

## Short-Term Insurance Foreign Content Policy

Ex-Im Bank's mission is to support U.S. jobs through exports. Accordingly, there are eligibility criteria and limitations on the level of foreign content that may be included in transactions supported by Ex-Im Bank.

Ex-Im Bank offers a variety of short-term export credit insurance policies, ranging from multi-buyer and single-buyer policies issued exporters to products designed specifically for lenders. Short-term policies are credit terms up to 180 days. Some items, such as bulk agricultural commodities, fertilizer, or consumer durables, may qualify for credit terms of up to 360 days.

Exporters are required to certify that products meet Ex-Im Bank's eligibility criteria – either as part of the policy application or separately in the form of an “Exporter's Certificate.”

### Eligibility

To be eligible for Ex-Im Bank support, goods and services must be *shipped from the U.S.* to a foreign buyer, and:

- # Each of the products itemized on an invoice must be produced or manufactured in the U.S.<sup>1</sup>;
- # The value of each product must be at least 51% of U.S. origin (i.e., labor, material, and components, exclusive of any mark-up);
- # Insurance, freight and other charges incurred by the exporter on the buyer's behalf may also be covered provided the gross invoice value meets the 51% U.S. content minimum;
- # Value added after export from the U.S., as well as foreign charges, import duties, and taxes, are typically excluded from cover.

### Level of Support

100% of the gross invoice value is normally eligible for coverage at the insured percentage that is applicable. Based on the policy type chosen, standard percentages of coverage are 90 to 95%.

For related policies, please see:

Local Cost Policy (EBD-M-05a)  
Financing of Fees for Ancillary Services (EBD-M-13)  
Livestock Questionnaire (EIB92-62)  
Used Equipment Questionnaire (EBD-M-25)  
Foreign Content Policy for Medium- and Long-Term Exports (EBD-M-04a)

### More Information

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<sup>1</sup> For foreign originated used items that are refurbished in the United States whose pre-refurbished value is negligible (i.e., 0-15% of the production cost), Ex-Im Bank will generally waive the requirement that each invoiced item must be produced or manufactured in the U.S. If the pre-refurbished value is between 0 and 15% of the production cost, all foreign content must be included in the calculation to determine whether there is at least 51% US content.

For more information on Ex-Im Bank's foreign content policy for insurance products, please contact one of our Business Development Regional Offices at 800.565.3946 or by fax at 202.565.3380.