

EXIM BANK SURVEY

**A NATIONAL SURVEY OF THE EXPORT
COMMUNITY REGARDING THE PERCEPTION AND
EFFECTIVENESS OF EXIM BANK**

FIRST QUARTER 2024

SURVEY ORGANIZERS

- A project of the Board of Directors of the National Association Of District Export Councils (NADEC)

In cooperation with...

- The ExIm Bank Council on Small Business of the U. S. Export-Import Bank (and the Subcommittee on Perception and Outreach)

SURVEY ADMINISTRATOR

SURVEY ADMINISTRATION:

UNIVERSITY OF ALABAMA – ALABAMA
INTERNATIONAL TRADE CENTER (AITC)



Alabama
International
Trade Center

THE UNIVERSITY OF ALABAMA



PARTRICIPATING ORGANIZARTIONS

Over one dozen organizations promoted the survey to their members through email and/or newsletters.

Additional direct emails were set to --

- 1) a sampling of current EXIM clients
- 2) EXIM insurance brokers

SURVEY DURATION:

JANUARY through MARCH 2024

SURVEY PARTNERS



- NADEC BOARD OF DIRECTORS
- DISTRICT EXPORT COUNCILS (67 CHAPTERS)
- AMERICA'S SBDC (63 NETWORKS)
- U. S. COMMERCIAL SERVICE (U. S. EXPORT ASSISTANCE CENTERS)
- SBA OFFICE OF INTERNATIONAL TRADE
- BANKERS ASSOCIATION FOR FINANCE AND TRADE (BAFT)
- NATIONAL SMALL BUSINESS ASSOCIATION (NSBA)
- STATE INTERNATIONAL TRADE ORGANIZATIONS (SIDO)
- U. S. CHAMBER OF COMMERCE
- CALIFORNIA CHAMBER OF COMMERCE,
- NORTH ALA. INTL TRADE ASSOCIATION (NAITA)
- PLUS OTHER LOCAL AND STATE TRADE ASSOCIATIONS

TARGETED MARKET SEGMENTS

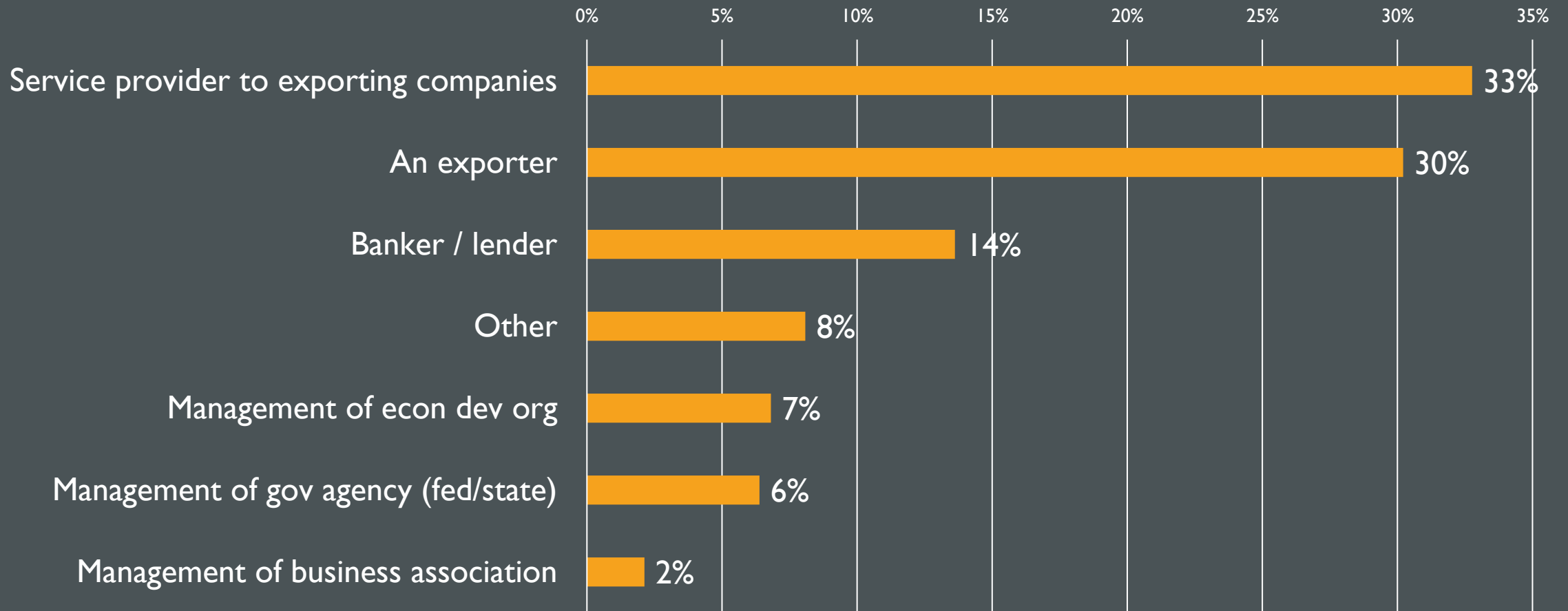
The survey was directed to:

- Exporters
- Service providers that support exporting
- Int'l trade economic developers (trade specialists)
- Trade finance bankers
- Clients of EXIM bank
- EXIM insurance brokers
- REPP organizations

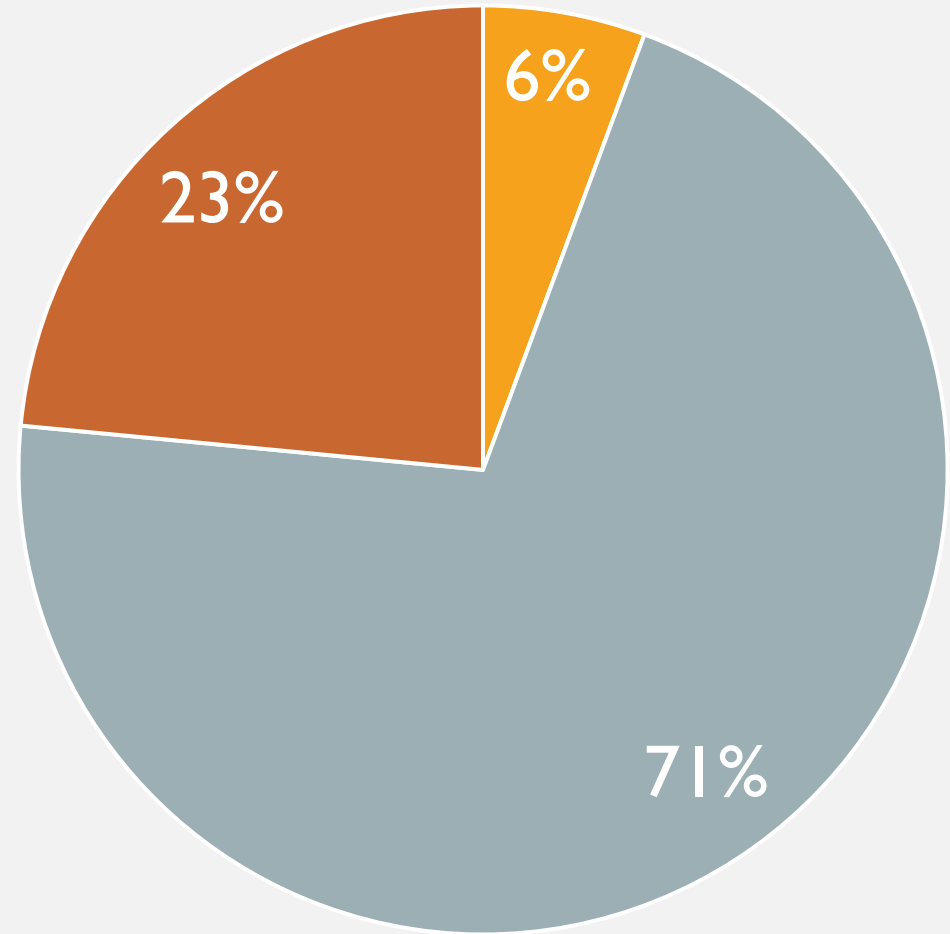
TARGETED MARKET SEGMENTS

- Over the course of three months, it is estimated that several thousand emails were sent by the participating organizations, plus several groups included the survey in their newsletters.
- Several hundred direct email requests were also sent to a broad sampling of EXIM clients, to EXIM insurance brokers, and to REPP participants.
- These efforts resulted in over 225 responses.

RESPONDENT DESCRIPTION

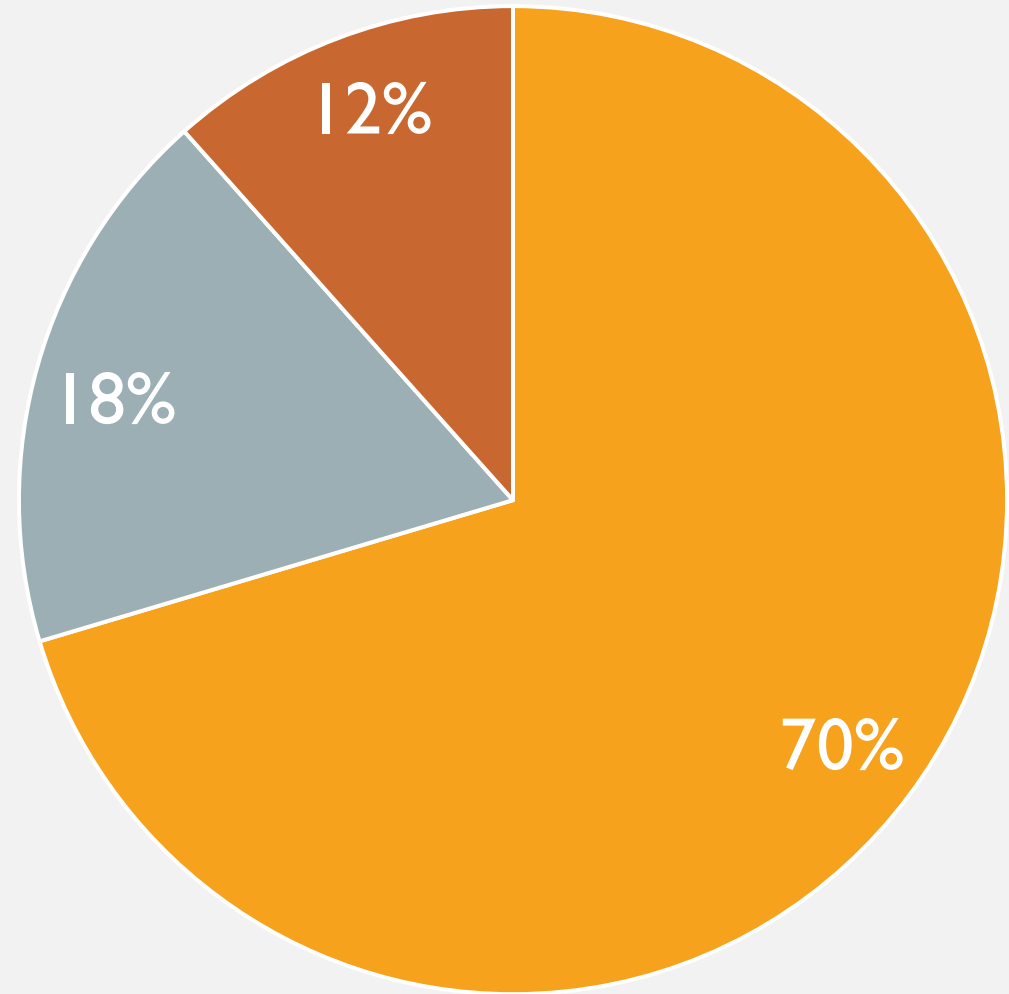


RESPONDENT LEVEL
OF EXPERIENCE
WITH EXIM



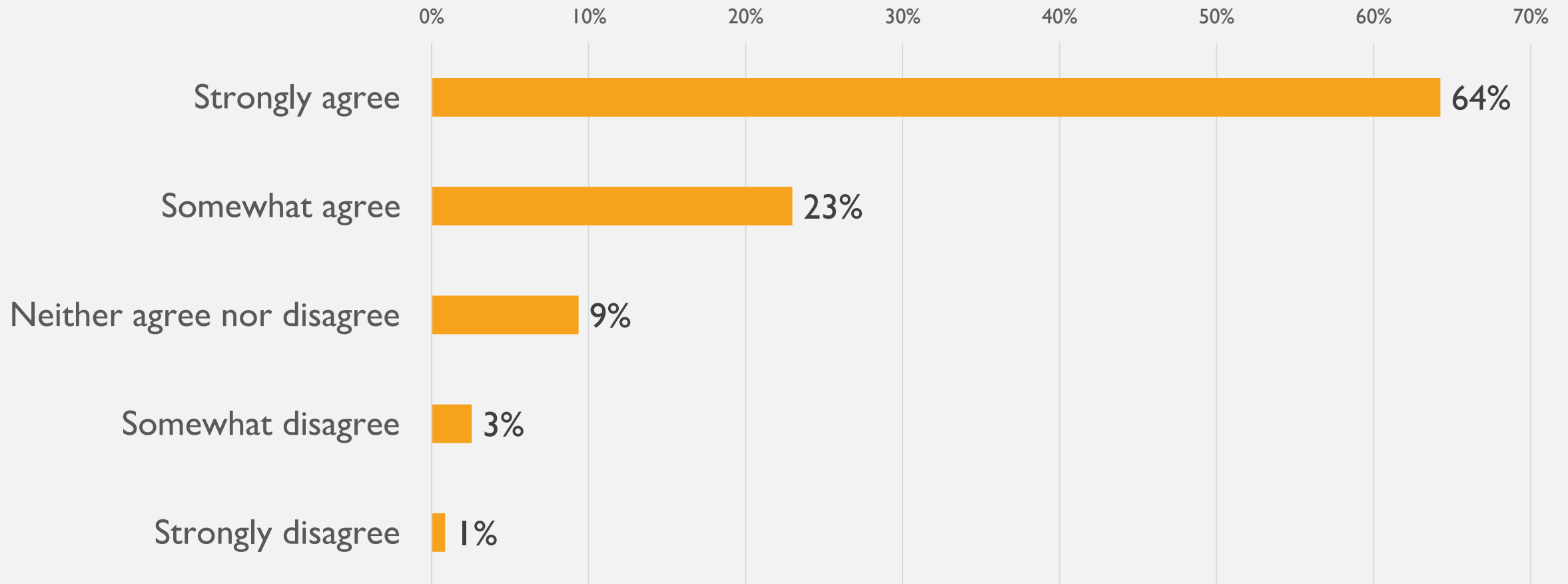
- Not familiar
- Familiar with EXIM and its Products/Services
- Somewhat familiar with EXIM but not too familiar with its Products/Services

RECENCY OF EXPERIENCE WITH EXIM

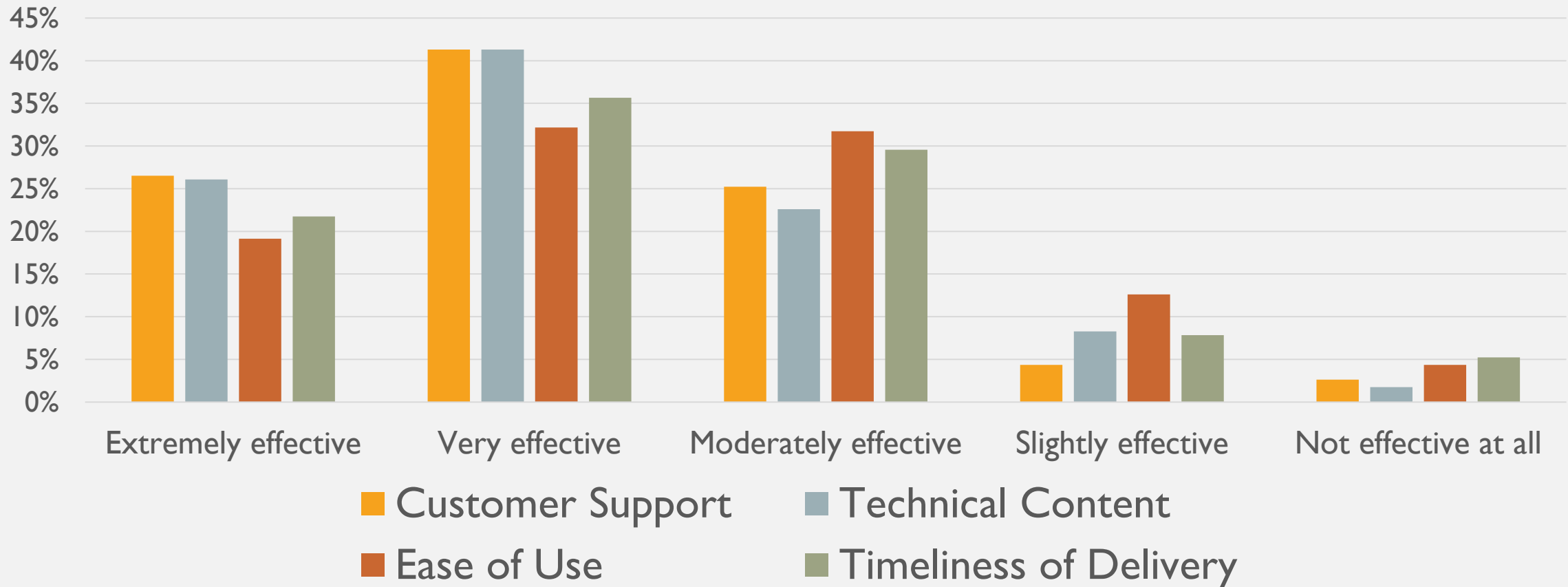


- Recent (within three years or so)
- Not recent (over three years)
- No prior interaction with EXIM

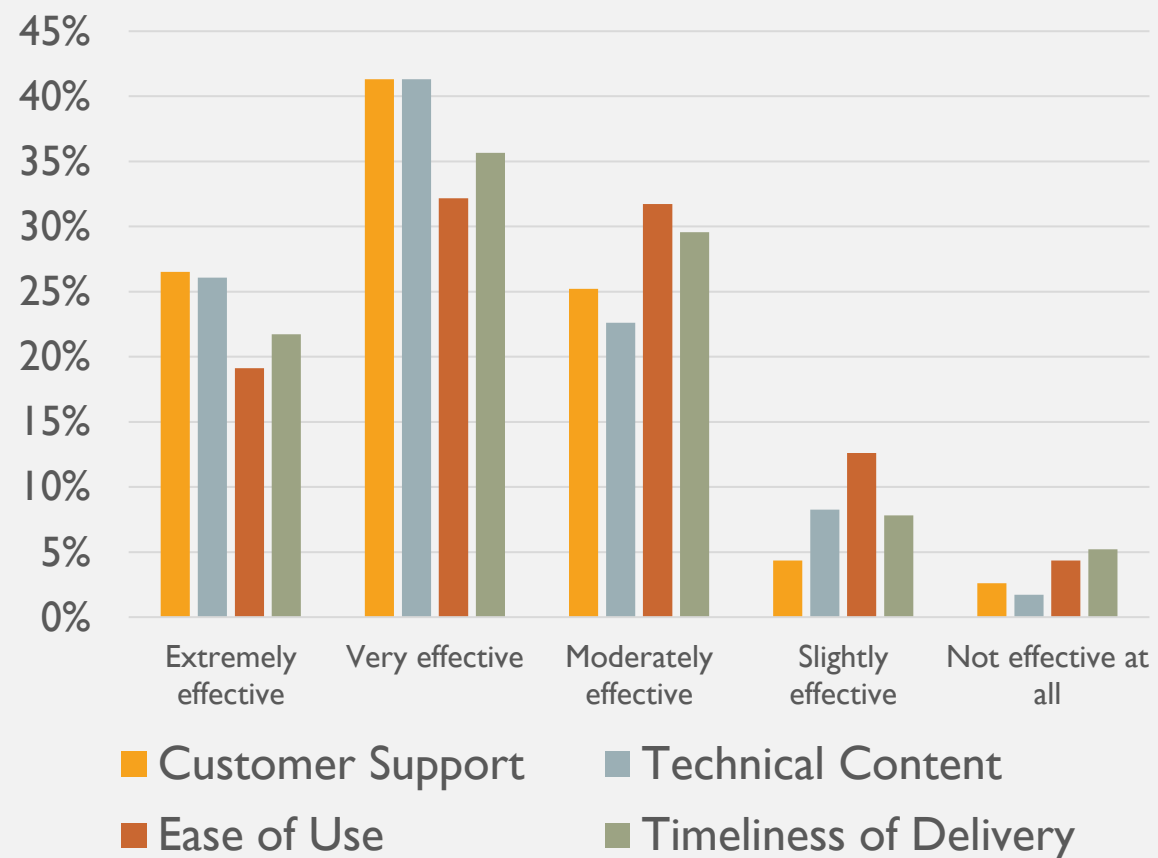
“OVERALL, EXIM’S PROGRAMS CAN SUBSTANTIALLY AID AN EXPORTER’S EFFORTS TO INCREASE INTERNATIONAL REVENUES AND RESULTING NET INCOME.”



RATE THE FOLLOWING ATTRIBUTES BASED ON YOUR EXPERIENCE WITH EXIM BANK (OR GENERAL PERSPECTIVE IF NO DIRECT EXPERIENCE)



RATE THE FOLLOWING ATTRIBUTES BASED ON YOUR EXPERIENCE WITH EXIM BANK (OR GENERAL PERSPECTIVE IF NO DIRECT EXPERIENCE)



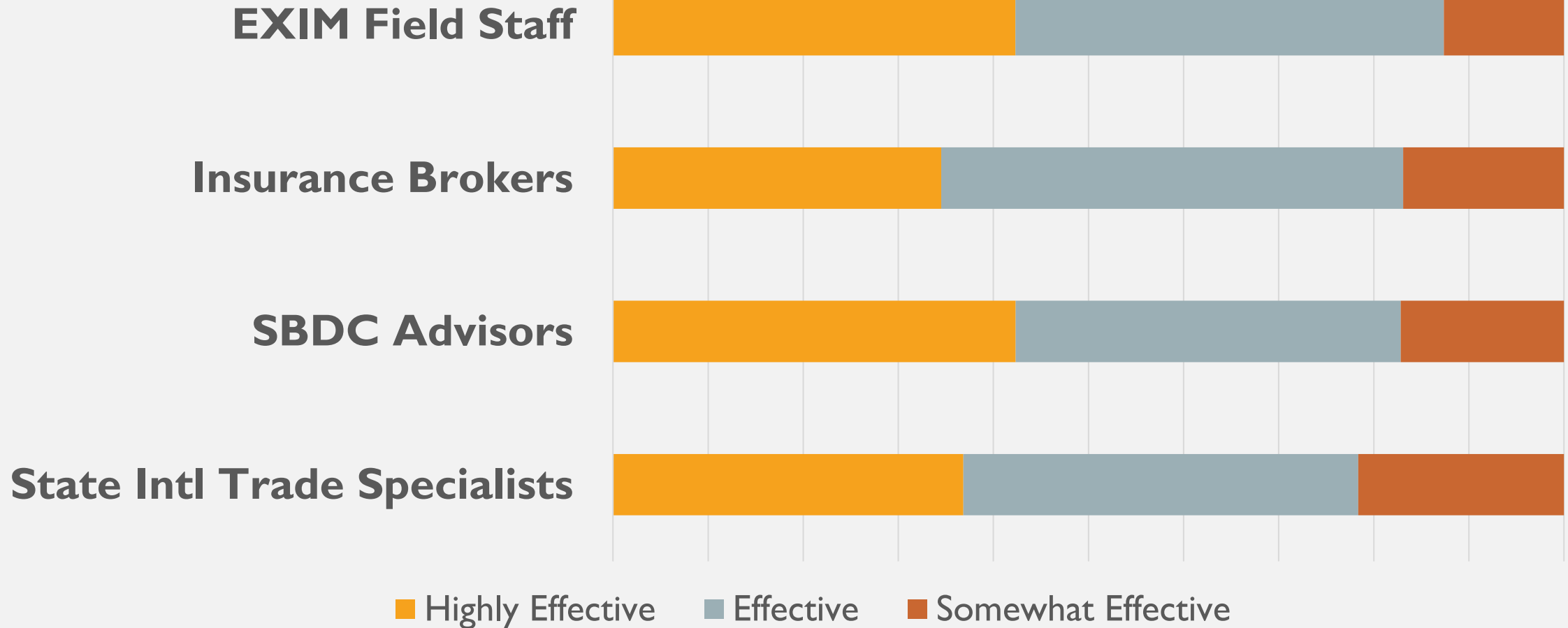
Percentage of Respondents that rated ExIm moderate to extremely effective for the following:

- 93% Customer Support
- 90% Technical Content
- 83% Ease of Use
- 87% Timeliness of Delivery

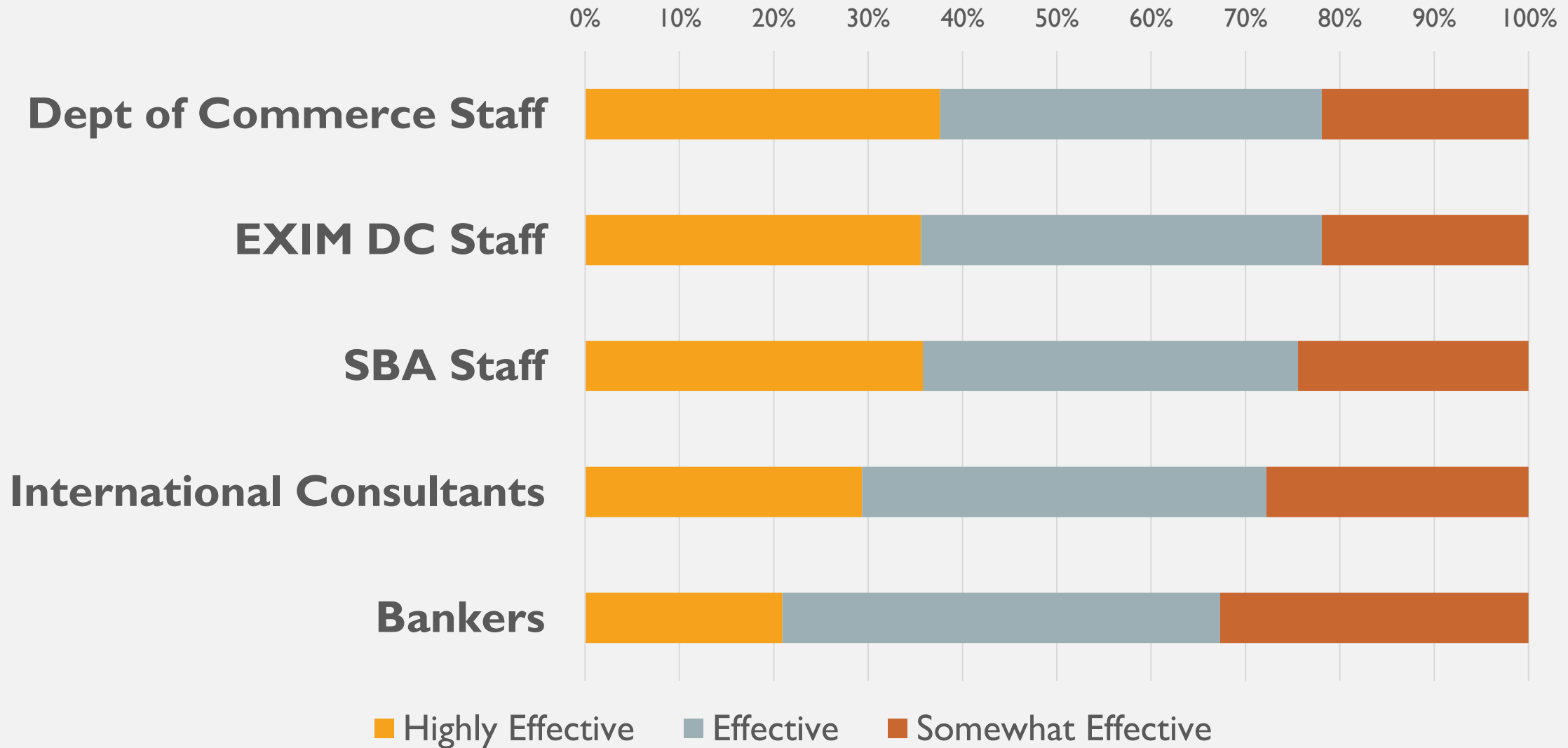
RATE YOUR PERCEPTION OF THESE RESOURCES (TOP 5)



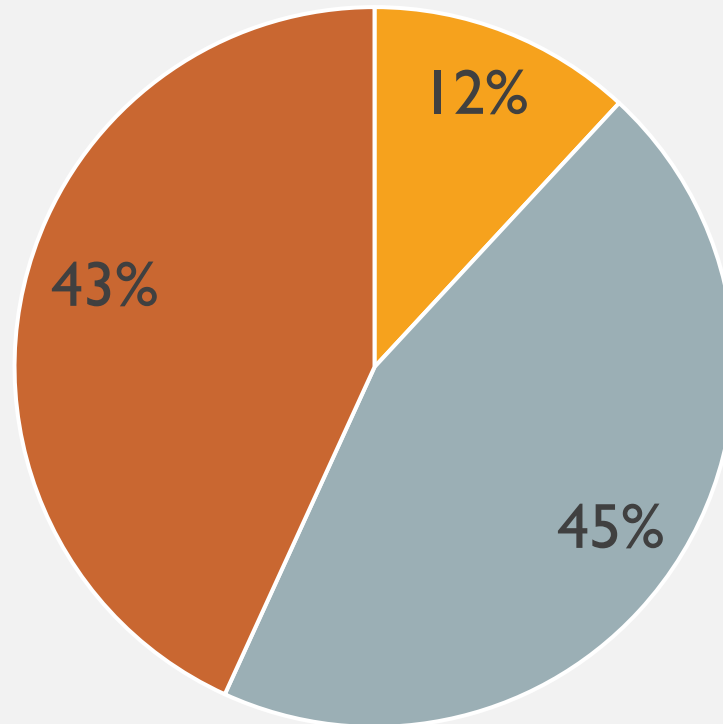
0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%



RATE YOUR PERCEPTION OF THESE RESOURCES (NEXT 5)

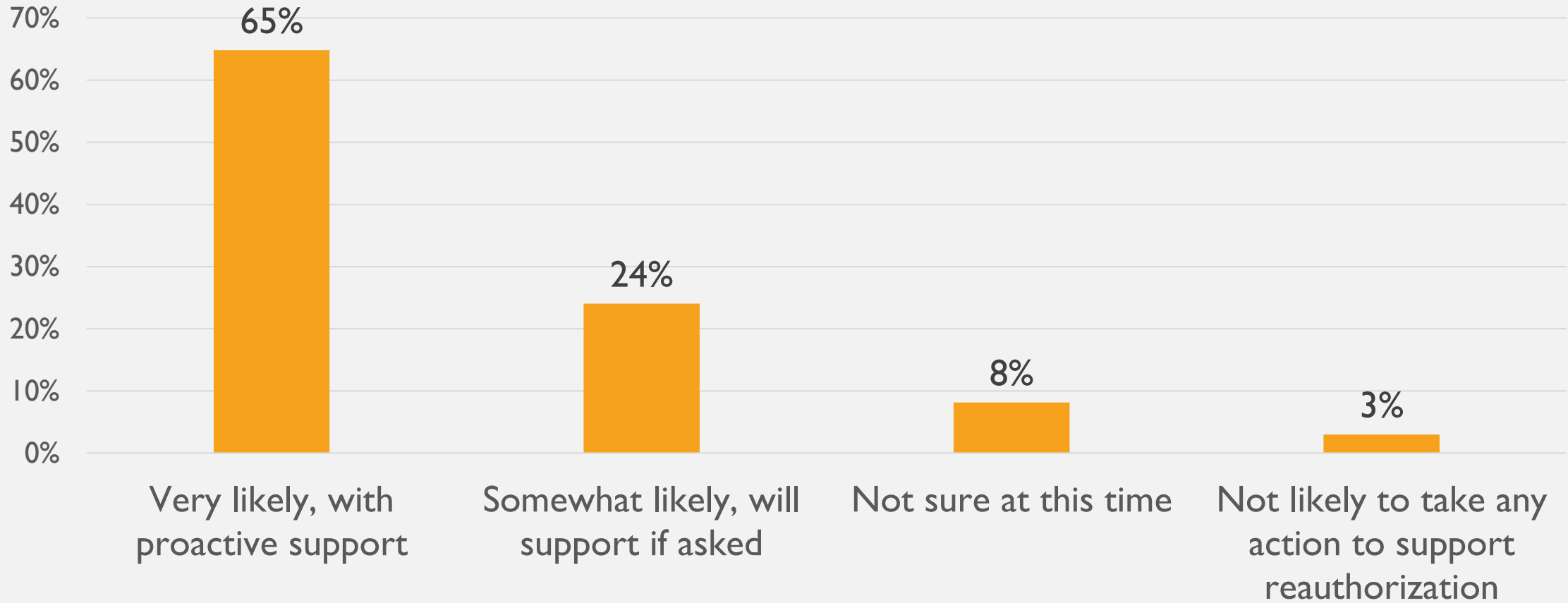


IMPACT OF DISRUPTIONS CAUSED BY LAPSES IN REAUTHORIZATION OR LACK OF QUORUM



- Definite effect: unlikely we will use (or recommend) EXIM Bank in the future.
- Some effect
- No effect: business as usual

HOW LIKELY ARE YOU TO SUPPORT THE REAUTHORIZATION OF EXIM IN 2026?



**MOST IMPORTANT ROLES OF EXIM
(RANKED ORDER)**

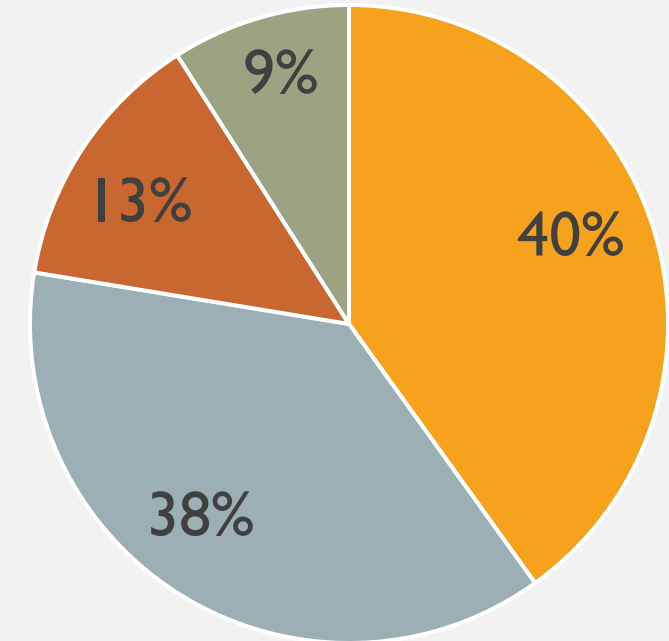






0% 5% 10% 15% 20%



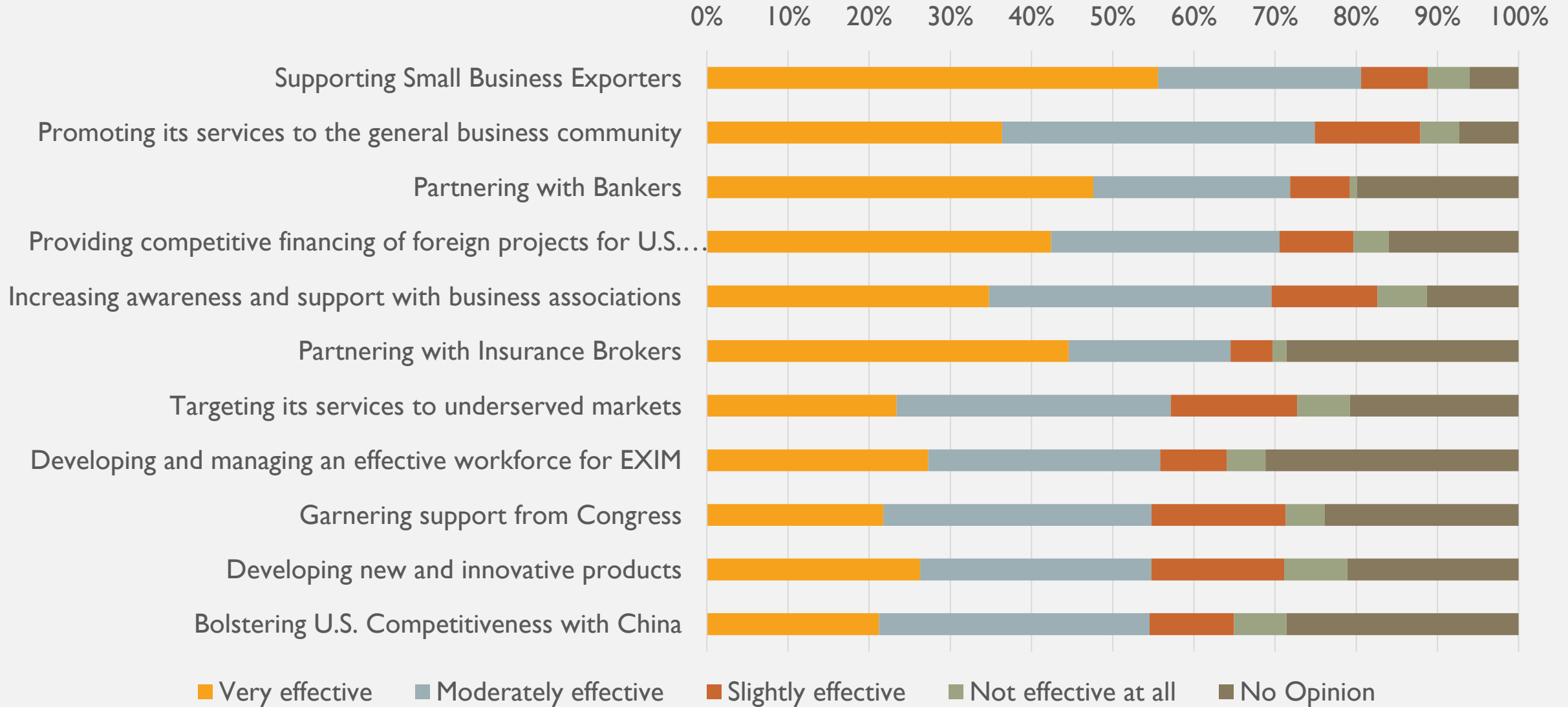
EXIM'S U. S. CONTENT REQUIREMENTS ARE NOT A SIGNIFICANT ISSUE FOR OUR ORGANIZATION (OR FOR THE ORGANIZATIONS AND EXPORTERS WE SUPPORT).

78% do not see U.S. content requirements as an issue.



-  Somewhat accurate
-  Very accurate
-  No opinion
-  Very inaccurate

HOW EFFECTIVE IS EXIM BANK?



POSITIVE TAKE AWAYS

Those elements in the survey responses that indicate positive perception and effectiveness regarding EXIM.

TOP THREE!

FOR POSITIVE PERCEPTION:

EXPORTERS

SERVICE PROVIDERS

TRADE SPECIALISTS

FOR SOLID EFFECTIVENESS:

SMALL BUSINESS EXPORTERS

BANKERS

INSURANCE BROKERS

POSITIVE TAKE AWAYS

Those elements in the survey responses that indicate positive perception and effectiveness regarding EXIM.

Over 85% of all respondents indicated support for reauthorization!

POSITIVE TAKE AWAYS

Those elements in the survey responses that indicate positive perception and effectiveness regarding EXIM.

EXIM Field Staff were tops in the sources for EXIM support!

Followed by:

- SBDC trade advisors
- Department of Commerce Trade Specialists
- SBA OIT staff

OPPORTUNITIES FOR EXIM

Those elements in the survey responses that indicate areas for opportunities for increasing awareness, perception and effectiveness.

Overall percentage of respondents that rated EXIM “very effective to extremely effective” for the following:

51% Ease of use

57% Timeliness of delivery

68% Customer support

(A rating of 75% or higher could be a goal for future surveys?)

OPPORTUNITIES FOR EXIM

Those elements in the survey responses that indicate areas for opportunities for increasing awareness, perception and effectiveness.

The following sources for assistance on EXIM were ranked as the least effective:

1. Bankers
2. International Consultants

OPPORTUNITIES FOR EXIM

Those elements in the survey responses that indicate areas for opportunities for increasing awareness, perception and effectiveness.

According to the respondents, EXIM should prioritize:

1. Financing U. S. Exporters
2. Creating U. S. Jobs
3. Supporting new-to-export companies

OPPORTUNITIES FOR EXIM

Those elements in the survey responses that indicate areas for opportunities for increasing awareness, perception and effectiveness.

Areas for increasing EXIM effectiveness:

1. China
2. Congress
3. Underserved markets
4. New products

A SAMPLING OF THE MANY COMMENTS RECEIVED
REGARDING EXIM



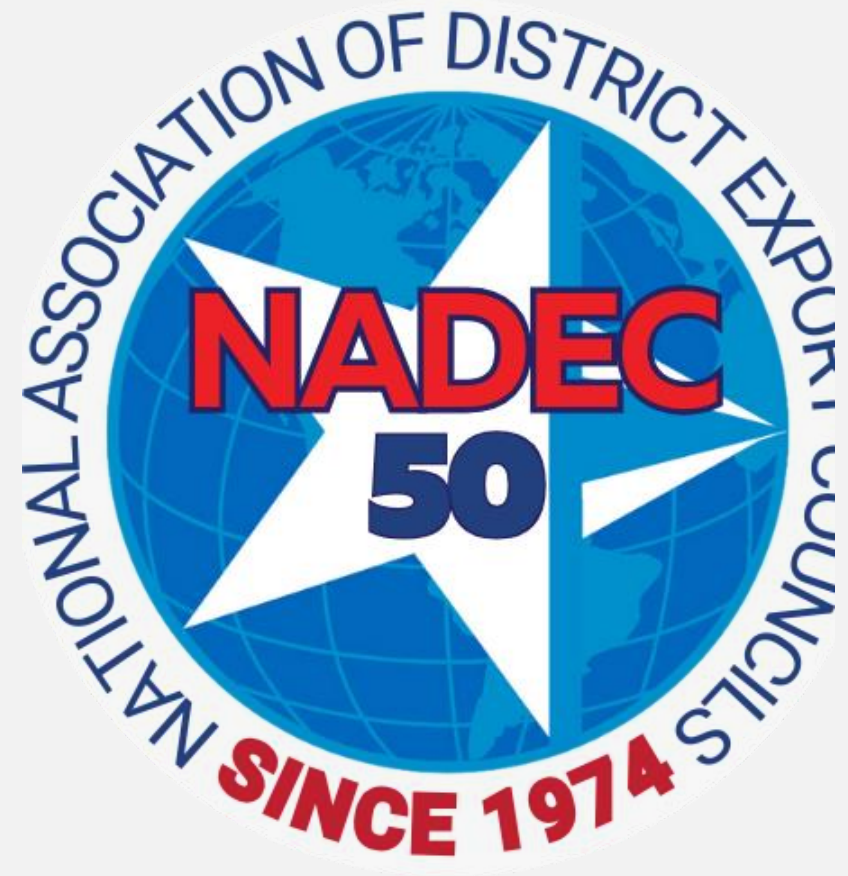
- Although I am extremely familiar with ExIm Bank and the support it offers, my company has not been eligible for ExIm Bank programs with our \$50M in projects in developing countries since our projects are with the USG. I would suggest that ExIm Bank consider ways to financially support small businesses (like mine) entering the exporting world via Federal contracts.
- Exim is great at supporting larger exporters..., and excels at providing export insurance cover to smaller businesses, but EXIM should increase its ability to directly lend or directly finance smaller amounts under \$500,000 for small businesses for both short term and medium term 5-7 year financing. Banks and other lenders don't want to actively serve smaller cap loans of this nature -- with cover or without.
- ExIm may face issues with reauthorizations if they do not significantly increase their support for small business.
- ExIm needs to better understand the needs of small businesses. Perhaps a better relationship with SBA and products jointly created to address the challenges of small businesses competing in global markets would be beneficial. Tear down the silos.

- I find that depending on location, businesses aren't aware of the assistance that is available regarding ExIm. I am speaking of the NW area of Louisiana.
- They are not around when we need them, as we sometimes can do fossil fuels material handling equipment in various countries or countries that have some monetary problems but are working on solving their financial strength.
- The REPP participants might appreciate some level of financial support to make a case to our SBDCs about the importance of promoting and organizing quarterly webinars.
- The 2% cap on bad debt makes EXIM unable to take the necessary risks that US companies need and capital markets can't compete with the unfair subsidized practices that support Chinese companies worldwide. Also, the SME definition and the related caps on financing mechanisms are out of step with the tech industry structure.
- Interactions have been minimal unless we reach out for help. We first became familiar when we requested an SBA loan and an EXIM relationship was required to get the financing. Not really sure of all EXIM offers.

- International commerce has evolved significantly since EXIM was founded. During the same time period, EXIM's philosophy/policies have basically remained the same. As a Banker that has 20+ years of using EXIM's programs, I have experienced EXIM's rigidity that makes their products less relevant....
For U.S. manufacturers to be competitive internationally and domestically, they have to source raw materials from other countries or manufacture in other countries. Thus, making the majority ineligible for EXIM Bank.
- Exim should be more flexible in regard to national content and try to shift to 'national interest' similar to other ECA's, otherwise we will keep losing competitiveness in the international market.
- EXIM needs to improve its partnership with US Lenders. Today EXIM Bank's approach effectively crowds out the private sector. EXIM needs to better qualify its lenders and then utilize these lenders more in partnership...EXIM does not view lenders as true partners.
- EXIM is seriously understaffed, resulting in extremely long approval processes, which makes EXIM completely uncompetitive vis-a-vis most ECAs around the world, and, thereby, putting US exporters at a huge disadvantage.
- As a bank that offers both the SBA and Exim version of EWCG program, we find the guaranty fee offered by SBA is more compelling to lenders and customers -- tough to compete with that.

EXIM SURVEY QUESTIONS?

- 2024 NADEC Annual Export Conference
 - Celebrating the 50th Anniversary of the NADEC
- Engaging with Our Friends & Neighbors



2024 EXIM BANK SURVEY

Bill Cummins

Vice Chair Alabama DEC

Email: billcummins@gmail.com

Cel: 504 908 6441