

UK Export Finance: trade for good

How can UK financing and UK expertise support countries in achieving their Paris Agreement targets? By Richard Simon-Lewis, Head of Civil, Infrastructure and Energy, UK Export Finance

One of the most important discussions at COP21 was about financing the Paris Agreement, but given the scale of ambition, more than just development assistance will be needed. At the same time, there are important technological advances being made – for example in the UK’s world-leading energy sector – but this expertise needs to be made available across borders.

That is where UK Export Finance (UKEF) comes in. As the UK’s export credit agency, we provide finance and insurance to help UK firms export both their expertise and technology. Our financing can be the critical ingredient that makes a project happen, and we welcome any opportunity to play a role in projects that help realise the Paris Agreement.

Offshore Cape Three Points

Take, for example, the Offshore Cape Three Points project in Ghana. UKEF provided US\$400 million in financing to make the project happen, supporting a GE Oil & Gas contract and working alongside the World Bank Group.

This transformative natural gas project will displace the use of heavy oil, reducing Ghana’s carbon emissions by an estimated 1.6 million metric tons annually. The World Bank estimates that this is equivalent to taking 1.2 million cars off the road each year or planting 152 million trees – and most importantly it will help Ghana achieve its COP21 target of “doubling energy efficiency improvement to 20% in power plants.”

It will also have a huge impact on Ghana’s progress against the Sustainable Development Goals. The project will fuel up to 1,000MW of domestic power generation for more than 15 years – around 25% of total estimated thermal power generation capacity in 2020.

Energy security is a critical factor across development areas from nutrition to education to health, and will bring significant benefits to Ghana’s 27 million citizens.

Sustainable construction

Another notable example of UKEF supporting



Bee'ah's headquarters will be the first building of its kind in Sharjah, UAE, to be powered entirely by renewable and recoverable energy sources. UKEF provided finance for its construction

UK exports of carbon-reducing technology is the headquarters building of waste management company Bee'ah in the United Arab Emirates.

The building, which was designed by Zaha Hadid Architects and is being built by Carillion, will be the first in the city of Sharjah to be powered entirely by renewable and recoverable energy sources, while utilising recycled materials in its construction.

Renewable energy

In 2016, we signed a Memorandum of Understanding with the Kenyan Government affirming our appetite to support renewable energy development in the country. We are also strengthening our renewables capability, and are working with sector associations to help smaller suppliers access opportunities with major projects and the finance they need to fulfil them.

Responsible trade

UKEF is also committed to encouraging responsible investment. In June, we were elected to the Steering Group of the Equator Principles Association – a global framework for managing environmental, social and human rights risks in projects.

Here, and as an active member of the OECD’s export credit group’s environmental,

social and human rights practitioners, we are taking a leadership role to ensure that these risks are properly managed.

UKEF and the Paris Agreement

Realising the Paris Agreement will take an unprecedented mobilisation across nearly 200 countries. It will require governments, the private sector and international organisations to work together and, most critically, it will require significant investment.

We at UKEF stand ready to support more projects that will help realise the Paris Agreement – especially in the renewable sector. ■

To find out more about how UKEF can make this happen, visit: www.gov.uk/uk-export-finance



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