

Inquiry into Australia's Trade and Investment Relations with Asia, the Pacific and the Americas

Joint Standing Committee on Foreign Affairs, Defence and Trade

Questions Taken on Notice:

- 1) Please provide latest set of updated figures (semi-annual to 31 December 2009)?
- 2) In relation to the Pacific you have said that your total business was \$85.7 million. Are you able to give a country breakdown of that figure?

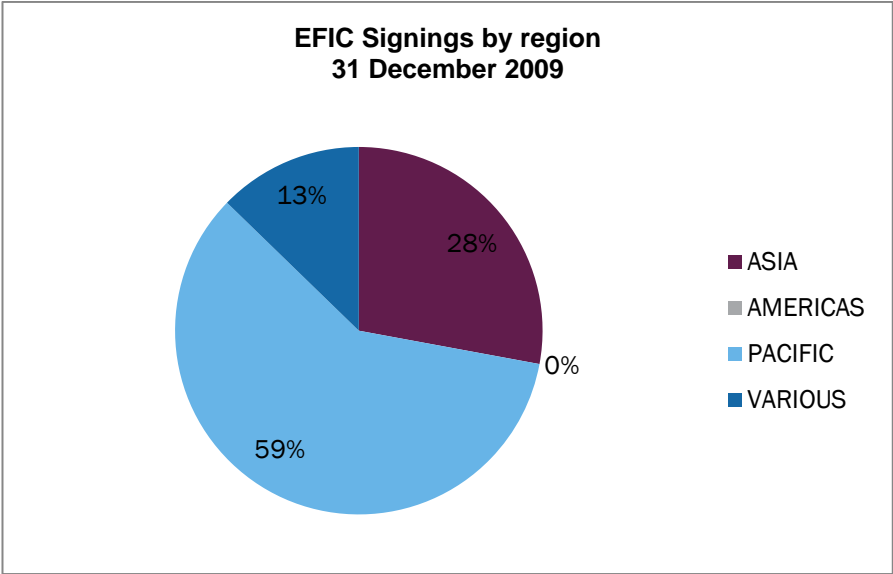
The following answer has been provided by EFIC to the Joint Trade Committee's questions:

- 1) EFIC semi-annual figures for (six months) as at 31 December 2009 are as follows:

Commercial and National Interest Account Maximum Exposures by Region		
Region	30-Jun-09	31-Dec-09
ASIA	1,064.1	956.2
AMERICAS	407.5	794.8
PACIFIC	341.1	491.1
Grand Total	\$1,812.6	\$2,242.1

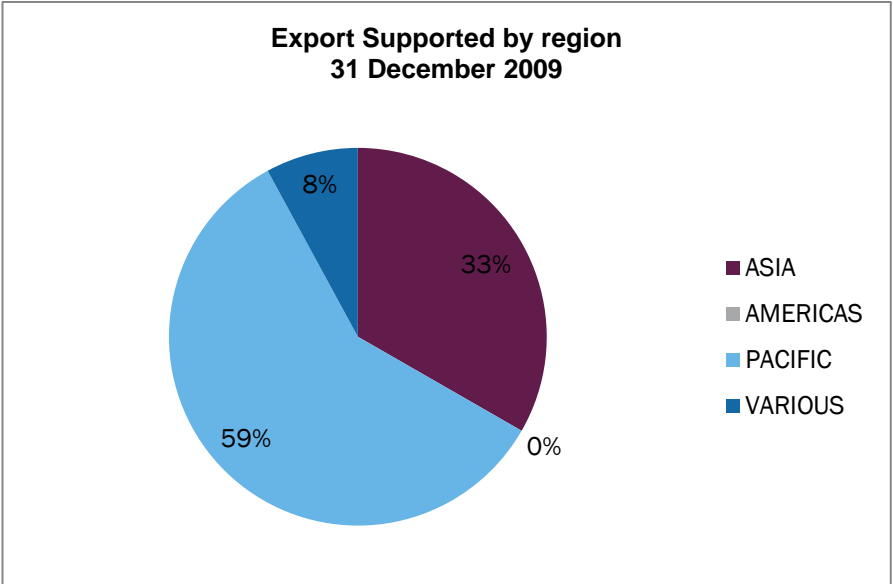
EFIC signings by region

During the period 1 July 2009-31 December 2009 EFIC provided support on its Commercial Account to exporters with facilities totalling \$184.5 million. Asia accounted for \$51.5 million of this new business, the Pacific \$109.5 million and no signings were made in the Americas.



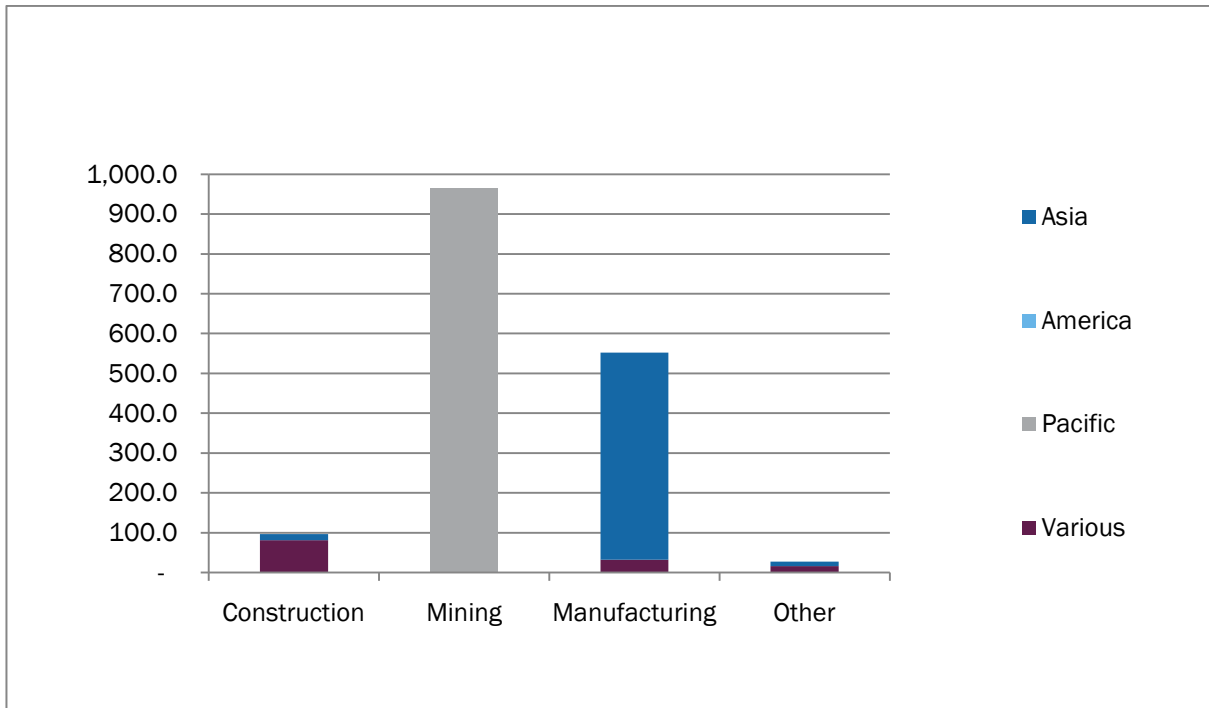
Exports supported by region

During the period 1 July 2009-31 December 2009, EFIC Commercial Account facilities underpinned exports and overseas contracts for Australian companies of more than \$1.641 billion, with \$546.4 million supported in Asia, \$964.5 million in the Pacific and none to the Americas.



Exports supported by sector

During the period 1 July 2009-31 December 2009, EFIC Commercial Account support for mining activities were directed towards the Pacific (\$964.5); construction towards Asia (\$14.7 million); and manufacturing principally towards Asia (\$520.1 million).



- 2) In relation to the Pacific you have said that your total business was \$85.7 million. Are you able to give a country breakdown of that figure?

The figure of \$85.7 million relates to exports supported in the Pacific Region on EFIC's Commercial Account in 2008-09. In this period EFIC support for Australian companies was entirely made through a product called EFIC Headway. EFIC Headway is a working capital guarantee from EFIC to the exporter's bank, which provides security for the bank to lend additional funds, without requiring additional security from the exporter. It supports general export funding rather than a specific export transaction, or contract and as such EFIC does not track the "country of export" for EFIC Headway transactions. Accordingly, for reporting purposes the country of export for the \$85.7 million of exports supported in 2008-09 was "Australia".¹

For the period 1 July 2009-31 December 2009 EFIC Commercial Account facilities underpinned exports and overseas contracts for Australian companies of \$964.5 million. This was the result of EFIC Commercial Account support to Australian exporters of \$109.5 million for the PNG LNG project in Papua New Guinea. Accordingly, in the period 1 July 2009-31 December 2009 the country breakdown was solely to Papua New Guinea.

¹ Please note EFIC has updated its recording of this type of facility since the submission was made. The "country of export" for signings reported has been amended to "various" to better reflect the data collected.