

# Sustainability

in export finance

2021 edition



## The export finance and commodity finance sectors go-to platform for industry data and research

### Data Dashboards

The data tool presents the latest closed deal information within the commodity trade finance and export finance sectors. The data has been specifically structured to capture all the relevant and unique characteristics of these sectors and has become the go-to resource for benchmarking, business development, trend analysis and secondary market loan distribution

### Research Library

The research tool presents the latest market sentiment across commodity trade finance and export finance. Using an in-depth and robust methodology that combines qualitative and quantitative trends with thought provoking qualitative insights, contextualised with closed deal market information, the research reports present a unique and proprietary analysis of the latest trends across the market

### Become a TXF Intelligence subscriber for;

- Access to a growing library of over 20 reports
- Customised data dashboards for quick analysis on your homepage
- The latest pipeline intelligence direct to your inbox
- Direct access to our team of analysts for bespoke requests



Request a demo with us to find out more at [www.txfintelligence.com](http://www.txfintelligence.com)



### THIS REPORT

**Sergio Lopez**

Data and art editor  
sergio.lopez@txfmedia.com

**Tom Nelthorpe**

Content editor - data  
tom.nelthorpe@proximoinfra.com

### ACKNOWLEDGMENTS

**Audrey Louis**

Partner at May Cap Advisors/ Impact  
Advisory Chair at Impact A Global

### TXF INTELLIGENCE

**Sara Cudanov**

Analyst

**Ana Jovanovic**

Analyst

**Sergio Lopez**

Analyst

**Dejan Sarenac**

Analyst

**Milica Savic**

Analyst

**Jonathan Bell**

Editor in chief

**Alfonso Olivas**

Head of data and analytics

**Hesham Zakai**

Managing director

**Dominik Kloiber**

Co-founder

**Dan Sheriff**

Chief executive officer

TXF Intelligence’s third Sustainability in export finance report makes clear what export finance professionals active in the market already know. Sustainability is moving towards the centre of the industry’s business model.

Sustainability is already at the top of the industry’s agenda. Embedding ESG issues and processes, measuring social and developmental impacts, and facilitating the energy transition are prominent subject’s at TXF’s suite of events.

The market is also exhibiting increased awareness of the sheer diversity of sustainable assets and opportunities for export finance products to take exporters into new markets. Decarbonisation and social equity are as pressing concerns in developing as developed markets, and export finance is a key means of producing level access to the right technologies and services.

As such, TXF Intelligence has worked hard over the last year to make sure that its taxonomy of sustainable assets is as detailed, robust and relevant to market standards as it can be. You can read more on our methodology on p.17 of our report, or contacting our team using the details on this page.

The focus of this report is on the data collected by TXF Intelligence, and represents the sustainable subset of the most comprehensive and reliable dataset available to the export finance industry. We’d like to thank all the firms and individuals who have helped us collect and correct this data. If you have any comments on the report or the data we’d love to hear from you.

**The TXF Intelligence team**

**Registered office:**  
**TXF Limited**  
**7-10 Chandos Street**  
**London W1G 9DQ**

Registered in England & Wales.  
Registered No: 08421624

© TXF Limited 2021  
Copying without permission of the  
publisher is prohibited.



<b>1. Highlights</b> – The New Sustainability Journey	<b>5</b>
<b>2. Industry Breakdown</b> – Doing Better Everywhere	<b>8</b>
<b>3. League tables</b> – The Names to Follow	<b>13</b>



# Sustainability in export finance 2021

## Highlights



### Highlights

38.5bn

▲ Total Vol

104 deals

▲ No of deals

Renewables

Top sector

Europe

Top region

#### General info

The market's recovery from the COVID-19 pandemic produced some unpredictable side effects. These complicated a picture that was in general very favourable towards sustainable export finance.

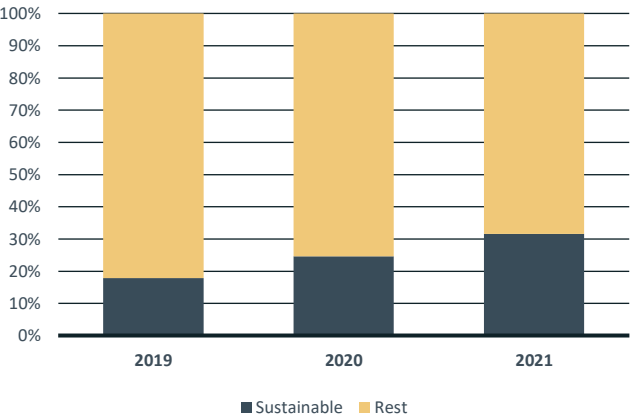
So both absolute volumes of sustainable deals and transaction numbers were up on the previous year. And sustainable volumes accounted for a greater proportion of overall export finance volumes.

But overall export finance transaction numbers shot up between 2020 and 2021 – from 361 to 538 – and non-sustainable transaction numbers increased at a much faster rate.

What saved the upwards trend in sustainable finance volumes was a large increase in average sustainable deal size (\$375m) relative to non-sustainable deals (\$191m).

What appears to have driven this increase is a small number of big-ticket renewables transactions. Green-labelled deals account for a much larger proportion of volumes than transactions.

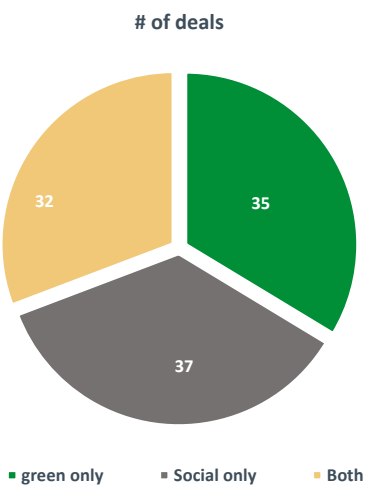
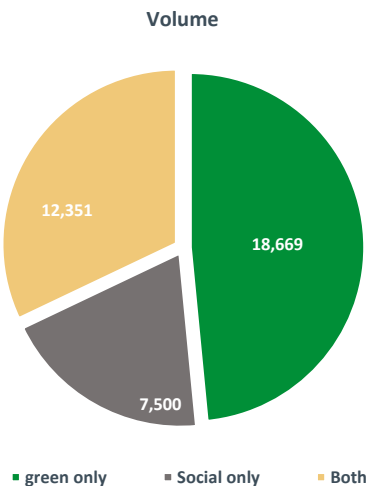
#### Share of sustainable deals 2019-2021



#### Share of sustainable deals by year

	2019		2020		2021	
	vol	#	vol	#	vol	#
Sustainable deals	19,357	70	32,785	89	38,520	104
Rest	88,708	273	100,558	272	83,273	435

#### Sustainable deals by type 2021

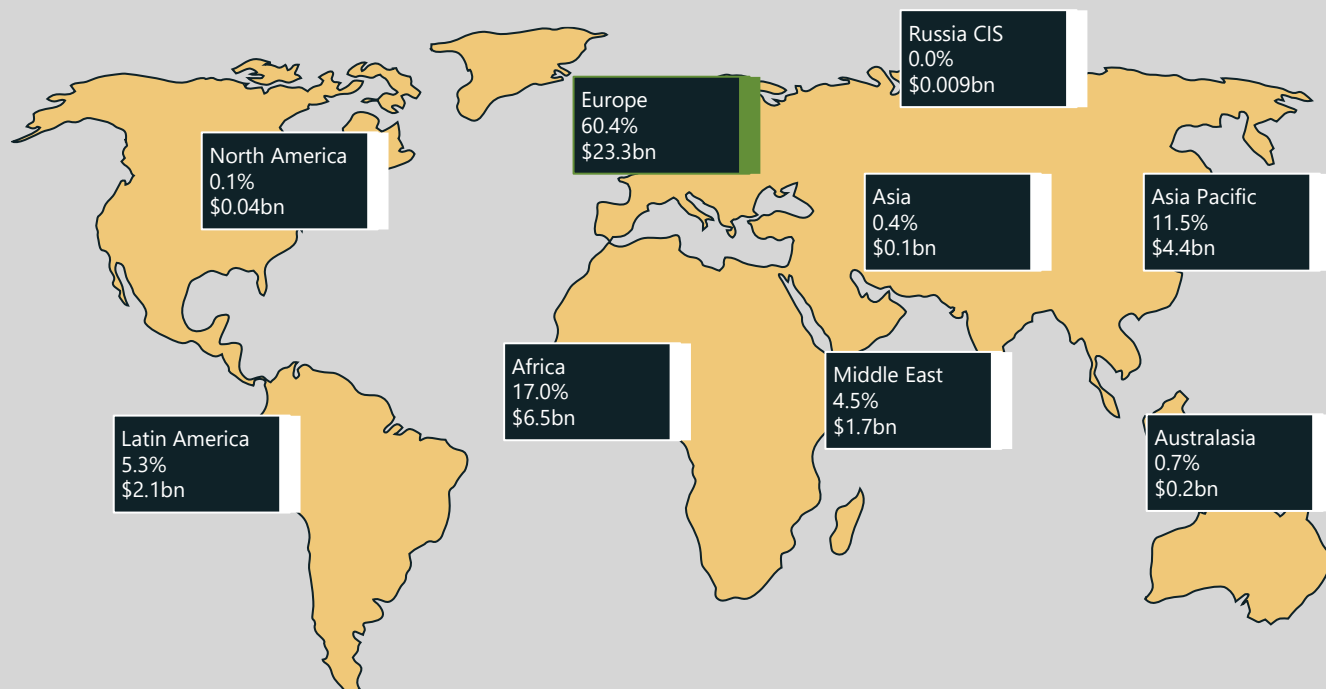


# Sustainability in export finance 2021

## Regions



## Regions



## Regions & country types

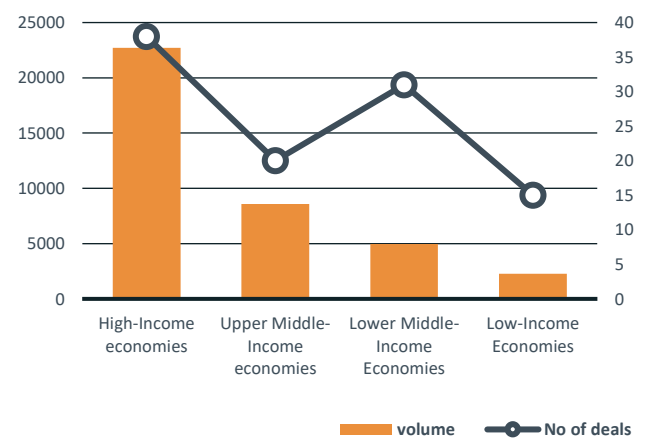
Big ticket renewables deals – most prominently but not exclusively offshore wind – allowed Europe to maintain its clear lead as the leading source of sustainable export financings. But for every Dogger Bank C or Hornsea 1 there was an Ankara-Izmir High-Speed Rail.

Turkey and the UK between them accounted for two-thirds of sustainable volumes, primarily in transport and renewables. Other jurisdictions posted more modest volumes – primarily in onshore wind – with the exception of Taiwan's massive Changhua 1 and 2a offshore project, which on its own accounted for over two-thirds of Asia's volumes.

Africa was the second largest regional globally for sustainable export finance, but renewables emphatically did not drive that performance – one solar and one hydro project aside. Government loans for social infrastructure projects like water and healthcare accounted for the bulk of volumes in 2021.

A similar mixture of water, social infrastructure and renewables deals – though with a much greater proportion of private sector and sub-sovereign borrowers – also characterised volumes in the Middle East and Latin America.

## Sustainable deals by WB classification

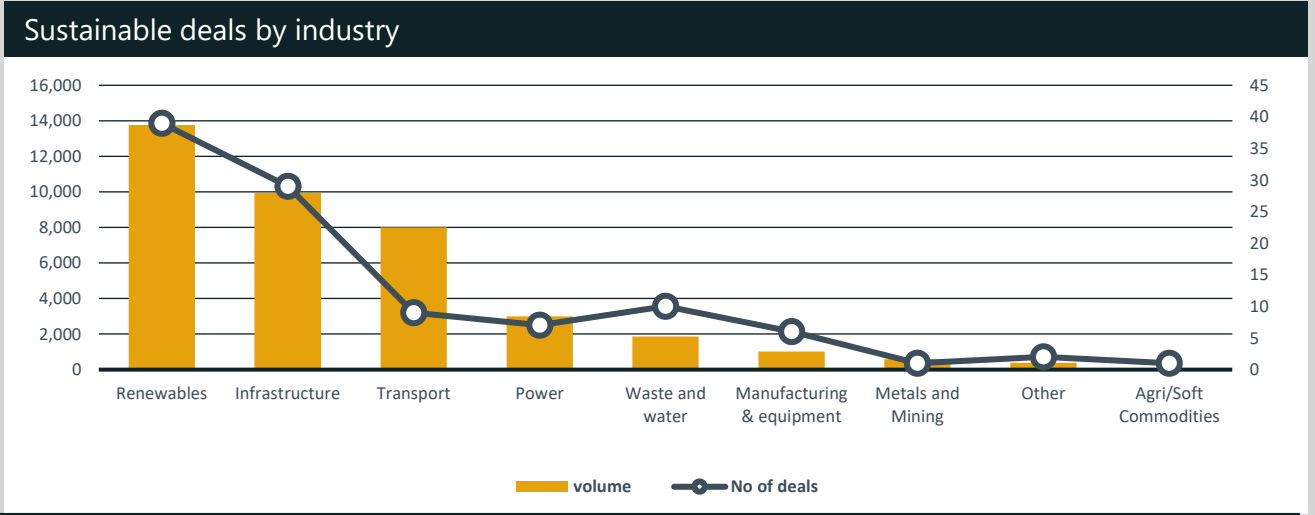


WB classification	volume	# of deals	% of vol
High-Income economies	22,705	38	58.9%
Upper Middle-Income economies	8,589	20	22.3%
Lower Middle-Income Economies	4,953	31	12.9%
Low-Income Economies	2,273	15	5.9%



### Industries

It is not surprising that renewables was the source of the greatest volume of sustainable deals in 2021. Decarbonising electricity generation has been a multi-decade process, and is now a popular segment for investors. Infrastructure – including roads, rail, transit and social infrastructure – also performed strongly. But if transport and power – which urgently need to decarbonise – are now producing sustainable deals the outlook for the transition is promising.

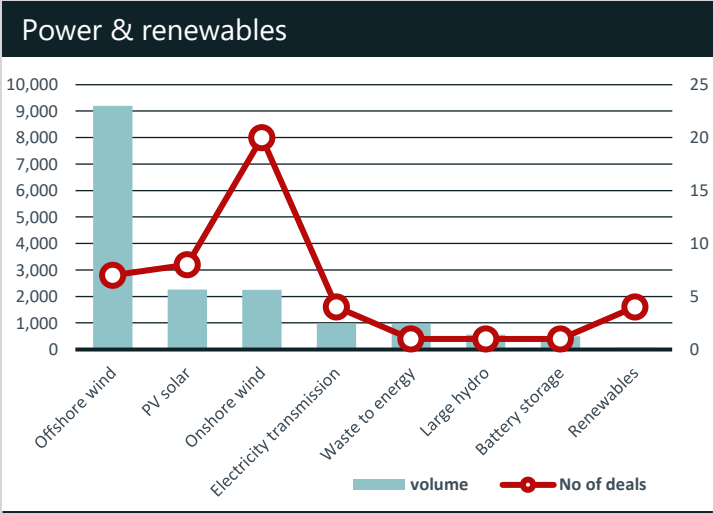


### Power & renewables

Nothing illustrates offshore wind’s dominance of export finance volumes better than considering its share of the power and renewables market. It accounted for a little under half of all of the sector’s volumes, thanks to just seven transactions

This dominance is unsurprising. Offshore projects are capital intensive, require complex supply chains, and rely on a manufacturing sector that governments are anxious to support. Perhaps more surprising is that onshore wind produced lower volumes than solar, given that it is much easier to line up ECA support for turbine exports than panel exports, though transaction numbers were far ahead of other assets.

Equally concerning however, may be the low volumes for electricity transmission and battery storage technologies. These are assets that are vital to the energy transition, and generally sources of good manufacturing jobs. Those numbers can – and should – increase, and batteries are at least a relatively young industry.





### Infrastructure & waste and water

It will be a source of pride for the export finance community that its leading contributions to infrastructure development are in water treatment and healthcare. These are the sectors that make the greatest contributions to human well-being. Water has the additional benefit of supporting high value exports.

If water treatment and sewage networks are counted together the sector's leadership is even more pronounced. Big-ticket projects in Ghana, Angola and Cote d'Ivoire drove these volumes. As noted above, governments were the borrowers under these transactions, unlike renewables, where private developers dominate.

This pattern continued for roads and rail, with government borrowers also dominating. The only exceptions here were Ecuador's Yilport, a private port operator, and the concession for line 2 of Lima's Metro, which raised a second SACE-covered tranche of financing.

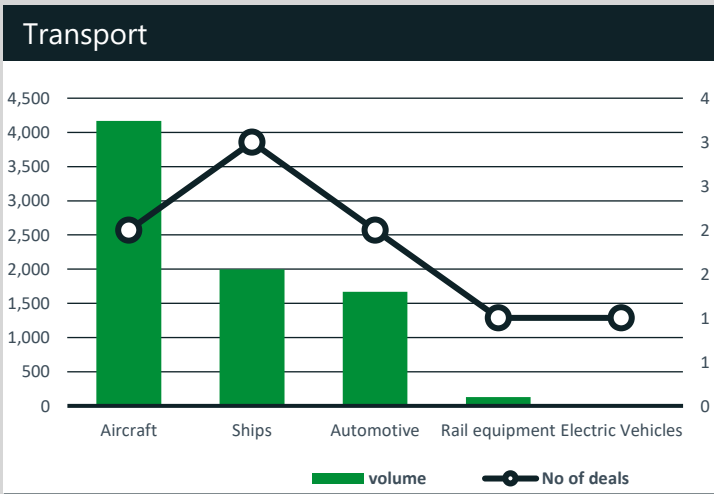
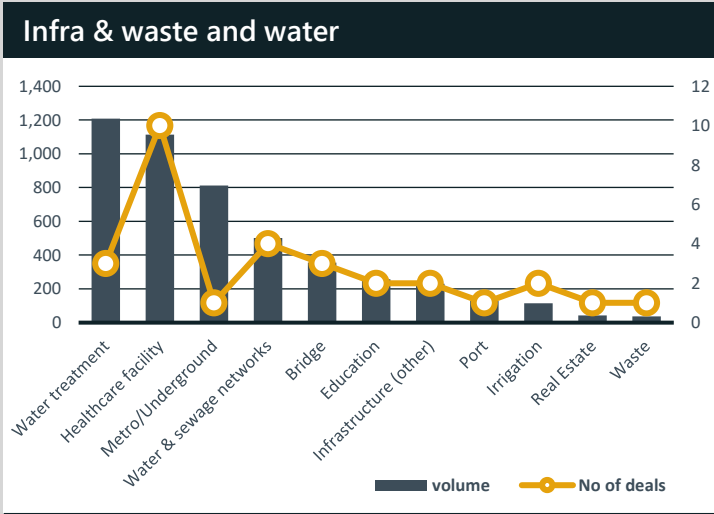
### Transport

Four borrowers – Hapag Lloyd, Seaspan, British Airways and Jaguar Land Rover – were responsible for the bulk of sustainable export finance deals in transport.

And British Airways on its own accounted for half. Its UKEF-supported COVID-19 relief loan did just about count as sustainable, given its energy efficiency features. But the aviation sector in general, whatever its difficulties under COVID, will struggle in general to make a sustainable case, unless investment leads to meaningful improvements in its carbon footprint.

There are probably more opportunities in the automotive and shipping sectors to support the manufacture of low-carbon equipment, whether ships that run on LNG or electric vehicles.

Rail did not experience a strong 2021 even though its carbon benefits are likely to be higher than ever. The strongest explanation for this was probably the poor financial health of the major rail and transit operators – at least in the passenger sectors – as workers stayed home *en masse* in the developed world.





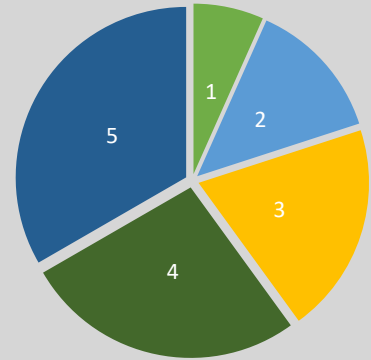
# Sustainability in export finance 2021

## Industries & lender types



### Currencies

Top currencies			
		volume	% of vol
1	Euro - EUR	13,690	35.5%
2	Pound Sterling - GBP	11,768	30.6%
3	US Dollar - USD	10,218	26.5%
4	New Taiwan Dollar - TWD	1,769	4.6%
5	Other	1,074	2.8%

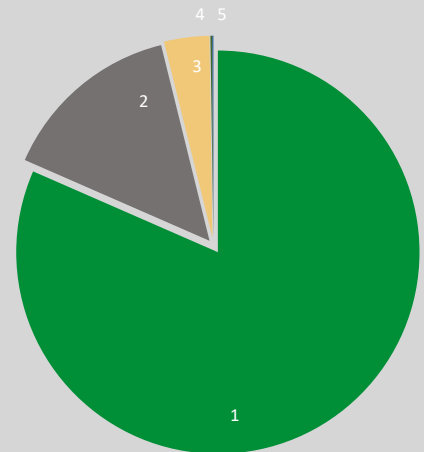


### Lender types

Whatever sort of crisis the COVID-19 pandemic was, it was not a financial crisis. Banks continued to dominate lending volumes, and there was no sign that ECAs needed to step in to support projects with direct lending. Credit markets, if not credit processes, were not hindered by lockdowns.

But if ECAs are not being called on to support sustainable export finance transactions with direct loans, there are signs that ECAs are becoming more important to non-sustainable financings – about 22% of non-sustainable deals compared to 14% of sustainable ones. This is a positive sign, because it shows that banks are putting ESG mandates to work by supporting higher proportions of sustainable financings. But if less sustainable transactions become more dependent on ECAs it will make those sectors very vulnerable to political pressure on ECAs to avoid less sustainable transactions.

Breakdown by lender type				
	\$m	No	Share (%)	
1	Financial institution	31,329	91	81.6%
2	ECA	5,599	32	14.6%
3	MFI/DFI	1,393	11	3.6%
4	Insurance Company	51	1	0.1%
5	Government owned company	40	1	0.1%



# Sustainability in export finance 2021

## Green deals



### Green deals

**31.0bn**

▲ Total Vol

**67 deals**

▲ No of deals

**Renewables**

Top sector

**Europe**

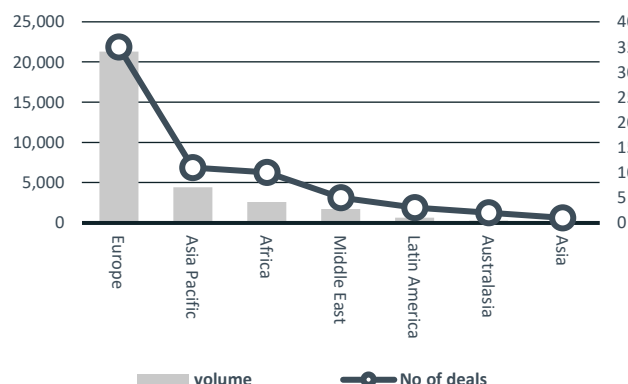
Top region

Europe's renewable energy market is now very mature, and even the offshore wind sector is likely to be viable without ECA support. But offshore – and Europe – are the main source of green labelled sustainable export financings. Europe is also a major source of smaller onshore wind deals, meaning it leads by both volume and deal count.

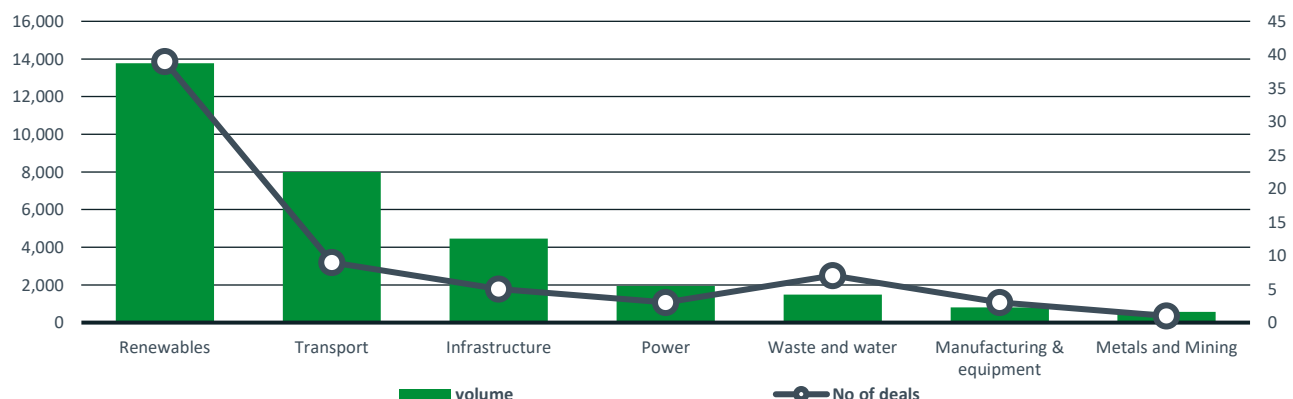
While emerging economies loom far behind, these volumes suggest that the export finance community will be ready to respond when those economies put in place the frameworks to support newer technologies.

There is also likely to be more room for energy efficiency and pollution control technologies to take root in transport, conventional power and manufacturing. Renewables may not dominate for ever.

#### Green deals by region



#### Green deals by industry



#### Breakdown by type

		\$m	# of deals	Share of vol (%)
1	GL1: Renewable energy	14,413	41	46.5%
2	GL2: Energy efficiency	6,002	7	19.3%
3	GL3: pollution prevention and control	5,792	5	18.7%
4	GL6: Clean transportation	2,652	4	8.5%
5	GL7: Sustainable water and wastewater	1,480	7	4.8%
6	GL4: Natural resources & land sustainable management	640	2	2.1%
7	GL10: green buildings	41	1	0.1%



### Social deals

19.8bn

▲ Total Vol

69 deals

▲ No of deals

Renewables

Top sector

Europe

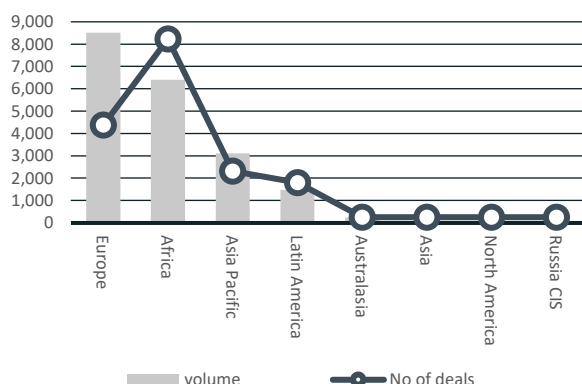
Top region

Renewables also dominates sustainable export finance deals with social labelling, though social labelled deals account for a smaller share of the market than green labelled deals.

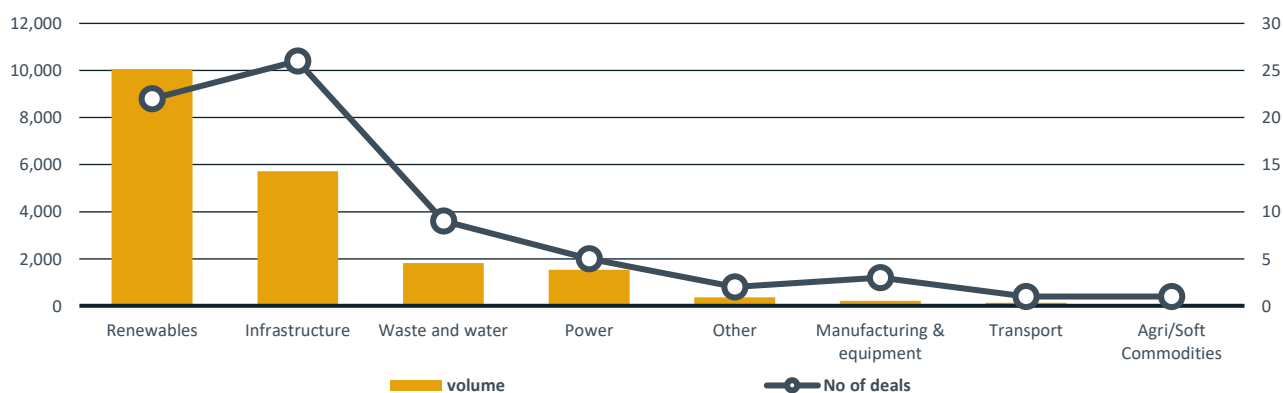
But deals can receive both green and social labelling, and a large number of deals that receive a primary categorisation of GL1 (Renewable Energy) also receive a categorisation of SL1 (Affordable Basic Infrastructure). The rapid fall in the cost of renewable generating technology, sometimes to within legacy fossil capacity, has made an SL1 designation possible.

But SL1 also applies to low-cost investments in health, water and education. So the spread of regions is a little more equitable than it is for green labelled deals. So Africa, Asia-Pacific and Latin America all showed strongly.

#### Social deals by region



#### Social deals by industry



#### Breakdown by type

		\$m	# of deals	Share of vol (%)
1	SL1: Affordable basic infrastructure	16,887	51	85.1%
2	SL5: Food security & sustainable food systems	1,387	6	7.0%
3	SL2: Access to essential services (health, education...)	1,358	8	6.8%
4	SL4: Employment generation & SME support	219	4	1.1%

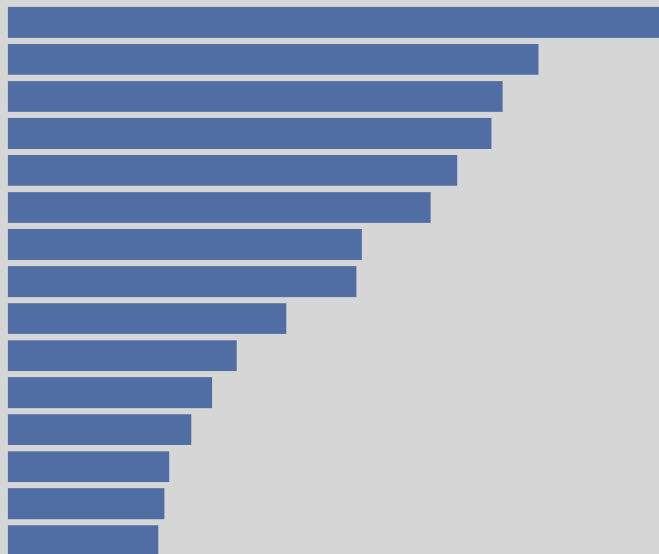
# Sustainability in export finance 2021

## League tables

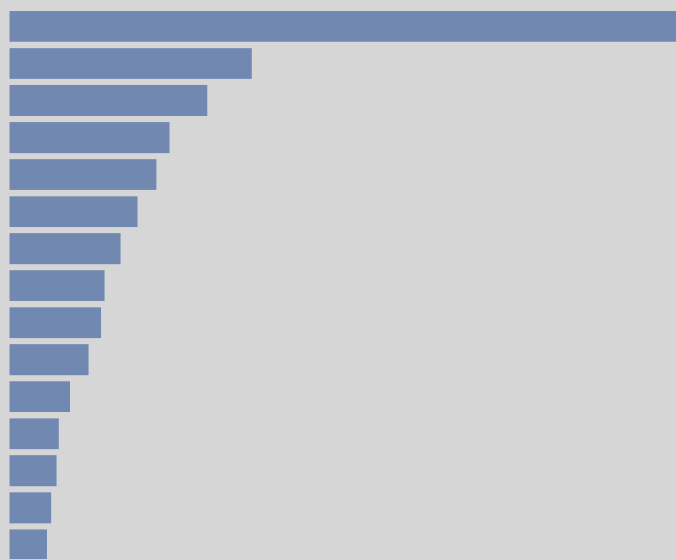


### Sustainable deals league tables (Excluding COVID-19 relief deals)

Lenders				
		\$m	No	Share (%)
1	Société Générale	2,234	21	8.2%
2	JP Morgan	1,808	9	6.6%
3	BNP Paribas	1,686	11	6.2%
4	Standard Chartered	1,648	10	6.0%
5	Crédit Agricole CIB	1,531	11	5.6%
6	ING Bank	1,441	13	5.3%
7	HSBC	1,206	9	4.4%
8	Deutsche Bank	1,188	12	4.3%
9	Santander	949	10	3.5%
10	SMBC	781	6	2.9%
11	Danske Bank	697	2	2.6%
12	Lloyds Bank	625	4	2.3%
13	DZ Bank	550	10	2.0%
14	Commerzbank	534	7	2.0%
15	Credit Suisse	514	2	1.9%



ECAs				
		\$m	No	Share (%)
1	UK Export Finance	7,351	17	29.0%
2	EKF	2,641	16	10.4%
3	EKN	2,153	5	8.5%
4	Bpifrance	1,743	9	6.9%
5	JBIC	1,602	7	6.3%
6	KSURE	1,395	2	5.5%
7	SACE	1,208	5	4.8%
8	KEXIM	1,035	2	4.1%
9	Euler Hermes	995	13	3.9%
10	SEK	860	2	3.4%
11	Atradius	660	4	2.6%
12	CESCE Credit Insurance	537	7	2.1%
13	Credendo	510	4	2.0%
14	MIGA	453	1	1.8%
15	NEXI	406	1	1.6%



# Sustainability in export finance 2021

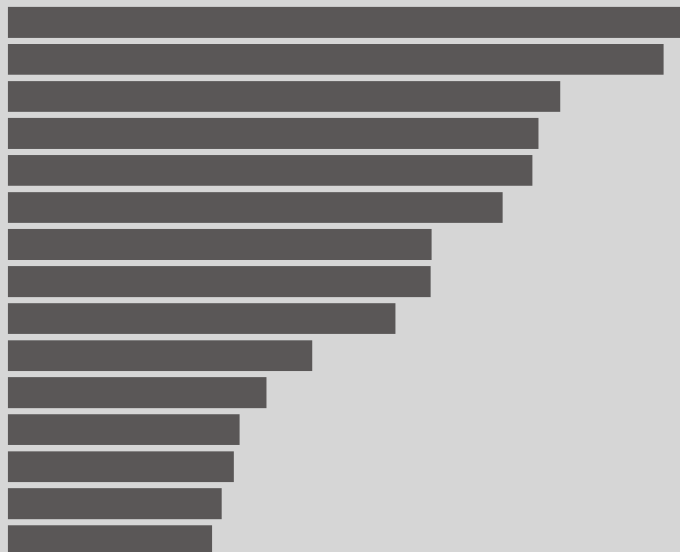
## League tables



### Sustainable deals league tables (Including COVID-19 relief deals)

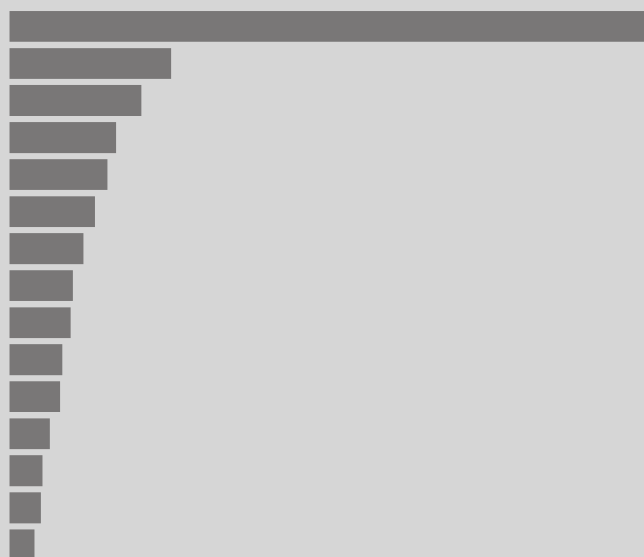
#### Lenders

		\$m	No	Share (%)
1	HSBC	2,301	11	7.3%
2	Société Générale	2,234	21	7.1%
3	Standard Chartered	1,882	11	6.0%
4	JP Morgan	1,808	9	5.8%
5	Crédit Agricole CIB	1,788	12	5.7%
6	BNP Paribas	1,686	11	5.4%
7	Deutsche Bank	1,444	13	4.6%
8	ING Bank	1,441	13	4.6%
9	Santander	1,321	12	4.2%
10	SMBC	1,037	7	3.3%
11	Lloyds Bank	882	5	2.8%
12	Commerzbank	790	8	2.5%
13	Credit Suisse	770	3	2.5%
14	MUFG Bank	729	7	2.3%
15	Danske Bank	697	2	2.2%



#### ECAs

		\$m	No	Share (%)
1	UK Export Finance	10,430	19	36.2%
2	EKF	2,641	16	9.2%
3	EKN	2,153	5	7.5%
4	Bpifrance	1,743	9	6.1%
5	JBIC	1,602	7	5.6%
6	KSURE	1,395	2	4.8%
7	SACE	1,208	5	4.2%
8	KEXIM	1,035	2	3.6%
9	Euler Hermes	995	13	3.5%
10	SEK	860	2	3.0%
11	MIGA	825	3	2.9%
12	Atradius	660	4	2.3%
13	CESCE Credit Insurance	537	7	1.9%
14	Credendo	510	4	1.8%
15	NEXI	406	1	1.4%





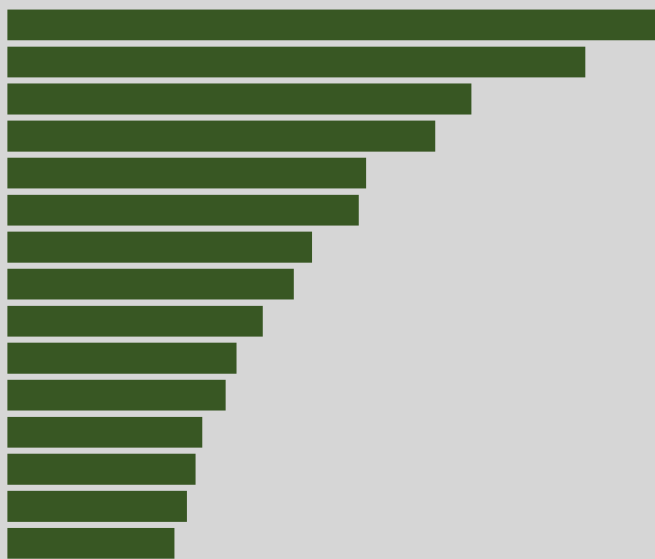
# Sustainability in export finance 2021

## League tables

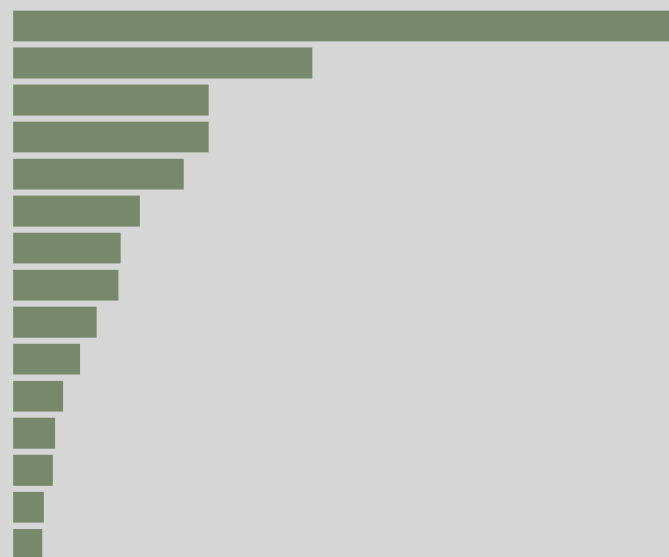


### Sustainable deals league tables - Green deals (Excluding COVID-19 relief deals)

Lenders				
		\$m	No	Share (%)
1	Société Générale	1,769	18	8.3%
2	Standard Chartered	1,576	9	7.4%
3	BNP Paribas	1,265	9	5.9%
4	HSBC	1,166	8	5.5%
5	Deutsche Bank	978	10	4.6%
6	Crédit Agricole CIB	958	8	4.5%
7	ING Bank	831	8	3.9%
8	SMBC	781	6	3.7%
9	Danske Bank	697	2	3.3%
10	Lloyds Bank	625	4	2.9%
11	Santander	595	7	2.8%
12	JP Morgan	531	4	2.5%
13	Credit Suisse	514	2	2.4%
14	Commerzbank	490	6	2.3%
15	MUFG Bank	456	4	2.1%



ECAs				
		\$m	No	Share (%)
1	UK Export Finance	5,387	8	28.7%
2	EKF	2,446	14	13.0%
3	JBIC	1,597	6	8.5%
4	EKN	1,597	3	8.5%
5	KSURE	1,395	2	7.4%
6	KEXIM	1,035	2	5.5%
7	Bpifrance	878	5	4.7%
8	SEK	860	2	4.6%
9	Euler Hermes	683	11	3.6%
10	Atradius	546	1	2.9%
11	NEXI	406	1	2.2%
12	SACE	341	3	1.8%
13	Sinosure	323	3	1.7%
14	Finnvera plc	250	1	1.3%
15	CESCE Credit Insurance	237	5	1.3%



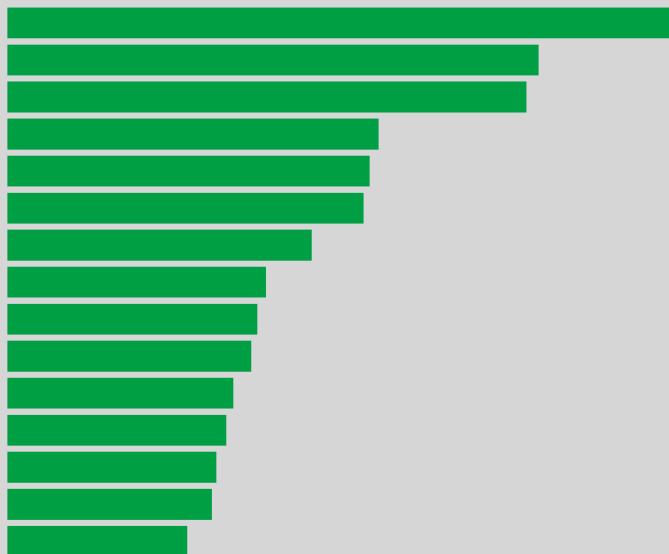
# Sustainability in export finance 2021

## League tables

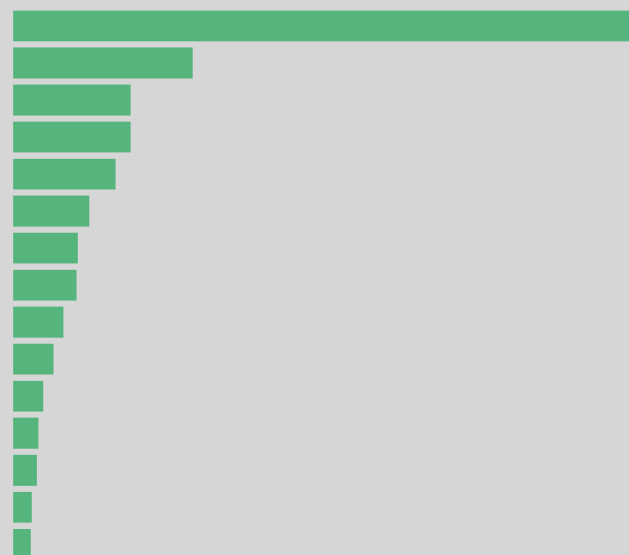


### Sustainable deals league tables - Green deals (Including COVID-19 relief deals)

Lenders				
		\$m	No	Share (%)
1	HSBC	2,261	10	9.0%
2	Standard Chartered	1,810	10	7.2%
3	Société Générale	1,769	18	7.1%
4	BNP Paribas	1,265	9	5.1%
5	Deutsche Bank	1,235	11	4.9%
6	Crédit Agricole CIB	1,214	9	4.9%
7	SMBC	1,037	7	4.1%
8	Lloyds Bank	882	5	3.5%
9	Santander	852	8	3.4%
10	ING Bank	831	8	3.3%
11	Credit Suisse	770	3	3.1%
12	Commerzbank	746	7	3.0%
13	MUFG Bank	712	5	2.8%
14	Danske Bank	697	2	2.8%
15	Citi	613	5	2.5%



ECAs				
		\$m	No	Share (%)
1	UK Export Finance	8,466	10	38.7%
2	EKF	2,446	14	11.2%
3	JBIC	1,597	6	7.3%
4	EKN	1,597	3	7.3%
5	KSURE	1,395	2	6.4%
6	KEXIM	1,035	2	4.7%
7	Bpifrance	878	5	4.0%
8	SEK	860	2	3.9%
9	Euler Hermes	683	11	3.1%
10	Atradius	546	1	2.5%
11	NEXI	406	1	1.9%
12	SACE	341	3	1.6%
13	Sinosure	323	3	1.5%
14	Finnvera	250	1	1.14%
15	CESCE Credit Insurance	237	5	1.1%



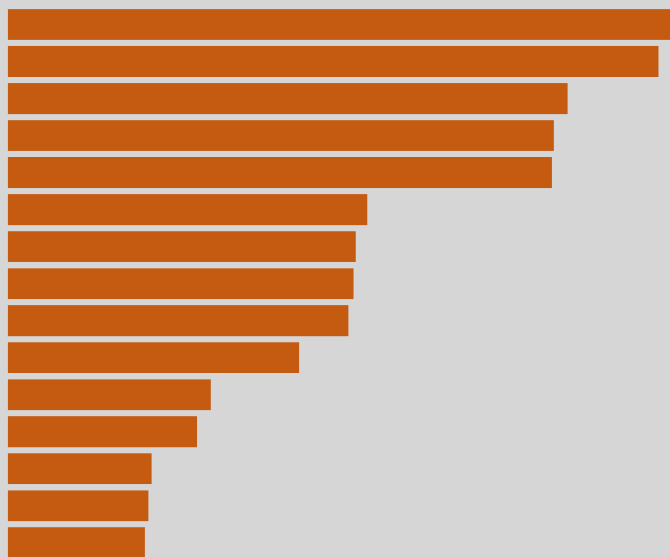
# Sustainability in export finance 2021

## League tables

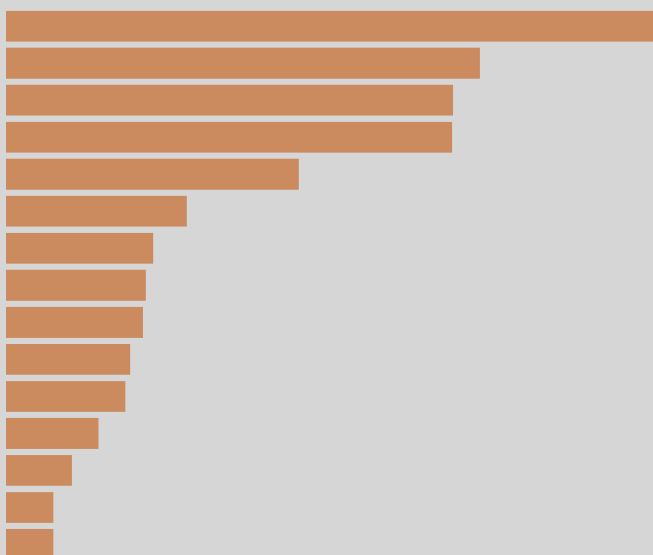


### Sustainable deals league tables - Social deals (Excluding COVID-19 relief deals)

Lenders				
		\$m	No	Share (%)
1	Société Générale	1,357	12	8.4%
2	JP Morgan	1,331	6	8.3%
3	Crédit Agricole CIB	1,145	6	7.1%
4	ING Bank	1,117	9	6.9%
5	BNP Paribas	1,112	5	6.9%
6	Standard Chartered	735	4	4.6%
7	Santander	712	6	4.4%
8	Deutsche Bank	707	6	4.4%
9	Danske Bank	697	2	4.3%
10	HSBC	596	2	3.7%
11	SMBC	415	2	2.6%
12	DZ Bank	387	8	2.4%
13	Cassa Depositi e Prestiti	294	1	1.8%
14	ChinaTrust Bank (CTBC)	287	1	1.8%
15	Lloyds Bank	280	1	1.7%



ECAs				
		\$m	No	Share (%)
1	UK Export Finance	2,366	11	18.2%
2	EKF	1,729	11	13.3%
3	EKN	1,631	4	12.5%
4	Bpifrance	1,627	8	12.5%
5	SACE	1,069	4	8.2%
6	Atradius	660	4	5.1%
7	Euler Hermes	537	8	4.1%
8	Credendo	510	4	3.9%
9	KEXIM	500	1	3.8%
10	MIGA	453	1	3.5%
11	CESCE Credit Insurance	436	4	3.4%
12	SEK	337	1	2.6%
13	Sinosure	241	1	1.9%
14	Export Finance Norway	173	1	1.3%
15	SERV	173	1	1.3%



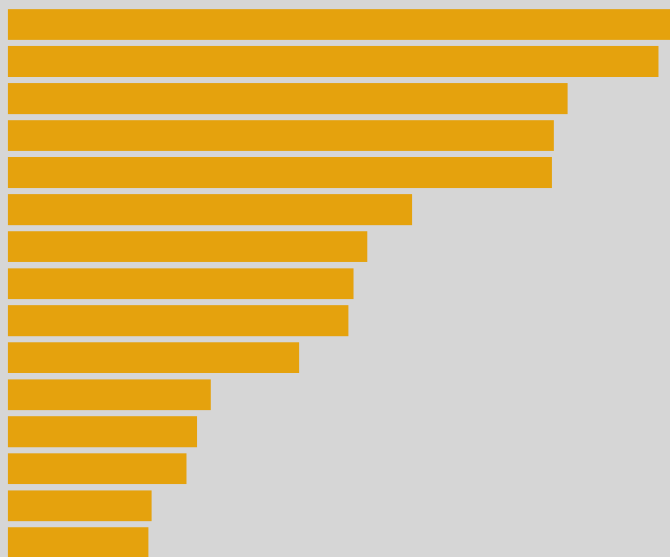
# Sustainability in export finance 2021

## League tables

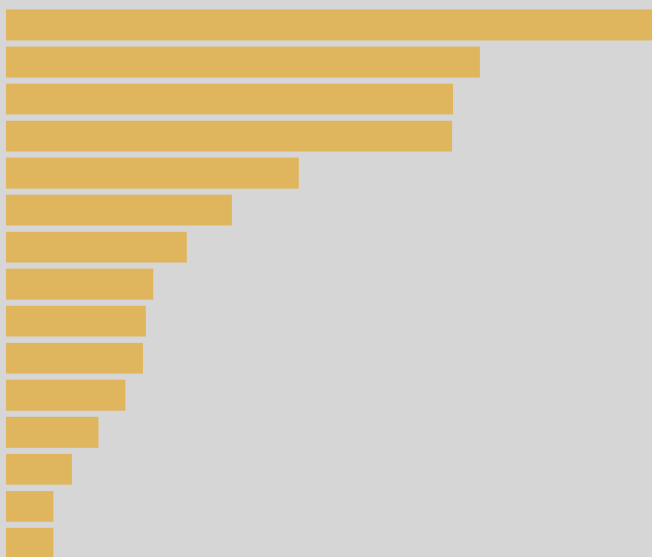


### Sustainable deals league tables - Social deals (Including COVID-19 relief deals)

Lenders				
		\$m	No	Share (%)
1	Société Générale	1,357	12	8.2%
2	JP Morgan	1,331	6	8.1%
3	Crédit Agricole CIB	1,145	6	7.0%
4	ING Bank	1,117	9	6.8%
5	BNP Paribas	1,112	5	6.8%
6	Santander	827	7	5.0%
7	Standard Chartered	735	4	4.5%
8	Deutsche Bank	707	6	4.3%
9	Danske Bank	697	2	4.2%
10	HSBC	596	2	3.6%
11	SMBC	415	2	2.5%
12	DZ Bank	387	8	2.4%
13	BBVA	366	3	2.2%
14	ChinaTrust Bank (CTBC)	287	1	1.7%
15	Lloyds Bank	280	1	1.7%



ECAs				
		\$m	No	Share (%)
1	UK Export Finance	2,366	11	17.7%
2	EKF	1,729	11	12.9%
3	EKN	1,631	4	12.2%
4	Bpifrance	1,627	8	12.2%
5	SACE	1,069	4	8.0%
6	MIGA	825	3	6.2%
7	Atradius	660	4	4.9%
8	Euler Hermes	537	8	4.0%
9	Credendo	510	4	3.8%
10	KEXIM	500	1	3.7%
11	CESCE Credit Insurance	436	4	3.3%
12	SEK	337	1	2.5%
13	Sinosure	241	1	1.8%
14	Export Finance Norway	173	1	1.3%
15	SERV	173	1	1.3%





### Sustainable deals methodology

The methodology used by TXF to identify Green, Social and Sustainable transactions is closely aligned with ICMA's (International Capital Markets Association) Green Bond Principles (GBP), Social Bond Principles (SBP) and Sustainable Bond Guidelines (SBG). These principles and guidelines are the most widely accepted set of voluntary governance structures that bring a level of transparency and disclosure into this fast-evolving space. These governance structures are underpinned by four main pillars: (i) use of proceeds, (ii) project selection, (iii) management of proceeds and (iv) impact reporting. We have classified transactions as being Green, Social or Sustainable where the "Use of Proceeds" can be clearly identified as such as per ICMA's GBP, SBP or SBG. For simplicity, we have classified as 'sustainable' any transaction that fits the above categories.

As the data available for such a market sizing exercise is self-submitted by market participants, the choice of classification methodology was largely driven by the need to drive a common approach across the ECA industry. A large number of Arranging Banks active in the ECA market are already Green Bond issuers and, in some cases, Social and Sustainability Bonds issuers. In addition, ECAs such as EDC and the Exim-Import Bank of Korea (KEXIM) are also Green Bond issuers. As issuers, these institutions have in place the expertise and governance mechanisms to classify ECA transactions as Green, Social or Sustainable in line with the Principles and Guidelines. Likewise, it is hoped that as more ECA assets are earmarked against Green, Social or Sustainable bonds, it will encourage institutions to increase sustainable bond issuance, thus creating a virtuous cycle which will increase the size of sustainable debt capital markets.

The Sustainability League Tables have been developed using a methodology which is consistent with market practice in the Sustainable Finance universe. We believe this approach will help harmonize sustainability classifications across various sustainability products/markets within banking and finance.

#### Methodological caveats

The classification of transactions as Green, Social or Sustainable was largely driven by the information provided by the participants. TXF asks participants for further information on deals that could be sustainable according to our methodology, but sometimes we do not gather enough details to consider a deal sustainable. We are looking forward to engaging with the industry to improve the quality and accuracy of the data.

#### Sustainable deals categories

For more information on the specific categories that we consider sustainable, please visit [our methodology page](#).





## How do you get your market intelligence?

TXF intelligence provides access to all the information you'll need to take capitalise on any opportunity in the global export market.

We do the hard work so you don't have to.

[Email us for a demonstration.](#)

**TXF**  
INTELLIGENCE