



Environmental Systems & Services Pty Ltd
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Export Credit Arrangements
Productivity Commission
LB2 Collins Street East
Melbourne VIC 8003

Dear Sir

Submission on Australia's Export Credit Arrangements

I am pleased to provide this submission on behalf of Environmental Systems & Services Pty Ltd. We are a privately owned Australian SME with 40 employees and an annual turnover of \$12 million. We have been designing, manufacturing, installing and maintaining meteorological, environmental, seismological and geotechnical equipment and systems for more than 20 years.

A significant component of our business is export. We are the only company in Australia that supplies our range of engineering and we have our equipment and systems installed in more than 20 countries primarily in Asia and the Pacific. These projects are usually awarded on the basis of international tender and we compete against a dozen or so companies from North America and Europe.

In the last three years we have successfully delivered our satellite and related technology through major projects with the South Korean Air Force, Polar Research Institute of China, Space and Upper Atmosphere Research Centre in Pakistan, Bangladesh Meteorological Department, Bureau of Meteorology, Climate and Geophysics in Indonesia, India Air Force and the India Meteorological Department.

In a number of these projects we have had the assistance of EFIC in providing bank guarantees for performance and warranty bonds, some of which have been completed and some which are still current.

At present we are undertaking a \$2.4 million project in the Pacific to upgrade the Samoan government's capacity to provide severe weather warnings for tropical cyclones and tsunamis. This project is funded by Japan Grant Aid and we are the major subcontractor to the Japan Radio Company. We are being assisted by a \$500,000 working capital facility guaranteed by EFIC.

We strongly support the role that EFIC plays in assisting companies like ours in competing in the international market. Since the Global Financial Crisis we have experienced increasing difficulty with the contraction of credit facilities in the commercial banking system. Without the facilities that EFIC has provided to us we would not have been able to undertake most of these projects in recent years and this would have had a significant impact on our turnover and our capacity to employ staff.

Yours faithfully
Environmental Systems & Services Pty Ltd

R B Wright
Chief Executive Officer