

## **Eligible amounts in Cesce ECA activity (cover on the account of the State)**

Described below are the rules and directives regulating the maximum eligible amounts to be able to benefit from Cesce cover on the account of the State.

### **Transactions with a repayment term of two years or more**

The maximum amounts that can be financed with Cesce cover are determined by the following rules:

#### **OECD Arrangement rules\*:**

- *Advance payment* - As a general rule, the buyer is required to make an advance payment of at least 15% of the Export Contract Value\*.
- *Local costs (Category I country)\**: local costs may not exceed 40% of the Export Contract Value\*.
- *Local costs (Category II country)\**: local costs may not exceed 50% of the Export Contract Value\*.

#### **Spanish guidelines on minimum national content**

Following the guidelines of the Secretary of State for Trade, operations benefiting from Cesce cover on behalf of the State must incorporate a minimum export of goods and/or services of Spanish origin.

The minimum national content is set in each case as a percentage of the amount covered by Cesce (risk retained by Cesce, net of reinsurance, if any, and before premium and/or capitalised interest). The remaining credit can be used for financing goods and services from either third countries or local suppliers in the destination country of the transaction (within the limits established by the OECD Arrangement).

The table below details the minimum percentage of domestic content depending on the country of operation or type of operation. It also shows, by way of example, the amount of financing that can benefit from Cesce cover on behalf of the State per million of Spanish exports.

	<i>Minimum value of Spanish goods and services, as a % of the amount covered by Cesce (net of reinsurance)</i>	<i>Maximum eligible amount, per million of Spanish exports (in millions)</i>
<b>Operations in country group 0 to 4 countries</b>	<b>30%</b>	<b>3.33</b>
<b>Operations in country group 5 to 7</b>	<b>40%</b>	<b>2.5</b>
<b>Green operations</b> (EU taxonomy or OECD Annex IV)	<b>20%</b>	<b>5</b>
<b>SME exporter</b>	<b>20%</b>	<b>5</b>
<b>Other operations relevant to internationalisation or employment</b>	On a case-by-case basis, at the discretion of the Secretary of State for Trade	

*NOTE: These calculations do not include the value of the **Cesce premium and the capitalised usage interest**, which, additionally, may be financed and added to the amount covered by Cesce.*

As of 16 March 2023, these rules apply to credit coverages under **Buyer Credit, Supplier Credit or Documentary Credit** policies.

## **Transactions with a payment term of under two years**

The OECD Arrangement \* does not apply to these transactions, and therefore neither do the advance payment or Local Costs rules \*.

Only the minimum national content requirement described above applies to these transactions.

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### **Definitions**

**OECD Arrangement:** Arrangement regarding officially supported Export Credits: [https://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?doclanguage=en&cote=tad/pg\(2020\)](https://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?doclanguage=en&cote=tad/pg(2020))

**Category I Countries (OECD Agreement):** high-income OECD countries according to the World Bank classification.

**Category II Countries (OECD Agreement):** all other countries.

**Export contract value:** as defined in the OECD Arrangement, is the total amount to be paid by or on behalf of the purchaser for goods and/or services exported, i.e. excluding local costs.