

BAFT-IFSA

The Export-Import Bank (Ex-Im): Directly Supporting U.S. Jobs

Ex-Im Reauthorization

- Ex-Im has been operating under a series of short-term extensions and no increase to its lending cap.
- Based on pending transactions at Ex-Im Bank, lenders and exporters fear Ex-Im will be forced to shut its doors to American businesses shortly.
- The short-term extension creates uncertainty among buyers of U.S. exports about the Bank's reliability. If the present situation continues, export sales will be lost, jeopardizing U.S. jobs.
- The Congressional Budget Office (CBO) scored the House-Senate compromise as generating almost \$900 million in positive cash flow over the four years of the reauthorization.
- The four-year reauthorization with the necessary cap increase must move forward.

Ex-Im Supports U.S. Exports and U.S. Jobs at No Cost to U.S. Taxpayers

- In FY2011, Ex-Im provided \$32.7 billion in direct export financing, which in turn supported more than \$40 billion in U.S. exports and 290,000 jobs.
- Ex-Im assumes credit risks the private sector lenders are either unwilling or unable to accept and levels the playing field for U.S. exporters by matching credit support that other nations provide to their exporters.
- Ex-Im returned \$400 million to the Treasury in FY2011 and has returned \$3.4 billion to the U.S. Treasury above and beyond the cost of its operations since 2006. The default rate has consistently been less than 2%, even during the financial crisis.

Ex-Im Supports U.S. Small Business

- More than 85% of Ex-Im's transactions directly support U.S. small businesses. In FY2011, more than 700 first-time small businesses and nearly 500 minority- and woman-owned businesses used Ex-Im.
- In FY2011, Ex-Im provided more than \$6 billion in financing and insurance for U.S. small businesses — an increase of nearly 90% since FY 2008. Ex-Im has a goal of providing \$9 billion in annual small business export financing and adding 5,000 new small businesses to its portfolio by 2015.

Industry Request

- Full Reauthorization of the Ex-Im bank, with an increase in the lending cap, will help create and sustain American Jobs. Ex-Im Bank is critical to the ability of many U.S. exporters to compete on a level playing field in a commercial market where current and future competitors abroad continue to benefit from support from their countries' export credit agencies.

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