

UK increases Export Finance country limit for Pakistan

World news story

The UK's credit financing agency, UK Export Finance (UKEF) has increased its financing limit for UK businesses looking to export to and invest in Pakistan to £1.5 billion.



This announcement will boost trade partnerships between the two countries and unleash Pakistan's growth potential. UKEF helps secure large contracts by providing attractive financing terms to buyers and supporting working capital loans.

The British High Commissioner to Pakistan, Dr Christian Turner met with the Federal Minister of Commerce for Pakistan Razaq Dawood today to discuss trade ties and business potential between the two countries. The Commerce Minister welcomed the UKEF's announcement of an increase of £500 million in the credit limit for business investment in Pakistan, especially at a time when Pakistan is looking to expand its trade potential to mitigate the impacts of COVID19.

The British High Commissioner, Dr Christian Turner said;

UK credit financing for Pakistan has tripled in the last two years, and is key to achieving my ambition to double the trade between the UK and Pakistan. It is a sign of our confidence in Pakistan and the strength of the unique relationship between the two countries. I encourage all Pakistan businesses to look for opportunities to partner with the UK on their journey towards economic prosperity.

The UK is Pakistan's third largest export partner. Between July 2019 and March 2020 Pakistan exported 7% of its total exports to the UK, and the increase in the credit financing limit will help turbo-charge trade relations between the two countries.

Notes to the Editors:

- UK Export Finance (UKEF) is the UK's official Export Credit Agency (ECA) working closely with the Department for International Trade (DIT).
- Its mission is to ensure that no viable UK export fails for lack of finance or insurance, while operating at no net cost to the taxpayer.
- In 2019/20, UKEF provided £4.4 billion of support for UK exports globally.
- UKEF recently completed a comprehensive review of its Country Limits, resulting in increases in over 100 markets including Pakistan
- The Export Financing offered is quite attractive if comparing to a commercial bank
- There is a baseline requirement for 20% of the whole deal to come back to the UK, but that doesn't necessarily mean –for example –the whole construction on the ground or the production of a specific product. It looks at the whole supply chain. The 20% can come from a UK company that looks after the procurement of services as part of a bigger deal. This makes UKEF very attractive for multinational consortiums.
- For further information, follow this [link](#)

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Published 14 September 2020