

BROADER MIDDLE EAST AND NORTH AFRICA



EXPORT-IMPORT BANK
of the UNITED STATES



Buy U.S. Goods and Services with Competitive Financing

The **Export-Import Bank of the United States (Ex-Im Bank)** provides U.S. exporters with the financing tools they need to successfully compete for business in sub-Saharan Africa. Ex-Im Bank support provides protection against international political and commercial risk, and gives U.S. exporters the ability to offer competitive financing to their international buyers through export credit insurance and loan guarantees. In its 70-plus year history, Ex-Im Bank has supported more than \$400 billion of U.S. exports.

Financing products include:

- Export Credit Insurance
- Loan Guarantees
- Project and Structured Finance
- Aircraft and Asset-backed Finance

EXPORT CREDIT INSURANCE

Ex-Im Bank provides export credit insurance for U.S. exporters against foreign buyer nonpayment risk for commercial and political reasons (e.g., bankruptcy, war, or currency inconvertibility).

Benefits include:

- Enables U.S. exporters to offer short- and medium-term credit directly to their foreign buyers.
- Increases cash flow by transforming export-related accounts receivable into receivables insured by the U.S. government, giving lenders

an incentive to advance credit against receivables financing to U.S. exporters.

- Offers an attractive substitute to cash in-advance, letters of credit and costly local bank financing.
- Makes transactions more cost-effective by insuring letters of credit and avoiding bank confirmation charges.

Short-Term Insurance

- Products must be shipped from the United States and have at least 51% U.S. content.
- Provides 180-day coverage for raw materials, spare parts, components, and most services.
- Provides 360-day coverage for bulk agricultural products, capital goods, and consumer durables.
- Multi-Buyer policies enable exporters to insure all sales to eligible foreign buyers on open-account credit terms and provide 95% commercial and political coverage against buyer defaults.
- Single-Buyer policies provide credit protection for short-term credit sales to a single foreign buyer with 90%-100% coverage against buyer defaults.

LOAN GUARANTEES

Ex-Im Bank guarantees repayment of commercial bank loans to foreign buyers of U.S. goods and services.

Benefits include:

- Covers loans for U.S. capital equipment, services, and projects. Financing is also available for refurbished equipment, software, some banking and legal fees, and certain local costs and expenses.
- Commits the full faith and credit of the U.S. government.
- Covers 85% of the U.S. commercial contract.
- Foreign buyers are required to make a 15% cash down-payment. Banks often finance this portion.
- Interest rates (fixed or floating) on guaranteed loans are negotiated between lending banks and foreign buyers. Often a floating rate is based on the spread over six-month U.S. dollar LIBOR rate.
- Loans are fully transferable and can be securitized.

Benefits to foreign buyers include:

- Lower interest rates
- Longer credit terms
- Increased international credit profile

Repayment Terms:

- Medium-Term Loan Guarantees – up to five years and exceptionally seven years and under \$10 million.



- Long-Term Loan Guarantees – over \$10 million and up to 10 years and possibly up to 15 years if supporting exports to renewable energy, water or hydroelectric projects.



PROJECT AND STRUCTURED FINANCE

Limited-recourse (project) and structured finance are solutions tailored to meet the needs of borrowers and help U.S. exporters compete globally in a range of industries.

Ex-Im Bank can consider limited-recourse project finance in most countries and has no country or project dollar limits. Financed amounts are limited only by the amount of U.S. content and the creditworthiness of the transaction.

Project Finance

Under this arrangement, Ex-Im Bank lends or guarantees loans to project

companies and looks primarily to the project's future cash flow as the source of repayment.

- Appropriate where hard currency revenues can be captured offshore or long-term off-take (purchase) contracts with creditworthy off-takers ensure project cash flows.
- Costly and complex due diligence process makes project finance most appropriate for large transactions.

Structured Finance

Ex-Im Bank considers financing transactions for existing foreign companies based on their creditworthiness, as reflected by their financial statements and other sources of collateral or security.

Aircraft Finance

Ex-Im Bank supports U.S. exports of new and used commercial and general aviation aircraft with its loan guarantee and insurance products. The agency offers financial support for both large and small commercial aircraft. In sovereign-guaranteed large aircraft transactions, Ex-Im Bank may also finance spare parts, ground equipment, training costs and transaction expenses.

SPECIAL INITIATIVES

- Environmental Exports
- Medical Equipment
- Transportation Security



SUCCESS STORIES

SAUDI ARABIA

Export Credit Insurance:

In 2006, InPro Corporation of Wisconsin sold a \$270,000 multiple shipment order of plastic door and wall protectors to Saudi Metal Ceilings Manufacturing in Saudi Arabia. InPro Corporation used an Ex-Im Bank short-term, single-buyer export credit insurance policy to cover its export shipments.

EGYPT

Loan Guarantee:

Sokhna Port Development Company (SPDC), a private company that owns and manages the first Egyptian private deep-sea port, procured one high-energy X-ray system for inspection of sea-going containers and two smaller X-ray systems for viewing small cargo moving through the Port of Sokhna. Ex-Im Bank provided a \$7.9 million comprehensive guarantee to HSBC to support the X-ray equipment sale by the U.S. firm, American Science and Engineering. The transaction qualified for Ex-Im Bank's Transportation Security Program (T-SEP) and Ex-Im Bank was able to offer ten-year repayment terms and local cost support equal to 15% of the U.S. contract value.

JORDAN:

Project Financing

X-Press Telecommunications Company of Amman, Jordan, built a nationwide radio dispatch and cellular telecommunications network with support from Ex-Im Bank. The \$54.4 million loan guarantee to Citibank helped make financing possible for X-Press Telecommunications Company's purchases from Motorola and a number of other U.S. suppliers. The project, which includes an Integrated Digital Enhanced Network (iDEN) supplied by Motorola, features "push-to-talk" service and mobile telephony, text messaging and data services. The network became operative in early 2005.

Ex-Im Bank Product Availability

Country	Short-term sector(s) open	Medium-term sector(s) open	Long-term sector(s) open	Open for Specially Financed Transactions
Afghanistan				yes
Algeria	Public & Private	Public & Private	Public	yes
Bahrain	Public & Private	Public & Private	Public & Private	yes
Egypt	Public & Private	Public & Private	Public & Private	yes
Iran				no
Iraq*				yes
Israel	Public & Private	Public & Private	Public & Private	yes
Jordan	Public & Private	Public & Private	Public & Private	yes
Kuwait	Public & Private	Public & Private	Public & Private	yes
Lebanon	Public & Private	Public & Private		yes
Libya	Public	Public	Public	yes
Morocco	Public & Private	Public & Private	Public & Private	yes
Oman	Public & Private	Public & Private	Public & Private	yes
Pakistan	Public & Private	Public & Private	Public & Private	yes
Qatar	Public & Private	Public & Private	Public & Private	yes
Saudi Arabia	Public & Private	Public & Private	Public & Private	yes
Syria				no
Tunisia	Public & Private	Public & Private	Public & Private	yes
United Arab Emirates	Public & Private	Public & Private	Public & Private	yes
Yemen	Public & Private	Public & Private		yes

DEFINITIONS:

Short-term:

Consumables, raw materials, small capital goods – up to 360 days

Medium-term:

Capital goods and/or services – repayment terms up to 5 years and exceptionally 7 years (maximum 2 years disbursement plus 5 years repayment)

Long-term:

Capital goods and/or services – repayment terms over 5 years

Public Sector:

Entities at least 50% owned by the government

Private Sector:

Privately-owned companies, financial institutions, and entities less than 50% owned by the government

Specially Financed Transactions:

Project finance transactions (projects without full recourse to established obligor or guarantor), asset-based aircraft leases or sales, arrangements offering access to foreign exchange, third country obligor or guarantor, borrowers with access to international capital markets, etc.

Current as of August 2007. Please refer to www.exim.gov, under Country Limitation Schedule (CLS) for the recent listing or call 202.565.3946 (EXIM).

*See Iraq fact sheet at www.exim.gov/iraq.htm.



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