

# Supporting Australian defence exporters

Export Finance Australia provides financial expertise and solutions to support Australian defence exports across a range of sectors including advanced manufacturing, engineering and software.

Through our loans, guarantees and bonds we enable SMEs and defence primes to take on export opportunities.

#### What is a defence export?

A defence export is any defence-specific or dual-use good or service exported by the Australian defence industry to a national security end-user overseas.

# What businesses can Export Finance Australia support?

As Australia's export credit agency, we have a track record of helping Australian defence exporters across air, land, sea and cyber domains to help them win defence contracts overseas.

# **OUR CRITERIA**

The transaction must meet the following for us to provide our solutions:



**Australian Benefit** 

Have the necessary level of Australian benefit



**Commercial** 

Be commercially viable



**Approvals** 

Have the required defence export permit or in-principle approval from Defence Export Controls

If the transaction meets these requirements but is not suitable for Export Finance Australia's Commercial Account, it may be referred to the Government's Defence Export Facility.





# Delivering benefits to Australia

For us to support Australian companies in global defence supply chains, there must be an Australian benefit (this could be a future or indirect benefit).

#### Australian benefits can include:

- > Australian content (goods or services) in a project
- > greater Australian participation in international supply chains
- access to new markets or export opportunities for Australian businesses
- > more Australian jobs
- payment of dividends or other financial proceeds from overseas to Australia
- > new research and development expenditure in Australia
- Australian access to new products, intellectual property or technology.

The level of finance we can provide is linked to the level of Australian benefit in a project.



In 2018, the Australian Government launched the Defence Export Strategy to help the defence industry achieve greater export success.

The Strategy aims to build a stronger, more sustainable and globally competitive Australian defence industry to support Australia's capability needs.

#### **End-to-end support**

It brings government and industry together to provide end-to-end support for defence exports. This ranges from building export readiness to identifying export opportunities, providing finance and, ultimately, realising export outcomes.



As part of the Defence Export Strategy, we administer the US\$3 billion Defence Export Facility.

#### Finance available

This Facility gives the Australian defence industry the confidence to seek new direct export and supply chain contracts, knowing there is a source of finance available. It also allows us to better help businesses receive the finance they need to grow internationally.

"With these large orders, maintaining cash flow throughout can be a challenge, and that's where the assistance of Export Finance Australia and our bank has been invaluable."

Mark Scherrer, Managing Director, Ferra Engineering

## **CUSTOMERS WE'VE HELPED**

## A W Bell

A W Bell is a family-owned metal casting and precision engineering business that has grown to become a major supplier to the automotive and defence sectors.



#### **Opportunity:**

A W Bell needed working capital to fulfil a contract to supply parts for the sensory system of the new F-35 Joint Strike Fighter aircraft.

#### **HOW WE HELPED**

**US**\$375,000

We provided a loan to help A W Bell fulfil its contract with a large US defence prime contractor to establish a platform for future growth.

## **CEA Technologies**

CEA Technologies (CEA) is a manufacturer of world class radars as well as advanced antenna and communications solutions for civil and military applications.



#### **Opportunity:**

CEA needed finance to construct an additional manufacturing facility to meet expected growth in export orders and domestic programs.

#### **HOW WE HELPED**

# A\$90 million

We provided a loan through the Defence Export Facility to help CEA build their facility and expand their operations in Canberra.

# **Ferra Engineering**

Ferra Engineering (Ferra) manufactures and assembles complex aerospace structures and subsystems for commercial and military aviation, as well as other defence industries.



## **Opportunity:**

Ferra needed working capital to pay for the substantial upfront costs of materials and labour to deliver a contract with Lockheed Martin.

#### **HOW WE HELPED**

A\$2.7 million

We provided a guarantee to Ferra's bank, enabling them to access finance to manufacture weapons bay adaptors for the F-35 Joint Strike Fighter Program.



# No one takes on the world alone.

## Support is available from our partners

#### **Austrade**

Austrade advises and supports exporters across a wide range of sectors relating to infrastructure, cities and transport, connecting them through their global network with potential opportunities, partners and customers in international markets. Areas of specific focus include services and technology relating to urban planning and development, smart cities, water, urban mobility and intelligent transport systems, rail, logistics and international development.

For more information visit austrade.gov.au



## **Australian Defence Export Office**

The Australian Defence Export Office (ADEO) is a key initiative of the Defence Export Strategy. The ADEO works with Australian defence industry to achieve export success. It is the focal point for coordinating whole-of-Government export support, ensuring Australian defence industry can meet Australia's defence capability needs now and into the future.

The ADEO tailors assistance to Australian companies on a caseby-case basis, providing a targeted level of support across all stages of a company's export journey.

For more information, visit defence.gov.au/export/office



## **Export Finance Australia**

For more information on how we could support your business, contact us on:



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exportfinance.gov.au/defence

