



UK Export  
Finance



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# UK Export Finance

Leading with Finance

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# How can we help you trade with the UK?

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- ▶ We are the UK's export credit agency, and a Government department, with nearly 100 years' experience in helping buyers globally to purchase goods and services from the UK.
- ▶ The UK Government has an ambition that no viable trade with the UK should fail for lack of finance or insurance. We work with colleagues across HMG to realise this ambition.
- ▶ **We can help you ensure that purchases of capital goods and services from the UK are supported with attractive financing terms.**
- ▶ We can support exports for any size of company and across all sectors, from capital goods to services and intangibles such as intellectual property.
- ▶ We have a range of flexible support on offer and are actively looking for ways to help.
- ▶ In FY 2017/18, we provided £2.5 billion in support for trade with 75 countries.



# UKEF: capacity

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**£50bn**

UKEF's total capacity  
to support exports

**£20bn**

UKEF's remaining  
capacity to support  
exports

**£30bn**

The amount of its  
£50bn risk capacity  
it currently uses



# Headline figures 2017/18



**£2.5 billion** in support of **191 companies'** **exports** to 75 countries



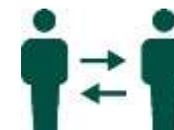
**77%** of exporters benefiting from our support were **SMEs**



Supported more than **£466 million** in contracts value through our trade finance products – a total of **£4.1 billion** since these products were introduced in 2011



**£20 billion** of support provided over the last five years for UK exporters



We connected nearly **400 companies** with **7 multinational contractors** through our supplier fair programme



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# What we do and how we do it



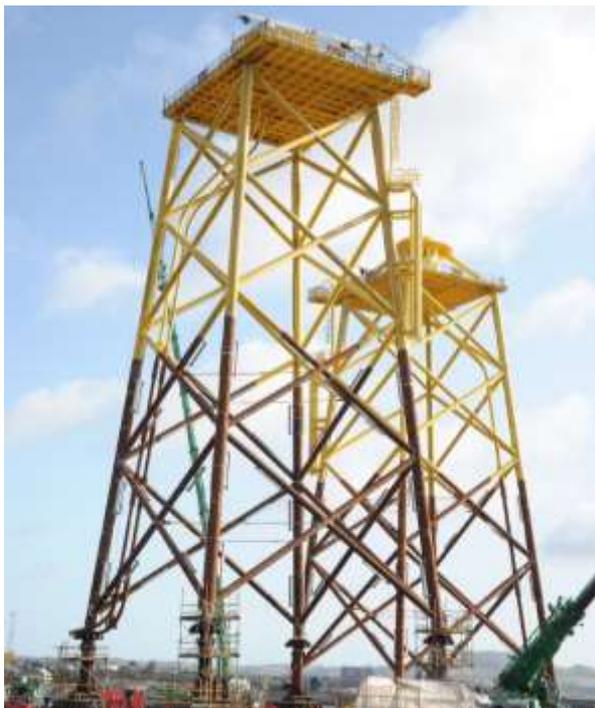
# Competitive finance for CEE buyers

- ▶ Our long-term financing, in the form of **direct loans** and **100% unconditional guarantees**, allows buyers to spread the cost of purchases of capital goods and services from the UK
  - ▶ Repayment terms of **2-10 years**
  - ▶ Support for **up to 85%** of total contract value, provided there is a minimum of **20% UK content**
  - ▶ Financing in a range of **62 currencies**
  - ▶ **Flexibility** to meet your requirements, including innovative products such as capital markets refinancing
  - ▶ Bespoke financing structures including **PPP** and **project finance**
  - ▶ Ability to maximise support through **reinsurance** arrangements with global ECAs
- ▶ **UKEF charges a premium** for its support based on **OECD rates** and calculated on a **case by case basis**, taking into account factors such as **credit risk** and **loan tenor**
  - ▶ Premium is paid upfront, and can be funded from the loan to spread the cost
  - ▶ Premium is a one-off charge, and is separate from the interest charged on the loan





## Case study: Powering renewables space (1)



- ▶ Burntisland Fabrications (BiFab), is a Scottish manufacturer of high-quality steel fabrications for the oil and gas and renewable energy sectors. The company employs over 1,000 people across two sites in Fife and a third facility at Lewis.
- ▶ BiFab recently won a £100+ million contract with Dutch EPC contractor SHL to supply fabrication work for an offshore wind farm. The terms included several performance bonds
- ▶ UKEF provided BiFab's bank with a UK government-backed guarantee, meaning that BiFab was able to hold back cash to use to fulfil the contract

“This contract gave us a valuable opportunity to be part of a major renewable energy infrastructure project, as well as a significant boost to our revenue at a difficult time due to the low level of activity within the oil and gas sector. Working with UK Export Finance meant that we were able to realise this opportunity.”

*John Robertson, Managing Director, BiFab*



## Case study: Powering renewables space (2)



- ▶ JDR Cable Systems, a Cambridgeshire-based MSB supplying sub-sea power cables to the offshore energy sector, won a contract to supply cables to Germany.
- ▶ With the support of a guarantee from UKEF for a contract bond and export working capital loan issued by its bank, JDR was able to access the working capital needed to fulfil the order.

“Without UKEF support, we would not be able to compete with the bigger players who can just put the full value of bonds onto their balance sheets, and I am sure the same would apply to other companies of our size.”

-- *Martin Boden, CFO, JDR*



# Connecting overseas demand with UK supply with exporter fairs



**Tahrir Petrochemical plant**  
Egypt, Nov 2016



- **137** suppliers
- **97** 1-1 meetings
- **\$1 billion**  
UK supplies secured



**General Electric and Enka**  
Iraq, March 2017



- **180** suppliers
- **104** 1-1 meetings
- **£250m**  
UK supplies secured



**Bechtel**  
September 2017



- **156** suppliers
- **94** delegates on roundtables



**Duqm Oman Refinery**  
Oman, November 2017



- **187** companies
- **114** 1-1 meetings
- **\$250m-500m**  
UK supplies expected



**GE Healthcare**  
Africa and India, January 2018



- **55** companies
- **87** 1-1 meetings



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# Thank you

[www.gov.uk/uk-export-finance](http://www.gov.uk/uk-export-finance)