



EUROPEAN  
COMMISSION

Brussels, 11.3.2021  
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ANNEX

**ANNEX**

**to the**

**Proposal for a Council Decision**

**on the position to be taken on behalf of the European Union regarding the envisaged  
decision of the Participants to the Arrangement on Officially Supported Export Credits**

## **ANNEX**

### **PROPOSAL**

#### **CHAPTER II: FINANCIAL TERMS AND CONDITIONS FOR EXPORT CREDITS**

##### **11. DOWN PAYMENT, MAXIMUM OFFICIAL SUPPORT AND LOCAL COSTS**

- d) The Participants may provide official support for local costs under the following conditions:
  - 1) The maximum amount of official support for local costs shall not exceed:
    - For Category I countries, 40% of the export contract value.
    - For Category II countries, 50% of the export contract value.
  - 2) Official support for local costs shall not be provided on terms more favourable/less restrictive than those agreed for the related exports.
  - 3) Where official support for local cost exceeds 15% of the export contract value, such official support shall be subject to prior notification, pursuant to Article 48, specifying the nature of the local costs being supported.

##### **65. REVIEW OF OFFICIAL SUPPORT FOR LOCAL COSTS**

The Participants shall review the provisions on local costs support by no later than 3 years from formal approval.

## ANNEX IV of the Arrangement

### SECTOR UNDERSTANDING ON EXPORT CREDITS FOR RENEWABLE ENERGY, CLIMATE CHANGE MITIGATION AND ADAPTATION, AND WATER PROJECTS

#### ~~7. LOCAL COSTS~~

- ~~a) For officially supported export credits relating to contracts of a value of at least SDR 10 million, official support provided for local costs shall not exceed 30% of the export contract value.~~
- ~~b) For officially supported export credits relating to contracts of a value of less than SDR 10 million:
  - ~~1) For the sectors listed in Appendix I of this Sector Understanding, official support provided for local costs shall not exceed 45% of the export contract value.~~
  - ~~2) For the sectors listed in Appendix II and for water projects defined in Article 4 of this Sector Understanding, official support provided for local costs shall not exceed 30% of the export contract value.~~~~
- ~~e) Where official support for local cost exceeds 15% of the export contract value, such official support shall be subject to prior notification, pursuant to Article 8 of this Sector Understanding, specifying the nature of the local costs being supported.~~