

Cooperation and support

By **LOUIS TAYLOR**

CHIEF EXECUTIVE, UK EXPORT FINANCE (UKEF)



LOUIS TAYLOR is Chief Executive of UK Export Finance (UKEF). He is also a Director General in the Department for International Trade, and a member of its Executive Committee and Management Board. Before joining UKEF, Louis held senior roles at Standard Chartered Bank, including from 2013 to 2015 as Chief Operating Officer of Group Treasury, based in London. Before that, he spent three years as the bank's CEO for Vietnam, Cambodia and Laos. His earlier career included working for JP Morgan, Cookson Group plc and BTR plc. He has an MA in Law from Cambridge University.

Two hundred and twenty years ago, Sultan ibn Ahmad signed a treaty with Great Britain, which expressed the hope that “the friendship of the two states may remain unshook till the end of time, and till the sun and moon have finished their revolving career.”

During the following two centuries, our relationship has deepened and strengthened. Many further agreements have been signed, most recently with the Comprehensive Agreement in May 2019.

I have visited Oman on a number of occasions since becoming CEO of UK Export Finance, most recently in October 2019, and every time I visit, I am struck by the dynamism of the country and the commitment of its business community to diversifying the economy and contributing to Omani society more broadly.

Oman is a country of considerable natural wealth, and the volatility in oil prices in the last decade has seen the country significantly diversify its sources of revenue through the Sultan's Vision 2020. The UK is fully supportive of this approach, which aims at creating a more sustainable and diverse economy, as well as utilising the country's oil and gas reserves to invest in healthcare and education.

We believe that trade is crucial to realising the late Sultan's Vision and unleashing the full potential of the Omani economy. UK-Omani trade is worth £1.4 billion, with the UK's most significant goods exports to Oman being in the power, aviation and automotive sectors. While this is a significant figure, it does not reflect the full promise of what we could achieve together.

Key to unlocking our countries trade potential is the availability of finance, and that is where UKEF comes in. UKEF is the world's oldest export credit agency. We celebrated our centenary last year, marking 100 years of experience in helping UK exporters and their overseas buyers to do business. We continue to be recognised as a leader in the field of export credits, most recently named as the world's best export credit agency by Global Trade Review, Euromoney's Trade Finance and Trade Finance Global.

UKEF's mission is to ensure that no trade with the UK should fail for lack of finance or insurance. One of the ways that we do this is by helping buyers and project sponsors to access attractive long-term finance to make sourcing from the UK more competitive.

This opens up the potential for Omani public

and private sector buyers to tap into the UK's long tradition of innovation and expertise, particularly in construction, services and technology.

UKEF are already heavily involved in Oman, with nearly £3 billion committed in various projects over the past few years. One of our largest transactions in the country is the Duqm refinery project, to which we provided \$700 million in financing as part of a \$4.6 billion ECA-backed package of support – a deal that was named as the best ECA finance deal of 2018 by TXF.

As part of our support, we held a supplier fair in London, where we introduced the project sponsors to 187 UK companies with products or services that meet their needs. Events like this offer real and tangible opportunities to do business that would not have occurred without UKEF support, allowing Omani buyers to access the UK's world-leading supply chain.

We have also recently announced support worth £540 million to enable the construction of three hospitals in Oman. The new Salalah, Suwaiq and Khasab hospitals will provide intensive care, emergency services and specialist baby care. These projects will also see the construction of wastewater treatment plants, roads and other associated infrastructure, and will significantly enhance the provision of healthcare in the Sultanate.

Transactions like these, and others that we have supported, demonstrate how our support for Oman is helping its mission to diversify its economy and create employment opportunities for its citizens, and we want to do more. We recognise that flexibility is vital in financing economic growth. That's why we can support a range of structures – from project finance to public-private partnerships and Islamic finance.

UKEF was the first export credit agency ever to guarantee a sukuk in 2015 when it supported Emirates' purchase of four new Airbus A380 aircraft, another example of how our capacity to innovate has only increased over the last 100 years.

Support through our buyer credit scheme is available in the Omani Riyal, one of over 60 different currencies that UKEF can support, allowing project buyers the flexibility to access long-term finance in their own currency.

We are delighted to have been able to offer this support to Oman, continuing the long tradition of cooperation between our two countries, and I look forward to seeing our relationship continue to go from strength to strength in the years to come.