

On March 12, 2020, the Export-Import Bank of the United States (EXIM Bank) [announced](#) relief measures that included waivers, deadline extensions, streamlined processing and flexibility for its working capital loan guarantee and export credit insurance programs that are valid for an initial period of 30 days.

On March 25, EXIM Bank unveiled four new initiatives to support the US response to the Coronavirus disease 2019 (COVID-19) global pandemic. The measures aim to inject liquidity into the market and provide maximum financing flexibility to US exporters of goods and services. The EXIM Board of Directors unanimously passed a resolution and instituted temporary relief programs to aid US exporters, their employees and foreign buyers, and financial institutions (see below).

On March 31, EXIM Bank Chairman Kimberly Reed hosted a teleconference with small business stakeholders to reinforce EXIM's commitment to provide effective relief and expounded on the details of the temporary relief measures (see below). The press release of the call reported that more than 400 small businesses, including exporters, financial institutions, insurance brokers, trade associations, from diverse industries and sectors were represented on the call. In addition, government officials and other external stakeholders, as well as EXIM Bank's Advisory Committee and Sub-Saharan Africa Advisory Committee, participated.

On April 2, Chairman Reed spoke via teleconference with insurance brokers on relief offered through export credit insurance products. The Bank also took the opportunity to remind brokers and exporters to be vigilant of COVID-19 related fraud and phishing attempts and proactively communicate to the buyers to be cautious of such attempts.

Temporary Relief Programs

Bridge Financing Program

- International customers need several billion dollars in temporary, short-term bridge financing to enable them to acquire US goods and services.
- The Bridge Financing Program will enable exports to go forward through short-term (e.g., one year) financing of these US exports until private sector liquidity returns.
- For more, [see EXIM fact sheet](#).

Pre-delivery/Pre-export Financing Program

- US manufacturers of large-scale items (aircraft, satellites, etc.) often rely on partial, advance payments, or "progress delivery payments," during production. However, their international customers may be unable to finance pre-export payments due to temporary liquidity problems caused by the COVID-19 crisis, problems that ultimately threaten US workers and suppliers.

- To help meet this challenge EXIM will temporarily expand its Pre-Export Payment Policy for a one-year term for transactions in which EXIM is not providing the long-term financing (such as turbines, locomotives and aircraft) to the buyer and to manufacturing sectors whose international buyers have traditionally not participated, but may be interested now due to a lack of commercial financing.
- For more, [see EXIM fact sheet](#).

Supply Chain Financing Guarantee Program

- EXIM's existing Supply Chain Financing Guarantee Program enables suppliers to sell their accounts receivable to a lender to obtain early payment of invoices at a discounted rate, while EXIM guarantees the lender's purchase of the accounts receivable. This helps suppliers obtain cash quickly (often at lower rates that reflect the credit of the buyer) and increase liquidity to fulfill new orders. However, the availability of existing commercial options combined with certain program features suppresses demand for the offering.
- In light of expected liquidity constraints in exporter supply chains, EXIM will expand the program by relaxing its criteria and increasing its guarantee level.
- For more, [see EXIM fact sheet](#).

Working Capital Guarantee Program

- EXIM's Working Capital Guarantee Program facilitates loans from commercial lenders, typically through Designated Authority (DA) lenders, to creditworthy US businesses that export over the term of the loan. Recently, many DA lenders expressed to EXIM the need for greater working capital financing support given the significant and growing liquidity pressure on suppliers and exporters.
- In response, EXIM will temporarily modify the program to make it more flexible. Specifically, the agency will expand program eligibility to cover all inventory that could potentially be exported, reduce the program's fee structure and temporarily increase the guarantee level.
- For more, [see EXIM fact sheet](#).

Small Business Relief

- [Supply Chain Financing Guarantee Program](#) – In light of expected liquidity constraints in exporter supply chains, EXIM will expand this program by relaxing its criteria and increasing its guarantee level.
- [Working Capital Guarantee Program](#) – Based on the need for working capital financing support given the growing liquidity pressure on suppliers and exporters, EXIM will temporarily modify the program to make it more flexible.

EXIM Is Open for Business During the Pandemic

EXIM Bank acknowledges the need to continue exploring additional temporary relief solutions to help preserve and grow US exports, jobs and the economy. The EXIM annual conference originally scheduled for April will now be September 10 – 11, 2020.

Experienced Team to Guide You

We have excellent industry experience in EXIM Bank's priority areas, such as renewable energy, telecommunications and infrastructure. Our diverse practice expertise and unmatched access to company decision-makers and in key markets are further enhanced by an in-depth understanding of how EXIM Bank works that is informed by senior leadership experience at EXIM Bank. Our multifaceted team is prepared to offer tailored transactional advice complemented by regulatory, public policy and political insight to ensure effective interactions with EXIM Bank that lead to successful financing. We are optimally positioned to support US exporters, as well as foreign buyers of US goods and services.

Our EXIM Bank strategy and transaction team is also online and accessible. We are available to answer any questions about the Bank's programs, how to take advantage of the various relief measures and provide innovative solutions to reignite your business operations – whether you are a US exporter or a foreign buyer. For US small businesses, please also reference [our guidance](#) for seeking to secure stimulus funding through the Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES) Act.

For more information on our team and the EXIM Bank programs, please see our [brochure](#).

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