



**DAVID FOGEL
CHIEF OF STAFF
EXPORT-IMPORT BANK OF THE UNITED STATES**

**REMARKS ON EXIM'S REVIEW PROCESS FOR EXIM'S ECONOMIC
IMPACT PROCEDURES AND ADDITIONALITY GUIDELINES (VIRTUAL
AND OPEN EXIM BOARD MEETING)**

WASHINGTON, DC

MAY 21, 2020

Remarks as Delivered

Thank you, Chairman, I appreciate it. Let me begin by acknowledging your leadership on these two critically important issues—economic impact and additionality. The easy thing to do would have been just to maintain the status quo, but you took on both issues from the outset. And ever since, you have repeatedly talked about how it is a "new day at EXIM," and how we need to reexamine the way we conduct business.

Specifically, you've called on us to, first and foremost, pursue the Bank's mission, support U.S. jobs by facilitating exports. But to do so in a way that's transparent and protects the American taxpayer. On that note, as part of your efforts to reform EXIM, you called for a public comment process to evaluate these two fundamental EXIM policies.

The preparation for this process began last summer, culminating in the launch of a public comment process on September 9, 2019. Although we received a number of letters during the one-month comment period, you directed us to extend the period in order to give the opportunity to more stakeholders to comment.

In the end, the comments we received were exactly split, which is emblematic of the disparate views on both economic impact and additionality. Half the letters supported more stringent procedures, and the other half favored loosening the restrictions or maintenance of the status quo. After synthesizing the public comments and some initial comments from our interagency partners, we held two rather lengthy discussions at our advisory committee meetings this past October and January.

In an example of your commitment to hearing from all sides, you invited one of the leading critics of EXIM to present at both of these meetings. Although timing constraints did not allow for extensive comment from Advisory Committee members, one theme that emerged was that EXIM should not adopt additional requirements or red tape that would further complicate or delay the processing of transactions, given that this is already a chief complaint heard from exporters.

EXIM engaged a third-party consultant to review the public comments and the record from the two advisory committee meetings. And to produce a report synthesized in this information. That report was delivered to EXIM in February. EXIM then sent its proposed recommendations for reforming and modernizing its economic impact and additionality procedures to the interagency for a second round of review. This resulted in a list of comments and suggestions, some of which were adopted, some of which were modified, and some of which were rejected with explanation.

Recently in the days leading up to this meeting, some of our interagency partners reiterated their concerns about the comments that we had not accepted. And EXIM worked through many of these comments to develop a final set of proposals that more generally reflected the interagency views.

I want to thank our interagency partners for working through the sometimes difficult issues with us, and I am glad we reached a reasonable conclusion, even if some disagreements still remain. Differences of opinion are not surprising given the controversial nature of the topics we are discussing today.

But you, Chairman, have set a guidepost of balancing these differences to arrive at meaningful reform without compromising EXIM's ability to meet its critical mission. All the more critical right now to respond to the demands brought on by COVID-19, and also the economic security threat posed by China in particular.

The net result of this exhaustive and thorough process is a set of recommended reforms that the staff believes meet your goal of enhancing transparency and accountability to both our economic impact and additionality policies and procedures.

Again, enhancing transparency and accountability as you directed. With that, I would like to turn it over to my colleague Jim Cruse.

David Fogel

Chief of Staff

Export-Import Bank of the United States

David Fogel is a two-time successful entrepreneur and proven business executive with extensive experience at all stages of the entrepreneurial process – business inception, raising various forms of capital and investing himself in start-ups, scaling and operating businesses, and exiting mature companies. Most recently, Professor Fogel served as President, Chief Operating Officer and Co-Founder of IndexIQ, an innovative exchange-traded fund (ETF) issuer with over \$4 billion in assets under management. In April 2015, New York Life, a Fortune 75 company, completed its acquisition of IndexIQ. As of December 31, 2018, Professor Fogel ended his affiliation with IndexIQ-NY Life Investment Management consistent with the acquisition terms.

In June 2019, Professor Fogel became the Chief of Staff at the Export-Import Bank of the United States (EXIM), where he serves as an adviser to EXIM’s President and Chairman, providing guidance and leadership on policy matters, strategy, and operations.

Professor Fogel began his career in 1997 as a corporate attorney at Sullivan & Cromwell LLP. In 1999, he co-founded, along with two other Georgetown graduates, SmartPortfolio.com, Inc., which became a leading email financial newsletter business with over 250,000 subscribers that was sold to TheStreet.com, Inc., a publicly-traded financial information company, in 2000. After the sale, Professor Fogel joined TheStreet.com where he integrated his prior business and led new product development. In 2003, he helped launch Circle Peak Capital LLC, a private equity firm focused on investments in small-cap consumer product and financial services companies. In 2005, Professor Fogel became Vice President at Groton Partners, a boutique merchant bank specializing in mergers and acquisitions and sophisticated private investments. In 2006, he left Groton Partners to start IndexIQ with two partners, one of whom had been a fellow student with him at Georgetown.

Professor Fogel received a B.S., *summa cum laude* and Phi Beta Kappa, from the Georgetown University School of Foreign Service, a J.D., *magna cum laude* and Order of the Coif, from Georgetown University Law Center where he served as an editor on the *Georgetown Law Journal*, and an M.B.A. (concentration in finance) from the Georgetown University McDonough School of Business. At Georgetown, he recently served (until his appointment at EXIM) on the Advisory Boards for The McDonough School of Business and The Wall Street Alliance, was the recipient of both the Alumni Association Entrepreneur of the Year Award and the School of Business Dean’s Award in 2016, and was an Entrepreneur-in-Residence at The McDonough School during the 2018-19 academic year. In addition, he is an Adjunct Professor at Georgetown University Law Center, teaching Entrepreneurship. Professor Fogel also recently served as a member of the Board of Trustees of Freedom House, a 75-year non-partisan organization that promotes freedom, human rights and democratic change globally.