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To whom in may concern,

### **UKEF Consultation on Foreign Policy Content**

Barclays are supportive of HM Government's ambition to increase exports and welcomes the consultation on UKEF's foreign content rules.

Global supply chains are increasingly complicated and interlinked and as such the need to update foreign content rules in order to ensure that no viable UK export fails is clear.

Barclays are supportive of the new Principles Two and Three which make it clear that a process can be followed if Principle One is not met, but there is UK content in the supply chain. Principle Two is a welcome suggestion insofar as it allows any UK content, regardless of size, to be not only supported but encouraged. Principle Three further acknowledges and encourages the inclusion of UK content in supply chains. Finally, we welcome the explicit confirmation that the Secretary of State's enjoys discretion to approve support falling outside the three stated principles.

Whilst implicit in the principles, Barclays think it should be made clear that UKEF can support the operations of UK companies based overseas. UK companies are often encouraged to set up offices/production overseas and in some cases (particularly the Middle East) are required to have a local company enter into contracts – we feel this should not exclude them from UKEF support.

Although not necessarily part of this foreign content definition, Barclays has found instances where UKEF's strict definition of "contract" can mean support is not available for UK exporters. Many sales are no longer based on a typical written contract. Instead they may be Purchase Orders, loose Sales Agreements or increasingly so even e-commerce style transactions. This has been more apparent in UKEF's short-term schemes and we hope that the General Export Facility announced in the Spring Statement will allow UKEF to be more flexible in their interpretation and in turn allow more exporters to be supported.

We welcome the opportunity to comment and are at your disposal should you have follow on comments or questions.

Yours sincerely,



Russ Grazier

Director, Barclays Trade & Working Capital