



Department for
International Trade

The Rt Hon Dr Liam Fox MP
Secretary of State for International Trade
Department for International Trade
King Charles Street
Whitehall
London
SW1A 2AH

Angus MacNeil MP
Chair
The International Trade Committee
House of Commons
SW1A 0AA

T +44 (0) 20 7215 5000
E enquiries@trade.qsi.gov.uk
W www.gov.uk

15th September 2018

Dear Angus,

UK EXPORT FINANCE SUPPORT FOR THE EXPORT OF TYPHOON AND HAWK AIRCRAFT AND ASSOCIATED GOODS AND SERVICES TO THE GOVERNMENT OF QATAR

I am writing to inform you of the provision of UK Export Finance (UKEF) financing support for the export of Typhoon and Hawk aircraft and associated goods and services to the Government of Qatar.

I have been advised by the Accounting Officer of the Export Credits Guarantee Department (operating as UK Export Finance) that this support would fall outside of UKEF's normal underwriting criteria given the quantum of support required relative to the size of UKEF's portfolio, the long risk horizon (over 10 years) and the nature of the transaction.

However, in view of the industrial, economic and foreign policy benefits associated with these contracts, I have concluded that it is in the national interest for the transaction to proceed and have instructed UKEF to provide financing support, the value of which would be around £4.5 billion. As required by the Export and Investment Guarantees Act 1991, the Treasury has consented for this transaction to proceed on this basis.

This transaction will support skilled jobs at BAE Systems, MBDA UK and the supply chains of both companies and will help sustain the UK's defence industrial capability. The size of the UKEF support is testament to the strength of the UK-Qatar relationship and the value that we place on it.

A copy of this letter has been placed in the House of Commons Library.

yours sincerely,

THE RT HON DR LIAM FOX MP
Secretary of State, Department for International Trade
& President of the Board of Trade