

UK Export Finance powers UK export boom with record £6.8 billion support in 2018 to 2019

UK Export Finance (UKEF) has published its results for 2018-19, revealing it provided £6.8 billion in support for UK exports, a record since 1991. Analysis shows these exports have also supported an estimated 47,000 UK jobs as demand for British goods across the globe continues to grow.

Last year the department directly supported 181 companies' making exports to 72 countries. A further 81 UK companies secured business by supplying to a project supported by UKEF, and thousands more benefited through exporters' supply chains.

At the heart of the Government's Export Strategy, UKEF provides guarantees, insurance and loans to help British firms establish themselves in some of the world's fastest growing markets. ONS figures show UK exports to emerging markets have grown by 62.2% over the last decade to £76.5 billion in 2018 and UKEF support enables many of these countries to buy British goods.

UKEF's support is provided in partnership with over 100 private sector providers and is repaid over time, with the department charging a premium to cover its costs and the risk it takes on. In 2018-19, UKEF generated more than £330 million in premium income for the Exchequer.

Rt Hon. Dr Liam Fox MP, Secretary of State for International Trade, said:

Over the course of the last 100 years UK Export Finance has led the way in delivering innovative finance to help British companies achieve international success across a wide range of industries across the world.

I am delighted UKEF is marking its centenary with a record year, and as it continues into its second century is supporting not only the UK's exporters, which are growing in number all the time, but also transformational projects which have a direct impact on the lives of citizens across the globe.

During the year UKEF supported its largest ever transaction, providing a £5 billion package to support BAE Systems' and MBDA UK's contract with the government of Qatar. It also connected more than 300 companies with opportunities on overseas projects, and provided over £600 million in support for projects in sub-Saharan Africa as the Government looks to boost trade links between the UK and African countries.

Rt Hon. Dr Liam Fox MP, said:

The UK government's Export Strategy recognises the importance of UKEF's support as we make the UK a 21st century exporting superpower.

The strategy outlines a streamlined and targeted offer from government for businesses of all sizes, and sets a new ambition to increase exports as a proportion of gross domestic product from 30% to 35%.

Looking ahead, UKEF will continue to innovate, introducing a new general export facility designed to make its support for exports more flexible for the needs of smaller companies, as well as further enhancements to its product range.

UKEF's direct lending facility provides a source of highly efficient long-term fixed rate financing, which can give UK exporters a competitive edge. In response to the continued importance of direct lending to UK exporters, the Chancellor announced in the 2018 Budget an additional £2 billion of lending capacity for UKEF, up from £3 billion today.

UKEF's other business highlights included:

- 79% of companies supported with finance and insurance were small and medium-sized enterprises
- Providing its first ever support for Angola – £419 million to build 3 new hospitals and upgrade 2 power stations
- Deploying £587 million in Direct Lending to support UK exports, while making an additional £2 billion in capacity available in 2020-21 and 2021-22
- Connecting more than 300 UK suppliers with opportunities on projects in Africa and the Middle East through its supplier fair programme
- Generating £332 million in premium income for the Exchequer, more than the previous 3 years combined
- Being named best export credit agency for 2018 by Global Trade Review and Trade Finance Global
- Latest statistics from the ONS show UK firms sold more overseas in the 2018-19 financial year, £639.9 billion, than at any time since records began
- The UK has now achieved 36 consecutive months of export growth on an annual rolling basis
- It comes as separate OECD data reveals UK exports grew faster than Germany, France and Italy between 2016 and 2018

To find out more about UKEF, or see if finance and insurance from UKEF could give you an exporting edge, [visit great.gov.uk](https://www.great.gov.uk).