

There is great untapped potential here for exports and growth – Gardiner

Barry Gardiner MP, Shadow Secretary of State for International Trade, responding to today's announcement of a partnership between UKEF and high street banks, **said**:

"Small and Medium Sized Enterprises (SMEs) are the backbone of our economy, but have been neglected for too long. Lack of adequate export finance continues to be a big barrier to trade for British SMEs, which make up to 60 percent of private sector jobs, but currently only one in five exports. There is great untapped potential here for exports and growth.

"Labour has repeatedly called for more to be done to support and ensure that UK Export Finance (UKEF) is broadened away from arms and big ticket items exclusively, and in our General Election manifesto we committed to championing SME export interests.

"Today's announcement from the government is a welcome agreement with us. However, export finance underwritten by British taxpayers should be subject to the most stringent scrutiny, risk assessment and ethical controls. Banks should not be allowed to pass ordinary lending risks to the taxpayer, nor should they be able to undertake undue risk under this scheme.

"This initiative should be used to support the growth in strategic sectors for the future of the UK economy. It should work in tandem with our industrial strategy so that taxpayer subsidised export credit does not put British industries and British jobs at risk."