

EXPORT CREDIT
FINANCING SYSTEMS
IN OECD MEMBER
COUNTRIES AND
NON-MEMBER
ECONOMIES

Ireland

IRELAND

1. ORGANISATION AND STRUCTURE

1.1 Insurance and guarantees

1.1.1 Representative organisation

Export Credit Section
Department of Enterprise, Trade and Employment
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1.1.1.1 Function

The Insurance Act of 1953 (as amended) empowers the Minister for Enterprise, Trade and Employment to extend state guarantees in order to promote exports of Irish goods and certain services.

Following a review of the State Export Credit Scheme, the purpose of which was to establish whether, and to what extent, there continued to be a need for state involvement in this area, it was announced on 8 February 1998 that the state was withdrawing from the provision of export credit insurance with immediate effect. Policies already in place at that date were not affected by the announcement.

Export credit insurance is now provided exclusively by the private sector.

1.1.1.2 Summary of organisation

The Export Credit Section of the Department of Enterprise, Trade and Employment retains responsibility for export credit insurance issues and is now concerned mainly with ongoing activities arising from the State Export Credit Scheme, including claims and recoveries.

1.1.1.3 Resources

Export credit claims are paid by the minister out of monies voted by the *Oireachtas* (Parliament).

1.1.1.4 Other organisations involved

None.

1.1.1.5 Relations with the state

Not applicable.

1.1.1.6 Relations with the private sector

Not applicable.

1.1.1.7 Additional structure

Not applicable.

1.2 Export finance

1.2.1 Representative organisation

None.

2. INSURANCE AND GUARANTEE PROGRAMMES

2.1 Cover for exporters

As indicated in 1.1.1.1, the Irish authorities, in 1998, withdrew from the provision of export credit insurance.

2.2 Guarantees for banks

Not applicable.

2.3 Other insurance programmes

None.

3. EXPORT FINANCE PROGRAMMES

3.1 Direct credits

There are no funds or public financial institutions that directly finance export credits.

3.2 Refinancing

All export credit finance is provided by banks, on a commercial basis. There are no refinancing arrangements in operation in Ireland.

3.3 Interest rate support

3.3.1 *Types of contract available*

An arrangement whereby export financing was provided by banks at concessionary rates of interest was operated in conjunction with the State Export Credit Scheme. Following the withdrawal of the state from the provision of export credit insurance, concessionary financing arises only in relation to contracts covered by export credit insurance as of 8 February 1998. The rates charged are in accord with those of the Arrangement and are not available for intra-EU exports.

3.3.2 *Eligibility*

See 3.3.1.

3.3.3 *Resulting interest rates*

See 3.3.1.

3.4 **Other credit operations**

None.

4. **AID FINANCE PROGRAMMES**

Ireland has no programme for associated financing.

ABBREVIATIONS

| | |
|-------------|---|
| Arrangement | Arrangement on Officially Supported Export Credits |
| CIRR | Commercial Interest Reference Rate |
| DAC | Development Assistance Committee |
| EC | European Communities |
| ECA | Export Credit Agency |
| HIPC | Highly indebted poor country |
| IBRD | International Bank for Reconstruction and Development |
| IDA | International Development Association |
| IFC | International Finance Corporation |
| L/C | Letter of Credit |
| LDC | Less Developed Countries |
| LIBOR | London Interbank Offered Rate |
| LLDC | Least Less Developed Countries |
| ODA | Official Development Aid |
| SDR | Special Drawing Rights |

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NON-MEMBER ECONOMIES

Chinese Taipei
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ANNEXES*

- I. The Arrangement on Officially Supported Export Credits (2005)
- II. European Community Procedures Concerning Export Credits (formerly Annex III)
- III. Export Credits and the Environment: Work Plan (formerly Annex IV)
Action Statement on the Environment (2000)
Agreement on Environmental Information Exchange for Larger Projects (1999)
Statement of Intent on Officially Supported Export Credits and the Environment (1998)
- IV. Action Statement on Bribery and Officially Supported Export Credits (2000) (formerly Annex V)
- V. OECD Recommendation on Common Approaches on Environment and Officially Supported Export Credits (formerly Annex VI)

* Annex II in earlier publications, *i.e.* Terms and Conditions Applicable to Project Finance Transactions, is now incorporated in Annex I; accordingly all annexes herein have been renumbered.