



# Ex-Im Bank News

*"The Export-Import Bank helps advance U.S. trade policy, facilitate the sale of U.S. goods and services abroad, and create jobs here at home." -- President George W. Bush*

## News in Brief

### Ex-Im Protects Meat Exporters Hit by Ban

Ex-Im Bank's export credit insurance will cover U.S. exporters impacted by bans on U.S. beef and other meat products affected by bovine spongiform encephalopathy (BSE), widely known as "mad cow" disease. The Bank's insurance will cover shipments of banned products, provided that the shipments began on or prior to the date the applicable ban was implemented in the destination country. For questions, call (202) 565-3649/3636.

### New Ex-Im Advisory Panel Convenes

Ex-Im Bank's fiscal year 2004 Advisory Committee held the first of its four meetings on December 18. The congressionally mandated panel, which is now in its 21st year, will focus on serving middle-market exporters in an economy increasingly dominated by services. H. Thomas Kornegay, chairman of the Port of Houston Authority, chairs the 15-person committee, which includes eight new members.

### FY 2005 Budget Request Can Support \$16.3 Billion in Exports

President Bush's fiscal year 2005 budget request for the Export-Import Bank of the United States (Ex-Im Bank), which the Administration released as part of its annual budget submission, will fund nearly \$12 billion in export financing that can support up to \$16.3 billion in U.S. exports.

Under the president's request, Ex-Im Bank's program budget would be funded at \$471.4 million, which would include \$125.7 million in new appropriations, an estimated \$300.7 million in carryover funds from prior fiscal years, and a projected \$45 million from canceled authorizations that the Bank had previously approved. The budget request will fully fund FY 2005 anticipated demand. In addition, the budget calls for a \$73.2 million appropriation to fund the Bank's administrative budget.

### Ex-Im To Issue 2003 Annual Report



Ex-Im Bank's fiscal year 2003 annual report will be released in March. In addition to the year's financial highlights, the report will feature a message from Chairman Philip Merrill and profiles of U.S. exporters that have benefited from Ex-Im Bank financing in fiscal year 2003.

### Foley Brings Ex-Im Bank Financing Options to Iraq



Ex-Im Bank Vice Chair April Foley discusses Iraqi reconstruction at the Outreach 2004 workshop in Amman, Jordan, on January 13.

Ex-Im Bank First Vice President and Vice Chair April Foley traveled to Iraq, Jordan, and Kuwait in January to present the Bank's new initiatives to support U.S. exports for Iraqi reconstruction.

"At Ex-Im Bank, we have been working hard to devise ways to help the Iraqi people rebuild and develop a sustainable, diversified economy," Foley said in a January 13 speech on Iraqi reconstruction in Amman, Jordan. "We have already put in place several initiatives to finance Iraqi reconstruction. And we are actively reaching out to anyone who can use our financing to help the Iraqi people build a new nation and a bright future for themselves."

Foley met with U.S., Iraqi, and other Middle Eastern officials and business leaders during her trip.



OPIC Executive Vice President and Chief Operating Officer Ross Connelly and Ex-Im Vice Chair April Foley in Baghdad in January.

# Ex-Im Bank Transaction of the Month

## \$250 Million Ex-Im Insurance Approved for Iraq Trade Bank

Ex-Im Bank approved on December 29 insurance for up to \$250 million in letters of credit to be issued by, or on behalf of, the Trade Bank of Iraq. Ex-Im Bank's short-term insurance will support trade financing from JPMorgan Chase Bank, the lead institution in the Trade Bank's operating consortium, to help U.S. companies seeking to export to Iraq. Ex-Im Bank's action was taken under its \$500 million short-term insurance program for the Trade Bank, which became effective on December 5, when Ex-Im Bank joined 15 other nations' export credit agencies in signing framework agreements with the Trade Bank and the Coalition Provisional Authority.

## Congress Approves Ex-Im Bank Budget

The Senate on January 22 passed by a vote of 65-28 the Omnibus Appropriations bill, which funds Ex-Im Bank's administrative budget at \$72.45 million in fiscal year 2004. This appropriation is slightly less than the \$72.9 figure agreed upon by House-Senate conferees.



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Lorrie A. Secrest, publisher  
Andrew L. Yarrow, editor  
(202) 565-3200 or  
andrew.yarrow@exim.gov

## Indiana Company Exports Auto Supplies to the World With Security of Ex-Im Bank Insurance

**A**BRO Industries Inc., a small business based in **South Bend, Ind.**, was looking for ways to increase its export sales of vehicle-care products to Nigeria when they turned to Ex-Im Bank in 2003.

The company had used the Bank's single-buyer insurance to support its sales to Coscharis Motors in Nigeria, its largest customer with \$10-12 million in annual purchases. Working through its broker, **Trade Acceptance Group Ltd.** of **Edina, Minn.**, Abro obtained an Ex-Im Bank short-term multibuyer policy to support financing on approximately \$27 million in export sales.

"ABRO has been enormously pleased with the Ex-Im short-term comprehensive multibuyer insurance policy, which matches our needs exactly," **Peter F. Baranay**, ABRO's president, said. "We are able to include selected terms of sale, countries, and customers, allowing us to concentrate on developing specific relationships. This policy gave us the capacity to grow our export sales dramatically in 2003. We are extremely excited about 2004 and continuing to expand our international sales with the support of this policy."

ABRO Industries was incorporated in 1977 as a



ABRO manufactures automotive products such as lubricants, coolants, brake fluids, car wax, paints, and tire inflators, as well as a number of hardware items.

subsidiary of United Export Corp., which was founded in 1939. The companies became ABRO Industries in 2001. Currently, the company sells more than 400 different products in 137 countries. It has trademarks in 126 countries, with 26 additional countries pending.



**Cosmas Maduka**, president of Cosmas Motors, discusses sales made possible by Ex-Im Bank's insurance policy with **Timothy Demarais**, ABRO's vice president, international.

## Ex-Im Bank Supports Major U.S. Export Transactions with Mexico, Algeria, Azerbaijan, Kazakhstan, and Thailand

**E**x-Im Bank approved major power, oil and gas, and transportation export financing involving buyers in Mexico, Algeria, Azerbaijan, Kazakhstan and Thailand in late December and January.

Ex-Im Bank approved a \$160 million long-term guarantee to support the export of U.S. equipment and services for the construction of the Baku-Tbilisi-Ceyhan Pipeline Project. The pipeline will transport oil from Azerbaijan through Georgia to a marine export terminal on Turkey's Mediterranean coast. Many U.S. companies are likely to be involved in this project.

It approved a \$33.1 million loan guarantee to support the export of 54 locomotive modernization kits by **General Electric** to help Kazakhstan modernize its national railway, as well as a \$244.3 million loan guarantee to support the export of two **Boeing** 747-200 passenger jets to Thai Airways.

The Bank also provided long-term loan guarantees of \$141 million and \$192 million, respectively, to support development of two power plants in

Mexico and the Skikda Power Project in Algeria. **Siemens Westinghouse Power Corp.** is the lead exporter in the Mexican transaction, and **SNC Lavalin Constructors** and **General Electric** are the exporters to the Algerian project.

## Bank's Annual Conference Ahead

**SAVE THE DATE!**

APRIL 2004

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
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4	5				9	10
11	12	13		15	16	17
18	19	20	21	22	23	24
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Export-Import Bank of the United States  
Annual Conference 2004 \* Omni Shoreham Hotel \* Washington, DC