



Reducing Risk. Unleashing Opportunity.

Co-financing Basics for Lenders





Co-financing: Definition



- A single export credit financing package for goods/services from more than one country
- Seamless financing from Lead and Follower ECAs
- Enhanced competitiveness for U.S. Exporter
- Administrative efficiency for Borrower
- Lead ECA provides guarantee or insurance
 - Lead is determined by either the exporter with the contract or the exporter with the highest dollar value or upon mutual agreement between the Lead and Follower ECA
 - Follower ECA matches Lead ECA's program

Bilateral Agreements – Governs all transactions

- ASHR'A (formerly IFTRIC, Israel)
- Atradius (The Netherlands)
- Bpifrance (successor to Coface, France)
- CESCE (Spain)
- EDC (Canada)
- EFA (formerly EFIC, Australia)
- EGAP (Czech Republic)
- EKF (Denmark)
- Euler Hermes (Germany)
- JBIC and NEXI (Japan)
- SACE (Italy)
- SERV (Switzerland)
- UKEF (formerly ECGD, UK)



Co-financing: Agreements (cont'd)



EXIM Bank "Leads" Agreement

- K-Exim (Korea, aircraft only)
- Turk Eximbank (Turkey)

One-off Agreements – Transactional basis

- EKN (Sweden)
- GIEK (Norway)
- H-EXIM (Hungary)
- ONDD (Belgium)

Under Negotiation

- Bancomext (Mexico)
- KUKE (Poland)
- ABGF/BNDES (Brazil)



Co-financing: Application



Available under EXIM Bank's Medium-term Guarantees/Insurance and Long-term Guarantees

No minimum or maximum dollar limit other than program limits

Co-financing with Foreign Export Credit Agency (formerly Attachment H) must be submitted with the application

- Provides consent to share information with Follower ECA and must be signed
- Located on www.exim.gov under Co-Financing with Foreign Export Credit Agency <https://www.exim.gov/sites/default/files//forms/eib11-04.pdf> (Form EIB 11-04)
- Include as an attachment when submitting application through *Ex-Im Online*



Co-financing: Application (continued)



Local Cost and IDC available

Direct Loans, Project Finance, CGFs and Short-Term Insurance are typically not eligible

EXIM Bank will work concurrently with Follower ECA(s) while processing application

Annex B Approval Letter

- Shows a break out of U.S. goods/services and Follower ECA goods/services being financed
- Additional Co-financing Special Conditions must be included



When EXIM Bank Leads:

Exporter's Certificate for Co-financing to be completed by U.S. exporter

https://www.exim.gov/sites/default/files//forms/eib15-04_0.pdf (Form 15-04)

Commercial invoices for U.S. and ECA-supported goods/services

Bills of lading for U.S. and ECA-supported exports

- If MarAd is applicable, applies only to U.S. exports
- Signed and dated CMRs showing truck shipments from Europe are acceptable
- If European ECA is the Follower ECA, shipments from any European port are acceptable, if requested



Co-financing: Disbursement Documents (continued)



Acquisition List (Long-term guarantees)

- Must include EXIM Bank and Follower ECA(s) supported goods and services
- If authorized, local cost goods and services

Premium payment remitted to Follower ECA by EXIM Bank

When EXIM Bank Follows:

Co-financing Certificate (received from U.S. Exporter prior to authorization)

Bills of lading for U.S. exports

- If MarAd is applicable, U.S. Exporter submits directly to EXIM Bank after shipment

Premium payment remitted by Follower ECA to EXIM Bank in USD

EXIM Bank has audit rights to request additional disbursement documents (i.e., invoices) from Lead ECA



Amended Exporter's Certificate

- Material content change of >5% and more than 20% foreign content for U.S. exports or >5% change for Follower ECA exports

Lender stops disbursements and notifies Lead ECA

Lead ECA contacts Follower ECA and may adjust Reinsurance Percentage

Lead ECA notifies Lender when disbursements can resume

Foreign Currency Guarantees – when EXIM leads

- If transaction goes to claim, converts to a dollar obligation

Associated Contracts – when EXIM leads

- Program for exports provided by non-U.S. companies, but are part of an integrated system
- Discourage “shopping cart” deals

Club Deals (multiple ECAs) – when EXIM leads

- Transactions can include up to three Follower ECAs

Iran Sanctions – when EXIM follows

- Lead ECA (in some cases) and transaction parties need to provide certifications



Co-financing FAQs and Information

- <http://www.exim.gov/policies/co-financing>

Co-financing Coordinator

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Co-financing Agreements and ECA Relations

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Co-financing Agreements and Legal Issues

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