



STRATEGIC CONTEXT

As noted in the National Security Strategy of the United States of America, China challenges American power, influence, and interests, attempting to erode American security and prosperity. China's infrastructure investments and trade strategies reinforce its geopolitical aspirations.

PROGRAM OVERVIEW

EXIM's historic seven-year reauthorization (P.L. 116-94), signed into law December 20, 2019, directs EXIM to establish a new "Program on China and Transformational Exports" (see Sec. 402). The Program's purpose is to support the extension of loans, guarantees, and insurance, at rates and on terms and other conditions, to the extent practicable, that are fully competitive with rates, terms, and other conditions established by the People's Republic of China or by other covered countries (as designated by the Secretary of the Treasury). The law charges EXIM with a goal of reserving not less than 20 percent of the agency's total financing authority (i.e., \$27 billion out of a total of \$135 billion) for support made pursuant to the program.

EXIM is actively working to establish the program, which has two aims:

- To directly neutralize export subsidies for competing goods and services financed by official export credit, tied aid, or blended financing provided by China or by other covered countries.
- To advance the comparative leadership of the United States with respect to China, or support United States innovation, employment, and technological standards, through direct exports in any of the following industries:
 1. Artificial intelligence.
 2. Biotechnology.
 3. Biomedical sciences.
 4. Wireless communications equipment (including 5G or subsequent wireless technologies).
 5. Quantum computing.
 6. Renewable energy, energy efficiency, and energy storage.
 7. Semiconductor and semiconductor machinery manufacturing.
 8. Emerging financial technologies (including technologies that facilitate financial inclusion through increased access to capital and financial services; data security and privacy; payments, the transfer of funds, and associated messaging services; and efforts to combat money laundering and the financing of terrorism).
 9. Water treatment and sanitation (including technologies and infrastructure to reduce contaminants and improve water quality).
 10. High-performance computing.
 11. Associated services necessary for use of any of the foregoing exports.

EXIM MISSION: Support American Jobs by Facilitating U.S. Exports

EXIM VISION: Keeping America Strong: Empowering U.S. Businesses and Workers to Compete Globally

NEXT STEP: For questions or more information as EXIM implements this program, please direct inquiries to china.program@exim.gov

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