



UK Export  
Finance

# TAKE YOUR BUSINESS FURTHER.



# WE ARE THE UK'S EXPORT CREDIT AGENCY

We provide trade finance and insurance solutions to support UK exporters.

**If you are planning to export goods or services from the UK then it is likely you'll need some form of credit guarantee or insurance to protect you against non-payment or other financial issues. If you can't get what you need from the private market, UK Export Finance (UKEF) may be able to help.**

We provide guarantees, insurance and advice to UK-based exporters large and small. UKEF works across sectors from aerospace to automotives, engineering to energy and water to waste processing, and we support exports to over 200 countries.

We have our own risk assessment framework and our work is focused on helping UK exporters maximise the opportunity to do more business overseas.

## Our services include:

- **Export Insurance Policy**  
An insurance policy for a UK exporter that covers them against non-payment of an export contract. The policy covers costs incurred should your customer become insolvent before the goods are delivered or if they fail to pay due to specified political, economic or administrative events.
- **Bond Support Scheme**  
A guarantee provided to a bank, so the bank can help you to arrange the issue of a bond to an overseas customer, potentially improving your cash flow. It covers most types of contract bond.
- **Bond Insurance Policy**  
An insurance policy provided direct to a UK exporter to protect against a demand for payment under a bond which is unfair or caused by political events.
- **Export Working Capital Scheme**  
A guarantee provided to a bank, so the bank can help you to finance the working capital you might need to deliver an export contract.
- **Letter of Credit Guarantee Scheme**  
A guarantee to a bank which enables a UK bank to confirm a letter of credit – one of the safest ways to ensure that you receive payment.

**Medium term products (designed for larger contracts involving the supply of capital equipment)**

- **Buyer and Supplier Credit Facilities**  
A guarantee provided to a bank that enables it to make a loan to the overseas buyer of a UK export which is repayable over two years or more. The UK exporter is paid out of the loan for amounts payable under the export contract when due. This assures the exporter of receiving payment.
- **Direct Lending Facility**  
A new product that will see UKEF provide buyer credit loans directly to overseas buyers in order for them to purchase UK exports.

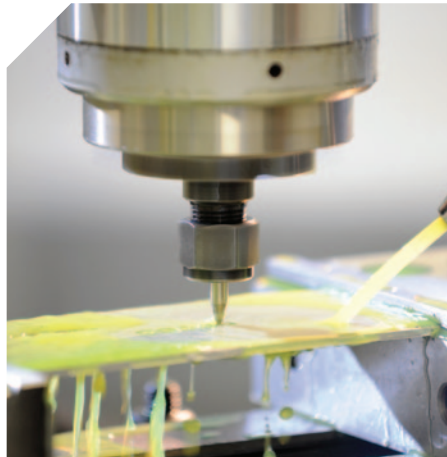
“

**We're here to help UK exporters. If there is an export opportunity, but the private sector won't offer the insurance or guarantees needed, then we try to find a solution.”**

David Godfrey, Chief Executive, UKEF

# WHY GET IN TOUCH?

**Our mission is to support UK exports by sharing financial risks that the private sector is unable or unwilling to accept on its own. Helping SMEs and mid-sized companies is a big part of that mission.**



**Exporting is not only a vital engine of growth for the UK economy, it also tends to bring positive benefits to individual companies by making them more productive, more innovative and more profitable.**

Export contracts create exciting prospects of new customers and fresh partnerships in far-flung destinations; but they can also create critical business risks. Trade finance and insurance may not be the most thrilling element of a new export contract, but they can be vital to ensuring a deal is successful.

Commercial banks and private insurers usually provide the support an exporter needs. However the global economic downturn has led to some trade finance and insurance options being curtailed, threatening the ability of some UK exporters to accept and fulfil export orders.

That's why UKEF steps in. We try to unblock the blockages by sharing risk with the private sector, and so increasing its capacity to help our exporters. If we cannot help you, then we also act as a gateway offering advice on where to find the trade finance you need.



## **Solutions for SMEs and mid-sized companies**

We have a particular interest in helping more UK SMEs and mid-sized companies to export. Over the past few years, UKEF has launched a suite of products and a new network of advisers in every region of the UK to help improve SMEs' and mid-sized companies' knowledge of, and access to, trade finance.

UKEF has helped around 100 exporters, including almost 80 SMEs, to fulfil contracts worth over £730m, as well as helping hundreds more through the supply chains of larger customers.

**If you are considering exporting and want to talk to us about your trade finance options, contact your regional Export Finance Adviser or give us a call on our helpline. We're here to help.**





## CASE STUDY

# SUPPORTING THE ROAD TO MORE EXPORTS

**When IT Transport needed help covering a £345,000 bond for an export contract in the Gambia, UKEF stepped up. We shared with Lloyds TSB the risk of not being reimbursed following a demand under the bond. This enabled Lloyds to issue the bond and ITT to seal that contract and win another in the same country.**

In 2012 project management consultancy IT Transport (ITT), based in Oxfordshire, won a contract to lay over 260 km of roads in Central Gambia. Their client, the Gambian Ministry of Finance and Economic Affairs, had agreed to pay 60 per cent of the contract value up-front, but asked for an advance payment bond in return worth £345,000. Work could not start until the bond was issued.

ITT asked their bank for help with this bond. However the bank required ITT to provide all £345,000 as cash cover, as well as charging a £2,000 monthly fee. That would have left ITT without the working capital needed to pay staff and deliver the contract.

Instead ITT approached Lloyds TSB and they helped it to put together a proposal to UKEF. Using the **Bond Support Scheme**, UKEF agreed to share the risk with the bank, supporting 80 per cent of the bond's value and meaning Lloyds TSB did not need to ask for full cash cover, freeing up ITT's cash flow.

The bond and guarantee were put in place and the contract commenced in November 2012. The deal also gave ITT enough breathing space to compete for and win a second contract in the Gambia, to improve drainage in the country's flood areas. Commenting on the second contract, Dave Jennings, Director at ITT said, "This contract is worth £270,000, so that's almost £1m worth of work we have been able to take on, thanks to the support from UKEF."

“

**If we didn't have the Bond Support from UKEF, we couldn't have pre-financed the contract, and would have had to let it go.”**

Dave Jennings, Director at ITT



**UK EXPORT FINANCE  
IS THE GOVERNMENT  
DEPARTMENT THAT WORKS  
WITH COMPANIES, BANKS  
AND OVERSEAS BUYERS  
TO SUPPORT UK EXPORTS  
AND INVESTMENTS  
ACROSS THE WORLD.**





# UK Export Finance

**UK Export Finance is the UK's official export credit agency.**

**We help UK exporters by providing credit guarantees and insurance policies that complement those on offer in the private sector.**

## UK Regional Export Finance Advisers

### East Midlands

**Tony Petersen**

+44 (0)7825 276 476

tony.petersen@ukef.gsi.gov.uk

### East of England

**Gill Targett-Adams**

+44 (0)7720 496 383

gill.targett-adams@ukef.gsi.gov.uk

### London

**Denise Rowley**

+44 (0)7779 717 344

denise.rowley@ukef.gsi.gov.uk

### Northern Ireland

**Elizabeth McCrory**

+44 (0)7435 323 231

elizabeth.mccrory@ukef.gsi.gov.uk

### North East

**Jonathan Leonard**

+44 (0)7818 570 615

jonathan.leonard@ukef.gsi.gov.uk

### North West

**Steve Cowles**

+44 (0)7966 308 452

steve.cowles@ukef.gsi.gov.uk

### Scotland

**Jon Boyce**

+44 (0)7990 887 852

jon.boyce@ukef.gsi.gov.uk

### South East

**Andrea Walker**

+44 (0)7568 101 892

andrea.walker@ukef.gsi.gov.uk

### South West

**Hugh Francis**

+44 (0)7880 358 220

hugh.francis@ukef.gsi.gov.uk

### Wales

**Mathew Hughes**

+44 (0)7772 243 678

mathew.hughes@ukef.gsi.gov.uk

### West Midlands

**Phill Potter**

+44 (0)7866 480 996

phill.potter@ukef.gsi.gov.uk

### Yorkshire and the Humber

**Richard Clarke**

+44 (0)7881 265 222

richard.clarke@ukef.gsi.gov.uk

---

**Or contact our national customer service centre:**

+44 (0)20 7271 8010

customer.service@ukef.gsi.gov.uk

**We are the UK's export credit agency.**  
**gov.uk/uk-export-finance**