

Mr Angus Brendan MacNeil MP
Chair of the International Trade Committee
House of Commons

24th September 2020

Dear Angus,

1. I wanted to write to you regarding the International Trade Committee inquiry on UK Export Finance.
2. At Airbus, we value and appreciate the long standing support provided by UKEF over many years, not just on Commercial Aircraft exports but also for Defence and Space campaigns.
3. For example, in 2019 UKEF supported Airbus UK's contract for Turksat, the Turkish communications satellite operator, by providing a guarantee to support a loan of \$325 million to the Turkish Ministry of Treasury and Finance to enable the purchase. This provides two telecom satellites and a ground station, which will be essential for the continued provision of TV and data services in Turkey and the wider region. This was a significant development in satellite financing, covering the provision of both space systems and related launch services under a single contract.
4. The importance of the support that UKEF provides cannot be understated, and in 2019-20 this finance support to aerospace was worth £665 million. This is vital for the financing of sales which support not only Airbus and our employees, but also our 2,300 suppliers based in every nation of the UK. As stated in their annual report, UKEF and its French and German counterparts continued to provide support for Airbus A380 deliveries to Emirates Airlines in 2019-20, supporting the delivery of 6 such aircraft. Support was also provided for the delivery of 2 Airbus A330Neo aircraft to Air Senegal, these being the first A330Neo aircraft the ECAs have supported.
5. UKEF will no doubt have an important role to play in supporting the aerospace industry as we grapple with the biggest crisis in our history. Our initial estimates for a three to five year recovery in this sector are unfortunately materialising slower than anticipated as demand for air travel has reduced significantly.

6. To conclude, we welcome the important role that UKEF continues to have in supporting the aerospace industry in the UK.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K Bennett', written over a light grey rectangular background.

Katherine Bennett CBE
Senior Vice President
Airbus in the UK