

Fact Sheet on Ex-Im's New Global Credit Express Pilot Loan Program for America's Small Business Exporters

- In early March 2012, the Export Import Bank (Ex-Im Bank) will launch a new pilot program, Global Credit Express, to improve access to hard-to-find short term working capital lines of credit for America's small business exporters. This program expands the ability of small businesses to participate in the global market and has the potential to create new jobs across the country.
- Global Credit Express finances the business of exporting rather than just specific export transactions. Working with their existing lenders, small businesses will be able to apply directly to Ex-Im Bank for loans of up to \$500,000, for up to 12 months. Within the next year, Global Credit Express is expected to provide up to \$100 million in much needed capital. During its pilot stage, the program will be offered through a select number of lenders nationwide.
- Global Credit Express makes it possible for Ex-Im Bank to extend the same direct loan capability previously available to its large corporate clients to smaller businesses, in keeping with Ex-Im's Congressional mandate and essential mission. This program was specifically designed to be easy to access with a streamlined application process and short turn-around time. Global Credit Express was also designed to be subsidy neutral and self-funding.
- Global Credit Express will improve small business access to export financing now and prepare them for larger and more sophisticated finance transactions from conventional private sector sources.

Pilot Features:

- With Global Credit Express, Ex-Im will be able to provide critically needed short-term liquidity to credit-worthy small business exporters by offering them a line of credit up to a maximum of \$500,000 for up to 12 months, with options for renewal.
- The Global Credit Express pilot will run a minimum of 12 months and will provide \$100 million in incremental liquidity which could reach 400 to 500 small business exporters.
- In the program's pilot phase, 8 to 10 lenders will participate.
- Ex-Im Bank will carefully evaluate the pilot to determine viability and potential for a larger, permanent program, and re-shape it where needed.

Current Financing Gap:

- Global Credit Express responds to a market inefficiency that continues to make it difficult for small business exporters to access funding from private markets. This is evidenced by banks' unwillingness to extend credit to small business exporters despite other government guarantee programs currently available.
- The gap is the result of a reluctance of the private sector to provide credit to small business exporters because of traditionally high operational costs associated with making and servicing these loans.