

**THE 2004 ADVISORY COMMITTEE'S STATEMENT ON THE
2003 COMPETITIVENESS REPORT OF
THE EXPORT-IMPORT BANK OF THE UNITED STATES**

The members of the 2004 Advisory Committee have reviewed the 2003 Competitiveness Report to Congress and present its statement on the competitiveness of the Export-Import Bank of the U.S. as compared with the other major export credit agencies (ECAs). In the Advisory Committee's opinion, Ex-Im Bank continues to fulfill its objective of providing competitive export credit support.

Specifically, the Advisory Committee notes that the Report provides both comparisons between ECAs of specific program features that are key to competitiveness, and information from Ex-Im Bank's annual survey of exporters and bankers on Ex-Im Bank competitiveness. Further, the Advisory Committee supports the continued use of the "report card" analysis and presentation for "Key Elements" which the Committee believes to succinctly capture a balanced assessment of the Bank's overall competitiveness for these elements. The Committee recognizes that non-financial factors are designed to serve important public policy objectives, reflected by the Bank's overall mission which includes supporting U.S. jobs.

In addition, we fully concur with the assessment that the long term trends in the export credit field center around the ability and willingness of ECAs to provide support in higher risk areas (e.g., sub-sovereign borrowers, non-structured medium term export transactions with unrated borrowers, small business). Moreover, the other area that the Advisory Committee believes was accurately described and represents an additional element on which Ex-Im Bank needs to make a concerted effort is co-financing where the Bank continues to lag behind its foreign counterparts. Thus, in looking ahead, the Advisory Committee strongly urges Ex-Im Bank to aggressively address these challenges to ensure that U.S. exports can compete on a level playing field.

To conclude, Ex-Im Bank continues to play an invaluable role in facilitating and maintaining U.S. jobs. Accordingly, the Bank needs to be constantly aware of and be prepared to respond to the changes and challenges in the marketplace, particularly with regard to its foreign ECA competitors and advantages that they are seeking to exploit.



H. Thomas Kornegay
Chairman
2004 Ex-Im Bank Advisory Committee