

Annexes

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Robin Priestley,
the Export Finance
Manager team's
Regional Head for
Northern England,
Scotland and
Northern Ireland

Business supported tables

Export credits

Exporter/investor	Buyer/airline/ operating lessor/ borrower	Project/goods and services	Product	Maximum liability (£)
Angola				
ASGC UK LIMITED	ANGOLA, MINISTRY OF FINANCE	Construction of specialist burns hospital	BUYER CREDIT GUARANTEE	61,115,871
ASGC UK LIMITED	ANGOLA, MINISTRY OF FINANCE	Construction of specialist burns hospital	DL LOAN (ENHANCED)	66,858,968
Belgium				
WOOD GROUP UK LIMITED	INEOS OLEFINS BELGIUM NV	Construction of a new global scale olefin complex	PROJECT FINANCING GUARANTEE	818,171,352
Benin				
ACC UK GROUP LIMITED	BENIN, MINISTRY OF FINANCE	Design and construction of the government complex, Ministerial City, in Cotonou Equipment, fixtures and finishes and construction services	BUYER CREDIT GUARANTEE	59,885,159
ACC UK GROUP LIMITED	BENIN, MINISTRY OF FINANCE	Design and construction of the government complex, Ministerial City, in Cotonou Equipment, fixtures and finishes and construction services	DL LOAN (ENHANCED)	52,778,489

Exporter/investor	Buyer/airline/ operating lessor/ borrower	Project/goods and services	Product	Maximum liability (£)
Brazil				
6 exporters under 3 facilities as below:	EMBRAER SA	Aircraft related goods	BUYER CREDIT GUARANTEE	92,106,883
APPH Limited	EMBRAER SA	Aircraft related goods	BUYER CREDIT GUARANTEE	-
Eaton Limited	EMBRAER SA	Aircraft related goods	BUYER CREDIT GUARANTEE	-
Martin-Baker Aircraft Company Limited	EMBRAER SA	Aircraft related goods	BUYER CREDIT GUARANTEE	-
Mission Systems Wimborne Limited	EMBRAER SA	Aircraft related goods	BUYER CREDIT GUARANTEE	-
Aeromet International Limited	EMBRAER SA	Aircraft related goods	BUYER CREDIT GUARANTEE	-
Senior UK Limited	EMBRAER SA	Aircraft related goods	BUYER CREDIT GUARANTEE	-
Canada				
Airbus Group	AIR CANADA	Airbus aircraft	ASSET BASED GUARANTEE	96,192,953
Ethiopia				
C2S MEDIA LTD	ED STELAR TRADING PLC	Supply of equipment and related services for a new purpose-built TV and radio studio, including updating Ed Stelar's existing core infrastructure and building of a studio floor, gallery and newsroom together with teleprompts and audio production equipment	STANDARD BUYER LOAN GUARANTEE	2,063,753
Airbus Group	ETHIOPIAN AIRLINES GROUP	Airbus aircraft	ASSET BASED GUARANTEE	45,178,858
France				
Airbus Group	AIR FRANCE	Airbus aircraft	ASSET BASED GUARANTEE	53,054,516
Not disclosed	Not disclosed	Not disclosed	EXPORT INSURANCE (EXIP)	11,495,000
Ghana				
TESAB ENGINEERING LIMITED	PERRISEUO GHANA LTD	Crushing and screening equipment for a quarry project	STANDARD BUYER LOAN GUARANTEE	1,126,013

Exporter/investor	Buyer/airline/ operating lessor/ borrower	Project/goods and services	Product	Maximum liability (£)
Guinea				
DINTS INTERNATIONAL LIMITED	GUINENNE DE PRESTATION ET DE CONSTRUCTION S.A. (GPC)	Supply of heavy machinery for mining purposes	STANDARD BUYER LOAN GUARANTEE	9,194,427
Guyana				
VAMED ENGINEERING GMBH	GUYANA MINISTRY OF FINANCE	Electrical and medical equipment, structural steel, and other building materials	DL LOAN (ENHANCED)	148,538,204
Not disclosed	Not disclosed	Not disclosed	EXPORT INSURANCE (EXIP)	8,786,574
Hong Kong				
AIRBUS GROUP	CATHAY PACIFIC AIRWAYS LIMITED	Airbus aircraft	ASSET BASED GUARANTEE	54,864,184
W.W. (1990) LIMITED	EDG - None	Football and related activities	EXPORT DEVELOPMENT GUARANTEE	98,680,876
India				
THE MEDICAL WAREHOUSE LIMITED	AAQUARIES GLOBAL INDUSTRIES LTD	Supply of heat exchangers and pharmaceuticals	SUPPLIER CREDIT FINANCE GUARANTEE	6,045,136.38
BOBST MANCHESTER LTD	JINDAL WORLDWIDE LTD	Supply of vacuum metalliser equipment	STANDARD BUYER LOAN GUARANTEE	2,923,766.78
Jordan				
ASGC UK LIMITED	CLASSIC FASHION HOLDING LTD	Construction of integrated garment manufacturing complex in Aqaba Project cover Architectural costs, building materials, water systems, electrical goods and machinery	BUYER CREDIT GUARANTEE	47,589,094
ASGC UK LIMITED	CLASSIC FASHION HOLDING LTD	Construction of integrated garment manufacturing complex in Aqaba Project cover Architectural costs, building materials, water systems, electrical goods and machinery	DL LOAN (ENHANCED)	27,717,158

Exporter/investor	Buyer/airline/ operating lessor/ borrower	Project/goods and services	Product	Maximum liability (£)
Kenya				
VESPER TECHNOLOGIES LIMITED	ATLANCIS TECHNOLOGIES LIMITED	Supply of private cloud data centre devices (server and networking information technology hardware)	STANDARD BUYER LOAN GUARANTEE	893,949
Lithuania				
L3 COMMERCIAL TRAINING SOLUTIONS LIMITED	AVIA SOLUTIONS GROUP	Flight simulators	ASSET BASED GUARANTEE	5,728,440
Oman				
Not disclosed	Not disclosed	Not disclosed	EXPORT INSURANCE (EXIP)	43,969,800
Qatar				
Not disclosed	Not disclosed	Not disclosed	EXPORT INSURANCE (EXIP)	8,003,750
Saudi Arabia				
Not disclosed	Not disclosed	Not disclosed	EXPORT INSURANCE (EXIP)	4,750,000
Not disclosed	Not disclosed	Not disclosed	EXPORT INSURANCE (EXIP)	40,686,962
Togo				
HITECH CONSTRUCTION AFRICA LIMITED	TOGO, MINISTRY OF ECONOMY AND FINANCE	Refurbishment of road	BUYER CREDIT GUARANTEE	37,569,149
HITECH CONSTRUCTION AFRICA LIMITED	TOGO, MINISTRY OF ECONOMY AND FINANCE	Refurbishment of road	DL LOAN (ENHANCED)	54,723,500
Turkey				
AIRBUS GROUP	PEGASUS HAVA TASIMACILIGI ANON PEGASUS AIRLINES	Airbus aircraft	ASSET BASED GUARANTEE	98,203,109
AIRBUS GROUP	TURK HAVA YOLLARI A O (THY) (TURKISH AIRLINES)	Airbus aircraft	ASSET BASED GUARANTEE	41,746,659
AIRBUS GROUP	TURK HAVA YOLLARI A O (THY) (TURKISH AIRLINES)	Airbus aircraft	ASSET BASED GUARANTEE	50,118,763
ROLLS-ROYCE PLC	TURK HAVA YOLLARI A O (THY) (TURKISH AIRLINES)	Rolls-Royce engines	BUYER CREDIT GUARANTEE	26,738,150

Exporter/investor	Buyer/airline/ operating lessor/ borrower	Project/goods and services	Product	Maximum liability (£)
REC ULUSLARARASI INSAAT YATIRIM SAN YI VE	TURKEY, MINISTRY OF FINANCE	High speed rail project	BUYER CREDIT GUARANTEE	502,055,005
TECNIMONT S.P.A	YILDIRIM HOLDINGS A.S	Goods, project services and equipment for urea manufacturing complex	BUYER CREDIT GUARANTEE	80,151,339
United Arab Emirates				
AIRBUS GROUP	AL YAH SATELLITE COMMS COMPANY	Satellite	BUYER CREDIT GUARANTEE	85,003,807
United Kingdom				
BAMFORD BUS COMPANY LIMITED	EDG - None	Manufacture and sale of hydrogen buses	EXPORT DEVELOPMENT GUARANTEE	49,162,144
FUTURE PLC	EDG - None	Online platforms for specialist media	EXPORT DEVELOPMENT GUARANTEE	393,443,600
JDR CABLE SYSTEMS LIMITED	EDG - None	Manufacture of subsea cables	EXPORT DEVELOPMENT GUARANTEE	99,406,898
JOHNSON MATTHEY PLC	EDG - None	Chemicals and sustainable technologies	EXPORT DEVELOPMENT GUARANTEE	363,275,009
LOTUS GROUP INTERNATIONAL LIMITED	EDG - None	Manufacture and sale of motor vehicles	EXPORT DEVELOPMENT GUARANTEE	48,068,101
ROLLS-ROYCE PLC	EDG - None	Power and propulsion technologies	EXPORT DEVELOPMENT GUARANTEE	937,887,456
SYNTHOMER PLC	EDG - None	Speciality chemicals	EXPORT DEVELOPMENT GUARANTEE	426,339,306
THG OPERATIONS HOLDINGS LTD	EDG - None	Online retailing and online development services	EXPORT DEVELOPMENT GUARANTEE	147,717,736
United States				
AIRBUS GROUP	DELTA AIRLINES	Airbus aircraft	ASSET BASED GUARANTEE	23,169,716
FORD MOTOR COMPANY LIMITED	EDG - None	Manufacture and sale of motor vehicles	EXPORT DEVELOPMENT GUARANTEE	734,586,967

Trade finance and insurance: businesses supported by sector

Product type	No. exporters	SMEs	No. destination countries	Maximum liability (£)
Accommodation and food service activities				
Bond Support	0	0	0	-
Export Insurance (EXIP)	0	0	0	-
Export Working Capital Scheme	0	0	0	-
General Export Facility	1	0	N/A	2,000,000
Administrative and support service activities				
Bond Support	2	1	1	6,676,819
Export Insurance (EXIP)	0	0	0	-
Export Working Capital Scheme	1	0	1	14,400,000
General Export Facility	5	5	N/A	5,550,049
Construction				
Bond Support	5	5	3	2,604,609
Export Insurance (EXIP)	4	3	4	17,189,858
Export Working Capital Scheme	0	0	0	-
General Export Facility	3	3	N/A	2,221,930
Education				
Bond Support	1	0	1	820,103
Export Insurance (EXIP)	0	0	0	-
Export Working Capital Scheme	0	0	0	-
General Export Facility	0	0	N/A	-
Financial and insurance activities				
Bond Support	2	2	1	2,653,210
Export Insurance (EXIP)	0	0	0	-
Export Working Capital Scheme	0	0	0	-
General Export Facility	3	3	N/A	20,343,511
Information and communication				
Bond Support	1	1	2	1,398,442
Export Insurance (EXIP)	0	0	0	-
Export Working Capital Scheme	0	0	0	-
General Export Facility	10	10	N/A	7,890,400
Manufacturing				
Bond Support	14	14	16	7,506,380
Export Insurance (EXIP)	7	4	7	2,556,929
Export Working Capital Scheme	4	4	7	3,165,880
General Export Facility	84	78	N/A	134,331,158

Product type	No. exporters	SMEs	No. destination countries	Maximum liability (£)
Mining and quarrying				
Bond Support	0	0	0	-
Export Insurance (EXIP)	0	0	0	-
Export Working Capital Scheme	0	0	0	-
General Export Facility	2	2	N/A	5,206,954
Other service activities				
Bond Support	0	0	0	-
Export Insurance (EXIP)	1	1	1	5,763
Export Working Capital Scheme	0	0	0	-
General Export Facility	2	2	N/A	3,320,000
Professional, scientific and technical activities				
Bond Support	1	1	1	906,774
Export Insurance (EXIP)	1	1	1	98,790
Export Working Capital Scheme	1	1	1	632,633
General Export Facility	14	11	N/A	22,456,374
Transportation and storage				
Bond Support	0	0	0	-
Export Insurance (EXIP)	1	1	1	103,308
Export Working Capital Scheme	0	0	0	-
General Export Facility	4	4	N/A	8,000,000
Water supply: sewerage, waste management and remediation activities				
Bond Support	0	0	0	-
Export Insurance (EXIP)	0	0	0	-
Export Working Capital Scheme	0	0	0	-
General Export Facility	3	2	N/A	14,700,000
Wholesale and retail trade: repair of motor vehicles and motorcycles				
Bond Support	0	0	0	-
Export Insurance (EXIP)	6	6	8	1,116,039.33
Export Working Capital Scheme	0	0	0	-
General Export Facility	45	43	N/A	98,838,413.31

Notes

1. Details not disclosed due to reasons of commercial confidentiality.
2. SMEs counted in the Trade finance and insurance annex may use a product more than once or use multiple products. Therefore, the sum may not directly align with the total number of SMEs supported with a product quoted in the performance report, which is solely a count of customers supported.

Sponsorship

UK Trade and Export Finance Forum	
HSBC	£30,000
Standard Chartered Bank	£30,000
Barclays	£25,000
Lloyds	£15,000
NatWest	£15,000
Bank ABC	£10,000
Newable Lending	£8,000
Citi	£5,000
Supplier fairs	
Arabian Construction Company (ACC)	£12,000
Bechtel	£12,000
ECC Environmental	£12,000

Sustainability of our estate

UKEF has reported annually on the sustainability of its estate since 2006, to operate the estate efficiently and reduce the environmental impact of operations and their associated costs.

UKEF's estate

UKEF's estate is based at 1 Horse Guards Road (1HGR), London, SW1A 2HQ. UKEF is a minor occupier of 1HGR, accounting for 8.53% of the total internal area. As landlord, the Government Property Agency (GPA) is responsible for the provision of all energy and utility services. GPA follows government procurement best practice in procuring those contracts.

Greening Government Commitments

The Greening Government Commitments are the government's commitments to delivering sustainable operations and procurement. They aim to reduce

significantly the government's environmental impact by reducing emissions of greenhouse gases, reducing waste, reducing water usage and making procurement more sustainable.

Following the pandemic, UKEF has adopted a hybrid approach to work and a significant percentage of UKEF staff continue to operate from home. However, UKEF has seen a large proportion of staff return to the office for part of the working week. Consequently, this has impacted on the use of building services.

Full details of the 1 Horse Guards Road approach to waste disposal can be found in the Government Property Agency's Annual Report and Accounts.

Summary of performance

Area	2022-23	2021-22	2020-21	2019-20	2018-19
Estate waste (tonnes) - recycled	4.86	3.70	1.45	11.81	12.56
% of waste recycled	53.62	64.38	59.77	59.33	28.89
Estate water (m ³)	1,007	2,437	626	2,010	2,149
Energy from the estate	2022-23	2021-22	2020-21	2019-20	2018-19
Electric (kilowatt hours)	525,763	468,570	363,785	454,852	451,366
Gas (m ³)	129	64	29	404	396
Whitehall district heating system (megawatt hours)	259	315	126	107	114
Travel	2022-23	2021-22	2020-21	2019-20	2018-19
Domestic travel (kilograms of CO ₂)	8,339	1,104	1,530	1,552	17,890
International travel (kilograms of CO ₂)	941,688	325,304	790	1,062,262	460,500

2022-23 CO₂ figures include radiative forcing (RF)

In 2021-22, UKEF was still feeling the impact of the pandemic and air travel (both domestic and international) had reduced significantly compared to 2019-20. Whilst UKEF continues to facilitate meetings via Microsoft Teams, there has been a requirement in 2022-23 for staff to resume air travel in order to meet clients both domestically and internationally.

As a tenant of the building UKEF pays for services via a consolidated quarterly charge based upon its share of occupancy.

The estimated cost for utilities was around £99,000. However, this figure is subject to re-balancing charges which finalised until Q1 2023-24.

The cost of travel in 2022-23 was £1.2 million (note 9 of the financial statements), which includes expenses on hotels, allowances, meals, flights, trains, taxis and mileage.

Distance traveled (km)		Economy	Premium economy	Business	First	Total
Domestic		33,949				33,949
International	Short haul	214,603		168,611		383,214
	Long haul	113,093	68,869	1,978,257	23,604	2,183,823
Total		361,645	68,869	2,146,868	23,604	2,600,986

2022-23 travel data includes radiative forcing (RF)

Waste

UKEF has a target to reduce waste sent to landfill to less than 10% of overall waste, to continue to reduce the amount of waste generated, and to increase the proportion of waste which is recycled.

UKEF is working with the building landlord and is committed to reducing the amount of waste generated and increasing the proportion which is recycled. UKEF has recycling points located strategically around the office. Furthermore, single-use plastics have been removed from all

refreshment areas.

All information technology waste is either recycled or reused through UKEF's contract with the Disposal Services Agency. UKEF continues to improve processes and systems, reducing the amount of paper consumed.

Records of paper usage is not tracked. However, in 2022-23 UKEF reduced the number of photocopiers operated within the department. This combined with hybrid working policies has seen a reduction in overall paper usage.

	2022-23	2021-22	2020-21	2019-20	2018-19
Confidential waste (kilograms)	1,524.48	1,429.49	504.81	3,711.59	4,357.63
Toner waste (kilograms)	-	-	-	7.15	24.48
Mixed recycling (kilograms)	974.77	808.58	465.17	4,162.11	3,692.10
Composite waste (kilograms)	198.79	38.06	13.44	290.76	-
General non-recycled waste (incinerated)(kilograms)	4,203.88	2,047.79	974.18	8,094.00	8,771.26
Recycled waste (kilograms)	4,859.43	3,700.87	1,447.20	11,810.02	12,563.23

Energy from the estate	2022-23	2021-22	2020-21	2019-20	2018-19
Electricity (kilowatt hours)	525,763	468,570	363,785	454,852	451,366
Gas (m ³)	129	64	29	404	396
Whitehall district heating system (megawatt hours)	259	315	126	107	114
Water (m ³)	1,007	1,437	626	2,010	2,149

Water

As part of water saving efficiencies the building landlord (GPA) have previously installed water saving taps.

Sustainable procurement

UKEF uses existing framework agreements which have been centrally procured through Crown Commercial Services. Additionally, UKEF's key facilities management suppliers have sustainable objectives and environmental policies in place, committing them to sustainable provision.

As a building tenant, UKEF has no control over greenhouse gas (GHG) emissions –Scope 1 (Direct) and Scope 2 (Energy indirect).

Biodiversity and natural environment

UKEF's London office has no access to or control over external land. Therefore, UKEF does not have a biodiversity plan.

Notes:

- All 1HGR utility payments (including water, waste and energy) are included in the set annual lease payments. The figures used above have been apportioned to departmental costs based on floor occupancy of 8.53%
- Business travel gross emissions do not include journeys made by bus or taxi
- UKEF does not operate any fleet car schemes

UKEF core tables

Total resource and capital spending for UKEF

The tables on the following pages provide a summary of the department's expenditure outturn for 2018-19 through to 2022-23, along with the planned expenditure for 2023-24 and 2024-25. The outturn and planned expenditure are recorded on the same basis as in the Statement of Outturn against Parliamentary Supply beginning on page 141. They represent the spending incurred by UKEF in meeting its objectives detailed in the Performance section beginning on page 13.

Resource

£'000	Plans		Outturn				
	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19
Resource DEL (Admin & Prog)							
A. Export credits guaranteed and investments	91,242	98,431	76,815	66,262	48,745	41,320	37,565
Resource AME							
B. Export credits	-	1,216,561	(189,599)	(237,240)	118,815	(135,012)	(74,420)
C. Fixed Rate Export Finance assistance	-	-	(7)	(39)	(27)	(267)	(290)
D. Loans & interest equalisation	-	-	(28)	(107)	(240)	(493)	(799)
E. Direct lending	-	416,783	(113,317)	(86,579)	99,171	(81,972)	(53,484)
Total		1,633,344	(302,951)	(323,965)	217,719	(217,744)	(128,993)

Capital

£'000	Plans		Outturn				
	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19
Capital DEL							
A. Export credits guaranteed and investments	1,310	3,540	1,002	1,413	784	135	79
Capital AME							
E. Direct lending	-	2,035,967	129,317	457,131	1,109,370	307,710	426,448

Resource DEL (RDEL)

For UKEF, RDEL represents the administrative cost associated with running the department (known as Administration and Programme DEL). Resource DEL expenditure has increased over the 5 years to 2022-23 largely due to staffing costs, IT and project costs, overseas export managers' cost and marketing costs and it is expected to continue to rise into 2023-24. Additionally, the increase in 2023-24 is reflective of a budget adjustment, agreed with HM Treasury, where 2022-23 underspend was transferred to 2023-24 to fund the delivery of the Financial Reporting Changes Programme.

The increase in RDEL from 2021 to 2022 was agreed at Spending Review 2021 to allow business growth, to ensure UKEF can meet higher levels of consumer and economic demand. Recruitment continues for the overseas export managers network (established in 2020-21) to expand UKEF's reach outside of the UK and to further allow presence in current and new markets.

Resource DEL outturn and plans are shown on a gross basis to allow better transparency and visibility of how the spend evolved over the period. Supply Estimates, however, show Resource DEL on the net basis. Resource DEL Admin is fully offset with AME income generated by the department.

Capital DEL (CDEL)

For UKEF, CDEL typically represents the purchase of IT hardware, but can also include project related software purchases and office furniture costs. In 2022-23 CDEL spend has increased due to the capitalisation of software development costs being incurred by projects.

CDEL budget uplift in 2023-24 is reflective of the budget adjustment, agreed with HM Treasury, where 2022-23 underspend has

been transferred to 2023-24 to help with the planned delivery of the Financial Reporting Changes Programme.

Resource AME (RAME)

For UKEF, RAME represents the expenditure on underwriting and export finance activities, including income received while supporting the exporters. Both are expected to fluctuate significantly owing to the nature of the business activity, as well as the impact of foreign exchange movements. RAME is shown on a net basis. As per the arrangement with HM Treasury, RAME income is used to offset UKEF operating costs (RDEL).

For each of the last 5 years apart from one, RAME outturn has been negative, representing net income. The expenditure in 2020-21 arose from the impacts of Covid-19 which increased unrecoverable claims, impairments and foreign exchange losses.

In 2023-24, RAME budget has been provided for expenditure on impairments and unrecoverable claims in worst case economic scenarios, on unfavourable foreign exchange fluctuations and on loss-making support that UKEF may provide to the government of Ukraine per the ministerial direction.

www.gov.uk/government/publications/maintenance-of-uk-export-finance-cover-limit-for-ukraine

Capital AME (CAME)

For UKEF, CAME represents lending activity net of loan repayments. CAME outturn has fallen in 2022-23 as compared to 2021-22. Loan repayments remained at a similar level, as did the number of new loans originated, but drawn amounts were lower.

2020-21 CAME outturn was significantly higher than previous years largely because of a £700 million BAE Systems Qatar deal drawing.

Glossary

Term	Description
Active portfolio management (APM)	Work to reduce concentrations of risk in the portfolio to decrease the chance of losses, and/or free up headroom to support more business. APM is currently focussed on buying case-by-case reinsurance from the private market where value for money is achieved.
Amount at risk (AAR)	AAR is equivalent to the accounting term “contingent liability”. This represents the unexpired portion of the total risks supported by UKEF, essentially amounts still owed to banks or exporters where UKEF could face a claim. AAR would normally be less than maximum liability by the amount of expired risk. It is the measurement of exposure for issued business.
Below minimum risk standard limit	The total exposure limit agreed with HM Treasury that sets the total amount UKEF can commit to for corporate risk obligors below a minimum rating. The limit is set at £5 billion.
Bills & Notes Guarantee (BNG)	A finance facility in which a guarantee is given by UKEF to lenders supplying finance to an overseas borrower buying UK goods/services where payment obligations are documented as bills of exchange or promissory notes issued by the buyer. This product is typically used for deals below £30 million.
Bond insurance policy (BIP)	Insurance cover for the unfair calling of bonds or for the fair calling of bonds caused by certain political events.
Bond support scheme (BSS)	A scheme under which UKEF provides guarantees to lenders in respect of bonds related to UK exports. Where a lender issues a contract bond (or procures its issue by an overseas lender) in respect of a UK export contract, we can typically guarantee 80% of the value of the bond.
Buyer credit (BC)	A finance facility in which, normally, a guarantee is given by UKEF to lenders supplying finance to an overseas borrower buying UK goods/services.
Claims	Amounts paid out by UKEF under guarantees or insurance where there has been a default and UKEF is required to honour its obligations to the bank/insured party.
Commercial Interest Reference Rate (CIRR)	The minimum interest rate UKEF charges for direct loans, in accordance with the OECD Arrangement on Officially Supported Export Credits.
Commitment	A case not yet the subject of an issued guarantee, but for which UKEF has agreed the terms of its support and provided its commitment to the bank/exporter. Cases at this stage are included in UKEF’s portfolio as the department has agreed to accept the risk.
Common Approaches	The rules agreed at the OECD for ECA due diligence in regard to environmental, social and human rights aspects of projects supported.

Term	Description
Concentration	This typically refers to either sector or regional concentration in the risk portfolio, indicating where UKEF has a greater proportion of its exposure.
Corporate (risk)	These are risks on commercial trading and financial institutions which are capable of being put into liquidation or receivership.
Counterparty	UKEF refers to other entities who have a relationship with the department, but are not the key source of risk on transactions, as a counterparty. Examples include ECAs who provide reinsurance, or agent banks providing loans which UKEF supports.
Country limit	The maximum amount of cover available for a particular country as agreed under the exposure management framework.
Credit period	The period over which a loan is repaid by the borrower, or for insurance products, the period for contractual payment by the buyer.
Credit quality	This typically refers to the level of default risk of an entity or the portfolio. For example, it can be measured by the proportion of investment grade rated (low risk) obligors versus non-investment grade rated (high risk) obligors.
Direct lending (DL)	Under the Direct Lending Facility, UKEF provides loans within an overall limit of £8 billion to overseas buyers, allowing them to finance the purchase of capital goods and/or services from UK exporters. Of that limit, £2 billion has been allocated to support clean growth projects and £1 billion for defence transactions.
Effective business	Business where UKEF has provided a guarantee or insurance, received premium and all other conditions have been satisfied.
Expected loss (EL)	The anticipated average loss over the relevant time horizon. For cases, the statistical estimate of the most likely financial outcome on a case, based on the likelihood of default and estimates of recoveries; and for the whole portfolio, the sum of the individual transaction expected losses, representing the mean of the loss distribution.
Export credit agency (ECA)	Most developed and emerging economies have an ECA. Although structure and organisation differs, they all exist to promote exports by providing insurance, lending, reinsurance and guarantees to exporters and banks on behalf of the state. Many ECAs have reinsurance arrangements with each other (see reinsurance).
Export Development Guarantee (EDG)	A guarantee of up to 80% to support working capital or capital expenditure facilities, which are not tied to specific export contracts but instead support a company's general export business activities or investment requirements in support of exports. Minimum loan size of £25 million.
Export insurance policy (EXIP)	An insurance facility provided by UKEF to exporters that covers them against the risk of not being paid under their export contract. Cover can be provided for both cash and credit payment terms.
Export working capital scheme (EWCS)	A scheme provided by UKEF to help UK exporters gain access to working capital finance (both pre- and post-shipment) in respect of specific export contracts. Under the scheme, UKEF provides guarantees to lenders to cover the credit risks associated with export working capital facilities. We can guarantee up to 80% of the loan.
Exposure	A generic term referring to the value of the risks UKEF is holding. For pre-issue business this is measured by maximum liability and for issued business this is measured by amount at risk. Exposure can be net of reinsurance and some measures of exposure also include claims.

Term	Description
Exposure management framework (EMF)	A framework for setting prudent restrictions on the concentrations in the portfolio. For country limits, this is based on a matrix and limits are determined by the size of the economy and the country's expected loss. For sectors, regions and obligors, this is based on the percentage of the portfolio attributed to that slice of risk.
Facility	The name given to each individual provision of support by UKEF.
General Export Facility (GEF)	A scheme under which UKEF provides guarantees to lenders where finance is not tied to specific export contracts, covering a range of facility types to support a company's general export business activities. Facility types can include trade loans and bonds. Designed with SMEs in mind, the guarantee covers up to 80% of the value of the facility and is made available via UKEF's streamlined digital application process.
Horizon of risk	The total period of time where UKEF is on cover. For credit transactions, this includes both the pre-credit (or drawdown) period and the repayment period.
Loss distribution	A curve showing the probability of different levels of loss on UKEF's portfolio over a specific time period, generated by a risk modelling methodology agreed between UKEF and HM Treasury.
Loss given default (LGD)	An estimate of the loss to UKEF at the time of default (also known as loss coefficient). The recovery rate is the inverse of this statistical estimate. The LGD is used with the probability of default to determine the expected loss.
Market risk appetite (MRA)	The level of potential new business that UKEF can underwrite in a specific country calculated by subtracting existing business (on a weighted basis) from the total agreed country limit.
Maximum commitment	The maximum amount of exposure that the UKEF portfolio can reach under the HM Treasury Consent, currently £60 billion. This does not include TCRF exposure.
Maximum liability (ML)	The measurement of exposure for pre-issue business. Maximum liability is the maximum value of the amount of claims payable under a particular UKEF product, including any interest.
OECD	The organisation of nation states known as the Organization for Economic Co-operation and Development.
OECD Arrangement	The OECD Arrangement on Guidelines for Officially Supported Export Credits, sometimes referred to as "the Consensus" or "the Arrangement". This limits competition on export credits among members of the OECD when providing official support for export credits of 2 years or more. The Arrangement covers all officially supported export credits except those for agricultural produce and military equipment. Aircraft, ships, nuclear power plants, water and renewable energy projects are subject to separate sector understandings.
Overseas investment insurance (OII)	Insurance cover provided to a UK investor for up to 15 years against political risks in respect of a new investment overseas. It may also be available to UK banks in respect of overseas lending, whether or not it is in connection with a UK investment or export. The risk covered by this product is that certain events (war, expropriation, restriction on remittances) mean the investor suffers a loss on their investment. It does not cover the commercial risk of the investment being unprofitable.

Term	Description
Paris Club (PC)	An informal group of official creditors whose role is to find coordinated and sustainable solutions to payment difficulties experienced by debtor countries. Debts from sovereigns are handled by the Paris Club.
Persistence of default	A factor considered in UKEF's country risk assessments. This is an estimate of the number of years during which a country is expected to remain in default, before being able to resume some form of debt service. Used in conjunction with sovereign risk rating and loss coefficient to determine expected loss rate.
Premium income issued, or premium issued	The total amount of premium that UKEF will theoretically receive over the lifetime of the insurance or guarantee policy. Like maximum liability, this is fixed in time in its original currency, when the policy is issued, but its sterling value can then vary with foreign exchange movements. This includes premium for all products, and is the value we use in the financial objectives we set for our premium policy, pricing adequacy index and premium-to-risk ratio.
Premium earned	Based on Accounting Standards (as note 1 to the financial statements). This does not include premium from direct lending, which is amortised as interest income, and uses an exchange rate fixed at the point when premium is received (rather than month-end rates, as for premium income issued).
Premium-to-risk ratio (PRR)	Assesses the extent to which UKEF premium income on new cases is sufficient to cover the risks associated with those cases. The risks are measured as both the expected loss and a charge on unexpected loss. PRRs can be calculated for individual cases, and the PRR for new business in each year is a financial objective. PRR is an in-year measure, with a target ratio of 1.35.
Pricing adequacy index (PAI)	Assesses the extent to which UKEF premium income is sufficient to cover both risks and costs. PAI is measured over a 3-year rolling period, and has a target that the ratio of net earned premium to risks and costs should always be greater than 1. Risks are defined as in the premium-to-risk ratio as expected loss and a charge on unexpected loss, and costs are UKEF's admin costs.
Private market assist	When UKEF engagement has had a material contribution to an export receiving support from the private sector.
Probability of default	A statistical measure of the likelihood of an entity or transaction defaulting on debt obligations. Letter ratings correspond to a specific estimate of probability of default based on historical data of the outcomes for each letter rating.
Project finance (PF)	Transactions which are dependent on generating sufficient revenue from a project to service debt, once commissioned.
Provisions or provisioning	Amounts which are set aside within UKEF's trading accounts to allow for non-recovery of claims already paid and of claims to be paid in the future.
Public (risk)	Risk that is assessed to be with an entity linked to the government, but which does not benefit from full state support or a guarantee (for example a local municipality or a state utility).
Recoveries	Amounts that UKEF has been able to get back after paying a claim (through restructuring or selling assets, for example).

Term	Description
Reinsurance	UKEF shares risk by reinsuring it with other partners in 2 main ways: sharing a proportion of a transaction with other ECAs based on the amount of content produced in that country (ECA reinsurance); or purchasing reinsurance directly from the private sector to reduce risk concentrations (see active portfolio management).
Risk appetite limit (RAL)	A risk weighted cap on the maximum amount of risk that UKEF can take on. Calculated as the 99.1 percentile of the portfolio loss distribution (see loss distribution). On 31 March 2023 the maximum was increased from £5 billion to £6 billion.
Run-off	UKEF's risk decreases as loan repayments are made or insurance risks expire. The way in which the amounts at risk decrease is called the run-off.
Short-term	UKEF's short-term products are: bond support guarantees, export working capital scheme guarantees, the General Export Facility and export insurance policies under 2 years.
Sovereign (risk)	Risks considered as being effectively upon the state itself.
Standard Buyer Loan Guarantee (SBLG)	A finance facility in which a guarantee is given by UKEF to lenders supplying finance to an overseas borrower buying UK goods/services. This product is typically used for deals below £30 million.
Stress testing	A form of scenario analysis where one considers the potential adverse impact of theoretical changes in the state of the world. UKEF carries out portfolio stress testing semi-annually, based on a number of defined stresses and scenarios.
Supplier Credit Finance Facility (SCF)	A finance facility in which a guarantee was given by UKEF to lenders supplying finance to an overseas borrower buying UK goods/services. This product is typically used for deals below £30 million. The SCF was replaced by the SBLG and BNG.
Supply Chain Discount Guarantee (SCD)	A guarantee of up to 80% provided by UKEF to a lender to support a supply chain finance facility provided by the lender to an exporter. Suppliers can draw on the facility to discount approved invoices; the exporter then makes payment to the lender at the face value of the invoice at maturity. UKEF covers the risk of the exporter failing to repay the lender.
Unexpected loss (UEL)	Takes account of the potential for actual losses to exceed the expected loss. This simply reflects the uncertainty inherent in the estimate of future losses. Calculations of unexpected loss will tend to increase if a portfolio has high risk concentrations and/or the risks in the portfolio are strongly correlated. UKEF defines unexpected loss as the difference between the portfolio expected loss and the 99.1 percentile value of the loss distribution.
Ultimate obligor (UO)	The final source of repayment risk. In some transactions, a number of entities might be responsible for ensuring there is no default, but the ultimate obligor is the key entity for determining the riskiness of the structure.

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