OVERVIEW
2018
Export Division
EXPORT
IS YOURS!
Our collective mission is to expand French foreign trade. Through its broad network, Bpifrance helps launch entrepreneurs internationally, to build our country’s future and make France shine.

Despite current uncertainties in Europe and on the global stage, as well as a negative trade balance, the number of companies exporting has never been higher, reaching a record 125,000 in 2018. Therefore, our goal in our 2019 strategy is to promote Bpifrance’s export assistance products and services to the managers of exporting SMEs and ETIs [mid-sized enterprises]. To do so, we will continue to simplify and digitalise these services, carry on improving our export financing and insurance products and strengthen our collaboration with foreign buyers.

2018 saw a number of organisational changes, with the creation of an Export Division under my leadership. The Division includes three departments: Export Insurance, Export Development and Export Financing. I can personally guarantee that each of these entities will work for the purpose for it was created.

It was a productive year for these three branches, with nearly €300 million in export financing and more than 130 companies supported internationally, 16 billion in offers of cover in Export Insurance and an outstanding amount of €65 billion in credit insurance. As a testament to Bpifrance Assurance Export’s international renown, the Berne Union held its Annual General Meeting in Paris, bringing together more than 300 credit insurers from 70 different countries.

We also continue to develop new products to better serve our customers. Thus, the new market prospection repayable advance now being marketed by our Bpifrance network in the regions is simpler and comes in digital form, with the implementation of the Strategic Projects Guarantee and the guarantee for local subsidiaries favouring French national interests. Finally, Pass Export is a bond of trust between exporters and the French government which is intended to simplify and streamline procedures for the customer.

But, there are other challenges to face! Now more than ever, we are working in line with our values of proximity, simplicity, willingness and optimism to help you as you reach for the stars!
GOVERNANCE AND ORGANISATION
On 2 August 2018, the Export Division was created under the management of Pedro Novo. It includes the Export Insurance, the Export Financing and the Export Development that complement one another.

Bpifrance values

PROXIMITY

A local presence near you and an international presence near your buyers

SIMPLICITY

Processes and products that are accessible to everyone

WILLINGNESS

The will to give all entrepreneurs the means to succeed

OPTIMISM

An enthusiastic spirit in our teams, to make entrepreneurship a positive experience
Bpifrance in France

A FEW KEY FIGURES:

- A network of 48 regional offices
- 90% of decisions are made locally, outside the Paris region
- 2,540 employees
- 1 one-stop shop to meet the needs of companies

Bpifrance worldwide

Marine Richermoz
North America

Jan Koscinski
Central and Eastern Europe, the Caucasus and Russia

Alban d’Herbès and Marie Desjonqueres
Central and Latin America

Emmanuel Brechard and Inès Taki
Middle East and Central Asia

Romain Bauret and Christophe Plastre
Africa

Marianne Wlassewitch and Guillaume Eichene
Asean
THE EXPORT DIVISION

Organisation chart

GENERAL DIRECTOR
N. Dufourcq

EXECUTIVE DIRECTOR RESPONSIBLE FOR EXPORT
P. Novo

GENERAL DIRECTOR OF BPIFRANCE
ASSURANCE EXPORT
C. Viprey

EXPORT DEVELOPMENT
M-A. Prieur

EXPORT FINANCING DEPARTMENT
H. Latourette

INTERNATIONAL RELATIONS, PRODUCT DEVELOPMENT AND RATINGS
M. Dufour
- International, Expertise, Products
- Rating, Environment, Pricing, International
- Service risk monitoring office

EXPORT INSURANCE DEPARTMENT – LARGE ACCOUNTS
P. Lefèvre
- Airbus
- Unconditional guarantee
- Aeronautics, Defence
- Naval, Rail, Building and Public Works, Engineering, Equipment
- Space, Telecoms, Energy, Project Financing

EXPORT INSURANCE DEPARTMENT – ETIS & SMES
M. Rozier
- Development sub-division
- Expertise in Consulting, Support
- Exchange risk insurance
- Credit insurance
- Bond and working capital insurance

LOSS, CONSOLIDATION AND RECOVERY
A. Degoix
- Claims and consolidation management
- Recovery service for Insured Parties
A range of solutions to assist companies operating overseas

- Business France export development support
- Market prospection repayable advance
- Export credit (buyer or supplier)

**Prospecting Markets**

**Financing Sales**
- Unsecured export loan
- Export bond and export working capital insurance
- Loan guarantee for French banks
- Acquisition of minority stakes in foreign subsidiaries

**Financing Development**
- Credit insurance
- Exchange risk insurance

**Securing Projects**
- Business France, Young Professional Program and international support
- Investment insurance
- International projects guarantee

**Reaching Markets**

**Compliance**

The Export Division complies with the rules of the Bpifrance group. Bpifrance has formalised procedures and controls, particularly with regard to anti-bribery, money laundering, the financing of terrorism and fraud.
OVERALL VIEW
Destination of French exports

66% of French exports go to the EU (EU: 60%)

Germany is by far our no. 1 trading partner (exports and imports), coming ahead of the United States, Spain and Italy.

France has a negative trade balance in goods (€60 billion in 2018*)

The trade balance in services improved for the second year in a row (€28 billion)

In 2018, the manufacturing trade deficit shrunk (€33 billion vs €36 billion in 2017)

Our main trading partners

FRANCE’S MAIN TRADING PARTNERS IN 2018 (IN € BILLIONS)

60% of French exports go to the EU

Germany is by far our no. 1 trading partner (exports and imports), coming ahead of the United States, Spain and Italy.

France has a negative trade balance in goods (€60 billion in 2018*)

The trade balance in services improved for the second year in a row (€28 billion)

In 2018, the manufacturing trade deficit shrunk (€33 billion vs €36 billion in 2017)

---

(1) CIF goods
(2) FOB goods
Scope: excluding intra-Community trade for less than €460,000 and excluding military equipment.
Source: DGDDI.
*CIF/FOB data, including military equipment and energy.
The aeronautics and space sector are France’s top exporter (€57 billion, or 12% of exports in 2018). The automotive and pharmaceutical industries come in at no. 2 and no. 3, respectively (€51 billion and €30 billion in exports in 2018).

Between 2017 and 2018, French exports in major industries increased by 1.9% to 16.5%.
Types of exporting businesses

- In 2018, the number of companies exporting goods from France increased by 1.2% to 125,280, compared to 123,810 in 2017.
- About 28,000 companies started an export business while 26,500 ended it.
- Large disparities by geographical area: there was a sharp increase in the number of exporters to America and Europe outside the EU, but a sharp decline in exporters to Africa.
- The French exporting apparatus remains very concentrated: large companies represent only 0.4% of companies but account for 53% of exports (compared to 95% and 13% respectively for SMEs).

2018 BREAKDOWN OF THE NUMBER OF EXPORTING COMPANIES AND AMOUNTS EXPORTED BY CATEGORY

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of Exporting Companies</th>
<th>Amounts Exported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large enterprises</td>
<td>0.4%</td>
<td>53%</td>
</tr>
<tr>
<td>ETIs (mid-sized enterprise)</td>
<td>4%</td>
<td>34%</td>
</tr>
<tr>
<td>SMEs and micro-enterprises</td>
<td>95%</td>
<td>13%</td>
</tr>
</tbody>
</table>

Regional breakdown of our customers

All regions have access to solutions offered by Bpifrance to receive assistance with exports.

In 2018, the commercialisation of market prospection repayable advance was decentralised to the regional branches.

Breakdown by size of enterprise

Our goal: to help companies to think bigger and aim higher and to bring out the leading companies of tomorrow.

In 2018, 88% of the products distributed by Bpifrance for export were granted to SMEs. This demonstrates our commitment and willingness to support SMEs internationally.

French SMEs account for 77% of French exporters, but only 1 in 10 SMEs exports any products. It is therefore essential for Bpifrance to make its export offering accessible to all these companies.

That is why Bpifrance is trying to respond to entrepreneurs’ key needs and, more specifically, those of SMEs that are trying to go international. The close attention we pay to the market and our regional network allow us to tailor our solutions to their needs.

---

(1) SMEs: Company with a turnover of less than €50 million
ETIs: Company with a turnover between €50 million and €150 million

DOM – French Overseas Departments: 0.4%
2018 For the Export Division:

Main Results

- Total outstanding amount of €65 billion in credit insurance
- 132 companies assisted in their export development in 12 international missions
- 1,855 offers of cover in market prospection repayable advance
- Export contracts covered in 61 countries via credit insurance
- 14,201 companies supported
- Total amount of offers of cover €16 billion
- €299 million in buyer credits granted and purchase of supplier credits
- 535 export bond policies and export working capital policies issued
- Launch of the Strategic Projects Guarantee and Pass Export

Communication

- A meeting of clients bringing together 150 large accounts and SMEs/ETIs
- Exchanges with 8,000+ entrepreneurs
- 31 overseas missions on all 5 continents
- Organisation of the Annual General Meeting of the Berne Union bringing together 300+ people from 70+ countries
In 2018, credit insurance accounted for around 90% of the Export Insurance business in monetary terms.

Market prospection repayable advance represented 64% of the number of applications for coverage accepted.

The guaranteed amount for exchange risk insurance increased by 17% between 2016 and 2018, from €603 million insured in 2016 to €703 million in 2018.

In 2017, credit insurance experienced a sharp increase and an exceptional year, with offers of cover accounting for approximately €19 billion. The business then stabilised with a 22% decrease between 2017 and 2018, dropping to €14.5 billion.

Export bond insurance and export working capital insurance are still highly in demand, with a 23% increase compared to 2016.

Market prospection repayable advance also recorded a sharp increase in offers of cover which exceeded €200 million in 2018.

### OFFERS OF COVER (IN € MILLIONS)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit insurance</td>
<td>16,652</td>
<td>18,872</td>
<td>14,593</td>
</tr>
<tr>
<td>Export bond and export working capital insurance</td>
<td>557</td>
<td>736</td>
<td>685</td>
</tr>
<tr>
<td>Exchange risk insurance</td>
<td>603</td>
<td>623</td>
<td>703</td>
</tr>
<tr>
<td>Investment insurance</td>
<td>58</td>
<td>159</td>
<td>0</td>
</tr>
<tr>
<td>Market prospection repayable advance</td>
<td>196</td>
<td>192</td>
<td>239</td>
</tr>
</tbody>
</table>
Activity for buyer credit saw a tenfold increase between 2016 and 2018, reaching nearly €300 million in 2018.

Guarantees for projects abroad increased by 34%, from 104 agreements in 2016 to 140 agreements in 2018.

On the other hand, the “Internationalisation loan” business recorded a 6% decrease between 2016 and 2018.

Overall, Export Financing has seen its business grow over the past three years.

In 2018, Export Development carried out two more international missions than in 2017. 8 additional companies were assisted in 2018.

[Internationalisation loans combine the unsecured export loan with the international growth loan.]
STRATEGIC OBJECTIVES FOR 2019

To promote Bpifrance’s export products and services to managers of exporting SMEs and ETIs with the Team France Export

To increase knowledge of Bpifrance abroad and vis-à-vis foreign buyers

To increase the number of French companies that export

To continue to digitise and simplify our offering

To increase customer satisfaction
EXPORT DIVISION PRODUCTS
Products that support exporters throughout their internationalisation process

- **Export Insurance**
  - **Credit insurance**
    To guarantee that the export contract will be performed and paid, or that the loan financing it will be repaid.
  - **Foreign investment insurance**
    To invest abroad with protection against political risk.
  - **Market prospection repayable advance**
    To provide cash support to companies for their prospecting efforts by taking on some of the costs generated by their export development.
  - **Bond and working capital insurance**
    To facilitate the issue of bonds or to obtain a working capital credit.
  - **Exchange risk insurance**
    To export in a foreign currency without incurring foreign exchange risk.

- **Export Development**
  - **Premium mission**
    To understand the environment and the target market, identify your future customers and partners and meet local entrepreneurs and experts.

- **Export Financing**
  - **Internationalisation loan**
    To finance intangible investments and the working capital requirement for international development.
  - **Buyer credit and purchase of supplier credit**
    To offer financing solutions to foreign buyers and secure your export turnover.
  - **International projects guarantee**
    To invest abroad with protection against economic risk and to secure a parent company’s equity contributions to its foreign subsidiary.

**Specific Products**
- Enhanced guarantee
- Internal guarantee
- Pass Export
- Unconditional guarantee
- Strategic Projects Guarantee
- Short-term reinsurance for private individuals
The objective of Export Development is to ensure the cross-functionality of financing, insurance and support tools for international companies within Bpifrance using our network, international business managers and delegates, and with the actors of the French system that supports French companies’ export efforts: Business France, OSCIs (specialised international trade operators), CCEs (foreign-trade consultants), etc.

The role of Bpifrance is to support companies in their international development by organising premium missions abroad in partnership with Business France. These Missions provide a better understanding of the environment and target market of the companies being assisted and make it possible to identify future customers and partners and meet local entrepreneurs and experts.

Export Development represents Bpifrance abroad for all business lines; we identify those projects that involve French exporters in order to provide adequate financing solutions via our Area managers (see map on p. 9).

A number of projects were carried out in 2018, including:

- 12 collective missions and nearly 120 customers taken on who have attested to the success of our missions organised in certain essential areas (Japan with the Lifestyle mission, the United States with the NRF and SXSW shows and, Africa with the Africa Ceo Forum).

- 1,500 qualified leads, of which 79 were for export credit by our area managers, reinforced Bpifrance’s volume of activity in financing and insurance.

- Co-construction of the international accelerator together with the accelerator department and Business France, which is scheduled for launch in April 2019.

- The launch of Jour I in Lyon and strong participation at the workshops organised at Bpifrance Inno Génération (one hundred workshops organised and led by our teams).

12 support missions
“Hotel and catering” mission to Dubai

This took place in 2018, with 10 French companies participating, to establish commercial relations with partners and find out about the local entrepreneurial environment.

- More than 80 business meetings realised in connection with the mission (an average of 8 meetings per company).
- Several companies have planned to visit the UAE again to increase their market share.

“French FAB Kenya Uganda” mission

13 SMEs and ETIs have received assistance in this region of Africa.

- 140 business meetings were held in which these companies were able to promote French industrial know-how.
- Visits to industrial sites in Kenya and Uganda.
- Meeting local entrepreneurs and experts.

Missions planned for 2019

- Signing of the International Accelerator Agreement with Business France
- 2 promotions of 40 companies in 2019
- International events: Bpifrance Inno Génération 2019 in connection with Ambition Africa + Jour I (May, 22 2019 in Nantes)
- Coordinating events: Impact China, French Tech Tour (India-Brazil-UAE)
- Network support in France and abroad
Credit insurance

Credit insurance allows French exporters to grow their export sales with peace of mind, firstly by providing coverage against the risk of financial losses due to interruption or non-payment of their contracts by the foreign buyer, and secondly by allowing them to offer their buyer financing (supplier credit or granted by a bank) that can be guaranteed. Bpifrance Assurance Export assists companies of all sizes (Micro enterprise, SMEs, ETIs, Large Accounts). It changes its products to best meet the needs of each. For example, to focus on SMEs/ETIs, the guarantees offered can be up to 100% of the risk on supplier credits and documentary credits undertaking (limited to SMEs).

The support provided to SMEs/ETIs (turnover of less than €150 million) over 2018 reflects a rather standard year, comparable to 2014 and 2016 (2017 will go down as an exceptional year). The building & public works, metallurgy, capital goods (electrical and agricultural equipment) and vehicles (commercial, construction) sectors were those receiving the most support.

The Large Accounts business remained buoyant in 2018, with new applications for coverage accepted amounting to €13.1 billion and a more diversified sector allocation. The number of policies signed amounted to 88.7 billion. In addition, in order to support its exporters during the contract negotiation phase, the Large Accounts Department issued more than 80 letters of support and accompanied visits of foreign buyers.

OUTSTANDING AMOUNT

- BY GEOGRAPHICAL AREA

Total credit insurance outstandings amounted to €65 billion at the end of 2018. The American continent accounts for the largest share of outstanding amount, with 27% of the total amount, followed by the Middle East (23%), Europe (22%), Asia (20%) and Africa (7%).

2018 saw offers of cover for €6 billion in the MENA region, €5 billion in Europe, €2 billion in Africa and around €1 billion in Asia.

Africa and the Middle East are becoming increasingly important in Bpifrance’s business and are developing into strategic continents.
Total outstanding amount at 31 December 2018 was down 6%, from €69 billion to €65 billion.

Outstanding amount in the aircraft sector decreased by 9%, from €13 billion to €12 billion.

The value of outstanding amount in shipbuilding is up 23%, having surpassed the €15 billion mark.

Outstanding amount for the energy and space sectors is down sharply, by 28% and 39% respectively.

Outstanding amount for the public works sector increased by 17% to exceed €4 billion. Outstanding amount for land transport equipment is following the same trend, with an increase of 28% and an amount reaching €2.2 billion.

Finally, the nuclear sector saw its outstanding amount decline by 11% between 2017 and 2018, down to €1.4 billion.
Despite a drop between 2017 and 2018, this being related to what was an exceptional year in 2017, 2018 saw highly positive developments in certain sectors. Moreover, between 2016 and 2018, the trend remains positive, with a 73% growth in the number of contracts concluded.

The number of contracts concluded for shipbuilding increased by 21%. This sector now represents 22% of the total number of contracts concluded. In fact, Bpifrance Assurance Export covered the sale of several cruise ships.

In-force business for credit insurance shows an increase of 8% in public works between 2017 and 2018, including coverage for construction of an electricity network in Dakar, Senegal and the financing for the Dubai metro expansion.

The number of contracts concluded in the spacecraft sector increased sharply in 2018, with a twelve-fold increase compared to 2017.

Agribusiness and electrical, electronic, telephone and medical equipment fell by 80%. The number of contracts for the industrial equipment (-71%) and agricultural machinery (-55%) sectors also decreased.

Supplier credit insurance has been far less important than buyer credit over the last 3 years.

In 2017, Bpifrance Assurance Export insured €1.5 billion in supplier credit, which is a record for the group. In 2018, supplier credit insurance declined. Nevertheless, credit insurance grew by 15% between 2016 and 2018.

The number of offers of cover on upfront contracts skyrocketed in 2017 and returned to more standard levels in 2018.

Buyer credit showed a rise between 2016 and 2018, with two consecutive years of growth. The amount of buyer credits increased by a factor of 2.7 between 2016 and 2018, from €2.4 billion to €6.5 billion.

* The amount of contracts concluded corresponds to the total amount of contracts on which bpifrance has provided some cover.
**PREMIUMS, CLAIMS PAID AND RECOVERIES**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Premiums</strong></td>
<td>225</td>
<td>273</td>
<td>467</td>
</tr>
<tr>
<td><strong>Claims paid</strong></td>
<td>90</td>
<td>189</td>
<td>204</td>
</tr>
<tr>
<td><strong>Recoveries</strong></td>
<td>1,555</td>
<td>721</td>
<td>334</td>
</tr>
</tbody>
</table>

**BPIFRANCE ASSURANCE EXPORT CREDIT INSURANCE RESULTS**

**SINCE 1993 (IN € BILLIONS)**

Since 1996, the amount of recoveries has surpassed the amount of claims paid mainly thanks to the signing of the debt rescheduling agreements within the context of the Paris club.

The consolidation of part of the sovereign debts, in particular thanks to rescheduling agreements, allowed for part of the unpaid debts to be recovered. Since 2008, cumulative recoveries have exceeded cumulative claims payment. The cumulative result logically follows the same trend, this seeing a positive result since 2005.
Alstom
Alstom is an engineering company founded in 1928 that specialises in the transport sectors, mainly rail. This company has around 31,000 employees, including 8,500 in France.

In 2016, Alstom signed a contract for construction of the Dubai metro expansion, which is scheduled to be completed in time for the World Expo in 2020.

To cover this long-term project, Bpifrance Assurance Export offered the lenders (Standard Chartered Bank/HSBC/Santander/First Abu Dhabi Bank/Intesa San Paolo) insurance against the risk of non-repayment. It insured these banks for €1.1 billion and is itself reinsured by EDC, KUKE and SACE.

Ellipse Projects
Ellipse Projects is an engineering firm that specialises in the design and implementation of infrastructure projects in the energy, communication systems and health infrastructure sectors. The company generates more than 95% of its turnover from exports, mainly to Africa and South Asia.

In 2017, the French company signed a contract with Senegal for the construction of 4 hospitals in the cities of Touba, Kaffrine, Sedhiou and Kedougou.

To cover this long-term project, Bpifrance Assurance Export offered insurance to Société Générale against the risk of non-repayment of its loan (€150 million). Bpifrance Assurance Export covered this facility up to the amount of €137 million.
Export bond insurance and export working capital insurance help French companies grow their exports while preserving their cash flow.

These types of insurance secure the lending/issuing banks by protecting them against the risk of non-repayment:

- of bonds that could be called in the context of export transactions; and
- of working capital credit facilities granted for the performance of export contracts

By reassuring the banking partners, our products facilitate the issuance of performance bonds and the granting of working capital loans, thereby enabling exporters to conquer new overseas markets.

Bpifrance Assurance Export assists a very broad group of companies ranging from very small companies to large companies, engaged in both highly traditional activities as well as in the most advanced technologies, as well as in artistic/craft fields in which French savoir-faire is highly sought after.

In 2018, the strong interest of SMEs/ETIs in these two insurance was undeniable, since most of the companies we assist fit into this category.

Activity remained high in 2018 thanks to the active marketing of the Bpifrance network and to the digitisation of our products, which enabled exporters to apply for guarantees online.

**Coverage provided**

In 2018, Bpifrance Assurance Export provided coverage 535 times for a total value of €685 million. 95% of the coverage was distributed to SMEs.

Coverage was provided less often and the amount of coverage decreased between 2017 and 2018, a decrease of 4% compared to 2017. The amount of coverage also fell slightly by 7% (€685 million in 2018).

However, there was an upward trend from 2016 to 2018. The number of cases where coverage was provided increased by 9%, with the amount of the coverage increasing by 23%.

* Offers of cover delivered to exporters.
Founded in 1936, Toutenkamion is a family-owned business specialising in the design and manufacture of mobile structures that can be deployed on carriers, semi-trailers or containers/shelters.

These structures are then transformed into cinemas, conference rooms, training rooms, clinics, radiology offices, screening rooms, podiums for activities, for catering, and command and surveillance posts.

Its customer base consists of players operating in a wide variety of sectors including health, events, sports, media, security, etc.

Thanks to external growth operations, the newly established group offers a wide range of services, ranging from the transformation of booths to trailer fit-out and coachbuilding.

With turnover of nearly €18 million and 170 employees in 2018, Toutenkamion is reliant on exports to continue its growth.

Bpifrance Assurance Export is supporting the company in its development by covering the export bonds that Toutenkamion needs in order to perform its contracts abroad.

* Maximum amount Bpifrance has accepted to cover for bonds / working capital to be issued by a bank.
Exchange risk insurance allows companies to secure price offers and contracts denominated in foreign currency throughout the entire contractual negotiation and performance period. In the context of international trade, offering a price in a foreign currency can be a competitive advantage for exporters. By meeting a requirement of the buyer, the company adopts a commercially positive approach. At the same time, it takes out protection against a potential foreign exchange loss, thus securing its export turnover. Bpifrance Assurance Export assists companies located in France that do business in foreign currencies with foreign buyers (excluding international trading).

In 2018, exchange risk insurance has been defined by significant improvements. Bpifrance Assurance Export has added 15 new currencies to its insurance offering, in addition to the 28 currencies already eligible for insurance. Bpifrance has set up a simulator on its website that allows companies to obtain the insurance premium and price terms free of charge and in real time.

Also in this year, 16 international workshops were organised with the network and 225 participating companies.

We issued insurance policies to 72 companies, of which more than 60% are SMEs. Most insurance requests concern the US dollar, this currency constitutes the mainstay of our in force business.

### CURRENCIES COVERED IN 2018

<table>
<thead>
<tr>
<th>Currency</th>
<th>Guaranteed amount in € millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>625</td>
</tr>
<tr>
<td>GBP</td>
<td>55</td>
</tr>
<tr>
<td>CHF</td>
<td>8.5</td>
</tr>
<tr>
<td>NOK</td>
<td>6</td>
</tr>
<tr>
<td>Other currencies</td>
<td>8.5</td>
</tr>
</tbody>
</table>
Hydroconseil

Hydroconseil is an SME founded in Vaucluse in 1995. It now has more than 25 employees.

The company specialises in the field of water and waste treatment in emerging countries. It generated around €4 million in sales in 2018, including €3 million in exports.

In 2017, the company suffered significant foreign exchange losses. After that, it went looking for cheap exchange rate hedges covering small amounts during the negotiation period. However, the private market offered nothing of the sort.

The company then filed 20 applications with Bpifrance Assurance Export for coverage against foreign exchange risk.

The company is now able to export and trade in foreign currency without fear of a foreign exchange loss.

A GREAT STORY FROM EXCHANGE RISK INSURANCE

Investment insurance

Investment insurance allows French companies wishing to make an investment abroad or the credit institutions that support them to protect themselves against political risks. Bpifrance Assurance Export covers up to 95% of the loss of the debt or asset related to an investment. The political risks covered are the inability to exercise the rights attached to the investment, total or partial destruction of the assets, being impeded from operating it normally and the risk of non-transfer of the sums owed to the investor.

No new projects have been given coverage but several applications are being reviewed.

In 2017, the product was simplified, the terms of the coverage improved and pricing lowered.
Market prospection repayable advance

Market prospection repayable advance (AP) helps micro-enterprises, SMEs, and ETIs that wish to gear themselves towards export. By covering the risk of failure or insufficient success of their prospecting efforts abroad, it helps lighten the financial burden of their international development effort.

The terms of the market prospection repayable advance, which covers part of the expenses generated by prospecting in foreign markets, have been simplified in 2018: half the benefit is paid when the contract is signed, the exporter having a period of up to 5 years before repayment. The advance is repaid only in the event of successful prospecting, i.e., when the company achieves export turnover in the targeted countries.

The product offers a 100% digital customer journey, from the filing of the online application to the electronic signing of the contract; it is marketed and appraised by the Bpifrance network.

A first steps market prospection repayable advance (A3P) is a simplified market prospecting repayable advance policy, which is designed to facilitate the first steps of prospecting for micro-enterprises abroad.

Production remains at a very high level since, in 2018, market prospection repayable advance was transformed into a product consisting of an immediate cash advance provided to the companies concerned.

We can see that in 2018, the new product generated about 200 more applications, an increase of 17% compared to 2017.

At the same time, A3P experienced more nuanced results, recording a decline of more than half in the number of offers of cover between 2016 and 2018.

The main target countries are the United States, Germany and China. The most represented sectors of activity are research and consulting, information technology, distributors and wholesalers, engineering and manufacturing.
Coppernic

Coppernic is an SME with 41 employees which was founded in Aix en Provence in 2008. It is now a Bpifrance Excellence member and has been awarded the Pass French Tech label.

This company specialises in the design, manufacture and deployment of professional mobile control terminals dedicated to the security of goods and people.

In 2018, Coppernic generated sales worth €11 million, including €4.1 million in exports. The company wished to consolidate its position internationally by diversifying into Africa and the Middle East.

In order to cover itself against the risk of its prospecting efforts failing, it applied for market prospection repayable advance for an area targeting South Africa, Morocco, Côte d’Ivoire, Saudi Arabia and the United Arab Emirates, among others.

Bpifrance Export Insurance therefore granted the company a cash advance that allowed it to finance the travel and living expenses of company representatives, as well as the costs of recruiting an employee from the export department.

The market prospection repayable advance contract involved an expenditure budget of €500,000 for a prospecting period of three years.
What’s new in export insurance in 2018?

**Pass Export**

- A tailor-made partnership negotiated between the French government and the company.
- Simpler rules applying to the French Content.
- An overall analysis of the French Content, replacing an operation-by-operation analysis.
- Maximised coverage base, regardless of the percentage of the French content.

**New market prospection repayable advance**

- As an objective, market prospection repayable advance has evolved to include immediate cash support for companies and support throughout the term of their project.
- The new product retains the characteristics of traditional market prospection repayable advance, taking on 65% of the costs generated by the prospecting efforts in a targeted geographical area.
- The exporter now benefits from an immediate support since half the benefit is paid when the contract is signed, the balance being paid at the end of the prospecting period. In the event that prospecting is a success, the advance is repaid only after a grace period of up to 5 years.

**Cap Francexport**

- This product targets exports to 17 countries with a difficult or deteriorating macroeconomic context. French exporters can therefore receive additional short-term coverage from private credit insurers to cover the risk of non-payment by the foreign debtor on political and/or commercial grounds.
- Bpifrance Assurance Export reinsures the commitments made by the four private signatory insurers – Atradius, Coface, Euler Hermes and Groupama – as guarantees they issue on export contracts to these countries.

Strategic Projects Guarantee makes it possible to cover up to 80% of operations that do not fall within the scope of credit insurance due to the lack or absence of a French share, or even the absence of an export contract but which are of strategic interest to the French economy.

Criteria that can be considered strategic include:

- It is an essential sector in terms of national security as well as energy resources and raw materials;
- Failure to complete the operation would pose a risk to the national economy, sector or economic field;
- It generates a competitive advantage for the country;
- It develops the activity of French companies;
- It would imply breaking into a sectoral or geographic market with high growth potential.
International cooperation

ORGANISING THE GENERAL ASSEMBLY OF THE BERNE UNION

Bpifrance Assurance Export is a member of the Berne Union, a non-political association created in 1934 that brings together the main public and private players in export credit insurance and international investment insurance.

Bpifrance organised the 2018 Berne Union Annual General Meeting, which brought together more than 300 people in Paris representing 80 public and private insurers from over 70 countries – a record!

NEW AGREEMENTS SIGNED IN 2018

2 REINSURANCE AGREEMENTS

Turkeximbank : 05/01/2018
EDC : 27/12/2018

3 COOPERATION AGREEMENTS

ABGF : 20/03/2018
National Bank of Uzbekistan : 05/10/2018
EXIM Hungary : 17/10/2018
VISITS OF BUYERS ABROAD

31 visits to all 5 continents: a significant rise in knowledge of Bpifrance abroad vis-à-vis foreign buyers

OUR COLLABORATION WITH OTHER EXPORT CREDIT AGENCIES
Global, environmental and social impact

Evaluating the overall impact of the projects is an integral part of Bpifrance’s criteria for providing coverage via Bpifrance Assurance Export. Bpifrance conducts its environmental and social assessments in accordance with international standards, including those developed by the World Bank (WB) and the International Finance Corporation (IFC), as well as the OECD Recommendation of the Council on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence.

Bpifrance Assurance Export therefore contributes to the United Nations Sustainable Development Goals by supporting exporters deal with the new societal and environmental challenges of tomorrow.
The export credit business line was launched in 2015, in light of the hugely insufficient support available from traditional bankers to finance contracts worth less than €30 million, and particularly those performed by SMEs and ETIs.

The business is organised around a team of experts located in Paris which is responsible for sourcing and structuring financing. Our organisation is different because of the central position accorded to the network to identify business opportunities (provider coverage), the size of our international network, which is positioned in the most promising dynamic zones, and the agility of our model, which enables us to intervene from €1 million of financing upwards.

Our offering is divided into 2 distinct products: buyer credit from €5 million and the purchase supplier credit from €1 million, with the coverage of credit insurer Bpifrance Assurance Export. Beyond €25 million of credit, we solicit the bank for a partnership.

The use of private insurance is possible to the extent that the buyer requests full financing.

### Export credit

- 3rd consecutive year of export credit growth, with a 61% increase between 2017 and 2018.
- 50% of the new projects signed during the year relate to SMEs/ETIs.
- In 2018, 4 new projects were processed compared to 2017.
- The amount in export credit rose sharply by 61% between 2017 and 2018.
- More than 80 offers were issued for a total of €1.8 billion, 55% of which was for SMEs/ETIs.
- The number of agreements also increased in 2018 (€383 million for 27 new projects vs €171 million for 15 new projects in 2017).
Internationalisation loan and international projects guarantee

The projects financed by the “Internationalisation loan” (French acronym: PCI) have already made it possible to increase companies’ international turnover in the vast majority of cases. At the end of 2018, 75% of recipients say they have already fully (28%) or partially (47%) achieved their growth objectives.

- Companies with international experience have seen the best results.
- The PCI has been used to target the US market in particular, this being the destination most targeted by the PCI (29%), as well as China, which also accounts for a significant share (14%).
- Regarding funding difficulties, more than one-third said they probably would not have received any other external financing to meet these needs.

The number of international project guarantees granted in 2018 increased by 9% compared to 2017, with a total of 140 applications granted.

- The trend between 2016 and 2018 was very positive with 36 more guarantees over 2 years.
A GREAT STORY FROM EXPORT FINANCING

Fonroche

This mid-sized enterprise (ETI) based in Lot et Garonne has about 200 employees. In 2018, it won the largest solar street lighting contract in Africa (50,000 solar streetlights) to illuminate the main cities in Senegal.

This contract was made possible thanks to financing granted by the Trésor (French Treasury) and Export Financing to the government of Senegal via a mixed credit of €77 million over 10 years at a fixed rate and a financial loan of €10 million.