

## **FACT SHEET**

### **ENGINEERING MULTIPLIER PROGRAM**

The Engineering Multiplier Program helps stimulate exports of U.S. architectural, industrial design, and engineering services and thus increases the potential for future U.S. exports. It aims, in the short term, to expand the sales of project-related feasibility studies and pre-construction engineering services by offering fixed-rate loans and guarantees to foreign buyers of these services. In the long term, the program is designed to generate additional overseas sales of U.S. goods and services (the "multiplier effect"), since the foreign buyer is more likely to order U.S. equipment and services for a construction project on which U.S. engineers, designers, and architects did the feasibility and design work.

The U.S. Trade and Development Agency (TDA) is the primary U.S. Government agency for the funding of feasibility studies, and it is recommended that prospective U.S. exporters approach TDA to discuss eligibility for grant support. If funding from TDA is limited or not available, Ex-Im Bank will consider the request.

#### **PROGRAM DESCRIPTION**

The Engineering Multiplier Program will finance feasibility studies and pre-construction design, engineering and architectural services, generally with a U.S. export value of up to \$10 million. These services must involve projects that have the potential of generating subsequent U.S. export orders of at least \$10 million or double the original export contract, whichever is greater.

If the project goes forward with U.S. goods and services, Ex-Im Bank may extend a loan and/or guarantee for the project. The Engineering Multiplier Program financing can then be rolled into the later financing. Transactions that cannot meet the eligibility requirements of this program (because, for example, the transaction would not likely generate subsequent U.S. export orders valued at a minimum of \$10 million) may be eligible for support under Ex-Im Bank's standard Medium Term Guarantee Programs.

The buyer must be a creditworthy entity and the potential project must be acceptable to Ex-Im Bank. Moreover, Ex-Im Bank looks at the foreign buyer's ability to finance all stages of the project, whether or not the actual project is to be supported by Ex-Im Bank. The buyer must be in a country eligible for Ex-Im Bank financing assistance.