

Developments Within the Export Credit and Development  
Assistance Committees of the OECD

The Arrangement on Guidelines for Officially Supported Export Credits (the Consensus Arrangement) was first put into place in 1978 and intended to limit competitive subsidization of export financing. It is adhered to by 22 members of the OECD Group on Export Credits and Credit Guarantees. The Consensus Arrangement sets minimum allowable interest rates (known as matrix rates) and maximum repayment terms for official export credit. Consensus also allows for concessional credits and grants which can be mixed with official export credits. These mixed credit facilities must be notified in advance to all members who have the opportunity to "match" financing offers with mixed credit facilities of their own.

The arrangement has been strengthened over the years. Essentially, minimum allowable interest rates have been set more flexibly to better reflect market conditions, and the cost of mixed credits has been made more expensive by progressive increases in the minimum concessionality level allowed.

The most recent changes came into effect July 1988. These changes move further in the direction of raising the cost of mixed credits to discourage their use and of adapting the rules on minimum interest rates to market conditions.