

UKEF overhauls guarantees to kickstart major exports

- UK Export Finance can now finance international companies setting up in the UK to export as well as a newly simplified guarantee for SMEs
- UKEF reveals clean growth guarantee for businesses seeking major funding to deliver on the UK's COP26 commitments
- Changes announced during International Trade Week as UK launches its new 'Made in the UK, Sold to the World' campaign

UK Export Finance (UKEF) has announced significant changes to its range of products as the UK begins its first ever [International Trade Week](#).

Its new enhanced support, which include making its [Export Development Guarantee \(EDG\)](#) more flexible and accessible, will help to bring foreign businesses to the UK, stimulate investment into the green economy and level up its support for SMEs across the country.

International Trade Secretary, Anne-Marie Trevelyan said:

Supporting UK exporters, while bringing international investment to the UK is vital to levelling up all parts of the country. By enhancing our support offer, UKEF can encourage overseas companies to establish themselves in the UK to sell to the world.

Our improved terms for clean growth exporters will help them seize new export opportunities and invest to grow their international business – spurring on the development of the British supply chain in high growth sectors too. With these changes, UKEF has the tools to help us deliver a greener future and a trade-led recovery.

UKEF's EDG helps businesses access high value loans which will enhance their UK export potential. It has already backed over £10 billion of loans for companies since its 2019 launch, helping them to invest in new technologies and recover from the pandemic.

These new changes mean that UKEF can now use the EDG to support businesses that don't currently export but have huge export potential, including businesses that are not yet based in the UK. This will encourage companies operating in sectors in which the UK doesn't have a strong presence, such as the production of electric vehicle batteries, to come to this country.

Coming on the heels of COP26 and the announcement of major backing for the largest solar plant in Turkey, UKEF will also offer it on extended repayment terms to UK green economy exporters who need to access significant working capital to grow their businesses.

To improve its backing for SMEs, UKEF is also revamping its Bills and Notes

Guarantee to ensure UK exporters get paid immediately for their goods and services, making the product simpler and easier to access. This is particularly aimed at helping smaller businesses with manufacturing exports of heavy goods like machinery – making British SMEs' contract bids more attractive to overseas buyers.

UKEF has further revealed it is working to expand its range of delivery partner financial institutions, including challenger banks and alternative lenders, to allow more businesses to benefit from its award-winning support.

These announcements come during International Trade Week – which will launch the 'Made in the UK, Sold to the World' campaign, and include a series of virtual and in-person events, including daily presentations outlining UKEF's financial support for exporters.

Marcus Dolman and Geoffrey De Mowbray, Co-Chairmen of the British Exporters Association said:

The increased UKEF support is welcomed and aligned with accelerating the UK's significant opportunities to advance UK exports and to drive clean and sustainable growth.

The addition of challenger banks and alternative lenders is key to enabling SMEs access to UKEF's products – all valuable additions for UK exporters.

The additions to the Export Development Guarantee include:

- widening its eligibility criteria so that investors who do not currently export – including foreign companies – can apply for an EDG if they can demonstrate that support will lead to exporting
- offering exporters of clean growth technology and services up to 10 years rather than 5 to repay loans issued under the product

Clean growth exporters are defined as those exporting goods, services or intangibles relating to:

- renewable energy
- energy efficiency
- pollution prevention and control
- environmentally sustainable management of living natural resources and land use
- terrestrial and aquatic biodiversity conservation
- clean transportation; sustainable water and wastewater management
- climate change adaptation
- eco-efficient and/or circular economy adapted products, production technologies and processes

- green buildings as defined in the Green Bond Principles

About UKEF

UK Export Finance is the UK's export credit agency and a government department, working alongside the Department for International Trade as an integral part of its strategy and operations.

Established in 1919, it exists to ensure that no viable UK export should fail for a lack of finance from the private market. It provides finance and insurance to help exporters win, fulfil and get paid for export contracts.

Contact