



UK Export  
Finance

UK Trade - Energy system transitions at the heart of the Global Investment Summit, and maintaining the Race to Zero after COP26

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# Leading with finance

**UKEF & CLEAN GROWTH**

**Richard Simon-Lewis**

Director & Head of Origination, Client Coverage, Marketing and Communications



# Tackling climate change needs action from everyone.

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- Setting ambitious climate targets as we **chair COP26**
- Supporting the Prime Minister's **10 Point Plan** for a Green Industrial Revolution
- **Building back greener** from the pandemic, creating green jobs in the UK



# **£2.4 billion**

in support for sustainable projects in 2020

# **2<sup>nd</sup> in the world**

in supporting sustainable projects

# **Award-winning financing**

for offshore wind in Taiwan and sustainable transport in Egypt





# Our ambition

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- 1.** To identify clean growth and renewable **opportunities in established and emerging markets** around the world, working with overseas buyers
- 2.** Position UK businesses to take advantage of export opportunities in low carbon technologies and services by **responding to the evolving needs of UK companies and promoting support for clean growth**, transition and climate adaptation/resilience technologies
- 3.** Support UK exporters in the **transition to renewable energy** and clean growth
- 4.** Provide **financial support to overseas buyers and UK businesses** to help exporters win contracts, fulfil orders and get paid
- 5.** Play a leading role in the **UK government's ambitions for a Green Industrial Revolution**, as part of the Prime Minister's Ten Point Plan and position the UK as a global leader in exporting clean growth technology, products and services



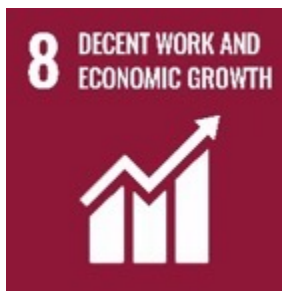


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# UKEF and the SDGs

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- UN Sustainable Development Goals (SDGs) recognise **importance of affordable clean energy access** to create economic growth and sustainable development
- UKEF actively contributes to UK's progress towards meeting the SDGs by **unlocking finance for delivery of projects** in destination markets for UK exporters
- We will uphold our responsibility in ensuring that **UK exporters play their role in support of the SDGs** while maintaining their competitive global standing
- We adhere to the **Green Bond Principles** when choosing projects to support







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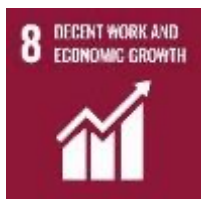
# Clean growth: eligible projects



**Sustainable water  
and wastewater  
management**



**Renewable  
energy**



**Eco-efficient and/or  
circular economy  
adaption**

**Environmentally  
sustainable  
management**



**Clean  
transportation**



**Green buildings**

**Energy efficiency**

**Pollution  
prevention and  
control**



**Climate change  
adaption**

**Terrestrial and aquatic  
biodiversity  
conservation**



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# Financing growth: our products

Support major investments into the clean, green, sustainability supply chain in the UK through **Export Development Guarantee**

**£2bn dedicated through Direct Lending Facility** to financing clean growth projects overseas to create export opportunities for UK businesses

**Repayment terms of up to 18 years** for renewable energy projects – nearly double the typical 10-year outlook







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# Our products

## Buyer Finance

**Win contracts:** attractive financing terms for overseas buyers of UK goods and services can help exporters **make their offering more competitive**

- Buyer Credit Facility
- Direct Lending
- Lines of Credit
- Standard Buyer Loan Guarantee
- Bills and Notes Guarantee

## Exporter Guarantees

**Fulfil orders:** help companies access the support they need to fulfil a contract, giving them the confidence to **take on more contracts and increase their turnover**

- Bond Support Scheme
- Export Working Capital Scheme
- General Export Facility
- Export Development Guarantee
- Supply Chain Discount Guarantee

## Insurance

**Get paid:** help companies manage risks in challenging markets, **ensuring that they get paid** even where the private market is not able to offer insurance

- Bond Insurance Policy
- Export Insurance Policy
- Overseas Investment Insurance



# How it works



**Overseas buyer**  
enquires about UKEF  
support to build an  
offshore wind farm



**IEFEs**, DIT and FCDO in  
post discuss UKEF  
support options with buyer

**BUYER FINANCE PRODUCTS**



UK companies that  
supply the project are  
eligible for UKEF support

**EXPORTER GUARANTEES AND  
INSURANCE PRODUCTS**



**EFMs**, ITAs and DIT  
Industry Sector teams  
engage the UK supply  
chain to supply the  
project





An aerial photograph of London, split vertically. The left half is darkened and serves as a background for white text. The right half shows a clear view of the city, including the Houses of Parliament and Big Ben.

# Our expertise

**International export finance executives** work with buyers to invest in UK expertise

**UK-based specialists** support energy transition at home

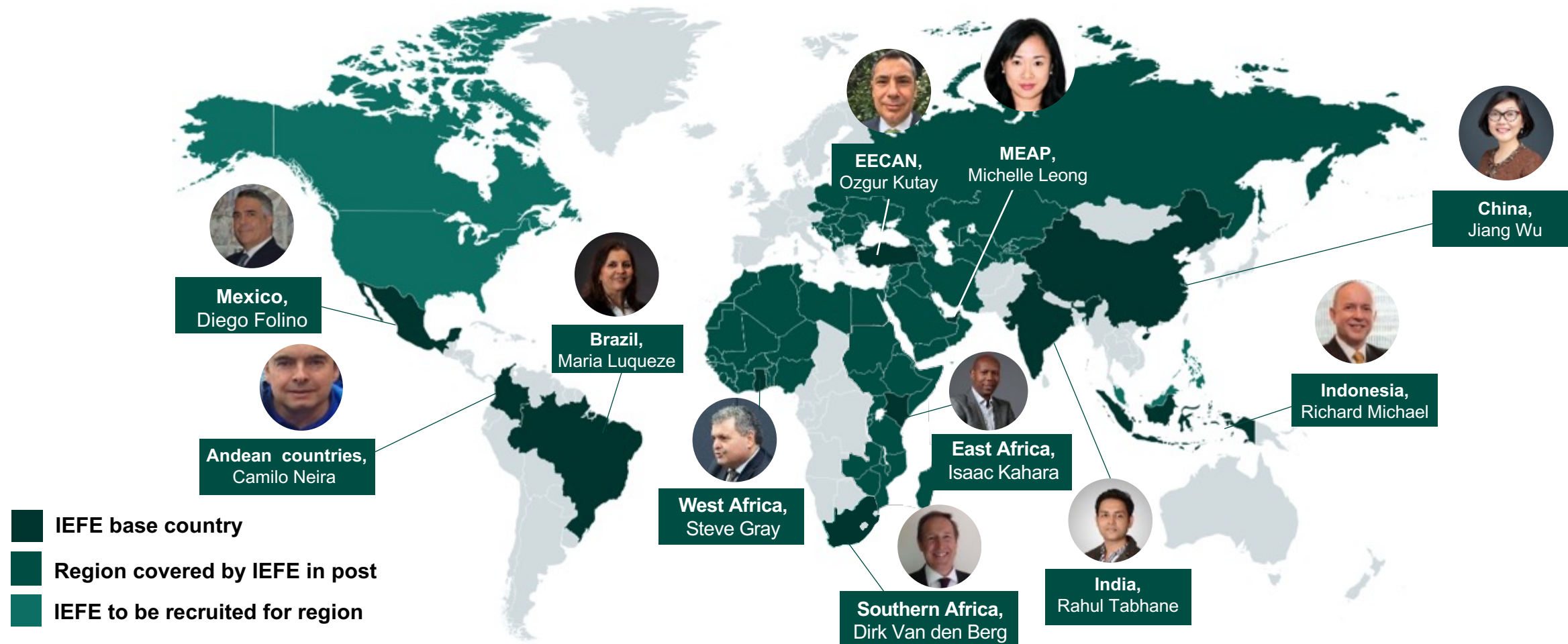
Work alongside **HM Trade Commissioners and Heads of Mission** overseas





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# International Export Finance Executives (IEFEs)







Cover policy and indicators for individual markets available on our [website](#)

As at 31 May 2021



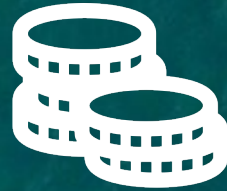
# UKEF value proposition



All sectors



Support exports  
to over 200  
countries



60+ local  
currencies



Up to 18 years  
repayment



Global banking  
relationships



100%  
unconditional  
guarantee



Min. 20% UK  
content  
goods, services &  
intangibles



Flexible  
transaction  
structures







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# Supplier fair model



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We organize one day  
matchmaking events to  
help **increase UK  
content** in overseas  
projects

DIT, trade  
associations and  
other key partners  
help **identify and  
invite** potential  
suppliers

ON THE DAY

Buyer/EPC  
contractor provides  
**project overview** and  
hosts **1-2-1 meetings**  
with suppliers



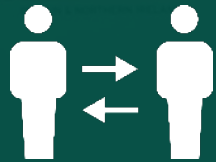
# Case Study: GE and Enka UK



**187 UK suppliers in attendance**



**104 meetings with procurement teams**



**51% of delegates gained business leads**



**US\$250m+ worth of UK content delivered to project**

100  
Years of  
Innovation

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Supplier Fair

UK Export  
Finance

100  
Years of  
Innovation



# Formosa 2 – Offshore wind in Taiwan

**Project sponsor:** Macquarie's Green Investment Group  
and Swancor Renewable Energy

**Buyer:** Taiwan Power Co

**Clean growth features:**

- Taiwan developing 5.5GW of offshore wind up to 2025 and has an ambition of a further 5GW up to 2030
- Formosa project involves construction of **47 new turbines** generating 376 megawatts of green energy
- UK content includes wind turbines, foundations and auxiliary facilities



**PROJECT LOCATION:**  
Taiwan

**PRODUCT:** Buyer Credit,  
NT\$9.2 billion (£230m)

Financing provided over  
18 years in local currency  
to protect buyer from  
currency fluctuations.

# 500MWp solar projects in Spain

**UK exporter:** Solarcentury

**Project sponsor:** Encavis AG

**PROJECT LOCATION:** Spain

**PRODUCTS:** Export Working Capital and Bond Support Scheme

- Building two of the largest solar plants in Spain – 200MWp Cabrera Solar and 300MWp Talayuela Solar
- When complete, the plants will power more than 250,000 homes each year
- UKEF's support allowed Solarcentury to access the working capital and bond support needed to fulfil the contracts





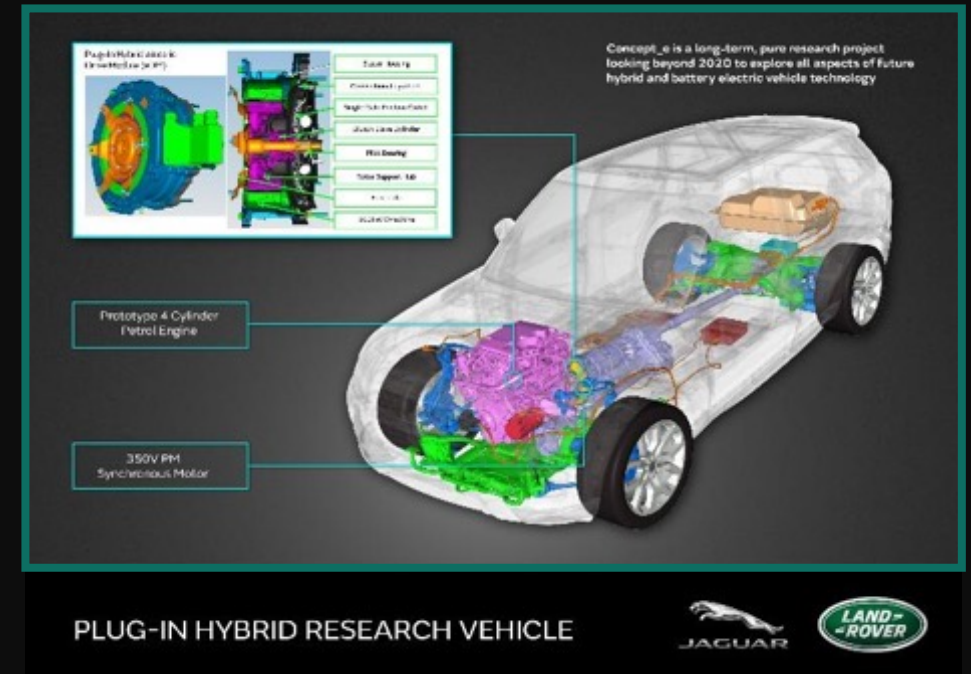
# Jaguar Land Rover – EV Manufacturing

**Product and value:** Export Development Guarantee – £500 million

**UK exporter:** Jaguar Land Rover

**Notable deal features:**

- EDG for 80% of total facility (£625 million)
- UK's largest automotive exporter
- JLR is developing technology to feature in a growing number of models; deal supports continued investment into R&D for next generation electric vehicles and future mobility solutions





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**Thank you.**