



BRITISH EXPORTERS ASSOCIATION

UK Export Finance

Sustainable exporting

December 2021

BExA's 12th Annual Benchmarking, incorporating UKEF 2020-21 results

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BExA

I Foreword

This is BExA's twelfth annual benchmarking of UKEF against its peers. 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.

The last 20 months or so of the COVID-19 pandemic have been unprecedented in their disruption to both our personal and professional lives. We have all had to cope with restrictions on our ability to travel and meet people – for exporters this is critical to being able to build relationships with potential clients. Technology has stepped up and we now have ubiquitous video conferencing - whilst this has been incredibly useful during the pandemic, it is no substitute to meeting in person.

We have also left the EU, making the break at the start of this year. This has not come without its problems as businesses get to grips with the new requirements of exporting to the EU, however when firms do get the hang of it, they should gain confidence that they can export anywhere in the world. Rather than report the notoriously volatile monthly trade figures in the months post expiry of the transition period, we intend to comment next year on the UK's 2021 trade with the EU and the rest of the World.

Climate and sustainability took front seat in the UK with the COP26 conference at the beginning of November. Whilst the agreements made may have disappointed some with the use of coal merely reduced rather than eliminated, the direction of travel is clear and is one which UK businesses need to be aware of and work towards. The UK Government wants to be a principal character in the climate emergency discussions and has introduced some aggressive policies. In particular, UKEF's fossil fuel policy has rendered previously financeable projects un-financeable overnight. This cliff-edge approach is concerning and is akin to a unilateral disarmament for UK businesses compared to our competitors.

UKEF has stepped up when needed, supporting exporters and their supply chains through the pandemic, including with its new EDG and GEF which are game changers for UK exporters. UKEF recorded a healthy increase in business volumes but the usual questions remain. TTC FX cover continues to be missing from the product line-up and exporters are still raising concerns over turnaround time and premium pricing. Whilst these are issues that require resolution, we remain proud to have UKEF as the UK's Export Credit Agency and the UKEF team should equally be proud of their achievements.

Following the turbulent recent past it is an opportune time for the UK to reinvigorate exports and BExA hopes that the updated Export Strategy will help deliver this. An ambitious target of £1trn of exports (currently £680bn) by 2030 sets the tone, and with match-funded support for SMEs to enter and develop new markets it is a step in the right direction. We are at a critical point in our exporting history and the UK must get this right in order to meet the stated targets. We all have a part to play here and BExA looks forward to the challenge.

Marcus Dolman
Co Chairman
Large Exporters

December 2021

Geoff de Mowbray
Co Chairman
SME & Micro Exporters

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

II Summary of Recommendations

	Summary of 2020 recommendations	2020 Out-turn	Summary of 2021 recommendations
N UKEF E W			Fossil fuel policy to be reviewed to remove cliff-edge and ensure UK businesses keep pace with sustainable transitions and are not left behind.
N UKEF E W			EXIP policy requires a full re-refresh, inclusive of clear pre-credit cover
1 Whole Gov't	Reinvigorate DIT and implement the 2018 Export Strategy to ensure that the UK is placed to repair its economy post pandemic.	New Export Strategy Nov 2021.	Export Strategy needs to deliver on its aims of £1trn of exports by 2030 by working with exporters to deliver a clear action plan.
2 UKEF	UKEF needs to transform its processes to promote speed, transparency and accessibility.	UKEF remains 'slow'.	UKEF to empower its underwriters, rather than split tasks into many component parts and invest in digitising its offering
3 UKEF	UKEF's risk appetite restricts its ability to support exporters. UKEF should adopt a more market-based risk appetite.	Under discussion with UKEF.	UKEF needs to ensure premium is best priced first time to ensure UK exporters are competitive without needing to challenge pricing.
4 UKEF	Review phasing requirement of IFC/World Bank standard ESIA report for UKEF credit application so costs are only incurred when it is certain the project will be approved.	UKEF position is this is not possible.	As 2020 recommendation. BExA maintains this can be a Condition Precedent of drawdown.
5 UKEF	DL is popular due to CIRR. Pressure on DL limits can be alleviated by making CIRR available on other products.	Some work on CIRR alternatives.	As 2020 recommendation. DL lending pressure can be alleviated if CIRR was available on other products.
6 UKEF & FCDO	Work with FCDO to promote UK exporters and develop a concessional lending product.	No visible progress.	As 2020 recommendation: countries hit hard by COVID will be seeking concessional support.
7 BBB & Non-Bank	BBB provided good support to SMEs during pandemic. Build on this to provide a source of liquidity for UKEF products for SMEs.	Slow progress.	As 2020 recommendation. SMEs continue to need help accessing export finance. The pandemic led the UK Government to work with the private sector to provide funding.
8 UKEF for SME	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 to support SME market entry.	GEF launched in Dec 2020.	GEF and larger EDG now need to be marketed effectively to ensure as many exporters as possible can benefit. Excessive security requirements for SME GEFs need to be addressed.
9 UKEF for SME	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.	BExA white paper solution proposed to UKEF.	As 2020 recommendation. The lack of this product from the UKEF portfolio was highlighted at the ITC Select Committee inquiry into UKEF products and services.
10 UKEF	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.	Minimal progress.	As 2020 recommendation

For terminology explanation please see Appendix A – Glossary

III UKEF

UKEF has demonstrated continued growth in business volumes. This year's substantial increase includes COVID-19 support in the guise of £7bn of EDG facilities.

UKEF scores 9/10 for product range. The EDG and GEF provide much needed flexible finance support and are hugely positive for UK exporters. Whilst the EDG works well for larger companies, the GEF needs fine tuning for smaller exporters and their banks: excessive security requirements can make GEF facilities inaccessible for SMEs who are often asked for asset backed personal guarantees for these loans, sometimes involving the business owner's primary residence. This is a huge disincentive to aspiring exporters in their export ambitions. A solution needs to be found to counter excessive security requirements in order to allow GEF to meet its intended purpose.

The missing mark out of 10 for products continues to be Tender to Contract (TTC) foreign exchange rate cover which would help exporters bidding in a foreign currency. Its absence was highlighted in this year's International Trade Select Committee's inquiry into UKEF products and services. The committee's report² requires UKEF to study the feasibility of and demand for the product by the end of January 2022. BExA has produced a paper³ on a potential solution that could be adopted by UKEF. BExA's message continues to be that TTC would especially benefit SMEs who consistently cite foreign exchange rate risk as the reason they do not export, or do not export more.

BExA reported last year on the 'headroom' for UKEF to increase its risk appetite and thereby support more exports and exporters. At the request of UKEF, BExA evaluated the data for a full business cycle 2010 - 2020. Our updated findings are in Graph D in Section V.

Over the last 11 years, UKEF collected £2.54 billion in premium while only paying a total of £192 million in claims, giving it a cumulative premium collected to claims paid ratio of approximately 13:1. The comparative ratio of other European ECAs over that same period is approximately 3:1. In addition, we continue to note that UKEF (in common with the other ECAs) enjoyed very strong levels of recoveries vs past claims, achieving total recoveries of £1.5 billion over the last 11 years, further enhancing its financial results.

Other areas of improvement would be as extensions to existing UKEF products:

- Wider availability of fixed interest rates (CIRR). Access to CIRR is one of the main drivers in the continued success and interest in the Direct Lending (DL) scheme. Access to CIRR on other UKEF products, for example buyer credits, would alleviate some of the demand and pressure on DL.
- Extend the EDG and GEF so they are offered on a Revolving Credit basis to maximise their usefulness and flexibility.
- Complete and roll-out the update of the Export Insurance Policy (EXIP) wording so that it is clear and allows variations to provide for pre-credit risk, particularly for companies in construction and contracting sectors.
- Draw UKEF and Aid support closer to allow concessional lending for development projects in markets subject to sustainable lending constraints.

² <https://publications.parliament.uk/pa/cm5802/cmselect/cm/trade/126/summary.html>

³ [https://www.bexa.co.uk/common/Uploaded%20files/Tender%20to%20Contract%20FX%20cover%20-%20Feb%202021%20\(final\).pdf](https://www.bexa.co.uk/common/Uploaded%20files/Tender%20to%20Contract%20FX%20cover%20-%20Feb%202021%20(final).pdf)

IV Actions

Whole Government Support for Exporters and Service Providers post COVID and Brexit

Co-ordinate the HMG (Her Majesty's Government) Departments for International Trade (DIT), Business, Energy and Industrial Strategy (BEIS), Foreign, Commonwealth & Development Office (FCDO), British Business Bank (BBB) and HM Treasury (HMT).

As we emerge from the pandemic, and with Brexit formalised, we believe that there is now a small window of opportunity for the UK to firmly re-establish itself on the world stage as a major exporting nation. The long campaigned for UK joined-up approach to exports appears to be coming to fruition through the new Export Strategy.

Export Strategy

A revised Export Strategy, "Made in the UK, Sold to the World"⁴, was published in November 2021, the key takeaway being an ambitious target of £1trn of exports by 2030 to be achieved via a 12 point plan.

All of the points raised have their merits and should provide UK exporters with a level of service that will help them grow. The following initiatives should be incredibly useful:

- An Export Support Service to provide help and advice in one place. This will help exporters to research and build up information on potential new markets, a critical part of export success.
- A newly launched European Regional Development Fund (ERDF) Internationalisation Fund to provide financial assistance, via matched grant funding, to SMEs to enable them to visit new markets, including translation, consultancy and trade fair support to encourage growth.
- UKEF working closely with the BBB and the UK's Development Finance institution, CDC, to enhance export opportunities.
- Piloting a new tradeshow programme. Tradeshows provide a good opportunity for exporters to meet and get to know potential clients. This initiative is a welcome return to the support portfolio.
- Making exporting easier by reducing bureaucracy and simplifying processes. This intention is welcomed although it remains to be seen how successful the UK will be at persuading other countries to make trade easier: it hasn't yet worked with the EU.

The 2021 Export Strategy represents an impressive commitment to developing exports. As always, the devil will be in the detail, and in converting aspiration into reality through a detailed action plan. BExA stands ready to offer assistance and will monitor the performance of the UK against the stated objectives.

⁴ <https://www.gov.uk/government/publications/export-strategy-made-in-the-uk-sold-to-the-world>

Refine Medium-Term Products to improve take-up

- Environmental & Social Impact Assessment Reports (ESIA)

In our last benchmarking we outlined the cost to an SME of making a bid for a contract in Ghana. The total cost for the Buyer Credit application was £730,000 of which one third was for the work, and external costs, in producing a pre-loan Environmental and Social Impact Assessment (ESIA), and another one third was to undertake a preliminary design needed for the ESIA. These costs have to be borne by the exporter so that it can offer the product plus a worked financing option, an outlay when there is no assurance of the exporter being awarded the contract.

'ESG' (Environmental, Social and Governance) has become an essential aspect of the financial services assessment of whether finance can be approved. We are not asking that there should be any dilution of the ESIA per se, just that at the stage of *applying* for a Buyer Credit (in order for the exporter to submit a bid), there should be a way to obtain the Buyer Credit approval before extensive expenditure is made.

- Capital allocation regulations and Local Content rules

We are pleased to report that the OECD has reached a consensus on increasing the level of Local Content that can now be supported under ECA financings; from 30% of export contract value to 40% for OECD Category I countries and 50% for those that fall under Category II. This came into effect in July 2021 and will make a difference to exporters bidding on projects with significant localisation targets.

The disparity for UK exporters remains under the proposed capital allocation rules which apply to 'home country' currency. We advocate UKEF (and wider UK Government) lobbying for a level playing field under the proposed Basel IV principles to allow UK exporters' banks to apply the same capital weighting to EUR- and USD- denominated ECA financings as they do to GBP-financings.

UKEF Accessibility, Small Value Exports, flexibility

Whereas projects and large value exports take time to bring to fruition and provision can be made for external advice, a different approach is needed for smaller value exports. Accessibility and timeliness are vital.

- Pricing

Commercial insurers are in a competitive market and this acts as a brake on excessive premium rate increases. At the same time, exporters need to be entrepreneurial which means offering credit terms unless it is patently imprudent. Commercial insurers support this approach and have an expectation that some transactions will end up as claims, indeed they say they are not doing their job if they are not paying claims.

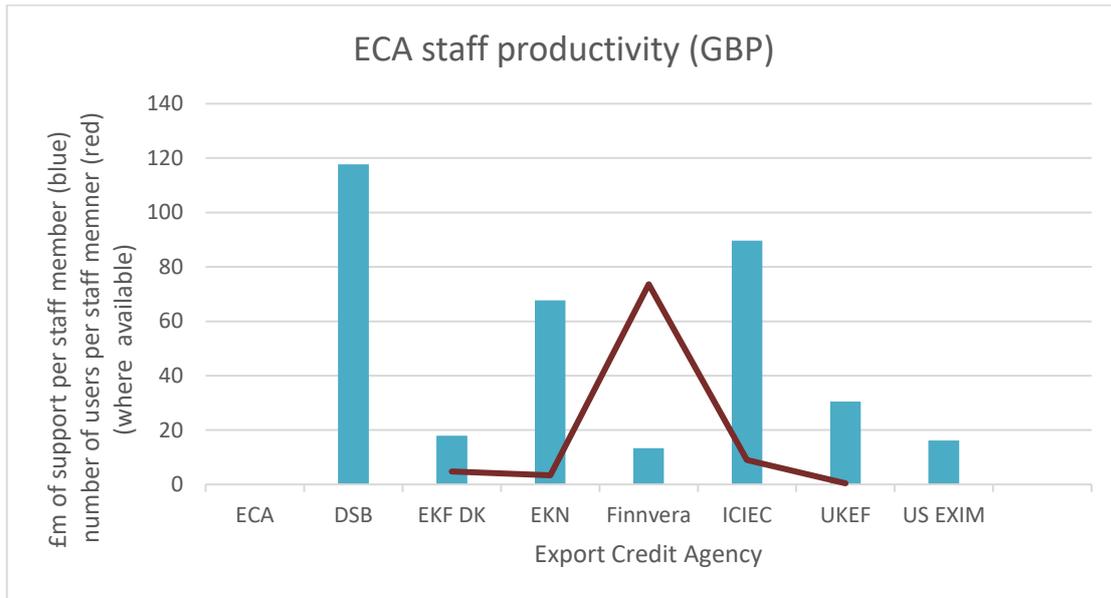
We would like to see a toning down of UKEF's premium rates. Premium rates of 6 and 7% eat too much into a typical export margin and are therefore a disincentive for the exporter to bid for an export contract.

We also ask that UKEF reviews the risk when pricing, and offers its best premium rate and supportive terms on its first response, rather than expect to be challenged.

- **Speed of decisions**

Short term transactional trade has a fast turnaround. Exporters need to know the approximate price of cover to build into their sales price, and for decisions on cover and wording revisions to be made in a timely fashion. While we are pleased that UKEF has increased its staffing and has overseas and regional representation, there is a view that decisions within the HQ team are not taken in a timely fashion simply because there are too many departments with which to consult.

We reviewed the staff numbers by comparison with ECAs including those that have a reputation for quick turnarounds.



- **Wording**

The EXIP wording would benefit from adopting more 'Plain English' principles, avoiding cross references, and being clear about what is being covered. The EXIP wording as a whole has more cross references than are seen in the equivalent wordings from other ECAs and this leads to it being inflexible because of the work needed to check the cross references if any change is made. As an example:

Payment risk - how other ECAs describe payment risk cover:			Number of cross references in the clause
clause	Description of cover		
Atradius DSB 1	Credit Risk as a direct result of...insolvency, moratorium, transfer problems, force majeure, government intervention or protracted default		0
Credendo 2.1.1, 2.1.2	termination risk and the non-payment risk (default or political event)		0
EDC 1 (1)	Invoice Amount that the Buyer fails to pay you		0
EKN 2.1, 2.6	if not received payment... within the waiting period		2
Finnvera 2.1 - 3	Political Risk, Commercial Risk (non- receipt of payment within the waiting period)		1
UKEF 2.1-4	failure to pay for 6 months, termination by buyer, government/court action, war		7
US EXIM 2	loss on an insured transaction that remains unpaid 90 days after the due date		0

- **Short term sales to Western Europe, North America, Japan, Australasia**

The EU currently allows ECAs to provide short term cover for exports to 'marketable countries' where cover from private sector insurers may not be forthcoming as a result of COVID-19. When this allowance expires, Brexit should allow UKEF to continue to provide such cover. This would be particularly useful for SMEs whose first export is more likely to be close to home, especially now the EU is an export market.

- **Credit checks for SME exporters**

At present, applicants for EXIP credit insurance protection are required to supply financial information on the buyer before UKEF will decide if it can underwrite the risk. Other ECAs are able to access financial information and provide a credit limit service. US EXIM provides such a service for free for SMEs, encouraging them to be more proactive overseas. BExA would like UKEF to team up with a commercial provider of buyer information and analysis, and to take account of buyer risk when computing premium rates.

Pre-credit risk (PCR)

The UK has a reputation for high standards in bespoke construction, engineering and technology solutions. Good pre-credit risk cover enables main contractors and project leaders to stand by their commitments to their supply chains rather than passing risk down to them. This takes away some of the uncertainties for suppliers which are often innovative SMEs.

Last year's report highlighted issues regarding deficiencies in the wording of the EXIP product around pre-credit risk. Members have engaged in a long and fruitful dialogue with UKEF on individual aspects of the wording, including by comparison with pre-credit wordings from other ECAs and specialist commercial providers. BExA is keen that UKEF's pre-credit risk wording can be reflective of the needs of engineering, construction and technology exporters. We are currently awaiting re-drafts of the EXIP wording to determine how these issues are being solved.

Concessional lending

In previous benchmarking reports we highlighted how other countries had used their aid budgets. The US and the Far East provide tied aid which benefits their exporters. The African continent has been badly affected by the economic implications of the pandemic and will be looking for support. The UK approach to tied aid is understood however BExA would like the UK to be in a position to provide concessional lending.

V UKEF Benchmarking

A. UKEF product mix analysis

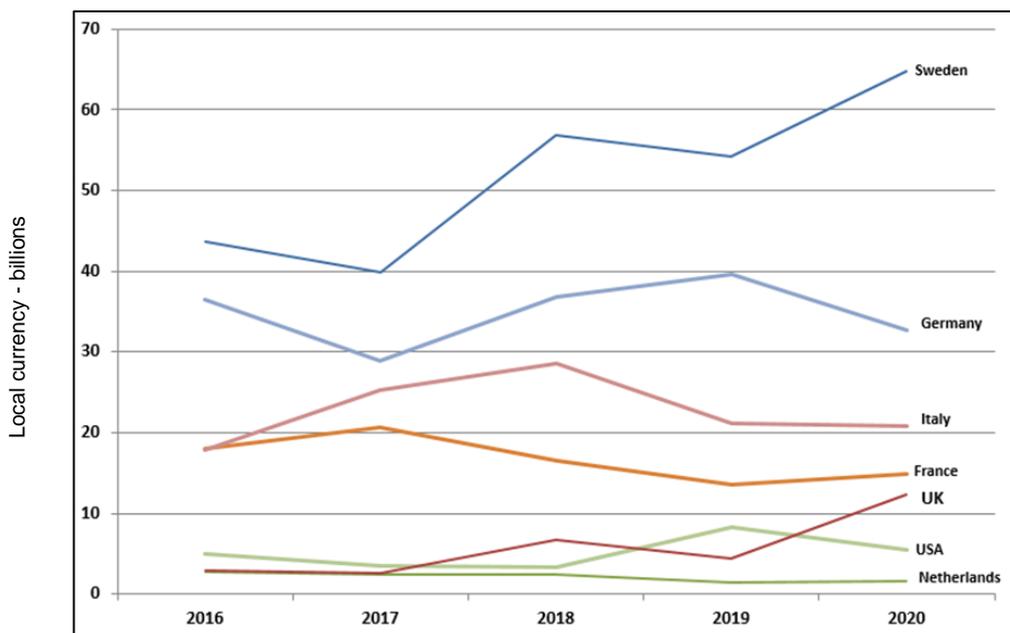
Table 1: UKEF's product range evolution since the inaugural BExA benchmarking paper.

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
December 2020	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	9	7.93
December 2021	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	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. The yellow tick for LC support represents the removal of the specific LC guarantee and replacement under existing products.

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

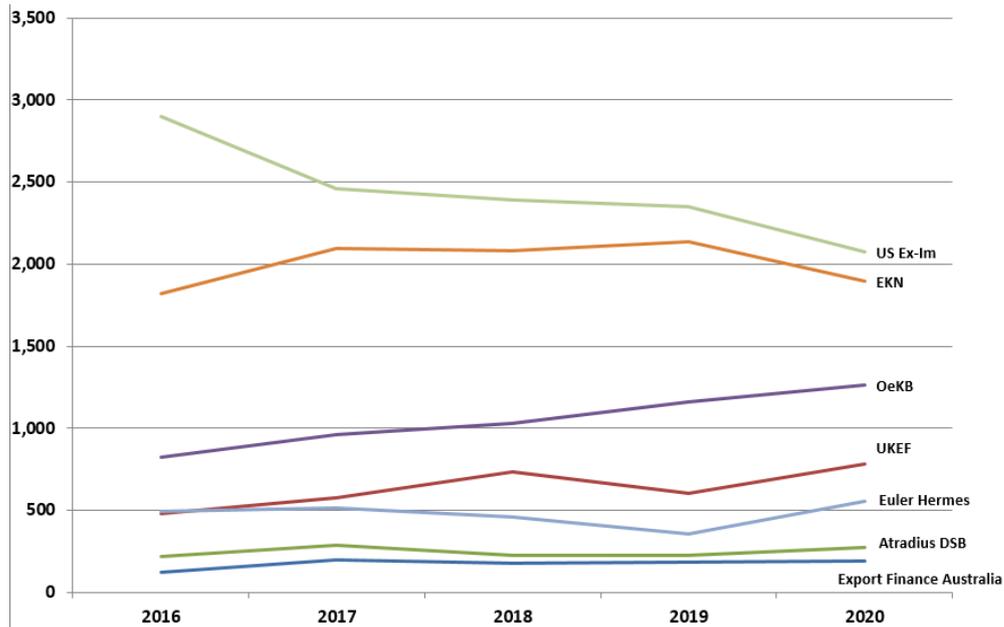
Graph 1: Comparison of selected ECAs' business volumes since 2016 (local currency)



UK volumes show a marked increase in 2020, dominated by ~£7bn of COVID support via EDG facilities. Notwithstanding this, UKEF has reported an increase in its general ECA facility volumes up to £5bn from £4bn. Countries enforcing travel restrictions and multiple lockdowns have otherwise shown a reduction in volumes. Sweden's business as usual approach is reflected in increased activity.

C. Activity

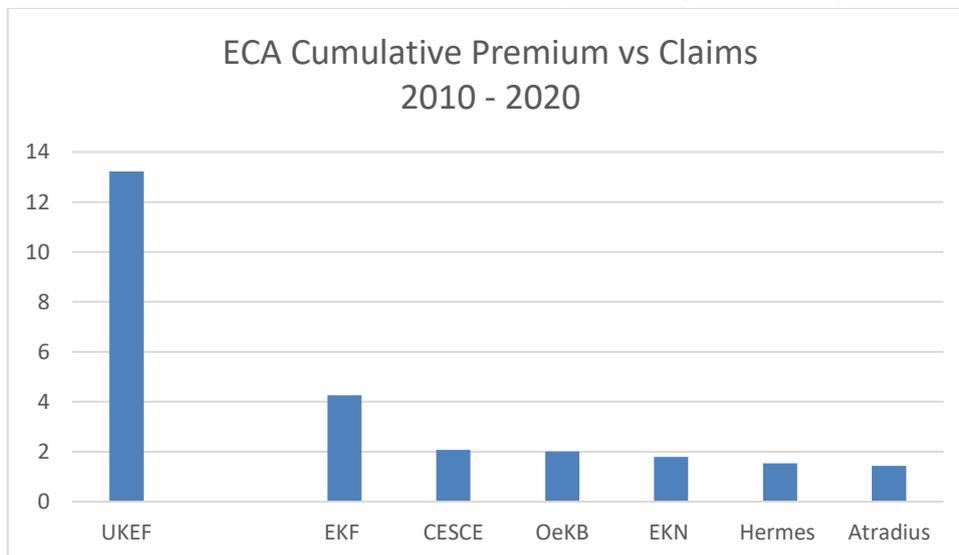
Graph 2: Number of issued guarantees/policies since 2016



UKEF’s transaction numbers have picked up in 2020. OeKB continues to show continued growth and has significantly outpaced UKEF despite both being at similar levels only 6 years ago.

D. Premium to claims ratio (cumulative)

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



Following our research in last years’ report and discussions with UKEF we widened the analysis period to cover a full business “cycle”. The increased time period has brought UKEF closer to its peers but the graph still shows a significant divergence.

VI 2021 Developments

BExA's benchmarking for 2021 would not be complete without mentioning recent activity:

- **COVID-19** – the effects of the pandemic have lasted well into 2021 and continue to be keenly felt around the globe. It is likely to be a disruptor for some time to come and we will need to develop working practices that allow us to work around it.
- **Brexit** – the UK finally left the EU on the 31st December 2020, resulting in customs issues for many exporters on both sides of the English Channel.
- **OECD Arrangement:** Updates have been made to the OECD arrangements, with a short term allowance to cover up to 95% of the contract value for category II countries or lower and local content increases from 30% of exported contract value to 40% for Category I countries and 50% for all others.
- **Environmental, Social and Governance (ESG):** no conference in 2021 will have been without a discussion on this topic which builds company resilience.
- **COP26:** has laid foundations for the world to work together to reduce fossil fuel emissions. The reduce, not eliminate, emissions wording has concerned some observers but provides a good compromise

VII Appendices

A. Glossary

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

B. ECA Product Ranges (2019 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/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	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓
Total countries providing this product			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. 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	https://credendo.com/en	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

D. 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. 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 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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