

Government secures £89 million deal to export UK aerospace expertise to Brazil

Press release

Government support provides a boost to the British aerospace industry in UKEF's first deal with leading Brazilian aerospace manufacturer Embraer, the third largest commercial jet manufacturer in the world.



- The deal will help Embraer access critical parts, components and technology from UK suppliers that will enhance its commercial and defence aircraft programmes.
- This is a part of broader initiatives by both nations to strengthen trade ties and will promote future collaboration between UK suppliers and Brazilian manufacturers in aerospace.
- UKEF provided support by acting as guarantor to the lender, JP Morgan Chase Bank, N.A., London Branch ("JPMorgan"), ensuring Embraer benefits from flexible repayment terms.

UK Export Finance, the UK's export credit agency, has supported an £89 million loan to Embraer.

This was made possible through partnership with JP Morgan, who acted as the lending bank and arranger for this deal.

Securing UK exports to this major manufacturer means UK goods and services will be embedded in aircraft that fly 145 million passengers globally every year.

UKEF can help overseas buyers access financial support to make their projects

happen, provided they commit to sourcing goods and services from the UK. This helps open new doors for world-class British suppliers to trade overseas. Through UKEF, the UK can also help international buyers access finance and insurance when it is not available from the private sector.

UKEF has over £3 billion available to help Brazilian buyers access the finance they need to trade with the UK, with the ability to provide guarantees in Brazilian Reals so that Brazilian businesses can access finance in their own currency.

Samir Parkash, interim CEO of UKEF said:

Now, with this UKEF first deal with Embraer, we can export world renowned British expertise and technology in the aviation and aerospace industry to Brazil – an economy that was rapid in recovering pre-pandemic levels of economic activity, that keeps on growing strong in 2022 and is an important trading partner to the UK. In fact, in the four quarters up to Q1 2022 trade in goods and services between the two nations increased by 18% year-over-year reaching £6.5bn.

Antonio Carlos Garcia, Chief Financial Officer of Embraer, said:

This first Embraer deal with UKEF shows the success of our strategy to diversify our suppliers and financial partners. We are always looking for actions that improve the profile of our debt, and this operation is another step in that direction.

John Meakin, Global Head of Export & Agency Finance at JP Morgan, said:

We are delighted to support a strategically important global client in the aviation sector to meet their objectives and partner with UKEF in delivering commercially relevant financing. The financing structure is flexible and innovative, and it would not have been possible without the commitment of all parties involved in rolling out this milestone program.