



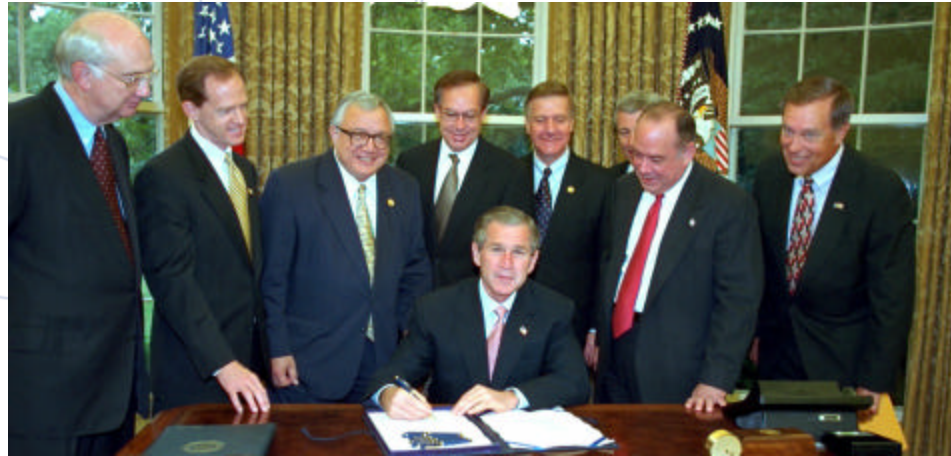
Ex-Im Bank News

“This legislation will ensure the continued effective operation of the Export-Import Bank, which helps advance U.S. trade policy, facilitate the sale of U.S. goods and services abroad, and create jobs here at home.”
-- President George Bush,
June 14, 2002

“The President’s signature marks a new growth opportunity for small business across the country. The bill gives U.S. companies the ability to take their ingenuity overseas and stokes the fires of the economy here at home.” -- Rep. Michael G. Oxley (R-Ohio), June 14, 2002

“The need for Ex-Im Bank is as strong as it’s ever been, perhaps even stronger. . . Ex-Im Bank has a critical role to play in leveling the playing field for U.S. exporters by matching the financing made available by foreign governments.” -- Sen. Paul Sarbanes (D-Md.), May 2, 2002

President, Congress Reaffirm Support for Ex-Im Bank’s Mission in 21st Century



President Bush signs Ex-Im Bank reauthorization in the Oval Office on June 14, 2002. Standing (from left to right): Sen. Phil Gramm (R-Tex.), Rep. Patrick Toomey (R-Penn.), Rep. John LaFalce (D-N.Y.), Sen. Wayne Allard (R-Colo.), Rep. Doug Bereuter (R-Neb.), Sen. Chuck Hagel (R-Neb.), Ex-Im Bank Vice Chairman Eduardo Aguirre, Jr., and Rep. Michael Oxley (R-Ohio).

On June 14, 2002, President Bush signed legislation extending authorization of the Export-Import Bank of the United States (Ex-Im Bank) until September 30, 2006. “This legislation will ensure the continued effective operation of the Export-Import Bank, which helps advance U.S. trade policy, facilitate the sale of U.S. goods and services abroad, and create jobs here at home,” President Bush said. The House of Representatives passed the reauthorization 344 - 78, and the Senate agreed by unanimous consent.

The legislation is the culmination of a year-long cooperative effort among the Bush Administration, Congress, and the exporting community.

“With the overwhelming support of the Bush Administration, the Congress, and the exporting community, Ex-Im Bank can move forward and continue helping U.S. exporters succeed in highly competitive international markets,” said Ex-Im Bank Vice Chairman Eduardo Aguirre, Jr.

The Senate authorizing subcommittee is the Senate Banking Subcommittee on International Trade and Finance, and the House authorizing subcommittee is the House Financial Services Subcommittee on International Monetary Policy and Trade. The bill is now P.L. 107-189.

What is the Export-Import Bank of the United States?

Ex-Im Bank is an independent U.S. government agency that helps finance the sale of U.S. exports primarily to emerging markets throughout the world by providing loans, guarantees and insurance. In fiscal year 2001, Ex-Im Bank supported \$12.5 billion of U.S. exports worldwide. Each year, more than 2,000 U.S. companies in almost every state use Ex-Im Bank services. Ninety percent of the transactions supported U.S. small businesses. These are sales that would not occur without Ex-Im Bank support.

Ex-Im Bank is a lender of last resort that supports U.S. jobs without competing with the private sector. It keeps U.S. exporters competitive by leveling the international playing field against government-supported foreign competition in markets that are perceived to be riskier. It assumes commercial and political risks when private financial institutions are not willing or able to do so. Ex-Im Bank is required to find a reasonable assurance of repayment for every transaction it supports.

"This legislation keeps U.S. exporters producing products here, and helps our exporters compete, sometimes against subsidized transactions by other export credit agencies. Yet only 2 percent of loans go into default."
-- Rep. Doug Bereuter (R-Neb.), June 5, 2002

"Ex-Im Bank serves a very valuable role in this nation's trade policy. It gives our businesses a tool to compete with foreign companies. It lowers our trade deficit, and it promotes growth and jobs in every sector."
-- Sen. Chuck Hagel (R-Neb.), June 19, 2001

"Each and every transaction supported by Ex-Im Bank directly benefits U.S. workers. Small businesses are the engines of job creation in our economy, and our legislation gives Ex-Im Bank the tools it needs to make sure that small business exports have full access to export financing."
-- Rep. John LaFalce (D-N.Y.), June 14, 2002



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Highlights of the Export-Import Bank Reauthorization Act of 2002

- Extends Ex-Im Bank's authorization through September 30, 2006.
- Increases from 10 to 20 percent the aggregate amount of export financing authorized by Ex-Im Bank in each fiscal year that must be made available to directly support small businesses. (In FY 2001, 18 percent of the Bank's total authorizations directly supported U.S. small businesses.)
- Extends the Sub-Saharan Africa Advisory Committee through September 30, 2006, and directs Ex-Im Bank to coordinate its sub-Saharan Africa activities with the Secretary of Commerce and the Trade Promotion Coordinating Committee.
- Tightens the Bank's economic impact procedures for transactions in industries covered by Section 201 determinations or anti-dumping/countervailing duty orders.
- Directs the Bank to implement technology improvements to improve small business outreach and the ability of small businesses to apply for Ex-Im Bank financing over the Web. (Ex-Im Bank is implementing technology improvements, including developing a Web-enabled insurance system. When complete, the new system for Ex-Im Bank's most used program will dramatically improve customer service.)
- Enhances Ex-Im Bank's ability to address market windows and untied aid practices that distort trade.
- Clarifies the operation of the Tied Aid Credit Fund.
- Reinforces Ex-Im Bank's efforts to promote the export of goods and services related to renewable energy sources.
- Directs Ex-Im Bank in its outreach efforts to place particular emphasis on small businesses that are socially and economically disadvantaged, are women-owned or employ less than 100 people.
- Establishes a presidentially appointed Inspector General for Ex-Im Bank.



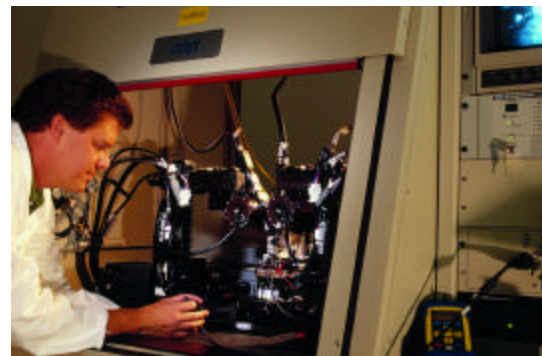
Why Reauthorization?

Ex-Im Bank must be reauthorized periodically by Congress because, like other so-called "sunset agencies," its authority to exist expires at a specified date without further legislative action. This requirement gives Congress the opportunity to review and amend statutory provisions.

Since Ex-Im Bank was established on February 2, 1934, its charter has been amended on several occasions. The Bank was last reauthorized in 1997.

Expanded Trade Supports High-Paying U.S. Jobs

"Now more than ever, in the fast-changing, increasingly risky and competitive international marketplace, Ex-Im Bank's role supporting U.S. exports and jobs is critically important. As President Bush has said, one of the best ways to encourage high-paying jobs and growth is expanded trade." -- Eduardo Aguirre, Jr., Vice Chairman, Ex-Im Bank



Adept Technology Inc. of San Jose, Calif., used an Ex-Im Bank working capital guarantee to export intelligent automation components and solutions.