

# EXPORT SERVICES

**ANNUAL REVIEW 2019**



CeKB 

To help  
business grow

## Export Services - Highlights

Monetary values in € million	2016	2017	2018	2019
<b>Guarantees of the Republic of Austria under the Export Guarantees Act</b>				
<i>Number of holders of outstanding guarantees (rounded) *</i>	1,100	1,200	3,100	3,100
<i>Number of new guarantee contracts issued *</i>	824	965	1,033	1,159
<i>Number of guarantees in place *</i>	3,544	3,773	5,897	6,092
New guarantee contracts issued	3,566	5,355	5,720	6,169
New conditional commitments (new guarantee offers for prosp. underlying transactions)	2,736	2,240	1,621	1,837
Aggregate guarantee exposure limit, at 31 December	50,000	40,000	40,000	40,000
Utilisation of the guarantee exposure limit, at 31 December	22,501	24,436	26,431	28,031
Unused limit	27,499	15,564	13,569	11,969
Aggregate guarantee exposure (after measurement)	22,754	24,378	26,467	28,149
Premium and interest income less other expenses	157	146	154	149
Gross claims paid by the guarantor	77	47	39	50
Recoveries on claims paid	154	49	41	39
Amounts written off as unrecoverable (of Maastricht relevance)	56	29	56	14
Guarantor's recoverable claims, at 31 December	803	770	713	711
Net interest rate relief granted	0	0	0	0
<b>OeKB Export Financing Scheme</b>				
<i>Number of banks/exporters involved *</i>	66/974	72/1,006	80/3,000	77/3,047
<i>Number of export financing contracts outstanding (rounded) *</i>	2,550	2,650	4,850	5,050
New commitments issued	4,464	5,282	7,600	5,818
New conditional lending commitments issued	1,057	1,493	2,093	2,052
Total lending commitments outstanding at 31 December	19,210	20,585	23,174	25,212
Financing contracts outstanding at 31 December	18,493	20,254	22,793	24,619
Disbursements outstanding	15,701	17,539	19,901	21,519
Loan funds disbursed	3,778	4,795	6,243	4,488
Repayments received	6,450	2,958	3,881	2,869
Increase/decrease in net loans outstanding	-2,672	+1,838	+2,362	+1,618
Total funds used under the Export Financing Scheme	34,569	34,486	37,504	50,734
<b>Guarantees of the Republic of Austria under the Export Financing Guarantees Act</b>				
Limit on aggregate guarantee exposure under the Export Financing Guarantees Act	45,000	40,000	40,000	40,000
Utilisation of the guarantee exposure limit, at 31 December	21,959	24,513	26,283	28,931
Unused limit	23,041	15,487	13,717	11,069
Total new guarantees issued	9,244	13,274	12,732	13,683

\* The merger with Exportfonds must be taken into account in the comparison starting in 2018.

# Contents

<b>Highlights 2019</b>	<b>4</b>
<b>Letter from the Federal Minister of Finance</b>	<b>6</b>
<b>Letter from the Executive Board of OeKB</b>	<b>7</b>
<b>Development of the Export Services</b>	<b>8</b>
<b>Guarantees of the Republic of Austria under the Export Guarantees Act (AusFG)</b>	<b>11</b>
Aggregate exposure limit under the Export Guarantees Act	12
Guarantee business by type of guarantee	13
Guarantee business by credit period of transactions guaranteed	15
Guarantee business by region and country	16
Debt rescheduling	18
Guarantee system income and expenses, and claims paid by region and country	19
<b>Oesterreichische Kontrollbank AG Export Financing Scheme</b>	<b>24</b>
Business activity covered by the Export Financing Scheme	25
Credit commitments and disbursements under the Export Financing Scheme	26
Export financing business by region and country	27
Tied financial credits, purchases of accounts receivable and other types of financing	30
Interest rates in the Export Financing Scheme	31
Sources and uses of funds	32
<b>Guarantees of the Republic of Austria under the Export Financing Guarantees Act (AFFG)</b>	<b>33</b>
<b>Legal provisions</b>	<b>36</b>
<b>Glossary</b>	<b>37</b>
Publication information	39

Rounding up or down can lead to differences in totals.

# How Export Services ensure prosperity

Oesterreichische Kontrollbank AG (OeKB), on behalf of the Federal Ministry of Finance, provides export-oriented companies with the opportunity to cover economic and political risks and to obtain attractive financing, making it possible to develop sales markets abroad, thereby driving economic growth in Austria and safeguarding prosperity.

Through its services, OeKB works to help export the values of corporate responsibility and establish high product, environmental and social standards in international markets.

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## NEW LENDING COMMITMENTS ISSUED

## NEW GUARANTEE CONTRACTS ISSUED





**61,000**

**BUSINESSES**

IN AUSTRIA ARE ACTIVE IN THE EXPORT INDUSTRY



**30,000**

**JOBS**

AND AROUND 0.6% OF GDP ARE SECURED THROUGH EXPORT GUARANTEES



“For a strong Austria in global competition”

EVERY **2<sup>nd</sup>**  

**JOB**

DEPENDS DIRECTLY OR INDIRECTLY ON THE EXPORT INDUSTRY

**75%**

OF EXPORTING COMPANIES AIM TO EXPAND THEIR ACTIVITIES ABROAD

**64%**

SAY THAT SUSTAINABILITY WILL PLAY A MAJOR ROLE WHEN IT COMES TO THEIR FUTURE INVESTMENTS



“Export promotion is an important way of safeguarding jobs in Austria.”

Dear Madam or Sir,

Every second job in Austria is linked in some way to exports. The Federal Ministry of Finance (FMF) provides support to our companies and offers assistance within the framework of the Export Financing Scheme and, together with Oesterreichische Kontrollbank AG (OeKB), works tirelessly to provide ways for the Austrian export industry to cope with current trade policy challenges. A range of important measures were implemented in the 2019 financial year in line with the Federal Government’s foreign trade strategy, the greater focus on environmental factors in the financial sector as per the Green Finance Agenda, and the digitalisation strategy.

Many companies and entrepreneurs already utilise the instruments provided by the Federal Ministry of Finance through OeKB to cover their international export business on a long-term basis. It was possible again in the past 2019 financial year for the procedure to see a positive development and to again achieve a positive result for the year.

The Federal Government’s risk covering instruments are an important tool in efforts to expand Austria’s presence in growth markets such as Africa, thereby making a valuable contribution to climate-based financing in developing countries. This applies to climate protection projects run by Oesterreichische Entwicklungsbank AG, soft loan projects and commercially financed projects in equal measure. “Exportinvest Green” was jointly developed and implemented as one of the first specific measures taken as part of the Green Finance Agenda, representing an attractive financing option for export companies. OeKB’s Green and Sustainability Bond, first placed on the market in 2019, was an important benchmark issue on the capital market.

Export promotion is an important way of safeguarding jobs in Austria. Supporting the Austrian export industry provides security for some 30,000 domestic jobs. Developing the procedure on a continuous basis helps safeguard the existence of local places of business, creates additional jobs and supports Austrian companies in their efforts to expand in the international markets.

A handwritten signature in blue ink, which appears to read "Gernot Blümel". The signature is fluid and cursive.

Gernot Blümel

## LETTER FROM THE EXECUTIVE BOARD OF OeKB

Dear Madam or Sir,

The 2019 financial year saw a positive development overall despite geopolitical challenges such as the ongoing issue of sanctions affecting key global markets together with other political uncertainties. This is also reflective of the strength of Austria's economy, being supported once again by the services of OeKB which, on behalf of the Republic of Austria, contributes to safeguarding Austria's position as a place of business over the long term. In many cases, it was only thanks to the special covering and financing services provided by OeKB together with its mandate provider, the Federal Ministry of Finance, that it was possible for export business to take place.

The robust economic development in 2019 meant that the volume of export guarantees and financing rose as in the previous year. OeKB was again able to generate a surplus for the Republic of Austria in export guarantees, as has been the case in previous years. A particular focus of the past financial year was on new, innovative products and aspects of digitalisation within OeKB, thereby forming the basis for being able to provide even more efficient and needs-oriented support to our customers – all with a view to fostering the right conditions for doing business in Austria and helping the economy flourish.

One of the most significant product innovations in 2019 was the addition of sustainability to the "Exportinvest" range of services. An example of this is "Exportinvest Green", which was launched to finance new or replacement investments in Austria. It is available to export companies that invest with the specific aim of relieving the strain put on the environment and of making a sustainable contribution to improving the environment.

Furthermore, the export credit agencies of Germany, Austria and Switzerland agreed in 2019 to cooperate even more closely in the area of state export credit guarantees. A range of measures such as a training programme to encourage international job rotation or joint country or sector conferences and financing offers were launched in the course of the year.

In 2019, OeKB also opened up new growth opportunities for companies in the tourism sector by acquiring the majority share in Österreichische Hotel- und Tourismusbank (ÖHT). This has enabled the services offered by OeKB and ÖHT to be pooled, making them available to a broader target group now. Hotel companies can also use OeKB's "Exportinvest Hotel" service, which was introduced in 2019 – a form of financing provided at attractive terms to fund the sustainable new construction and expansion of hotels in Austria with a high proportion of overnight stays by foreigners.

The aspect of sustainability ran as a red line through many of OeKB's activities in 2019. OeKB's first Sustainability Bond was issued in autumn, contributing to the Green Finance Agenda being pursued by the Austrian Federal Government. The proceeds of the issue will be



**“We were able to provide optimum support to Austrian companies.”**

used to (re)finance selected environmental and social projects. At OeKB, we are there for all our clients and support them with working capital loans for small businesses as well as attractive financing solutions for large foreign investments. To this end, we work to expand our online offer on a regular basis. In 2019, for example, we launched the online export fund loan, which enables banks to apply for loans digitally. The OeKB Loan Pricer was also developed, which has been used since the beginning of the year to calculate credit costs online within the Export Financing Scheme.

We will continue to support domestic exporters with our services and innovative products in 2020 in cooperation with the Federal Ministry of Finance. Our aim is to advise and support customers in respect of their export projects – especially when faced with difficult markets and changing conditions – and to help them diversify their export markets. In this way, OeKB not only helps safeguard Austria's position as a place of business, but also works to secure the long-term prosperity of our country.

Helmut Bernkopf

Angelika Sommer-Hemetsberger



# Development of the Export Services

## 1950 – Guarantees and financing for exports

OeKB, as the agent for the Republic of Austria, manages the country's export guarantee system. As a service provider for the Austrian Federal Ministry of Finance (BMF), OeKB operates the system for export guarantees and foreign direct investments. The export guarantees are limited to non-marketable risks on foreign sales. Cover for marketable risks is provided by private export credit insurers. Applications for guarantees are screened by OeKB and then reviewed by an advisory committee within the BMF. Guarantees are issued by the Federal Minister of Finance on behalf of the Republic of Austria.

## 1954 – Member of the Berne Union

OeKB is a member of the International Union of Credit and Investment Insurers. This organisation currently comprises 85 export guarantee and investment guarantee institutions from 73 countries. The aims of the Berne Union are the coordination of international trade terms and the extensive sharing of information between members.

## 1960 – Export Financing Scheme

OeKB operates a programme to finance the export of goods and services, largely on a medium and long-term basis. Special emphasis is placed on exports of Austrian capital goods. Known as the Export Financing Scheme, this programme refinances export credit given by credit institutions and covers direct financing conducted by OeKB. OeKB provides financing in Euros and foreign currencies at floating and fixed interest rates.

## 1995 – Guarantees for untied credits

The amendment to the Export Guarantees Act allows guarantees to be issued for untied credit.

## 1997 – OeKB's Export Academy

The Export Academy offers employees of banks, exporters and other interested parties a detailed insight into the export services of OeKB Group. To date, 1,329 participants have attended the 86 events arranged by the Export Academy.

## 2000 – International cooperation

OeKB makes it an absolute priority to sign agreements with other export credit insurers and financial institutions, thereby facilitating the overall insuring and financing of complex "multisourcing projects".



### 2001 – OECD Common Approaches

Environmental and social impacts are considered in the evaluation of projects applying for support, based on the resolutions of the OECD. In April 2016 these so-called Common Approaches were reworked, with human rights focused on more in the evaluation standards.

### 2008 – OECD Guidelines for Multinational Enterprises

OeKB encourages all guarantee holders and beneficiaries of aval endorsements for foreign investment projects to familiarise themselves with the OECD Guidelines for Multinational Enterprises and to observe them wherever possible in their international activities. The 2011 Update brought major advances in this comprehensive code of conduct. [www.en.bmdw.gv.at/ExternalTrade/Investment\\_Policy/Seiten/OECD-Guidelines-for-Multinational-Enterprises.aspx](http://www.en.bmdw.gv.at/ExternalTrade/Investment_Policy/Seiten/OECD-Guidelines-for-Multinational-Enterprises.aspx)

### 2012 – Bank rating and improvement of coverage conditions

The relevant bank rating for the calculating of premiums are displayed on the OeKB website, thereby enabling bank-collateralised business to be calculated more precisely with the fee calculator.

Important coverage conditions were improved to further strengthen the competitiveness of the Austrian export industry on the international markets. Some of the measures taken were: The extending of the coverage possibilities for more than 50 countries by means of higher coverage quotas and the raising of limits as well as the extension of the maturity periods for business.

### 2014 – Better support in companies

Together with the Federal Ministry of Finance, OeKB put together a package of measures to provide companies entering foreign markets with even better support. This package consists of a more offensive coverage policy for around 30 future markets, the so-called “Next Eleven” and other “Frontier Markets”; a more liberal application of the value-added criteria in the case of smaller businesses; the sinking of the political excess in difficult markets or more favourable premiums for foreign investment.

### 2016 – Weighted Average Life, Order Invest and flexible net added value rules

The setting of the interest conditions is done on the basis of the Weighted Average Life (WAL – [wal.oekb.at/en](http://wal.oekb.at/en)) of the refinancing credit for the Euro financing of supplier and buyer credit as well as of investments. Moreover, the refinancing was simplified and standardised and is now more orientated towards market practice.

Domestic investments by Austrian exporters can also be financed on the basis of guarantees by aval in order to complete one or more existing export orders. Using a federal guarantee, the Republic of Austria takes over part of the risk of the exporter’s bank.

For a number of years, Trade & Export Finance (TXF), a highly regarded conference and trend analysis agency based in London, has been presenting the so-called Exporters’ Choice Awards in a range of categories. OeKB won in the category Export Credit Agencies (ECA). OeKB performed particularly well in the areas customer care and competence, finishing above Euler-Hermes and UK Export Finance.

For the coverage of export business, in particular cases, an Austrian net-added-value share of 25% is also sufficient, if the exporter makes a lasting contribution to the employment situation in Austria and to the positive development of Austria as a business location.

## 2017 – Amendments AusfFG and AFFG, Export Invest

The Export Guarantees Act (AusfFG) and the Export Financing Guarantees Act (AFFG) were amended. In both laws, among other things, the limits were set at 40 billion euros and extended by 5 years.

As a further improvement to Order Invest, domestic investments of 2 million euros or above and with an export quota of at least 20% from Austrian exporters can also be financed on the basis of a guarantee by aval.

## 2018 – Refinancing of leasing transactions

Expansion of the Exportinvest product launched in 2017 for new or replacement investments in Austria to include transactions financed by lease arrangement. This constitutes a further miles core in the support of the export industry, as every domestic investment by an exporter stimulates exports and, in turn, improves the Austrian current-account balance of payments, furthermore producing net-added-value and jobs on the domestic labour market.

## 2018 – Merger with the SME subsidiary “Österreichischer Exportfonds” GmbH

The former 100% subsidiary „Österreichischer Exportfonds“ GmbH (Exportfonds) was fully integrated into OeKB as of 28 July 2018. Due to the merger, advisory services for small, medium-sized, and large enterprises will now be offered directly by OeKB. Thanks to the switch of the Exportfonds portfolio to the terms of the control bank refinancing framework used in OeKB and with the assistance of the Federal Ministry of Finance, the costs for the financing arrangements for this portfolio’s customers were reduced. All employees of Exportfonds, who served around 2,000 customers, were taken over by OeKB as part of the merger. In addition to leveraging a range of synergies, this step is also allowing OeKB to increase its servicing of small and medium-sized enterprises.

## 2019 – Exportinvest Green

Austrian exporters have had access to this new financing option for new and replacement investments in Austria since 1 June. Austrian exporters that make targeted investments to reduce harmful impacts on the environment and to make a sustainable contribution to improving the environment can benefit. Through Exportinvest Green, companies with an export ratio of at least 20% and an investment sum of over € 2 million are given the opportunity to cover an additional 20% of the investment sum and thus more easily up to 100% of their Exportinvest financing sum at OeKB conditions. Exportinvest Green is one of the first measures being implemented under the Green Finance Agenda of the Austrian federal government.

## 2019 – Inaugural Sustainability Bond

On 1 October 2019 OeKB issued its first Sustainability Bond, which was the first of its kind from an Austrian issuer. The net proceeds will be used to refinance social projects (70%) and green projects (30%). With this bond OeKB is contributing to the EU action plan on sustainable finance as well as to Austria’s Green Finance Agenda.

# Guarantees of the Republic of Austria under the Export Guarantees Act (AusfFG)

Acting as the agent of and on the account of the Republic of Austria (represented by the Federal Ministry of Finance), OeKB performs the following tasks:

- evaluation (including credit assessment) of applications for guarantees for the due performance of contracts by foreign contracting parties, or through endorsements (guarantees by aval) of bills of exchange used to finance export transactions or outbound foreign direct investment,
- issuing and administrative technical processing of the guarantees on behalf of the Republic of Austria,
- exercising of the rights of the Republic of Austria under the guarantee contracts.

## Federal Organic Budget Act 2013

On 1 January 2013 the second part of Austria's budget law reform took effect, based on the 2013 Federal Organic Budget Act (BHG 2013). Important accounting requirements include, among others,

- the evaluation of Austrian federal government-backed guarantees issued and of federal government receivables in foreign currency,
- the setting-up of provisions for federal government-backed guarantees issued,
- the accrual-basis recognition of up-front premium income from federal government-backed guarantees and
- the recognition of impairment losses on existing federal government receivables.

The accounting principles are reflected in the tables below concerning export guarantees under the Export Guarantees Act, system income and expenses, and guarantee claims.

Export guarantees are issued in compliance with the guidelines, directives and regulations of international agreements by the OECD, the EU and the Berne Union.

The OECD again underscored its commitment to fighting corruption and bribery in 2019 and revised the existing 2006 OECD Recommendation to widen the meaning of "bribery".

## International cooperation

Large projects are often handled using international, cross-border cooperation on account of their complexity and the need to spread the risk. The growing number of multisourcing projects requires greater cooperation and coordination between export credit insurers (ECA's). The aim of this cooperation is to support the Austrian and foreign exporters in other countries and to simplify the financing. For this reason, OeKB has concluded framework agreements with more than 30 institutions.

Collaboration with the German and Swiss export credit agencies (Euler Hermes and SERV) was intensified further in 2019 as part of the D-A-CH cooperation. In addition to a training programme involving international job rotation, a joint industry conference for the rail industry was held in Munich along with a joint presentation in Tashkent in autumn. The

traditional trilateral consultation meeting was also held with our partners from Germany and Switzerland along with additional meetings with representatives of Japan's Nexi and Czechia's EGAP.

## Aggregate exposure limit under the Export Guarantees Act

All data in the following tables includes guarantees for debt-rescheduling agreements and excludes recoverable claims (see the table "Income and expenses from guarantees").

### Aggregate exposure limit under the Export Guarantees Act and its utilisation

€ million	31 Dec 2016		31 Dec 2017		31 Dec 2018		31 Dec 2019	
Aggregate guarantee exposure limit <sup>1</sup>	50,000	100.0%	40,000	100.0%	40,000	100.0%	40,000	100.0%
Utilisation of the guarantee exposure limit	22,501	45.0%	24,436	61.1%	26,431	66.1%	28,031	70.1%
Change from previous year	-3,395	-13.1%	+1,935	+8.6%	+1,995	+8.2%	+1,600	+6.1%
Unused limit	27,499	55.0%	15,564	38.9%	13,569	33.9%	11,969	29.9%
Aggregate guarantee exposure (after measurement)	22,754	45.5%	24,378	60.9%	26,467	66.2%	28,149	70.4%

<sup>1</sup> Since 24 April 2017 € 40 billion Federal Law Gazette I no. 43/2017; Federal Law Gazettes I no. 145/2008 and no. 121/2012

### New guarantee contracts issued

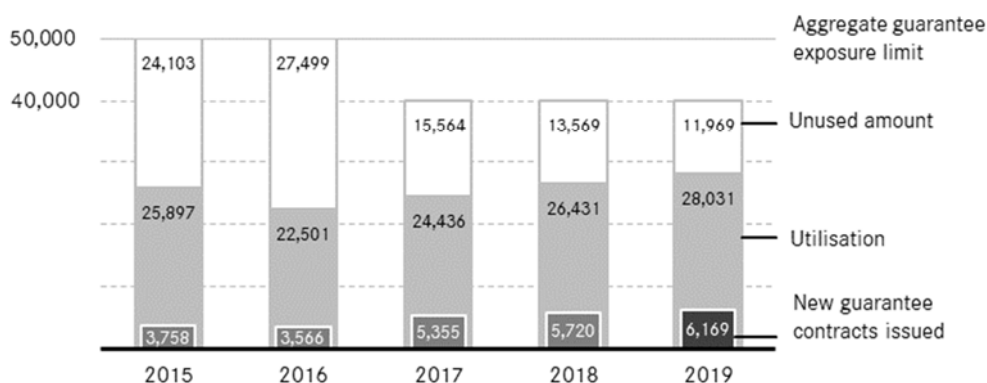
€ million	2016	2017	2018	2019	1950-2019
New guarantee contracts issued <sup>1</sup>	3,566	5,355	5,720	6,169	228,014
Change from previous year	-192	+1,789	+365	+449	
Change in percent	-5.1%	+50.2%	+6.8%	+7.8%	

<sup>1</sup> Including conditional commitments converted into guarantee contracts; excluding new conditional commitments

### Utilisation of the guarantee exposure limit

at 31 December 2019

in millions of Euro



## Guarantee business by type of guarantee

The export guarantee system comprises twelve types of guarantee. For certain kinds of guarantee, conditional commitments may be issued which are not counted against the aggregate guarantee exposure limit.

Conditional guarantee commitments are contingent in nature and intended to facilitate the contract negotiations of the exporter or of the credit institution providing funding.

G 1	Guarantee for direct deliveries and services with special types of guarantee
G 2	Guarantee for indirect deliveries and services
G 3	Guarantee for tied financial credits, credit transactions/bond issues and debt-rescheduling agreements
G 4	Investment guarantee
G 5	Turnover guarantee (one foreign customer)
G 6	Country-turnover guarantee or comprehensive guarantee (all foreign customers in one, several or all coverable countries)
G 7	Guarantee for stock in commission, machinery-deployment guarantee, advance guarantee
G 8	Reinsurance of the contract of an export credit or export credit insurance institution (reinsurance guarantee)
G 9	Guarantee for the acquisition of accounts receivable from export transactions by domestic or foreign credit institutions
G 11	Market development guarantee
AE	Aval endorsement (guarantee by aval) of bills of exchange
OeEB	Oesterreichische Entwicklungsbank AG (Austria's development bank)
CC	Conditional commitment to issue a guarantee (not counted against OeKB's aggregate guarantee exposure limit)

### Revolving guarantees

Revolving guarantees – mainly G 8 reinsurance guarantees – are recognised as newly issued guarantees only in the year of their initial issue.

### Aval endorsements

Endorsements (guarantees by aval) of bills of exchange, issued to the exporter's bank, are another type of cover provided under the Export Guarantees Act. Aval endorsements (also known simply as avals) are commitments to assume liability for the payment of the obligation of the issuer or acceptor of a bill of exchange that is issued by a credit institution to finance export transactions or Austrian companies' investments abroad. For exporters, avals thus facilitate funding of export business, outward direct investments and domestic investments connected with export orders. The exporter's bank has to file the applications for aval endorsements and arrange the financing.

## Guarantees issued for OeEB

The guarantees issued by the Republic of Austria for the OeEB in accordance with section 9 of the AusffG, inter alia for the more long-term financing of sustainable investment in developing countries, are among the types of guarantees provided for by the AusffG. These guarantees are, unless otherwise indicated, shown as “Guarantees issued for OeEB” in the new guarantees issued and guarantees outstanding in the following tables.

Since 2014 the Republic of Austria has also made use of the possibility defined in section 7(3) of the AusffG to use a part of the funds of the Republic earmarked for the Export Guarantees Act for the development-related financing of selected OeEB projects.

### New guarantees issued and aggregate guarantee exposure by type of guarantee

	New guarantees issued in 2018			Guarantees outstanding (after measurement) at 31 December 2018			New guarantees issued in 2019			Guarantees outstanding (after measurement) at 31 December 2019		
	Count	€ m	%	Count	€ m	%	Count	€ m	%	Count	€ m	%
G 1	478	812	14.2%	884	1,687	6.4%	421	708	11.5%	898	1,621	5.8%
G 2	14	37	0.6%	26	63	0.2%	21	14	0.2%	33	64	0.2%
G 3	30	525	9.2%	614	5,262	19.9%	40	756	12.3%	607	5,280	18.8%
G 4	20	138	2.4%	122	1,411	5.3%	18	113	1.8%	117	1,434	5.1%
G 5	1	0	0.0%	1	0	0.0%	-	-	-	1	0	0.0%
G 7	6	2	0.0%	22	76	0.3%	11	42	0.7%	23	98	0.3%
G 8	1	10	0.2%	33	1,458	5.5%	4	156	2.5%	33	1,461	5.2%
G 9	12	16	0.3%	169	139	0.5%	14	19	0.3%	155	130	0.5%
<b>Total G 1 to G 9</b>	<b>562</b>	<b>1,539</b>	<b>26.9%</b>	<b>1,871</b>	<b>10,096</b>	<b>38.1%</b>	<b>529</b>	<b>1,808</b>	<b>29.3%</b>	<b>1,867</b>	<b>10,087</b>	<b>35.8%</b>
Aval endorsements (AE)	453	3,927	68.7%	3,926	15,282	57.7%	606	4,045	65.6%	4,114	16,794	59.7%
Guarantees issued for OeEB	18	254	4.4%	100	1,089	4.1%	24	316	5.1%	111	1,267	4.5%
<b>Total</b>	<b>1,033</b>	<b>5,720</b>	<b>100.0%</b>	<b>5,897</b>	<b>26,467</b>	<b>100.0%</b>	<b>1,159</b>	<b>6,169</b>	<b>100.0%</b>	<b>6,092</b>	<b>28,149</b>	<b>100.0%</b>
Conditional commitments (CC)	215	1,621		184	2,230		176	1,837		165	2,103	

## Guarantee business by credit period of transactions guaranteed

In the new guarantee contracts issued, most of the transactions underlying the guarantees have credit periods of five years or less. By contrast, most of the outstanding guarantees represent long-term contracts, as they include large guarantees for exports to developing countries, investment guarantees and guarantees for debt rescheduling. The outstanding guarantee with the longest term covers a credit period ending in 2046.

### Credit periods of transactions guaranteed

Credit period in years	Single-contract policies		Revolving policies		Single-contract policies		Revolving policies	
	Number	€ m	Number	€ m	Number	€ m	Number	€ m
	Guarantee contracts issued in 2018				Guarantee contracts issued in 2019			
Up to 1	278	682	198	418	219	804	342	423
More than 1 and up to 5	290	573	-	-	307	656	-	-
More than 5 and up to 10	207	3,101	-	-	206	3,237	-	-
More than 10	60	946	-	-	85	1,049	-	-
<b>Total</b>	<b>835</b>	<b>5,302</b>	<b>198</b>	<b>418</b>	<b>817</b>	<b>5,746</b>	<b>342</b>	<b>423</b>

	Guarantees outstanding (after measurement) at 31 Dec 2018				Guarantees outstanding (after measurement) at 31 Dec 2019			
	Number	€ m	Number	€ m	Number	€ m	Number	€ m
Up to 1	336	1,463	2,768	5,295	309	1,498	2,789	5,080
More than 1 and up to 5	1,023	2,141	6	1,040	1,067	2,438	6	1,040
More than 5 and up to 10	1,072	11,527	-	-	1,194	12,834	-	-
More than 10	692	5,001	-	-	727	5,259	-	-
<b>Total</b>	<b>3,123</b>	<b>20,132</b>	<b>2,774</b>	<b>6,335</b>	<b>3,297</b>	<b>22,029</b>	<b>2,795</b>	<b>6,120</b>



## Guarantee business by region and country

The following tables show the analysis, by region and country, of newly-issued guarantee contracts and of aggregate guarantee exposure (guarantees outstanding). Since 2012 the outstanding guarantees have been adapted to the amended accounting regulations. This concerns, inter alia, the evaluation of Austrian federal government-backed guarantees and of federal government receivables issued in a foreign currency.

The G 6 and G 8 revolving guarantees are included under comprehensive policies in the following table “New guarantee contracts issued and aggregate guarantee exposure by region”. In the table “New guarantee contracts issued and aggregate guarantee exposure by region and country” the country data excludes comprehensive policies, aval endorsements, and guarantees issued for OeEB. All data excludes conditional commitments.

### New guarantee contracts issued and aggregate guarantee exposure by region

	New guarantee contracts issued in 2018			Guarantees outstanding (after measurement) at 31 December 2018			New guarantee contracts issued in 2019			Guarantees outstanding (after measurement) at 31 December 2019		
	Number	€ m	%	Number	€ m	%	Number	€ m	%	Number	€ m	%
Europe (incl. Turkey, CIS)	265	470	8.2%	721	3,675	13.9%	241	504	8.2%	713	3,412	12.1%
EU	56	124	2.2%	211	627	2.4%	53	182	2.9%	217	620	2.2%
North America	7	4	0.1%	18	19	0.1%	7	5	0.1%	23	19	0.1%
Latin America	90	169	3.0%	297	784	3.0%	85	325	5.3%	292	858	3.0%
Asia	136	576	10.1%	663	3,454	13.1%	145	676	11.0%	659	3,488	12.4%
Australia, Oceania	1	10	0.2%	2	28	0.1%	-	-	-	2	28	0.1%
Africa	63	311	5.4%	164	1,095	4.1%	51	298	4.8%	172	1,243	4.4%
Comprehensive policies (CP)	-	-	-	6	1,040	3.9%	-	-	-	6	1,040	3.7%
<b>Total guarantees</b>	<b>562</b>	<b>1,539</b>	<b>26.9%</b>	<b>1,871</b>	<b>10,096</b>	<b>38.1%</b>	<b>529</b>	<b>1,808</b>	<b>29.3%</b>	<b>1,867</b>	<b>10,087</b>	<b>35.8%</b>
Aval endorsements	453	3,927	68.7%	3,926	15,282	57.7%	606	4,045	65.6%	4,114	16,794	59.7%
Guarantees issued for OeEB	18	254	4.4%	100	1,089	4.1%	24	316	5.1%	111	1,267	4.5%
<b>Total</b>	<b>1,033</b>	<b>5,720</b>	<b>100.0%</b>	<b>5,897</b>	<b>26,467</b>	<b>100.0%</b>	<b>1,159</b>	<b>6,169</b>	<b>100.0%</b>	<b>6,092</b>	<b>28,149</b>	<b>100.0%</b>
<i>Of which (excl. CP, AE, OeEB):</i>												
OECD	102	323	5.5%	346	1,107	4.2%	92	404	6.5%	342	1,139	4.0%
Developing countries	527	1,472	25.7%	1,770	8,782	33.2%	449	1,444	23.4%	1,601	7,960	28.3%
OPEC	47	77	1.3%	114	492	1.9%	31	304	4.9%	104	676	2.4%

## New guarantee contracts issued and aggregate guarantee exposure by region and country

€ thousand	Guarantee contracts issued in 2019		Guarantees outstanding (after measurement) at 31 Dec 2019	
	Total	Of which rescheduling guarantees	Total	Of which rescheduling guarantees
Countries with guarantees outstanding over € 25 million				
<b>Total</b>	<b>6,168,751</b>	-	<b>28,149,139</b>	<b>151,423</b>
<b>Europe</b>	<b>504,471</b>	-	<b>3,412,032</b>	<b>93,261</b>
Albania	1,910	-	110,809	-
Belarus	4,928	-	27,206	-
Belgium	69,000	-	69,000	-
Bosnia and Herzegovina	2,107	-	145,948	69,216
Bulgaria	9,610	-	28,233	-
United Kingdom	3,697	-	70,972	-
Italy	1,861	-	37,301	-
Kosovo	25,783	-	44,028	-
Moldova	-	-	32,018	-
The Netherlands	5,720	-	200,881	-
Romania	994	-	28,952	-
Russia	159,242	-	1,730,138	-
Serbia	13,731	-	108,351	23,313
Turkey	38,391	-	298,912	-
Ukraine	66,900	-	275,959	-
Cyprus	55,016	-	90,247	-
<b>Australia/Oceania</b>	-	-	<b>28,135</b>	-
Papua New Guinea	-	-	28,135	-
<b>Latin America</b>	<b>325,347</b>	-	<b>857,671</b>	-
Brazil	59,598	-	222,199	-
Honduras	-	-	64,026	-
Mexico	242,530	-	288,534	-
Trinidad and Tobago	-	-	98,279	-
Uruguay	3,784	-	76,140	-
<b>Asia</b>	<b>676,282</b>	-	<b>3,487,806</b>	<b>46,165</b>
Armenia	1,464	-	46,813	-
Bangladesh	1,598	-	109,817	-
Bhutan	-	-	41,300	-
China (incl. Hong Kong)	184,708	-	1,269,125	-
Georgia	931	-	28,148	-
India	5,384	-	218,647	-
Indonesia	149,738	-	436,028	29,272
Japan	-	-	46,231	-
Kazakhstan	3,464	-	52,922	-
Qatar	14,063	-	39,307	-
Laos	12,888	-	90,961	-
Mongolia	7,000	-	85,741	-
Pakistan	915	-	27,979	16,893
Philippines	12,586	-	124,282	-
Sri Lanka	35,167	-	190,804	-
Tajikistan	2,950	-	101,744	-
Taiwan	26,511	-	40,909	-
Uzbekistan	34,508	-	38,899	-
United Arab Emirates	134,165	-	146,759	-
Vietnam	34,581	-	267,477	-
<b>Africa</b>	<b>297,589</b>	-	<b>1,243,030</b>	<b>11,997</b>
Egypt	183,709	-	261,280	11,348
Ethiopia	-	-	74,456	-
Angola	18,674	-	142,486	-
Gabon	-	-	124,075	-
Ghana	16,127	-	228,642	-
Kenya	860	-	35,561	-
Morocco	8,379	-	129,683	-
Senegal	-	-	51,232	-
Tanzania	49,123	-	54,028	649
Tunisia	-	-	40,602	-

## Debt rescheduling

Sovereign debt is rescheduled through agreements on that portion of a debtor country's external debt relating to sales of goods and services. They are insured by the creditor countries through their respective export guarantee system or they are categorised as governmental development aid.

### Paris Club

In the so-called Paris Club, federally guaranteed credit and foreign aid debt are renegotiated and rescheduled. The Paris Club is formed, when necessary, from the group of official creditors to which 22 regularly participating countries currently belong. In addition, representatives of the international financial institutions take part in the sessions which are chaired by France. Austria is represented by the Federal Ministry of Finance and OeKB as consultant.

### Conventional rescheduling

The aim of the Paris Club is to restore the credit-worthiness of highly-indebted countries in the long-term by extending the repayment obligations to this public-creditor community. This restoration of credit quality is to be achieved by the equal participation of all creditor nations. The rescheduling typically lengthens the repayment period for the debt, and market interest rates are applied.

A multilateral framework is implemented bilaterally with each creditor country.

### Debt reduction – concessional rescheduling

Since 1988 debt relief ranging from 33% to 80% has been progressively accepted for the poorest borrower nations. In June 1999 the so-called enhanced HIPC (Heavily Indebted Poor Countries) Initiative was adopted, which allows debt reduction of 90% or more for highly indebted poor countries, primarily in Africa. As part of an EU-wide initiative, Austria bilaterally grants 100% debt relief to these countries.

### Business in 2019

In the period under review, no rescheduling regulation was signed on a multilateral/bilateral level.

At 31 December 2019 recoverable claims of the Republic of Austria for defaulted-on rescheduled debt repayments amounted to € 307 million, of which € 189 million represented overdue principal and € 118 million constituted overdue interest.

By 31 December 2019 cumulative receipts under rescheduling amounted to principal payments of € 9,003 million and interest payments of € 3,506 million.

The movement in claims relating to rescheduling guarantees is shown in the table "Claims paid" in the next section.

## Rescheduling guarantees by region and by type of guarantee

	Guarantees outstanding (after measurement) at 31 Dec 2018			Guarantees outstanding (after measurement) at 31 Dec 2019		
	Number of countries	€ million	%	Number of countries	€ million	%
Europe (incl. Turkey, CIS)	3	100	54.4%	3	93	61.6%
Latin America	2	0	0.0%	2	0	0.0%
Asia	4	66	35.8%	4	46	30.5%
Africa	3	18	9.8%	2	12	7.9%
<b>Total</b>	<b>12</b>	<b>183</b>	<b>100.0%</b>	<b>11</b>	<b>151</b>	<b>100.0%</b>
<i>Of which</i>						
<i>Developing countries</i>	<i>12</i>	<i>183</i>	<i>100.0%</i>	<i>11</i>	<i>151</i>	<i>100.0%</i>
<i>OPEC</i>	<i>1</i>	<i>47</i>	<i>25.4%</i>	<i>1</i>	<i>29</i>	<i>19.3%</i>
<i>G 3</i>		<i>183</i>			<i>151</i>	

## Guarantee system income and expenses, and claims paid by region and country

This section gives an overview of income and expenses arising from export guarantees of the Republic of Austria under the Export Guarantees Act, both in the year under review and cumulatively since 1950.

In accordance with the international rules covering premiums, the income should cover losses and administrative costs long-term, thus enabling the process to be self-financing.

The amount of claims paid by the Republic of Austria under guarantees pursuant to the Export Guarantees Act must be viewed in the context of the total cumulative volume of guarantee contracts issued. From the inception of the guarantee programme in 1950 to the end of 2019, the value of guarantees issued was € 228.0 billion. In this cumulative total, revolving guarantees are included at their nominal amounts. € 3,801 million of loans and advances have been written off due to uncollectibility since 1950. Debt waived as part of international initiatives writing off debt is included in this figure.

In addition there has been debt-relief (especially Poland) in the amount of € 1,939 million in the form of interest reductions as part of international agreements.

At 31 December 2019, besides the Austrian government's recoverable claims of € 711 million, there were interest receivables on arrears in connection with debt rescheduling for Iraq, Argentina and Myanmar in the amount of € 134 million.

In 2019 the guarantee programme income exceeded net costs by € 138 million.

## Income and expenses from guarantees of the Republic of Austria under the Export Guarantees Act

€ million	2017	1950-2017	2018	1950-2018	2019	1950-2019
Premium income	117	5,680	126	5,806	125	5,931
Interest income less other expenses	29	1,356	28	1,384	24	1,408
<b>Subtotal</b>	<b>146</b>	<b>7,036</b>	<b>154</b>	<b>7,191</b>	<b>149</b>	<b>7,339</b>
Recoveries on claims paid	49	3,827	41	3,868	39	3,907
<b>Total (+)</b>	<b>195</b>	<b>10,863</b>	<b>195</b>	<b>11,058</b>	<b>188</b>	<b>11,246</b>
Claims paid, incl. HIPC (-)	47	8,330	39	8,369	50	8,419
<b>Guarantee programme result before interest rate relief granted (+/-)</b>	<b>+148</b>	<b>+2,533</b>	<b>+156</b>	<b>+2,689</b>	<b>+138</b>	<b>+2,827</b>
Net interest rate relief granted (-)	0	1,939	0	1,939	0	1,939
<b>Net guarantee programme result after interest rate relief incl. HIPC (+/-) <sup>1,2</sup></b>	<b>+148</b>	<b>+594</b>	<b>+156</b>	<b>+750</b>	<b>+138</b>	<b>+887</b>
<i>As a percentage of cumulative guarantee contracts issued</i>		0.27%		0.34%		0.39%
<i>As a percentage of guarantees outstanding</i>		2.44%		2.83%		3.15%
<b>Net guarantee programme result after interest rate relief excl. HIPC (+/-) <sup>1</sup></b>	<b>+148</b>	<b>+1,459</b>	<b>+156</b>	<b>+1,615</b>	<b>+138</b>	<b>+1,752</b>
Recoverable claims (including HIPC) at 31 December	770	770	713	713	711	711
Impairment losses on recoverable claims	34		29		29	
<i>Guarantee system rate of return (%) <sup>3</sup></i>		91.6%		89.6%		87.9%
Interest rate relief granted (-)	0	2,514	0	2,514	0	2,514
Support from federal budget (+)	-	575	-	575	-	575
Net interest rate relief granted (-)	0	1,939	0	1,939	0	1,939
Amounts written off as unrecoverable, incl. HIPC (-)	29	3,732	56	3,787	14	3,801
<b>Total (-)</b>	<b>29</b>	<b>5,671</b>	<b>56</b>	<b>5,726</b>	<b>14</b>	<b>5,740</b>
<i>As a percentage of cumulative guarantee contracts issued</i>		2.62%		2.58%		2.52%
Guarantee contracts issued	5,355	216,125	5,720	221,845	6,169	228,014
Guarantees outstanding at 31 December	24,378	24,378	26,467	26,467	28,149	28,149
Provisions for guarantees	279		256		238	

<sup>1</sup> Coverage surplus (+); notional disposal (-)

<sup>2</sup> Restructuring of claims paid under the HIPC Initiative in previous reporting periods affects the comparability of amounts over time.

<sup>3</sup> Claims paid including net interest rate relief, less recoveries, as a percentage of the combined balance of premium income, net interest and other expenses

In the following tables currency differences reflected in the measurements may affect the comparability of amounts over time.

### Claims paid, by region

€ million	Claims paid		Recoveries on claims paid		Amounts written off as unrecoverable		Recoverable claims after measurement	Claims authorised but not yet paid
	2019	1950-2019	2019	1950-2019	2019	1950-2019	31 Dec 2019	31 Dec 2019
Europe (incl. Turkey, CIS)	13	2,407	3	1,446	1	828	133	31
<i>EU</i>	7	1,536	0	941	0	557	38	21
North America	2	45	0	8	-	32	5	9
Latin America	11	489	13	213	6	151	125	11
Asia	9	2,452	18	1,054	5	1,035	363	4
Australia and Oceania	-	3	-	0	-	2	-	-
Africa	0	2,521	1	1,023	-	1,468	30	-
Comprehensive policies	-	54	-	10	-	44	-	-
<b>Total G 1 to G 9</b>	<b>35</b>	<b>7,971</b>	<b>34</b>	<b>3,755</b>	<b>11</b>	<b>3,561</b>	<b>655</b>	<b>54</b>
<i>Commercial risks</i>	26	1,503	8	413	11	888	203	54
<i>Political risks</i> <sup>1</sup>	9	6,467	27	3,342	-	2,673	452	-
Exchange risk guarantees (G 10)	-	130	-	1	-	129	-	-
<b>Total G 1 to G 10</b>	<b>35</b>	<b>8,101</b>	<b>34</b>	<b>3,756</b>	<b>11</b>	<b>3,690</b>	<b>655</b>	<b>54</b>
Aval endorsements (AE)	6	297	4	150	3	111	37	-
Guarantees issued for OeEB	9	21	0	1	-	0	20	-
<b>Total</b>	<b>50</b>	<b>8,419</b>	<b>39</b>	<b>3,907</b>	<b>14</b>	<b>3,801</b>	<b>711</b>	<b>54</b>
<i>Of which (excl. CP, AE, OeEB)</i> <sup>2</sup>								
<i>OECD</i>	5	1,576	5	932	5	626	18	15
<i>Developing countries</i>	24	6,073	33	2,689	6	2,759	626	37
<i>OPEC</i>	6	2,220	17	935	4	1,128	158	3
<i>HIPC Initiative, total</i>	-	865	-	-	-	865	-	-
Comparative total 2018	39	8,369	41	3,868	56	3,787	713	55
Comparative total 2017	47	8,330	49	3,827	29	3,732	770	59
Comparative total 2016	77	8,285	154	3,778	56	3,703	803	60
<b>Of which for debt rescheduling guarantees</b>								
Europe	2	1,382	2	1,160	-	222	-	-
Latin America	-	273	7	134	-	64	75	-
Asia	0	1,119	11	466	-	422	232	-
Africa	-	1,916	1	676	-	1,240	-	-
<b>Total</b>	<b>2</b>	<b>4,690</b>	<b>21</b>	<b>2,436</b>	<b>-</b>	<b>1,947</b>	<b>307</b>	<b>-</b>
Comparative total 2018	3	4,688	22	2,415	-	1,947	326	-
Comparative total 2017	1	4,685	18	2,393	-	1,947	345	-
Comparative total 2016	5	4,684	19	2,375	-	1,947	362	-

<sup>1</sup> Including claims paid for political risks under debt rescheduling guarantees.

<sup>2</sup> Excluding the claims paid for exchange risks and aval endorsements, as these are not directly attributable to specific regions or country groups. The claims paid for comprehensive policies are attributed to the OECD.

The amounts in the following table include claims from debt-rescheduling guarantees and country and regional data excluding claims not directly attributable to the countries relating to reinsurance guarantees, exchange risk guarantees and aval endorsements.

### Claims paid, by region and country

€ thousand	Claims paid		Recoveries on claims paid		Amounts written off as unrecoverable		Recoverable claims after measurement	Claims authorised but not yet paid
	2019	1950-2019	2019	1950-2019	2019	1950-2019	31 Dec 2019	31 Dec 2019
Countries with total claims paid over € 25 m								
<b>Total</b>	<b>50,011</b>	<b>8,419,262</b>	<b>39,132</b>	<b>3,906,680</b>	<b>13,888</b>	<b>3,801,238</b>	<b>711,372</b>	<b>54,467</b>
<b>Europe</b>	<b>13,438</b>	<b>2,407,105</b>	<b>2,939</b>	<b>1,446,025</b>	<b>698</b>	<b>827,876</b>	<b>133,199</b>	<b>30,501</b>
Bulgaria	-	112,788	-	74,266	-	38,522	-	-
Germany	-	113,225	103	13,848	(103)	99,210	166	-
France	-	36,538	-	6,468	-	30,070	-	-
United Kingdom	248	28,566	44	6,654	-	21,708	204	135
Italy	-	97,495	-	24,055	384	73,290	149	-
Poland	-	963,594	-	769,392	-	193,001	1,201	2
Romania	5,479	49,514	-	10,452	-	6,539	32,522	15,810
Russia	3,752	475,911	583	314,758	226	153,449	7,703	8,281
Switzerland	-	25,834	-	5,624	-	20,210	-	-
Serbia	1,907	167,849	1,907	97,829	-	70,021	-	-
Turkey	936	58,983	5	42,214	(5)	10,594	6,174	926
Ukraine	-	115,972	-	30,351	-	5,175	80,446	-
<b>North America</b>	<b>1,792</b>	<b>45,309</b>	<b>5</b>	<b>8,203</b>	<b>-</b>	<b>32,469</b>	<b>4,637</b>	<b>8,897</b>
USA	41	28,507	5	6,216	-	21,948	344	-
<b>Latin America</b>	<b>10,587</b>	<b>488,927</b>	<b>12,758</b>	<b>212,555</b>	<b>5,647</b>	<b>151,491</b>	<b>124,843</b>	<b>11,191</b>
Argentina	569	113,344	7,065	74,844	-	29,564	8,936	-
Bolivia	-	68,595	-	4,766	-	63,829	-	-
Brazil	2,177	61,969	2,421	38,128	1,442	7,461	16,380	8,650
Cuba	5,063	109,017	-	14,164	-	38	94,814	-
Venezuela	-	50,620	-	28,379	-	22,241	-	-



€ thousand	Claims paid		Recoveries on claims paid		Amounts written off as unrecoverable		Recoverable claims after measurement	Claims authorised but not yet paid
	2019	1950-2019	2019	1950-2019	2019	1950-2019	31 Dec 2019	31 Dec 2019
Countries with total claims paid over € 25 m								
<b>Asia</b>	<b>9,178</b>	<b>2,451,876</b>	<b>17,945</b>	<b>1,054,480</b>	<b>4,570</b>	<b>1,034,933</b>	<b>362,560</b>	<b>3,877</b>
China (incl. Hong Kong)	-	104,260	-	57,337	-	45,817	1,106	-
Georgia	-	94,170	-	49,337	-	44,833	-	-
India	890	49,892	-	14,459	156	9,684	25,749	873
Indonesia	0	136,516	6	81,007	(6)	55,509	-	-
Iraq	-	959,477	16,842	234,155	-	590,463	134,931	-
Iran	-	286,447	-	215,988	-	70,459	-	-
Lebanon	-	74,935	-	60,111	-	14,824	-	-
Myanmar	-	52,298	-	17,434	-	40	34,824	-
North Korea (DPR)	-	231,795	-	80,579	-	6,627	144,589	-
Philippines	-	78,220	-	74,394	-	3,826	-	-
Saudi Arabia	3,670	63,470	-	6,182	-	53,299	3,989	-
Syria	-	25,887	-	18,761	-	7,126	-	-
Thailand	-	44,452	-	294	-	41,822	2,335	-
United Arab Emirates	2,396	143,062	-	84,266	4,420	55,217	3,579	2,989
Vietnam	-	26,986	-	16,928	-	10,058	-	-
<b>Africa</b>	<b>297</b>	<b>2,520,925</b>	<b>724</b>	<b>1,023,357</b>	<b>-</b>	<b>1,467,903</b>	<b>29,665</b>	<b>-</b>
Egypt	-	408,298	-	363,915	-	42,598	1,785	-
Algeria	-	90,258	-	88,061	-	2,197	-	-
Angola	-	51,319	-	49,657	-	1,662	-	-
Côte d'Ivoire	-	96,662	-	5,359	-	91,303	-	-
Cameroon	-	472,446	-	13,926	-	458,520	-	-
Kenya	-	72,164	724	70,627	-	1,537	-	-
Congo DR (former Zaire)	-	82,556	-	15,982	-	66,574	-	-
Libya	-	117,223	-	11,581	-	90,299	15,343	-
Madagascar	-	60,951	-	9,345	-	51,605	-	-
Morocco	-	124,648	-	117,105	-	3,453	4,089	-
Nigeria	-	367,099	-	183,153	-	183,947	-	-
Zambia	-	29,530	-	13,235	-	16,295	-	-
Sudan	-	296,446	-	7,998	-	288,449	-	-
Tanzania	-	46,109	-	5,640	-	40,469	-	-
Togo	-	45,149	-	14,979	-	30,170	-	-

# Oesterreichische Kontrollbank AG Export Financing Scheme

The OeKB Export Financing Scheme offers Austrian exporters financing solutions for a broad spectrum of export business and cross-border investment activities.

## Requirements

The credits to banks require a guarantee for the transaction or right underlying the financing. Requirements for the financing are

- an assumption of liability by the Republic of Austria in accordance with the Export Guarantees Act or
- an assumption of liability by a credit insurer in accordance with the Export Financing Guarantees Act (AFFG) or
- a guarantee issued by Austria Wirtschaftsservice Gesellschaft mbH (“aws”) or
- an assumption of liability by an international organisation according to the AFFG or
- that the goods and services to be financed directly or indirectly improve the Austrian balance of current transactions in goods and services.

With regard to the issuing of guarantees, sustainability considerations are to be given priority. In addition, both the rights arising from the guarantees and the underlying receivables (export or other receivables) must, as a rule, be assigned as security.

The maximum repayment term for commercial export credits that fall within the scope of the OECD Arrangement is generally 10 years. Longer maximum terms are possible for conventional power plants (a maximum of 12 years), project finance (a maximum of 14 years) and renewable energy, climate protection and water projects (a maximum of 18 years).

OeKB’s Export Financing Scheme is a refinancing source for domestic and foreign credit institutions. To be eligible they have to meet OeKB’s creditworthiness criteria, fulfil the legal requirements regarding the transactions to be financed and satisfy OeKB’s conditions for uniform financing procedures. The uniform financing procedure conditions particularly apply to collateral management.

## International environment

In issuing credits under the Export Financing Scheme, OeKB observes the applicable guidelines, directives and regulations of international agreements by the Organisation for Economic Cooperation and Development (OECD), the EU and the Berne Union.

## Business activity covered by the Export Financing Scheme

The following table presents an analysis of the turnover during the year.

In the year under review, the repayments received covered 49.3% of the new contracts issued (€ 2,869 million versus € 5,818 million).

### Business activity under the Export Financing Scheme - lending operations

€ million	2016	2017	2018	2019
<b>Financing contracts</b>				
New contracts issued <sup>1</sup>	4,464	5,282	7,600	5,818
Contracts withdrawn	632	571	1,185	1,127
Repayments received	6,450	2,958	3,881	2,869
<i>Of which on revolving credits</i>	<i>4</i>	<i>8</i>	<i>6</i>	<i>5</i>
Loan funds disbursed	3,778	4,795	6,243	4,488
<b>Conditional commitments (CC)</b>				
New conditional commitments issued	1,057	1,493	2,093	2,052
CC converted into contracts	489	1,506	1,570	1,398
CC withdrawn	113	373	474	441

<sup>1</sup> Including conversions of conditional commitments into financing contracts, and including rescheduled debt.

# Credit commitments and disbursements under the Export Financing Scheme

## Outstanding amounts and net changes under the Export Financing Scheme - lending operations

€ million	Outstanding at 31 Dec 2016	Net change	Outstanding at 31 Dec 2017	Net change	Outstanding at 31 Dec 2018	Net change	Outstanding at 31 Dec 2019
Financing contracts	18,493	+1,761	20,254	+2,540	22,793	+1,826	24,619
Conditional commitments	717	-386	331	+50	380	+213	593
<b>Total commitments</b>	<b>19,210</b>	<b>+1,374</b>	<b>20,585</b>	<b>+2,589</b>	<b>23,174</b>	<b>+2,038</b>	<b>25,212</b>
Disbursements	15,701	+1,838	17,539	+2,362	19,901	+1,618	21,519

The outstanding loan agreement with the longest repayment period expires in 2050.

The outstanding credit under the Export Financing Scheme is expected to rise by as much as € 1.9 billion in 2020, depending on the course of business.

## Schedule of disbursements payable

€ million	Financing contracts	Conditional commitments	Total
By end of 2020	1,203	254	1,457
By end of 2021	1,689	184	1,874
By end of 2022	189	109	298
By end of 2023	18	46	64
<b>Disbursements</b>	<b>3,100</b>	<b>593</b>	<b>3,693</b>

## Schedule of repayments receivable

€ million	Financing contracts	Conditional commitments	Total
By end of 2020	2,753	11	2,764
By end of 2021	2,792	17	2,809
By end of 2022	3,042	34	3,076
By end of 2023	2,446	24	2,470
By end of 2024	2,415	25	2,439
By end of 2025	1,700	26	1,726
By end of 2026	1,111	30	1,141
By end of 2027	857	31	888
By end of 2028	545	36	581
After 2028 (up to 2050)	6,959	359	7,317
<b>Repayments</b>	<b>24,619</b>	<b>593</b>	<b>25,212</b>

## Export financing business by region and country

### Commitments and disbursements outstanding under the Export Financing Scheme, by region

€ million	Outstanding at 31 December 2018				Outstanding at 31 December 2019			
	Commitments		Disbursements		Commitments		Disbursements	
Europe (incl. Turkey, CIS)	2,644	11.6%	2,281	11.5%	2,463	10.0%	2,274	10.6%
<i>Incl. conditional commitments</i>	<i>2,672</i>	<i>11.5%</i>			<i>2,468</i>	<i>9.8%</i>		
<i>EU</i>	<i>1,066</i>	<i>4.7%</i>	<i>966</i>	<i>4.9%</i>	<i>1,053</i>	<i>4.3%</i>	<i>960</i>	<i>4.5%</i>
North America	31	0.1%	24	0.1%	30	0.1%	27	0.1%
<i>Incl. conditional commitments</i>	<i>31</i>	<i>0.1%</i>			<i>30</i>	<i>0.1%</i>		
Latin America	493	2.2%	398	2.0%	541	2.2%	503	2.3%
<i>Incl. conditional commitments</i>	<i>519</i>	<i>2.2%</i>			<i>559</i>	<i>2.2%</i>		
Asia	2,372	10.4%	2,137	10.7%	2,284	9.3%	2,089	9.7%
<i>Incl. conditional commitments</i>	<i>2,586</i>	<i>11.2%</i>			<i>2,635</i>	<i>10.5%</i>		
Africa	1,012	4.4%	871	4.4%	963	3.9%	861	4.0%
<i>Incl. conditional commitments</i>	<i>1,074</i>	<i>4.6%</i>			<i>1,061</i>	<i>4.2%</i>		
Comprehensive policies (CP) <sup>1</sup>	5	0.0%	-	-	5	0.0%	-	-
<i>Incl. conditional commitments</i>	<i>5</i>	<i>0.0%</i>			<i>5</i>	<i>0.0%</i>		
<b>Subtotal</b>	<b>6,558</b>	<b>28.8%</b>	<b>5,711</b>	<b>28.7%</b>	<b>6,286</b>	<b>25.5%</b>	<b>5,753</b>	<b>26.7%</b>
<b><i>Incl. conditional commitments</i></b>	<b><i>6,887</i></b>	<b><i>29.7%</i></b>			<b><i>6,758</i></b>	<b><i>26.8%</i></b>		
Aval endorsements (AE) <sup>2</sup>	16,236	71.2%	14,190	71.3%	18,333	74.5%	15,766	73.3%
<i>Incl. conditional commitments</i>	<i>16,287</i>	<i>70.3%</i>			<i>18,455</i>	<i>73.2%</i>		
<b>Total</b>	<b>22,793</b>	<b>100.0%</b>	<b>19,901</b>	<b>100.0%</b>	<b>24,619</b>	<b>100.0%</b>	<b>21,519</b>	<b>100.0%</b>
<b><i>Incl. conditional commitments</i></b>	<b><i>23,174</i></b>	<b><i>100.0%</i></b>			<b><i>25,212</i></b>	<b><i>100.0%</i></b>		
<i>Of which (excl. CP and AE):</i>								
<i>OECD</i>	<i>1,473</i>	<i>6.5%</i>	<i>1,326</i>	<i>6.7%</i>	<i>1,337</i>	<i>5.4%</i>	<i>1,237</i>	<i>5.7%</i>
<i>Developing countries</i>	<i>3,708</i>	<i>16.3%</i>	<i>3,293</i>	<i>16.5%</i>	<i>3,602</i>	<i>14.6%</i>	<i>3,303</i>	<i>15.3%</i>
<i>OPEC</i>	<i>345</i>	<i>1.5%</i>	<i>345</i>	<i>1.7%</i>	<i>318</i>	<i>1.3%</i>	<i>294</i>	<i>1.4%</i>

<sup>1</sup> Financed export contracts covered by revolving comprehensive and reinsurance guarantees (CP).

<sup>2</sup> Financed export contracts and short-term export credit lines covered by aval endorsements (AE).

## New commitments and disbursements under the Export Financing Scheme, by region

€ million	Movements in 2018				Movements in 2019			
	New commitments issued		Loan funds disbursed		New commitments issued		Loan funds disbursed	
Europe (incl. Turkey, CIS)	523	6.9%	517	8.3%	369	6.3%	415	9.2%
<i>Incl. conditional commitments</i>	<i>654</i>	<i>6.7%</i>			<i>476</i>	<i>6.0%</i>		
<i>EU</i>	<i>341</i>	<i>4.5%</i>	<i>339</i>	<i>5.4%</i>	<i>199</i>	<i>3.4%</i>	<i>168</i>	<i>3.7%</i>
North America	6	0.1%	5	0.1%	3	0.0%	6	0.1%
<i>Incl. conditional commitments</i>	<i>8</i>	<i>0.1%</i>			<i>3</i>	<i>0.0%</i>		
Latin America	229	3.0%	134	2.2%	129	2.2%	179	4.0%
<i>Incl. conditional commitments</i>	<i>321</i>	<i>3.3%</i>			<i>166</i>	<i>2.1%</i>		
Asia	268	3.5%	268	4.3%	284	4.9%	276	6.1%
<i>Incl. conditional commitments</i>	<i>379</i>	<i>3.9%</i>			<i>539</i>	<i>6.8%</i>		
Africa	151	2.0%	184	3.0%	53	0.9%	91	2.0%
<i>Incl. conditional commitments</i>	<i>186</i>	<i>1.9%</i>			<i>122</i>	<i>1.5%</i>		
Comprehensive policies (CP)	2	0.0%	6	0.1%	0	0.0%	3	0.1%
<i>Incl. conditional commitments</i>	<i>2</i>	<i>0.0%</i>			<i>0</i>	<i>0.0%</i>		
<b>Subtotal</b>	<b>1,179</b>	<b>15.5%</b>	<b>1,115</b>	<b>17.9%</b>	<b>838</b>	<b>14.4%</b>	<b>971</b>	<b>21.6%</b>
<b><i>Incl. conditional commitments</i></b>	<b><i>1,552</i></b>	<b><i>16.0%</i></b>			<b><i>1,305</i></b>	<b><i>16.6%</i></b>		
Aval endorsements (AE)	6,421	84.5%	5,129	82.1%	4,980	85.6%	3,517	78.4%
<i>Incl. conditional commitments</i>	<i>8,142</i>	<i>84.0%</i>			<i>6,564</i>	<i>83.4%</i>		
<b>Total</b>	<b>7,600</b>	<b>100.0%</b>	<b>6,243</b>	<b>100.0%</b>	<b>5,818</b>	<b>100.0%</b>	<b>4,488</b>	<b>100.0%</b>
<b><i>Incl. conditional commitments</i></b>	<b><i>9,693</i></b>	<b><i>100.0%</i></b>			<b><i>7,869</i></b>	<b><i>100.0%</i></b>		
<i>Of which (excl. CP and AE):</i>								
<i>OECD</i>	<i>426</i>	<i>5.6%</i>	<i>400</i>	<i>6.4%</i>	<i>182</i>	<i>3.1%</i>	<i>160</i>	<i>3.6%</i>
<i>Developing countries</i>	<i>574</i>	<i>7.6%</i>	<i>539</i>	<i>8.6%</i>	<i>384</i>	<i>6.6%</i>	<i>478</i>	<i>10.7%</i>
<i>OPEC</i>	<i>12</i>	<i>0.2%</i>	<i>44</i>	<i>0.7%</i>	<i>54</i>	<i>0.9%</i>	<i>31</i>	<i>0.7%</i>

## Movements and outstanding amounts under the Export Financing Scheme, by region and country

€ thousand	Movements in 2019		Outstanding at 31 December 2019	
	New commitments issued	Loan funds disbursed	Commitments	Disbursements
Countries with total commitments over € 25 million				
<b>Total</b>	<b>5,817,586</b>	<b>4,487,802</b>	<b>24,619,076</b>	<b>21,519,332</b>
<b>Europe</b>	<b>368,646</b>	<b>414,735</b>	<b>2,462,848</b>	<b>2,273,594</b>
Albania	-	-	52,887	52,887
Bosnia and Herzegovina	1,800	11,200	144,638	144,038
France	-	-	175,239	175,239
United Kingdom	-	19,430	69,033	58,272
Ireland	-	-	72,143	72,143
Italy	327	3,677	95,264	95,264
Kosovo	24,568	8,915	31,871	16,218
Luxembourg	81,824	52,687	241,010	185,931
Moldova	-	-	29,942	29,942
The Netherlands	34,959	29,105	150,165	148,733
Russia	15,521	139,450	632,935	609,517
Sweden	-	2,041	71,219	71,219
Switzerland	-	-	42,723	42,723
Serbia	71,500	38,597	145,984	105,292
Turkey	7,801	7,801	216,630	216,630
Ukraine	37,581	36,169	92,566	82,961
Cyprus	39,000	34,542	38,518	34,542
<b>North America</b>	<b>2,604</b>	<b>6,246</b>	<b>30,116</b>	<b>26,943</b>
Canada	1,734	5,376	26,775	23,602
<b>Latin America</b>	<b>129,079</b>	<b>179,320</b>	<b>541,228</b>	<b>502,749</b>
Brazil	9,441	9,237	29,323	29,323
Costa Rica	19,965	19,965	28,173	28,173
Ecuador	33,959	47,016	63,638	63,638
Honduras	5,176	5,176	118,345	118,345
Mexico	38,804	29,857	59,404	36,658
Nicaragua	2,413	6,353	41,738	41,738
Panama	5,471	22,880	53,045	53,045
Trinidad and Tobago	-	24,553	92,521	76,789
Venezuela	7,405	7,405	25,918	25,918
<b>Asia</b>	<b>284,131</b>	<b>275,689</b>	<b>2,283,662</b>	<b>2,088,656</b>
Armenia	28,793	280	51,057	24,352
Bangladesh	9,748	32,938	120,124	108,477
Bhutan	-	-	30,933	30,933
China (incl. Hong Kong)	20,362	21,733	716,344	709,398
Georgia	4,398	26,230	65,738	65,738
India	38,081	20,109	89,380	66,286
Indonesia	44,009	20,291	259,682	235,965
Laos	-	13,165	158,960	156,938
Mongolia	8,200	21,492	81,352	71,447
Pakistan	9,324	9,145	25,794	25,794
Philippines	-	1,025	92,772	92,772
Sri Lanka	39,959	33,139	196,017	131,413
South Korea	-	-	42,071	42,071
Uzbekistan	25,026	18,736	26,170	19,879
Vietnam	29,837	19,629	255,872	238,474
<b>Africa</b>	<b>52,643</b>	<b>91,378</b>	<b>962,677</b>	<b>861,033</b>
Egypt	2,438	2,486	64,995	59,333
Angola	18,674	25,126	313,060	265,570
Gabon	4,651	4,651	118,597	118,597
Ghana	16,432	43,082	247,169	202,678
Nigeria	2,591	2,591	26,717	26,717
Senegal	-	-	51,064	51,064
Tunisia	-	2,300	26,708	26,708



## Tied financial credits, purchases of accounts receivable and other types of financing

The following tables show the individual share which tied financial credits and purchases of accounts receivable have in the total volume of export credit refinancing administered by OeKB.

Export sales made on credit terms can be financed by having the exporter allow deferred payment or as a loan extended to a foreign buyer. The exporter granting a supplier credit to a foreign buyer can obtain funding for this from a credit institution. When a bank extends a tied financial credit or purchases accounts receivable, this leads to a reduction in the exporter's balance sheet.

### Commitments and disbursements outstanding under the Export Financing Scheme, by type of financing

€ million	Outstanding at 31 December 2018				Outstanding at 31 December 2019			
	Commitments		Disbursements		Commitments		Disbursements	
Tied financial credits	3,811	16.7%	3,422	17.2%	3,696	15.0%	3,418	15.9%
<i>Incl. conditional commitments</i>	<i>4,140</i>	<i>17.9%</i>			<i>4,147</i>	<i>16.4%</i>		
Foreign investments	134	0.6%	121	0.6%	103	0.4%	88	0.4%
<i>Incl. conditional commitments</i>	<i>134</i>	<i>0.6%</i>			<i>103</i>	<i>0.4%</i>		
Purchases of accounts receivable	83	0.4%	71	0.4%	74	0.3%	73	0.3%
<i>Incl. conditional commitments</i>	<i>83</i>	<i>0.4%</i>			<i>74</i>	<i>0.3%</i>		
Other financing contracts	2,530	11.1%	2,098	10.5%	2,413	9.8%	2,173	10.1%
<i>Incl. conditional commitments</i>	<i>2,530</i>	<i>10.9%</i>			<i>2,433</i>	<i>9.7%</i>		
<b>Subtotal</b>	<b>6,558</b>	<b>28.8%</b>	<b>5,711</b>	<b>28.7%</b>	<b>6,286</b>	<b>25.5%</b>	<b>5,753</b>	<b>26.7%</b>
<i>Incl. conditional commitments</i>	<i>6,887</i>	<i>29.7%</i>			<i>6,758</i>	<i>26.8%</i>		
Aval endorsements	16,236	71.2%	14,190	71.3%	18,333	74.5%	15,766	73.3%
<i>Incl. conditional commitments</i>	<i>16,287</i>	<i>70.3%</i>			<i>18,455</i>	<i>73.2%</i>		
<b>Total</b>	<b>22,793</b>	<b>100.0%</b>	<b>19,901</b>	<b>100.0%</b>	<b>24,619</b>	<b>100.0%</b>	<b>21,519</b>	<b>100.0%</b>
<i>Incl. conditional commitments</i>	<i>23,174</i>	<i>100.0%</i>			<i>25,212</i>	<i>100.0%</i>		

## New contracts issued and amounts disbursed under the Export Financing Scheme, by type of financing

€ million	Movements in 2018				Movements in 2019			
	New commitments issued		Loan funds disbursed		New commitments issued		Loan funds disbursed	
Tied financial credits	442	5.8%	356	5.7%	321	5.5%	430	9.6%
<i>Incl. conditional commitments</i>	<i>792</i>	<i>8.2%</i>			<i>744</i>	<i>9.5%</i>		
Foreign investments	24	0.3%	11	0.2%	26	0.4%	25	0.6%
<i>Incl. conditional commitments</i>	<i>27</i>	<i>0.3%</i>			<i>32</i>	<i>0.4%</i>		
Purchases of accounts receivable	40	0.5%	29	0.5%	25	0.4%	36	0.8%
<i>Incl. conditional commitments</i>	<i>50</i>	<i>0.5%</i>			<i>25</i>	<i>0.3%</i>		
Other financing contracts	673	8.8%	719	11.5%	466	8.0%	479	10.7%
<i>Incl. conditional commitments</i>	<i>683</i>	<i>7.0%</i>			<i>504</i>	<i>6.4%</i>		
<b>Subtotal</b>	<b>1,179</b>	<b>15.5%</b>	<b>1,115</b>	<b>17.9%</b>	<b>838</b>	<b>14.4%</b>	<b>971</b>	<b>21.6%</b>
<b><i>Incl. conditional commitments</i></b>	<b><i>1,552</i></b>	<b><i>16.0%</i></b>			<b><i>1,305</i></b>	<b><i>16.6%</i></b>		
Aval endorsements	6,421	84.5%	5,129	82.1%	4,980	85.6%	3,517	78.4%
<i>Incl. conditional commitments</i>	<i>8,142</i>	<i>84.0%</i>			<i>6,564</i>	<i>83.4%</i>		
<b>Total</b>	<b>7,600</b>	<b>100.0%</b>	<b>6,243</b>	<b>100.0%</b>	<b>5,818</b>	<b>100.0%</b>	<b>4,488</b>	<b>100.0%</b>
<b><i>Incl. conditional commitments</i></b>	<b><i>9,693</i></b>	<b><i>100.0%</i></b>			<b><i>7,869</i></b>	<b><i>100.0%</i></b>		

## Interest rates in the Export Financing Scheme

### Financing on commercial terms

#### Financing based on combined floating and fixed interest rates

The financing for supplier and buyer credits and investment loans is extended at variable and fixed interest rates. OeKB sets the floating rate quarterly. It is based on the average cost for OeKB of funding itself on the market. The floating-rate portion of the credit is repaid first; the financing of the longer-term part is at a fixed interest rate. All financing arrangements will feature a fixed interest rate starting in 2020.

#### Financing based on EURIBOR

OeKB also offers financing of supplier and buyer credits and investments purely at a floating-rate. The financing is based on the 3 or 6-month EURIBOR plus a margin dependent on the maturity.

#### Kontrollbank Credit Line for short-term export contracts

The Kontrollbank Credit Line (KRR) is for enterprises wishing to finance short-term, revolving export business. The financing is based on avals guaranteed by the Republic. OeKB sets the interest rate for this type of financing quarterly.

## Financing in foreign currencies

Financing of export business and investments is also offered in foreign currencies at floating or fixed interest rates which are quoted separately for each contract. The interest rates for USD financing products will be published on the OeKB website starting in 2020.

Fixed-rate financing based on CIRR can be offered on demand.

The current interest rates of the Export Financing Scheme can be consulted at [www.oekb.at/interest](http://www.oekb.at/interest)

## Soft Loans

In addition to export finance facilities on commercial terms, the Austrian export industry can benefit from refinancing on concessional terms. Soft loans adhere to the soft-loan policy pursued by the Federal Ministry of Finance (BMF) within the framework of the OECD Arrangement. They support Austrian exporters in the face of international competition and aim to contribute to the sustainable development of receiver countries.

The conditions for soft-loan financing depend on the receiver country and are, as a rule, set annually ([www.oekb.at/en/development-financing/soft-loans](http://www.oekb.at/en/development-financing/soft-loans)).

## Sources and uses of funds

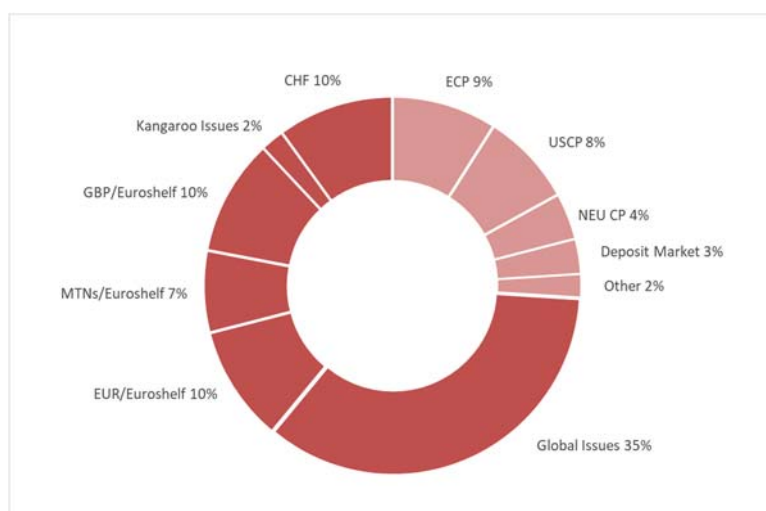
The total of all positions within the Export Financing Scheme in the year under review was € 50,734 million (2018: € 37,504 million). Of this amount, € 4,488 million represented loan disbursements. € 46,246 million was used largely for the repayment of loan liabilities. In the period reported on, € 2,869 million (5.7%) of the funds used came from debt service payments received on export financing credits. New borrowing amounted to € 47,865 billion.

# Guarantees of the Republic of Austria under the Export Financing Guarantees Act (AFFG)

OeKB refinances itself on the international and domestic financial markets through the issue of

- global bonds,
- liquid benchmark-transactions,
- private placements,
- medium-term notes and
- short-term money market instruments.

**OeKB's issuance programs – outstanding volume as of 31 December 2019: € 24 billion**



In 2019, OeKB issued 25 long-term transactions totaling EUR 5.7 billion. The highlight of the year was the successful issue of OeKB's inaugural Sustainability Bond with a volume of EUR 500 million and a maturity of 7 years. The order book was three times oversubscribed. The two USD global benchmark issues both with a 3 year maturity and volumes of USD 1.5 billion each were also oversubscribed. Despite the continuing Brexit uncertainties, the Sterling market offered attractive funding opportunities throughout the year. In total, a volume of GBP 1.3 billion was issued via a new benchmark as well as taps of various outstanding transactions. Furthermore, OeKB issued 2 NOK transactions with maturities of 3 and 5 years as well as six private placements in different currencies (USD, EUR, SEK).

## Rating

OeKB bonds are guaranteed unconditionally and explicitly by the Republic of Austria and are rated Aa1/AA+ by Moody's and Standard & Poor's. The short-term debt is rated P1 and A1+ by the respective agencies.

## Export Financing Guarantees Act

The AFFG regulates the granting of guarantees by the Federal Minister of Finance in favour of the creditors of OeKB in connection with export financing. The Federal Minister of Finance is also authorised to guarantee repayment to OeKB of possible foreign exchange losses incurred. The exchange rate guarantees are issued in favour of OeKB and set a rate of conversion between the Euro and another currency (exchange rate risk) for a certain period of time, for which the proceeds of the financing transactions are utilized to refinance OeKB's Euro loan portfolio (section 1 par. 2b AFFG).

The aggregate exposure limit is € 40 billion. OeKB pays a guarantee fee to the Federal Ministry of Finance.

Further provisions of the AFFG include

- the maximum maturity,
- the percentage of aggregate exposure arising from the guaranteed borrowing,
- the maximum amount for any single financing transaction,
- the calculation method for adding individual guarantees to the aggregate guarantee exposure limit.

### Guarantees under the Export Financing Guarantees Act

Guarantees in € million for	principal amounts	interest <sup>2</sup>	exchange risk	Total
Additions in 2018	12,285	-	448	12,732
Reductions in 2018	10,621	-	341	10,962
<b>Net change in 2018</b>	<b>1,664</b>	-	<b>107</b>	<b>1,770</b>
<b>Outstanding at 31 December 2018</b>	<b>23,225</b>	-	<b>3,058</b>	<b>26,283</b>
<i>Transactions in Euro</i>	<i>2,050</i>	-	<i>1,125</i>	<i>3,175</i>
<i>Transactions in foreign currencies</i>	<i>21,175</i>	-	<i>1,933</i>	<i>23,108</i>
Unused limit (total limit of € 40,000 million) <sup>1</sup>				13,717
Additions in 2019	13,214	-	469	13,683
Reductions in 2019	10,675	-	360	11,035
<b>Net change in 2019</b>	<b>2,539</b>	-	<b>109</b>	<b>2,648</b>
Additions from 1967 to 2019	239,123	2,776	14,441	256,340
Reductions from 1967 to 2019	213,359	2,776	11,274	227,409
<b>Net change from 1967 to 2019 =</b>	<b>25,764</b>	-	<b>3,167</b>	<b>28,931</b>
<b>Outstanding at 31 Dec 2019</b>				
<i>Transactions in Euro</i>	<i>2,500</i>	-	<i>1,125</i>	<i>3,625</i>
<i>Transactions in foreign currencies</i>	<i>23,264</i>	-	<i>2,042</i>	<i>25,306</i>
Unused limit (total limit of € 40,000 million)				11,069

<sup>1</sup> Since 24 April 2017 € 40 billion Federal Law Gazette I no. 42/2017

<sup>2</sup> In accordance with the 1980 amendment to the Act, interest is no longer counted against the aggregate exposure limit.

When calculating the aggregate exposure and in order to account for exchange rate risk, a supplement amount of 10% of the transaction is added to issues in foreign currencies. These foreign currencies are converted into Euros at the reference rate stated by the European Central Bank on the day on which the guarantee takes effect (see Section 2 of the AFFG). For OeKB's short-term borrowing under a revolving credit facility, the monthly changes in disbursements outstanding are disclosed at the net value of additions or reductions.

### Guarantees in the Austrian government financial statements

€ million	2016	2017	2018
Additions	15,693	19,289	19,577
Reductions	17,830	18,978	17,328
Market rate change	-92	+32	+16
Ending balance outstanding (after measurement) at 31 Dec	21,196	21,540	23,804
<i>Transactions in Euro</i>	<i>300</i>	<i>1,800</i>	<i>2,050</i>
<i>Transactions in foreign currencies</i>	<i>20,896</i>	<i>19,740</i>	<i>21,754</i>

The guarantees outstanding are also set out in the government financial statements at current levels; the evaluation of guarantees in foreign currencies are calculated with effective rates as of year-end. For revolving credit facilities, additions and reductions are reported on a gross basis. The data for 2019 is not yet available.

# Legal provisions

Export Guarantees Act

[www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10006677](http://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10006677)

Export Guarantees Decree

[www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10006678](http://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10006678)

Export Financing Guarantees Act

[www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10006271](http://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10006271)

The legal provisions are in German only.



# Glossary

## **Country data**

Countries are shown individually if the guarantee exposure, cumulative gross claims paid or financing commitments amount to € 25 million or more.

## **OECD**

Organisation for Economic Cooperation and Development

## **OECD Arrangement**

The OECD Arrangement on officially supported export credits is an interational treaty which is legally binding for EU member states.

## **OECD/EU/Developing countries/OPEC**

The classification of countries into these groupings follows the definitions of the Austrian statistics agency (Statistik Austria). Since 2018 the classification of developing countries follows the World Bank Country Classification.

## **OPEC**

Organisation of the Petroleum Exporting Countries

## **The legend for data presented in this report**

When an actual value is rounded down to 0, it is shown as “0” in the table. Where no value exists, the position is shown as “-”. Rounding up or down can lead to differences in totals.

## **Guarantees of the Republic of Austria under the AusfFG**

### **AusfFG (Ausfuhrförderungsgesetz)**

Export Guarantees Act, published in Federal Law Gazette no. 215/1981, as amended

### **AFVO (Ausfuhrförderungsverordnung)**

1981 Export Guarantees Decree published in Federal Law Gazette no. 215/1981, as amended

### **Aggregate guarantee exposure**

Actual aggregate exposure for the (i) base amounts of guarantees of type G 1 to G 9 and G 11, (ii) guarantees issued for OeEB and (iii) the notified financing requirement from aval endorsements; excluding conditional commitments. From 2012, the measurement of aggregate guarantee exposure reflects currency conversion differences; in other words, the value of guarantees denominated in foreign currency is converted into Euros at the relevant ECB reference exchange rates.

### **Conditional commitment**

Conditional commitment to issue a guarantee or financing facility for prospective transaction that is still under negotiation.

### **Excess**

Is the percentage of a loss to be borne by the guarantee holder.

### **Financing requirement**

is the actual cover requirement that may be reported on a quarterly basis by the holder of an aval endorsement.

**Guarantees issued**

Newly issued guarantees, aval endorsements and guarantees issued for OeEB, calculated based on their maximum amounts.

**Guarantees of the Republic of Austria**

Guarantees, avals and guarantees issued for OeEB in accordance with the AusFFG and the AFVO

**Guarantor**

The Republic of Austria acting through the Austrian Federal Minister of Finance.

**Marketable risks**

Commercial and political risks arising from export transactions with a total risk period for manufacturing and loan repayment of less than two years and a counterparty in an EU or OECD country, excluding Chile, Greece, Israel, Mexico, South Korea and Turkey.

**Maximum amount**

The amount stated in the guarantee contracts or in aval endorsements that represents the maximum liability of the Guarantor.

**Premium income**

From 2012, the item “premium income” reflects accrual-basis accounting for up-front premiums in “Income and expenses from guarantees under the AusFFG” (i.e. premiums are recognised in the period in which they are earned).

**Recoverable claims**

Outstanding balance of claims paid less recoveries and write-downs, at the balance sheet date. From 2012 the foreign-currency-denominated portion of this exposure is presented so as to include currency conversion differences, which means that the foreign-currency receivables are converted into Euros at the relevant ECB reference rates.

## Oesterreichische Kontrollbank AG Export Financing Scheme

**CIRR (Commercial Interest Reference Rate)**

The minimum fixed interest rate defined in the OECD Arrangement for which official support can be granted on export credits provided that the CIRR does not cover the lender’s funding costs.

**Soft Loan**

Concessional financing. Loans made on concessional (i.e. preferential) terms in the form of low (below market rate) interest rates, long repayment periods and grace periods.

## Guarantees of the Republic of Austria under the AFFG

**AFFG (Ausfuhrfinanzierungsförderungsgesetz)**

Export Financing Guarantees Act, published in Federal Law Gazette no. 216/1981, as amended

## Publication information

This report is a translation of the German original and is provided solely for readers' convenience. In the event of discrepancies or dispute, only the German version of the report shall be deemed definitive.

Owner and publisher:

**Oesterreichische Kontrollbank Aktiengesellschaft**

Registered Office: 1010 Vienna, Am Hof 4, Austria

Commercial Register No.: FN 85749b, Commercial Court Vienna

Data Processing Register No.: 0052019

VAT-ID No.: ATU 15350402

Austrian Bank Code: 10.000

SWIFT BIC: OEKOATWW

LEI: 52990000VRLMF858L016

FATCA-GIIN: YS6TGM.00000.LE.040

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Cover: Egger & Lerch GmbH, Vordere Zollamtsstrasse 13, 1030 Vienna, [www.egger-lerch.at](http://www.egger-lerch.at)

Photo page 6: © BMF

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Additional to the Annual Financial Report, Disclosure Report, Sustainability Report and the Export Services – Annual Report, OeKB Group also publishes a special edition of its Stakeholder Magazine, Relevant Annual, which provides the most important figures, data and facts on the business success and services of OeKB Group.

The Export Services – Annual Report 2019 is published in German and English on the internet.

[www.oekb.at/en/oekb-group/oekb-ag](http://www.oekb.at/en/oekb-group/oekb-ag)

The information in this report is current as of 23 January 2020.



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