

# *Small-Business Report*

In accordance with Section 8 of the Export-Import Bank Act of 1945, as amended, Ex-Im Bank is reporting the following information regarding its FY 2007 small-business activities.

## **DIRECT SMALL-BUSINESS SUPPORT**

Ex-Im Bank authorized \$3.4 billion – 26.7 percent of total authorizations – in direct support of U.S. small businesses as primary exporters in FY 2007. The Bank approved 2,390 transactions that were made available for the direct benefit of small-business exporters. These transactions represented 85.6 percent of the total number of transactions approved. In FY 2007, 369 small businesses used Ex-Im Bank programs for the first time, and Ex-Im Bank approved 988 small-business transactions in amounts under \$500,000.

## **SMALL-BUSINESS SUPPLIER DATA (INDIRECT SUPPORT)**

Ex-Im Bank estimates the value of exports supported that is attributable to small-business suppliers at the time of authorization of each long-term transaction (i.e., transactions either of \$10 million or more or with a repayment term in excess of seven years).

Ex-Im Bank estimates that the total value of indirect small-business content associated with transactions supported through the Bank's long-term loan and guarantee authorizations during FY 2007 is nearly \$850 million out of a total estimated export value of \$7.7 billion. This export value represents 11.0 percent of the total estimated export value associated with the Bank's long-term financings.

## **INCREASED LENDER PARTICIPATION**

Ex-Im Bank's regional offices are focused on increasing the number of banks and other lenders that can provide Ex-Im Bank financing for U.S. small businesses. In FY 2007, 34 lenders were added to the roster of providers of Ex-Im Bank products, including working capital guarantees. More than 70 percent of these additional lenders serve small businesses.

## **TECHNOLOGY IMPROVEMENTS**

Ex-Im Online – the Bank's online business system – provides exporters, particularly small businesses, with the benefits of electronic application submission, processing and insurance-policy management. These benefits reduce Ex-Im Bank's response time, increase productivity and improve risk management.

In FY 2007, the Bank continued to extend the versatility and service components of Ex-Im Online to improve services, especially for small businesses. Additional functions were deployed for the short-term and medium-term insurance products. These new functions cover nearly all of the small-business transactions approved in-house.

Ex-Im Online is now supporting credit-card and Automated Clearing House payment for services online. The Bank also completed the transition of all renewal policies to Ex-Im Online.

For customers, Ex-Im Online provides real-time application status capabilities for all short-term and medium-term products other than working capital guarantees. Exporters, bankers and brokers receive email confirmations about the status of their applications.

For internal tracking and performance measurement, the Bank is developing improved reporting capabilities through Ex-Im Online. These reports will track the status of pending applications for insurance and medium-term guarantee products.

Ex-Im Bank's regional offices in New York, Florida, Illinois, Texas and California were trained to help customers use Ex-Im Online.

In FY 2007, Ex-Im Bank continually updated its Web site ([www.exim.gov](http://www.exim.gov)) to provide customers, particularly small businesses, with improved access to information, applications and forms in an electronically fillable (pdf) format. The Bank further expanded its Web-based subscription service and list manager ([www.exim.gov/lists/subscribe.cfm](http://www.exim.gov/lists/subscribe.cfm)) to provide customers with the ability to get up-to-date news from the Bank.

The Bank deployed a Web portal specifically for small businesses: "If You're a Small-Business Exporter . . ." ([www.exim.gov/smallbiz/index.html](http://www.exim.gov/smallbiz/index.html)). This portal provides step-by-step assistance, including an interactive guide and Ex-Im Bank contacts.

Ex-Im Bank also participates in the government-wide "Business Gateway" initiative integrating the content and functions of the Web sites of several business-focused agencies ([www.business.gov](http://www.business.gov)) and the U.S. government export Web site ([www.export.gov](http://www.export.gov)). Additionally, the Bank participates in the Trade Promotion Coordinating Committee's "One Stop, One Form" registration system, a Web-based application system for all federal-government export programs.

## **FOCUSED OUTREACH**

Ex-Im Bank is committed to providing export financing for socially and economically disadvantaged small businesses, including those that are minority-owned and woman-owned, and small businesses that have fewer than 100 employees.

In FY 2007, Ex-Im Bank authorized \$524.6 million in working capital guarantees and export-credit insurance to support exports by businesses identified as minority-owned and woman-owned, of which \$409.0 million represented small businesses.

Ex-Im Bank sponsors seminars and symposia that are targeted to small businesses that traditionally have been underserved in trade finance. These half-day training programs help U.S. companies learn how to use U.S. government resources to find foreign buyers and use trade-finance tools.

Ex-Im Bank's Office of Small Business staff participated in 83 events sponsored by women-business centers, small-

business export associations, minority-focused chambers of commerce and other organizations. The Bank's Board of Directors and senior management supported small-business outreach efforts of the Bank's regional offices and participated in conferences, seminars and City/State Partnership signings throughout the country.

The Bank's Office of Communications conducted a small-business awareness campaign to place news articles about the Bank's small-business programs and events in national and local media outlets, including 68 feature articles that appeared in newspapers in 12 states and two radio announcements that were aired by 400 radio stations in 36 states.

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## *Sub-Saharan Africa Initiative*

In accordance with Section 2 of the Export-Import Bank Act of 1945, as amended, Ex-Im Bank is reporting the following information regarding its FY 2007 sub-Saharan Africa activities.

### **BUILDING RELATIONSHIPS WITH AFRICAN INSTITUTIONS**

Ex-Im Bank's 2007 annual conference held in April in Washington, D.C., highlighted the Bank's outreach to Africa's regional financial entities. The multilateral development bank panel and the Africa session featured presentations by senior development specialists from the African Development Bank and the Africa Group at the World Bank.

Ex-Im Bank has taken steps to qualify a greater number of appropriate African entities for participation in the Bank's programs. The Bank identified the top 12 African markets for U.S. exports where Ex-Im Bank is available for medium-term financing in the private sector: South Africa, Nigeria, Kenya, Equatorial Guinea, Ghana, Côte d'Ivoire, Tanzania, Senegal, Cameroon, Gabon, Namibia and Niger. The Bank has compiled information about the banks in each market with the assistance of economic and commercial officers in the U.S. embassies and is evaluating this information for further development.

Ex-Im Bank increased its initial \$300 million special bank facility for Nigerian banks to \$405 million. The facility currently includes 17 banks. In addition, the Bank approved a master guarantee agreement for a Nigerian bank to facilitate medium-term financing in this market.

In September, Ex-Im Bank hosted its second-annual African Bankers Seminar in Washington, D.C., which featured speakers from the Bankers Association for Finance and Trade and the Private Export Funding Corp. Representatives from 13 African financial institutions in seven countries were given in-depth in-

struction on establishing a foundation for credit underwriting and transaction analysis, as well as training on Ex-Im Bank products, methods and standards. Attendees, who included a senior analyst from the African Export-Import Bank, met with Ex-Im Bank senior management and staff.

On a business development mission to South Africa in January, Ex-Im Bank Chairman and President James H. Lambright and other Bank staff met with representatives of the Development Bank of South Africa to discuss future cooperation and referral of prospective borrowers to Ex-Im Bank.

### **COORDINATING WITH OTHER U.S. GOVERNMENT ENTITIES**

Ex-Im Bank coordinated its efforts with the Foreign Service, Foreign Commercial Service and other U.S. government entities to encourage economic engagement with Africa pursuant to the African Growth and Opportunity Act. In particular, the Bank worked in close partnership with Commerce Department commercial officers in Ghana, Kenya, Nigeria, Senegal and South Africa.

Ex-Im Bank made a presentation at the Sub-Saharan Africa Information and Communications Technology Conference sponsored by the U.S. Trade and Development Agency in San Francisco in March. The conference featured new export and investment opportunities in telecommunications, fiber-optic networks, rural connectivity and other fields.

In March, the Bank participated via a video conference in the regional commercial training in Dakar, Senegal, for newly stationed State and Commerce Department commercial and economic officers in Francophone West Africa. The Bank also participated in the State Department's Commercial Tradecraft Seminars held throughout the year in Washington, D.C., for U.S. commercial officers being stationed abroad.