

1. Rolls-Royce pioneers cutting-edge technologies that deliver clean, safe and competitive solutions to meet our planet's vital power needs. The Group operates through four core businesses: Civil Aerospace, Power Systems, Defence and ITP Aero. Rolls-Royce has customers in more than 150 countries, comprising more than 400 airlines and leasing customers, 160 armed forces, 70 navies, and more than 5,000 power and nuclear customers.
2. The UK is the home of our global Civil Aerospace business and we are proud Rolls-Royce represents 0.6% of the UK economy; employs over 20,000 people in the UK including more than half of our global engineering resource and 95%+ of our people are based outside London and the South East; contributes £12.2bn to the UK's GDP annually; and spends £2.8bn across the UK supply chain across 2,300 companies. We also export over 80% of what we produce in the UK, representing 2% of the UK's good exports. We are critical to the UK's R&D capability, spending c. £735m in the UK each year, and we help sustain the world leading capabilities of the UK's universities.
3. Rolls-Royce has a long standing relationship with UKEF going back decades predominantly in support of our Civil Aerospace business. UK Export Finance (UKEF) is a critical part of the UK Government's export eco-system. Export Credit Agencies provide a critical role in supporting and driving export growth through the provision of financing to exporter's customers. Export credit is a significant element contributing to stability of the financing markets, playing an essential role in countering scarcer commercial lending during economic downturns whilst providing an important alternative source of funding for those keen to diversify their borrowings when capital becomes available. Stability of the financing markets is critical for customers in the global markets in which Rolls-Royce operates, including the Civil Aerospace market where customers make long-term strategic decision and large capital investment commitments which can generate a significant benefit for the UK economy. The UK needs a strong and capable export credit agency.
4. We view UKEF as an essential tool for UK businesses and find them to be open, approachable and proactive. Our main contact points have generally been through the Aerospace team but have found that dealings with any area of UKEF are handled professionally and diligently. Transactions do take time though and can be complex – any steps that could be introduced to simplify documentation and speed up processes would be welcomed.
5. Rolls-Royce has utilised UKEF support to ensure delivery of our products to overseas customers, provide working capital financing to our supply chain and most recently to provide additional liquidity to Rolls-Royce during the pandemic.

6. UKEF comes into its own during times of crisis, their support during the financial crisis of 2008-2013 was essential to secure aircraft deliveries and we expect they will be called upon to perform likewise during the current pandemic and subsequent recovery period. UKEF can support both Airbus and Boeing aircraft powered by Rolls-Royce engines due to the large amount of UK content in the engine. This in turn supports our extensive UK supply chain of over 2,000 companies supporting over 100,000 UK jobs.
7. Rolls-Royce has also put in place a bank funded Supply Chain financing facility which is partly guaranteed by UKEF to further support all of our suppliers and ensure their working capital needs. This is a first of its kind for UKEF and shows their desire to develop and implement products to help all of the UK export supply chain and not just the headline exporters. The ability of our banks to support us Supply Chain financing facility is becoming progressively more challenged as their capacity and capability is being increasingly stretched. Without UKEF support the Supply Chain financing facility may not be viable which would have a significant negative impact on our suppliers who rely on this facility.
8. The current pandemic has had a significant impact on the aerospace market and on our aftermarket based Civil Aerospace model. This has necessitated Rolls-Royce putting in place additional liquidity facilities to ensure it has the resources to continue to deliver and support our products. As part of this exercise we became one of the first companies to close an Export Development Guarantee financing. This product is a game changer for UK corporates and provides a route to access much needed liquidity in tough market conditions.
9. Rolls-Royce is proud to work with UKEF and fortunate to have such a progressive and supportive ECA in our home country. We applaud UKEF and its efforts to continually improve and develop its products to meet ever changing market demands.