

UK Export Finance launches new debt solution to help developing countries with climate shocks

- Announced on Finance Day at COP27, UK Export Finance (UKEF) will become the first export credit agency in the world to offer Climate Resilient Debt Clauses (CRDC) in its direct sovereign lending.
- The clauses will offer low-income countries and small island developing states the ability to defer debt repayments in the event of a severe climate shock or natural disaster.
- This announcement is part of the UK Government's wider objective to help improve the financial resilience of vulnerable countries in the face of severe climate shocks.

UK Export Finance (UKEF) will become the first export credit agency in the world to introduce Climate Resilient Debt Clauses (CRDCs) into its loan agreements. These will provide low-income countries and small island developing states the ability to defer debt repayments in the event of a severe climate shock or natural disaster.

This is part of UKEF's broader ambition to embed climate change into its decision-making in line with its [Climate Change Strategy](#) and net zero 2050 target.

Speaking at COP27 Finance Day, Tim Reid, UK Export Finance's Director of Business Group will say:

Some countries are now facing tough choices between protecting their citizens as they respond to climate shocks or paying down their debts. UKEF can play an important role in helping governments navigate these decisions. By suspending the debt service payments, UKEF will enable borrowing countries to focus on responding to and recovering from a crisis.

We encourage other official creditors to consider including similar provisions in their own lending to countries most vulnerable to climate change.

UKEF helps 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.

This announcement is part of the UK Government's wider objective to improve the financial resilience of vulnerable countries around the world in the face of severe climate shocks. Alongside UKEF, the Private Sector Working Group

chaired by the UK Treasury will also launch today a 'model term sheet' to embed climate resilient debt deferral into standard bond and loan contracts. Multilateral Development Banks will also agree to form an informal working group to further explore CRDCs and other approaches, building on the Inter-American Development Bank's leadership in this area.

Exchequer Secretary to the Treasury, James Cartlidge, said:

Climate shocks are increasing in frequency and severity which is why we are supporting countries hit hardest. In the wake of a disaster, they face painful trade-offs between rebuilding their communities and making debt repayments.

Today is a significant milestone in our work to find innovative solutions to these global challenges, and I am proud that UK Export Finance is the first export credit agency in the world to offer loans which suspend debt service payments for countries hit by climate catastrophes and natural disasters.

Building on our COP26 legacy, we are committed to climate-resilient development, as the UK continues to play a leading role in reducing carbon emissions to Net Zero by 2050.

The new CRDC are part of UKEF's commitment to a greener, more sustainable future following the launch of its Climate Change Strategy in 2021, where it committed to net zero greenhouse gas emissions by 2050 across its portfolio and operations. UKEF has provided over £7 billion of support for green and sustainable projects since 2019, and it has a £2 billion direct lending facility dedicated to financing clean growth projects overseas.

Benefits of the new debt clauses include:

- CRDC deferrals will not be considered events of default, preserving finance and project continuity while providing liquidity for the country authorities.
- In the event they are hit by a natural disaster or other climate shock, eligible countries will be able to request a 12-month suspension of all principal and interest payments due to UKEF, and deferred payments will be repayable over a 5-year period following a 1-year grace period.

CRDC will be offered in new and amended UKEF direct sovereign lending and previously restructured sovereign transactions to low-income countries (LICs) and climate-vulnerable small-island developing states (SIDS).

This announcement is part of Finance Day at the COP27 summit in Sharm El Sheikh. COP27 is bringing parties together to accelerate action towards the goals of the Paris Agreement and the UN Framework Convention on Climate

Change.

More generally, UKEF is providing large-scale backing for sustainable projects across Africa, Asia and Europe. This includes:

On the Multilateral Development Banks's work:

- The Inter-American Development (IDB) is the only Multilateral Development Bank (MDB) to offer a form of CRDC in its lending currently, through a Principal Payment Option. Benigno López Benítez, Vice President for Sectors at the IDB, joined the panel in the UK Pavilion on Finance Day to share the IDB's experience with CRDCs.
- MDBs are vital sources of large-scale affordable finance to developing countries. Development Finance Institutions mostly provide project investment finance. The UK is calling on all MDBs, Development Finance Institutions and other creditors to explore the use of CRDCs.
- The UK welcomes the formation of an MDB informal working group to further explore CRDCs and other approaches, building on the Inter-American Development Bank's leadership in this area.

[Rugby League World Cup No10 Reception speech](#)

Hi everyone, thank you very much for having me here. I want to start by saying a huge thank you to the Elmbridge Eagles for their amazing display. I don't think anything like this has happened before in No10, and I'm sure you can all go home knowing you've smashed some records.

We've had such a great year of major sporting events in this country – first with the Women's EUROs, then the Birmingham Commonwealth Games, and also the World Gymnastics Championships in Liverpool.

But as a proud northerner who grew up just down the road from the Warrington Wolves, I'm particularly pleased to see the Rugby League World Cup rounding off that list.

I was lucky enough to get to a game on Saturday – England's women vs Canada. Sadly they can't be here today because they're preparing for their next game.

But as I said, I watched them on Saturday, and I can tell you it was absolutely brutal. It was such a physical game.

But that's what makes this sport so thrilling – and it's why Rugby League fans are some of the most diehard out there.

So to see places where this sport was born, and where it grew...

...places where rugby league is the lifeblood of the local community...

...to see those places now host matches that are at the pinnacle of the international game has been absolutely brilliant.

It's been a great tournament so far, and we've still got all three finals in Manchester next weekend to look forward to.

And it goes without saying that putting on this kind of event requires an incredible amount of hard work and dedication – particularly when a global pandemic gets in the way. That caused all sorts of delays and difficulties.

But this room is full of people who battled through all of those challenges, and ultimately made this event possible...

...from social impact partners, to tournament ambassadors, to the players themselves.

You haven't just delivered a major international tournament. You've delivered an event that has been genuinely groundbreaking.

For the first time ever, it's one where the mens', womens' and wheelchair tournaments have all been held at the same time...

...one where everyone playing has received equal participation fees...

...and one where women and wheelchair tournament winners will all receive prize money – again, for the first time ever...

Together, all of those things have sent a very loud signal across the world that rugby league is a sport for all.

Those kinds of signals really matter. Visibility matters. Particularly for children and other people who might be thinking of taking up the sport, but who assume it's not for them.

But thanks to your efforts, they'll be able to turn on the BBC and see that it is.

And that's all while the tournament is going on.

But of course there's the legacy, too.

And the last thing that makes this tournament groundbreaking is that we haven't waited for the event to be over to get going on that legacy.

In fact, we've flipped it round.

In the run-up to the event, this tournament had already invested a significant part of the government's £30 million pot of funding into the grassroots, through its social impact programme.

It did so by partnering with multiple organisations – many of whom are here today...

...and that programme has already funded the refurbishment of dozens of clubhouses, changing rooms and artificial pitches – as well as all sorts of equipment, a mental fitness programme, international development and a special volunteer scheme.

And that was before a single try was even scored.

It's a fantastic achievement, and proof that in the end, an event like this is about so much more than sport.

It's about uniting communities...

...it's about instilling a real sense of pride in the towns and cities that get to host the games...

...and most of all, it gives us all something to feel good about – in a way that we don't often get with other things.

That's what makes sport so powerful – and you all played a role in that.

So thank you, and I hope you have a wonderful afternoon celebrating your achievements.

[UK and Estonia commit to closer defence cooperation](#)

- UK Apache and Chinook helicopters to deploy to Estonia periodically from January 2023.
- Exercise Spring Storm will take place in Estonia in May next year – part of more regular deployments high readiness forces.
- UK to support development of Estonia's warfighting Division and provide a Brigadier to lead the enhanced Forward Presence Battlegroup.

The United Kingdom will periodically deploy helicopters to Estonia as part of enhancing our nations' deep defence relationship built on shared interests and values. The Defence Secretary Ben Wallace hosted his counterpart Estonian Minister of Defence Hanno Pevkur in London for a meeting, during which the Ministers committed to stronger ties and issued a [joint statement](#). A Guard of Honour welcomed Minister Pevkur on arrival.

The Ministers signed a roadmap which sets out a shared plan to implement commitments made at the [NATO Summit in Madrid](#) earlier this year. The roadmap will see a more capable UK presence in Estonia, continuing our commitment to deter aggression and defend European and NATO security.

UK Defence Secretary Ben Wallace said:

The UK's commitment to Estonia and European defence and security is unwavering. The deployment of assets such as Apache and Chinook helicopters to exercise in Estonia is a clear example of the strength of our relationship, and the importance we place on our ability to effectively operate side by side.

Estonia Defence Minister Hanno Pevkur said:

In the roadmap, Estonia have committed to start the development of an Estonian warfighting Division which will ensure coordinated use of national and allied forces in the defence of Estonia. This work will be supported by the UK, who are providing training and mentoring through an advisory team and close links with the UK's 3rd Division.

The UK has an [enhanced forward presence \(eFP\) Battlegroup in Estonia](#), and this deployment will be enhanced through divisional-level assets such as short range air defence and multiple rocket launch systems in the country. These will be augmented with periodic deployments of additional capabilities including Apache and Chinook helicopters. The first of these surges will begin January 2023, when Chinook Helicopters will deploy to Estonia.

From April 2023, the UK's eFP Headquarters in Estonia will be led by a Brigadier, enhancing the HQ's capabilities. In addition, the UK will hold a Brigade sized force at high readiness in the UK, ready to reinforce Estonia and the Baltics at a time of need. These forces will regularly exercise in Estonia and the first exercise, Spring Storm, is planned for May 2023.

Estonia is supporting these plans by building four additional accommodation halls and other necessary support facilities at Tapa Camp which will be completed before the exercise begins.

Separately, the UK will be providing Baltic Air Policing in Estonia from March to July 2023 using Typhoon aircraft and will continue to contribute to [NATO maritime patrols in the Baltics](#).

Estonia and the UK are both part of the [Joint Expeditionary Force \(JEF\)](#), a group of ten European nations who work together in support of European security.

Joint Statement between the UK MOD and the Estonian MOD

The UK's Secretary of State for Defence Ben Wallace and Estonia's Minister of Defence Hanno Pevkur met in London on 8 November 2022 and committed to ever stronger ties between our two countries.

The excellent defence and security relationship that Estonia and the UK share is built on the solid foundations of shared interests and values and an exceptional history of close cooperation between our two armed forces. We cooperate frequently at all levels in all domains: through NATO maritime deployments at sea, Baltic Air Policing and air surveillance in the air, and through the UK's commitment as the enhanced Forward Presence (eFP) framework nation on land. Our five-year eFP collaboration exemplifies what is possible when two similarly minded, close Allies come together in shared commitment and purpose.

In the face of a continuously challenging security situation in Europe, we have today signed a Defence Roadmap which sets out our joint plan to implement the commitments made at the NATO Madrid Summit for the forward defence of Estonia. Its implementation will lead to more capable UK presence, better able to deter aggression and to defend Estonia in crisis and conflict. It will contribute to our shared objective of protecting our populations and defending every inch of Allied territory at all times.

Estonia will start the development of an Estonian warfighting Division as agreed at the Madrid Summit. The Estonian Division will command in-place national and Allied forces as well as possible reinforcement units, to ensure seamless use of all national and Allied capabilities in the defence of Estonia. The establishment and staffing of the Divisional HQ will be completed in January 2023, with evaluation training in the Summer, leading to certification in 2024. The UK will also work closely with Estonia to support the development of its own national Divisional Headquarters, providing training and mentoring through a bespoke advisory team and the development of close links with the UK's 3rd Division.

The UK will enhance the effectiveness of its permanently based eFP Battlegroup by maintaining Divisional-level assets (namely short range air defence and multiple launch rocket systems) in country and augmenting these with periodic deployments of additional capabilities and enablers, including Apache and Chinook helicopters. Deployment of these capabilities will also present opportunities to exercise these assets under the command of the Estonian Division HQ. The first of these periodic surges will begin in January 2023, when Chinook Helicopters will deploy to Estonia. The UK will also enhance the capability of their eFP Headquarters, which from April 2023 will be led by a Brigadier. In light of this additional support, the UK's temporary second Battlegroup, which deployed to Estonia in February 2022, will return to the UK in December 2022.

The UK will also hold the balance of a Brigade at high readiness in the UK, ready to reinforce Estonia and the Baltics at a time of need. To ensure this Brigade is fully interoperable and integrated with Estonia's National Defence plan, the UK will regularly exercise the reinforcement of UK forces in Estonia up to Brigade-level. The first such exercise is planned for May 2023, when the UK will deploy additional forces to Exercise SPRING STORM, including a Brigade HQ alongside a Battlegroup. Estonia will provide Host Nation Support to these additional deployments through the provision of accommodation, technical facilities and training areas.

Estonia will improve its Host Nation Support for the UK surge forces and reinforcement training by building four additional accommodation halls and other necessary support facilities at Tapa Camp by May 2023. In the south of Estonia an additional Reception Staging Onward Movement (RSOM) assembly area will be constructed in 2023 and work will commence for a new permanent camp and enlarged training area.

In other domains, the UK will be providing Baltic Air Policing in Estonia from March to July 2023 using Typhoon aircraft and will contribute to NATO maritime patrols in the Baltics.

Further to the agreements reached today in the Roadmap, the UK and Estonia will continue to work closely with one another across all military domains and explore new areas for cooperation between our two armed forces. We will continue to work closely together through NATO, the Northern Group, and particularly through the JEF, which has become a significant contributor to regional security across its core area of the Baltic Sea, the High North and the North Atlantic. The agreement made today will lead to more UK high-end capabilities deployed to Estonia, more regular deployments of large numbers of high readiness forces, and greater military integration between our two countries. It is a big step forward in helping to guarantee Estonian and wider Baltic Security.

Government ministers visit spaceport ahead of first UK launch

Science Minister, George Freeman, and Transport Technology Minister, Jesse Norman, joined representatives from the UK Space Agency to meet those behind the mission and saw Virgin Orbit's LauncherOne rocket and its carrier aircraft, Cosmic Girl – which will launch from Spaceport Cornwall – up close.

Ministers also toured the spaceport's new Space Systems Integration Facility, the first of its kind at a spaceport in the UK, where the satellites have been integrated into the rocket ready for launch. Spaceport Cornwall will deliver 150 direct jobs and 240 indirect jobs by 2030.

Science Minister George Freeman said:

The first ever satellite launch from UK soil, here at Spaceport Cornwall, will be a giant leap for our fast-growing commercial satellite and space sector. This is one of our most innovative industries, generating new opportunities in Cornwall and beyond, with high-growth companies such as Space Forge, Surrey Satellites, Astroscale, Inmarsat, Open Cosmos, and the thriving Scottish space cluster.

By establishing the UK as the leading European base to launch small satellites, we can build on our existing strengths in areas such as space manufacturing, in-flight manufacturing, satellite and debris retrieval, and launch licensing insurance and finance, to create jobs across the country, grow the economy and attract international investment.

Transport Technology Minister Jesse Norman said:

We have one of the most advanced space sectors in the world, and the first commercial space launch from the UK will be a landmark moment both for the country and for our transport sector.

The mission, which has been named 'Start Me Up' in tribute to the iconic British band, the Rolling Stones, will be the first orbital launch from the UK, meeting a key ambition of the Government's National Space Strategy, as well as being the first commercial launch from Europe and the first international launch from Virgin Orbit.

Both Cosmic Girl – an adapted Boeing 747 – and LauncherOne arrived separately in Cornwall last month, and the rocket is now in place under the wing of the aircraft.

Ian Annett, Deputy CEO at the UK Space Agency, said:

We are at the dawn of a new era for space launch in the UK and about to achieve the goal of putting satellites into orbit in 2022. This is an immensely proud moment for the UK Space Agency and all those who have worked so hard to make this ambition a reality.

Establishing orbital launch capabilities in the UK is already bringing new growth through investment and jobs into Cornwall and other communities across the UK, inspiring a new generation of space professionals whether in science, engineering, law and other disciplines.

Melissa Thorpe, Head of Spaceport Cornwall, said:

It's been phenomenal to welcome so many supporters of the UK space sector here to Spaceport Cornwall ahead of our first launch.

My team and I loved showing the world how much work and how much international collaboration is going into making this world-first a reality. This marks just the beginning of a global movement with Space For Good at its core.

Dan Hart, CEO Virgin Orbit, said:

We're honoured to be part of this historic mission to open up the UK's first international spaceport in Cornwall. With this mission we break new ground across the commercial space sector and important allied collaboration in space. Our company is here to serve our customers and their ambitions. Virgin Orbit is up and running and working to obtain final approvals to move forward.

The UK Government's [National Space Strategy](#) sets out how the UK will become the first country in Europe to launch satellites into orbit in 2022. Spaceport Cornwall is one of seven spaceport sites being developed across the UK which will help unleash a wave of innovation and create hundreds of new jobs across the country. All UK launches are subject to receiving a licence from the Civil Aviation Authority.

Councillor Louis Gardner, Cornwall Council portfolio holder for economy, said:

We're delighted that ministers were able to visit Spaceport Cornwall as we gear up for the UK's first ever satellite launch.

This is an incredibly exciting time, not only for the Spaceport and those directly involved in "Start Me Up" but for Cornwall as a whole, and I'd like to pay tribute to all those involved for their hard work and dedication in getting us to this point.

We have a long and storied history of engineering excellence in Cornwall, and the potential benefits that Spaceport Cornwall brings to our economy have never been clearer. From new jobs and new investment to inspiring the next generation of tech pioneers and space professionals, this promises to be yet another red letter day in our shared history.