close to capacity. Alternative routes to CIRR are required as we understand that in the current financial backdrop, further limit increases are unlikely. Improve signposting for the new fixed rate Buyer Credit.
7	The UK still lacks a <b>concessional product</b> .	Slow progress on concessional lending (FCDO project status not updated since June 2022 <sup>1</sup> ).	Concessional lending continues to be required by UK exporters in developing markets. The lack of a product automatically excludes UK companies on many projects. Other countries offer this product thereby giving an advantage to competitors of UK exporters.
8	<b>GEF</b> and larger <b>EDG</b> now need to be marketed effectively to ensure as many exporters as possible can benefit. Excessive security requirements for SME GEFs to be revisited.	EDG is extremely successful and valued by larger exporters. GEF needs work to achieve same level of engagement.	UKEF needs to build on the success of the EDG and ensure that the GEF works for SMEs, monitoring that banks do not unreasonably demand excessive security packages that make the GEF unattractive.

*For terminology explanation please see Appendix A – Glossary*

<sup>1</sup> <https://devtracker.fcdo.gov.uk/projects/GB-GOV-1-300885/summary>

### III UKEF product mix and performance

UK exporters continue to benefit from support provided by UKEF through an evolving product offering which has in recent years seen the introduction of new and game changing products – reflected in an excellent score of 9/10 again this year.

In addition to a score for product availability, this year’s report includes for the first time a ‘useability’ metric. Whilst BExA’s rating for usability is subjective, it is based on input from member surveys, direct feedback and roundtable discussions with UK exporters (including SMEs and large corporates), financiers, and their representatives.

The traffic light colouring of earlier benchmarking reports is now used to rate product usability: green is good; amber indicates more work required, and red is unavailable.

Products	Availability & Useability	2022 observations
Short-term insurance	✓	EXIP provides valuable cover where private market appetite limited but policy wording is out of date; requires re-working.
Export Credit Schemes	✓	Buyer Credit and Supplier Credit schemes: generally good access through financiers. Would benefit from simplified online access and revolving Supplier Credit product.
Fixed Rate Financing (CIRR)	✓	Fixed rate Buyer Credit now available but more promotion needed.
Foreign Exchange Risk Cover	✗	Tender to Contract forex cover needed by all sizes of exporter to encourage competitive bidding in foreign exchange.
Direct Lending	✓	Direct Lending is needed for large projects. Unfortunately, capacity is exhausted as this is the only route to CIRR funding. Make CIRR more widely available to release pressure on the Direct Lending Limit
Investment Insurance	✓	BExA has no reports of product usage.
Bond support Scheme	✓	UKEF’s widely used Bond Support enables all sizes of exporter to arrange contract bonds without unduly using up borrowing lines.
Unfair Calling Insurance	✓	BIP cover for ‘improper call’ would benefit from modernisation, alignment with bond terminology and practice, and with related EXIP cover.
Letter of Credit Guarantee Scheme	✓	Stand-alone product removed by UKEF due to poor utilisation and opinion that this cover is provided via alternative products - BExA will continue to monitor the effectiveness of the cover via alternative products and whether a stand-alone product is still needed.
Working Capital Facility	✓	EDG is now available to support exporters investing in innovation including making the journey to net zero. GEF valued by SMEs whose working capital facilities are given a breather to support export growth. More lenders should be encouraged to promote these facilities to exporters.
Availability Score	9	

**Conclusion:** UKEF’s excellent availability score of 9 out of 10 deflects issues with the useability of some of its products. In the following sections, we delve deeper into these issues and, where possible, suggest potential remedies. It could be said that UKEF has perhaps been a victim of its own success: the growth and evolution of requirements for some product ranges having outpaced UKEF’s ability to manage them effectively.

## 1. Financing and guarantee schemes

Table 1.1 – Summary recommendations

Product	Recommendation
Revolving Buyer Finance	Introduce a revolving option for UKEF's buyer finance products (SBLG, BNG) to allow exporters to finance repeat business as stock is utilised and credit repaid.
Direct Lending / Concessional Lending	Urge the FCDO to introduce the concessional lending product it has been developing for some time <sup>2</sup> . Ensure capacity is made available for fixed rate lending.
All	Provide a simplified online application process, with pricing tools.
All long-term	Make ESIA a condition precedent to funding rather than a condition of credit approval.

Medium to long-term finance support is the cornerstone of the ECA world, and UKEF continues to successfully deliver support for the supply of capital goods and services via these products. The terms are well known and defined in the OECD Arrangement on Export Credits<sup>3</sup>, and as a result there are typically few surprises for exporters who are experienced in working with them.

There is however room to enhance both their useability and availability. We continue to request simplification and digitisation to streamline the application process such as those provided by peers<sup>4</sup>, and recommend that work on this is expedited, alongside meaningful engagement with likely users.

Introducing a Revolving capability for UKEF's buyer finance / 'supplier credit' products would extend credit guarantees in support of mid-sized exporters, including consolidators with ongoing regular supplies to large overseas buyers, enabling compound export growth. This could be per UKEF's traditional finance guarantees for banks, or the guarantee could be direct to the exporter – as is available from EKN in Sweden. A further enhancement would be to follow the likes of Bpifrance and EKN and allow use of Direct Lending for 'smaller' buyer finance transactions, for example for values of <€5m where lender appetite for support falls away.

Direct Lending (DL) is a hugely successful product for UKEF so much so that, following encouragement from BExA, an increase to the DL limit was agreed in 2019. The attractiveness of DL is that it provides access to CIRR-based fixed rates and as a result, the limit is again close to being exhausted. We are pleased that UKEF has been exploring alternative financing sources such that a fixed rate lending option is now available for Buyer Credit. UKEF needs to continue to ensure fixed rate funding is readily available and to promote its availability.

The UK's export support portfolio continues to lack a concessional lending product. This is essential for exporters competing on certain large development projects in emerging markets. We understand the FCDO is reviewing this product and we urge UK Government to make it available, subject to sustainability considerations, to allow emerging markets access to the UK's sustainable solutions and give UK exporters access to these valuable large projects. We understand that a decision on the introduction of a concessional lending product lies with the FCDO, and BExA will continue to stand ready to assist HMG wherever possible to achieve a speedy and positive outcome.

<sup>2</sup> <https://devtracker.fcdo.gov.uk/projects/GB-GOV-1-300885/summary>

<sup>3</sup> [https://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=TAD/PG\(2022\)1&docLanguage=en](https://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=TAD/PG(2022)1&docLanguage=en)

<sup>4</sup> Norwegian ECA process for example - [Application forms | Applications for banks, exporters and buyers \(eksfin.no\)](#)

Exporters operating on infrastructure projects are hampered by UKEF's requirement to provide a full ESIA to obtain credit approval rather than it being a condition precedent to drawdown. This puts undue financial risk on the developer at a time when for other countries' exporters the full ESIA is not yet required. BExA urges UKEF to relax this requirement and make the provision of an ESIA a condition precedent.

## 2. Fulfilling orders: working capital support and export credit insurance

Table 2.1 – Summary recommendations

Product	Recommendation
EXIP	Expedite work on the Policy re-refresh which is long overdue.
Tender to Contract FX	BExA believes that this product is still needed and continues to offer support to UKEF in developing a cost-neutral product.
GEF	Work to ensure that SMEs are not prohibited from accessing GEF by monitoring that banks do not unreasonably demand excessive security requirements and allow limited recourse for invoice discounting products.
Bank Delegation	Increase limits from £5m to £10m and term from 2 years to 5 years to allow banks to capture and process more SME business. Continue work to improve portal and workflow processes.
All short-term	Pricing needs to be best and final, first time, every time and be readily accessible.

UKEF’s Export Insurance Product (“EXIP”) wording should reflect market conventions in terms of clarity of the wording and the inception process. BExA has long advocated this and continues to engage with UKEF and offer assistance to identify, evidence and suggest solutions where areas of improvement could benefit exporters.

The EXIP needs to reflect the demands and needs of all sizes of exporters including those that provide in-territory services, and the provision of Basel-compliant wordings for capital relief. Failure to address this is leading to exporters reviewing their supply chains to take advantage of cover from competitor ECAs who do provide the required protection. BExA has been made aware of several examples where UKEF’s wording could not accommodate the risk for the exporter, so the goods and services were sourced from another country. In one particular stand-out case, the premium paid to the ECA, including the resulting export financing transactions, was in excess of €100m. This exporter is now actively considering moving its business away from the UK - meaning that potentially billions of pounds of exports may be lost to the UK.

A Tender to Contract FX Cover (TTC) product would enable UK exporters to confidently bid for overseas contracts with minimal up-front costs, certainty of their margins, and the ability to manage the risk of bidding in foreign currency. The benefit of such a product was highlighted during the political and economic upheaval of 2022 when exporters offering fixed price tenders would have been negatively impacted by a >12% move in exchange rates - which in some cases would have eradicated their profit margin. BExA has been requesting this product for some considerable time, and a potential solution was submitted to UKEF in 2021. We understand that this product is still under consideration by UKEF and BExA continues to stand ready to assist UKEF in working through any issues to enable this product to be launched for the benefit of UK exporters generally.

On a positive note, UKEF introduced two products in recent years that are game changing for UK exporters: the Export Development Guarantee (EDG) and the General Export Facility (GEF). The EDG is aimed at larger deals and was extensively used by large exporters during the pandemic. The GEF is aimed at the smaller deals and predominantly SMEs. Both have the capacity to really drive export growth in the UK if they can be accessed easily.

The EDG is working well and the introduction of the Transition EDG also benefits the UK's sustainability aims. While we do not want to draw attention away from these very valuable products, we recommend broadening the available finance support so that a wider range of UK corporates can be supported.

GEF, whilst a very similar product to EDG, and having a good number of issued facilities, has been beset by accessibility problems where SMEs' banks have requested prohibitive credit requirements. It is our recommendation that these limitations should be removed to enable business to trade, and grow, beyond their balance sheets. Additionally, UKEF needs to continue the work in bringing more lenders on board. Increased competition should help reduce banks' security requirements.

Having surveyed member organisations on the UKEF delegated authority model, we understand that it is generally working well but that there are areas that could be improved, including further work to increase the rate of automatic approval on GEFs. The model would greatly benefit from increases in both the value (from £5m to £10m) and the term (from 2 to 5 years). These changes would allow participant banks to quickly offer support to SMEs in this range without going through the manual process and added timescales, c. 70 days, this entails. The portal requires some improvement to reduce manual interventions and out-of-system work arounds to record amendments. Current processes introduce opportunities for error as amendments currently aren't tracked on the portal.

Finally in this section we turn to pricing and risk. UKEF pricing for long-term products follows OECD frameworks and as a result is predictable and competitive. However, the short-term products are open to market-based pricing practices, and we feel that UKEF's track record of providing indicative pricing is inconsistent. We are aware of pricing provided by UKEF that is in excess of market rates, by so much that exporters have utilised other ECAs. This is not an option for many SME businesses who will either forego the cover and proceed with risk or not bid on the deal.

BExA recommends that pricing should be based on the particulars of the deal and not generic country-based models. To allow exporters to build the price of the cover into their offers to overseas customers, and to remain competitive, best pricing should be applied first and every time and in a timely manner. Anecdotally, we have received reports from members who have incurred significant delays on receiving indicative pricing from UKEF.



### 3. Delivery

Table 3.1 – Summary recommendations

Product	Recommendation
All	Implement approval thresholds to empower staff and improve transaction turnaround times.
All	Digitise processes
All	Review premium pricing/risk appetite to bring premium to claims ratio into line with peers.

We are pleased to see UKEF’s ongoing initiatives to become more widely known within the business community. BExA members have responded positively to UKEF’s advertisements on the radio, in newspapers and on social media, and this active marketing effort is to be commended. We understand that the marketing initiatives are paying dividends, with increased interest in UKEF and its products and services.

Whilst this is a positive step forward, it does however raise concerns over the ability of UKEF to effectively manage the increased volume of enquiries. BExA already receives feedback on what are perceived to be unduly burdensome requirements for even straightforward enquiries to be referred to senior decision-makers, and that delays in responses are undermining SMEs ability to export competitively.

Speed and certainty of cover remain essential to exporters in competitive situations, ideally accessed through digital platforms. BExA therefore strongly recommends that UKEF prioritises improvements in the turnaround of letters of interest, pricing, credit approvals and in checking the status of applications for cover, all of which will be enthusiastically received.

Where transaction enquiries are not eligible for direct UKEF support, we recommend that a referral, mentoring or ‘new to UKEF’ programme be established to ensure that exporters who are new to UKEF are not deterred, and a solution can be found to support their exports. We invite UKEF to engage with BExA to explore potential solutions.

Excess profitability: BExA first raised the disparity in UKEF’s premium to claims ratio two years ago. Graph C in section IV below shows UKEF is currently running at a ratio of 10.5. As such UKEF continues to operate as an outlier to its peers who operate to the OECD guidelines of slightly better than breakeven. Additionally, UKEF’s annual report<sup>5</sup> shows it has been running some way above HM Treasury imposed objectives on its premium to risk ratios.

This type of data suggests that UKEF has, and continues to operate at, a financial surplus. In turn, BExA encourages UKEF to look again at continuing good credit practices but deepening the amounts and qualities (from a credit rating perspective) of risk it can take on across the product suite. While this would likely result in an increase in claims activity, it appears that UKEF has the surplus to absorb that, in the process supporting potentially significant numbers of exports that may not currently be covered by UKEF.

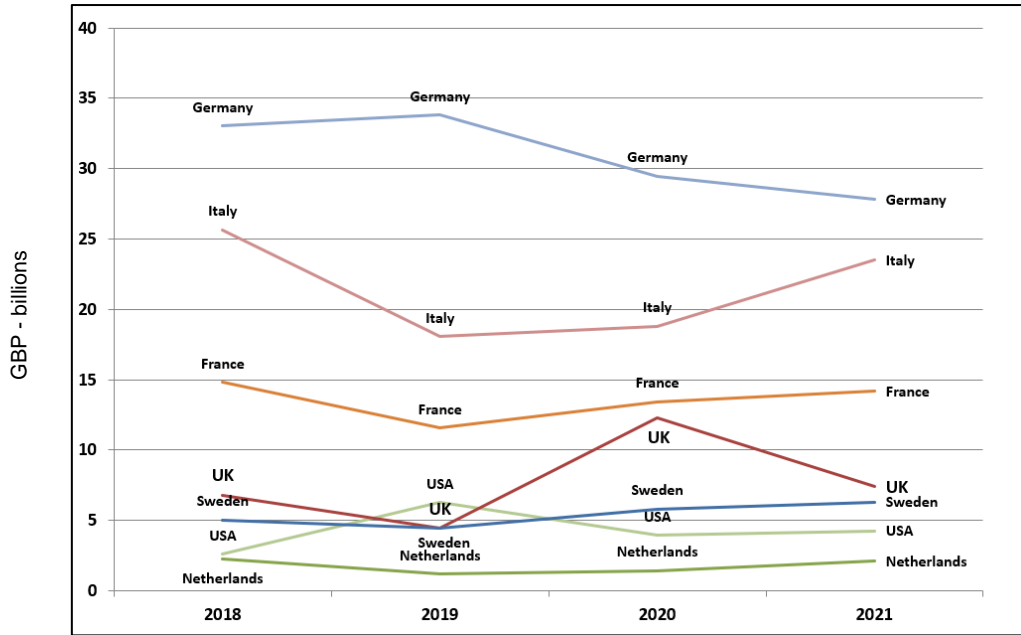
Equally, BExA suggests that some of that historical surplus could be directed to the overdue digital work mentioned earlier in this report.

<sup>5</sup> [UK Export Finance Annual Report and Accounts 2021 to 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/614442/uk-export-finance-annual-report-and-accounts-2021-to-2022.pdf)

## IV UKEF Analysis

### A. How did UKEF do in the last financial year?

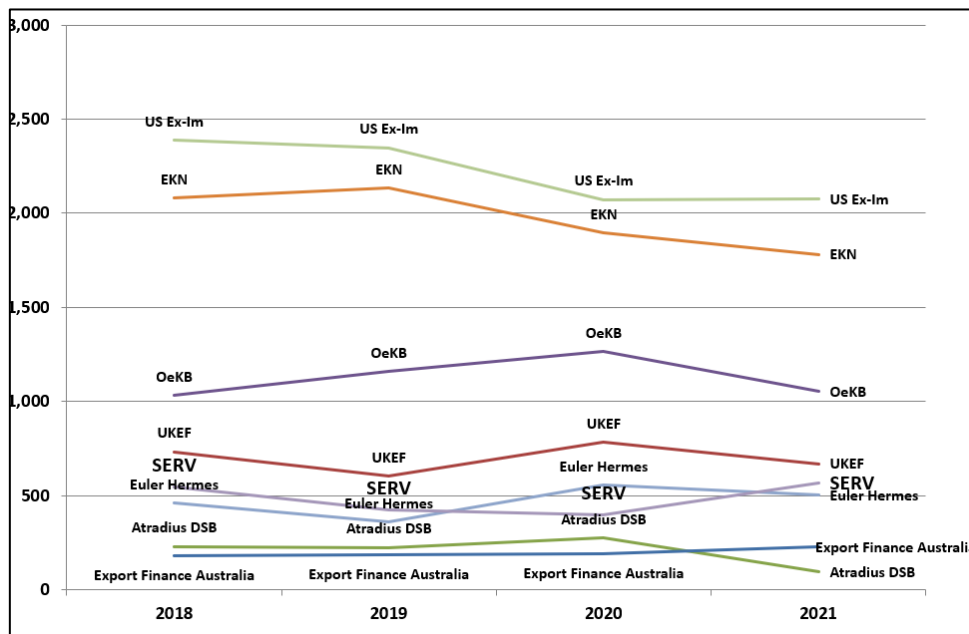
Graph 1: Comparison of selected ECAs' business volumes since 2018 (converted to GBP per HMRC spot rates<sup>6</sup>)



UKEF business volumes have dropped from the EDG driven high of 2020 down to £7.4bn. They still show a respectable growth compared to earlier years but continue to lag their main European peers. The USA continues to post low volumes post their re-authorisation and Board issues.

### B. Activity

Graph 2: Number of issued guarantees/policies since 2018

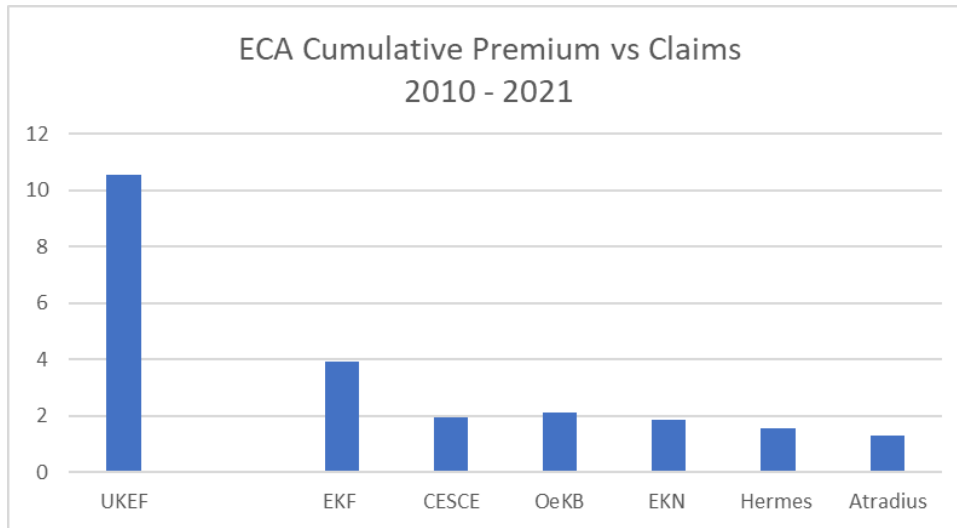


<sup>6</sup> HMRC yearly average and spot rates - GOV.UK ([www.gov.uk](http://www.gov.uk))

The number of new UKEF transactions remains relatively constant over the period. There is still a significant gap to the Swedes and Americans who write more new business deals despite lower business volumes.

### C. Premium to claims ratio (cumulative)

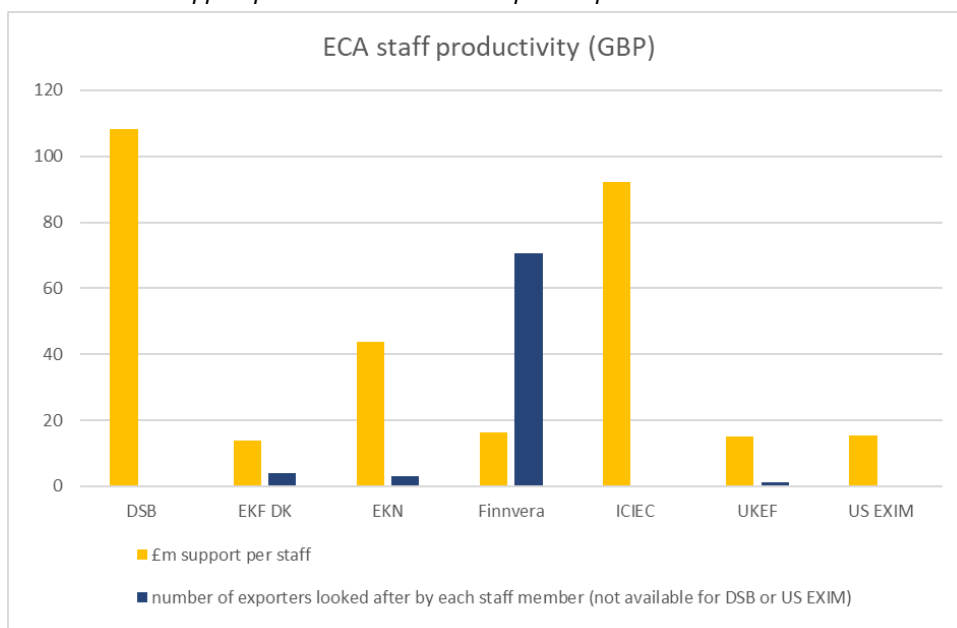
Graph 3 shows the ratio of premium to each unit of claim paid, in currency of the country



UKEF's Premium to Claim ratio continues to outpace its peers, with the chart showing those ECAs where data is readily available. This data forms a long-term "through the cycle" picture of UKEF's consistent outlying position. This coupled with the Treasury Objectives show clear evidence that more can be done to increase UKEF's risk appetite and reduce its short-term premiums.

### D. ECA Productivity

Graph 4 shows the ratio of support per staff member and exporters per staff member



UKEF's turnover supported is in line with comparable ECAs. UKEF staff numbers are high when considered against GBP volumes of exports or numbers of exporters supported.

## V Appendices

### Glossary

<b>CIRR</b>	Commercial Interest Reference Rate
<b>DIT/DBT</b>	Department for International Trade / Department for Business & Trade
<b>DG</b>	Director General
<b>DL</b>	Direct Lending
<b>EC</b>	European Commission
<b>ECA</b>	Export Credit Agency
<b>ECGD</b>	Export Credits Guarantee Department (now called UKEF)
<b>EDG</b>	Export Development Guarantee
<b>ESG</b>	Environmental Social and Governance
<b>ESIA</b>	Environmental and Social Impact Assessment
<b>EU</b>	European Union
<b>EXIP</b>	Export Insurance Policy
<b>FCDO</b>	Foreign, Commonwealth & Development Office
<b>FX</b>	Foreign Exchange
<b>GEF</b>	General Export Facility (from UKEF)
<b>HMG</b>	Her Majesty's Government
<b>IFC</b>	International Finance Corporation
<b>ITC</b>	International Trade Select Committee
<b>OECD</b>	Organisation for Economic Cooperation and Development
<b>SME</b>	Small and Medium sized Enterprise
<b>TTC</b>	Tender to Contract (exchange risk) cover
<b>UKEF</b>	UK Export Finance
<b>WCGS</b>	UKEF's Working Capital Guarantee Scheme
<b>WTO</b>	World Trade Organisation

## 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	Credendo	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/CO	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, eg 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.

## Sources

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

## 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)<sup>7</sup>.
- 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. This has temporarily been lifted due to the pandemic but is something that should permanently be removed.
- Poland’s ECA, KUKE, describes the international framework and co-operation between ECAs<sup>8</sup>.

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<sup>7</sup> <http://eur-lex.europa.eu/JOIndex.do>

<sup>8</sup> [http://www.kuke.com.pl/international\\_cooperation.php](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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