

EXIM

Solutions to Support Agricultural Exports

MARIEL HUASANGA, *Regional Director – Central Region*

Who We Are

EXIM is a U.S. federal government agency



Established in 1934



Headquartered in Washington, D.C.



12 Regional Offices nationwide



Open for business in 180+ countries!

Our Mission: Facilitate U.S. jobs by supporting the growth of U.S. exports

- › Fill gaps and complements private-sector financing
- › Level the playing field for U.S. companies competing for global sales

WHAT WE DO

Ways EXIM Can Help

1

Improve competitiveness
by insuring your
receivables from
international sales

2

Assist in obtaining
pre-export working
capital financing

3

Support capital equipment
exports with term loans
for international buyers

Helping American Businesses
Win the Future

OUR FINANCING

Makes the Difference



Level the playing field
and compete globally



Minimize the risk
of buyer non-payment



Supplement
commercial financing



No company or transaction is too small

EXIM has supported sales of just a few thousand dollars

Support for Agricultural Exports

- More than 80% of the agricultural exports supported by EXIM is associated with small businesses.
- EXIM can support exports of agricultural commodities and consumables, new and used agricultural equipment, livestock, foodstuffs, chemicals, supplies and services.
- Beyond the sale of equipment and commodities, EXIM also assists U.S. exporters and suppliers with financing for agricultural projects.



SALES TERMS AS A
Spectrum of Risk

Cash in Advance

Letters of Credit (L/C)

Cash Against Documents

Open Account

Low Risk

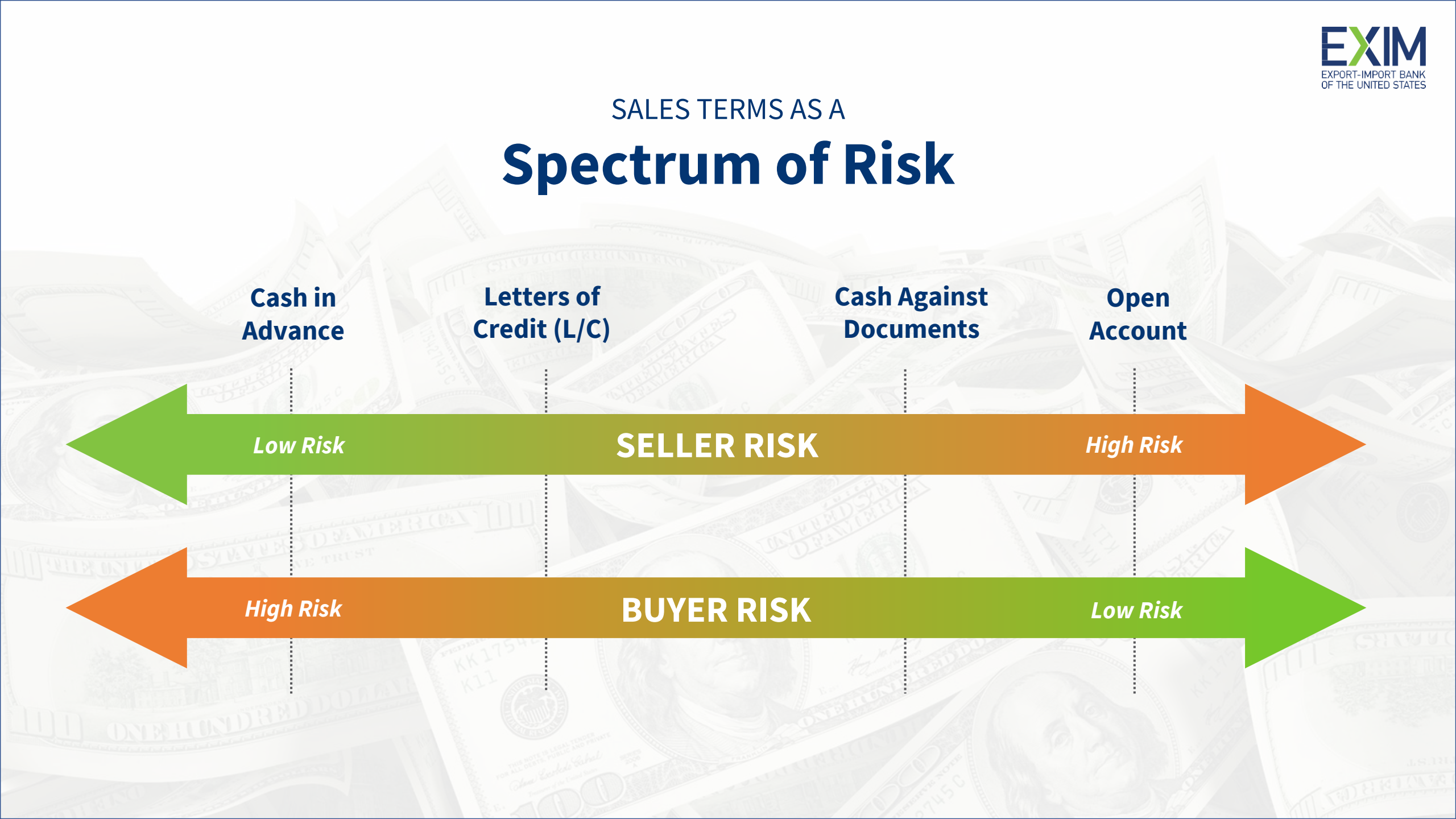
SELLER RISK

High Risk

High Risk

BUYER RISK

Low Risk



WHAT IS Export Credit Insurance?

*Export Credit
Insurance is...*



An insurance policy covering receivables generated from export sales that protects against nonpayment by international buyers

*Export Credit
Insurance
enables you to...*



Be competitive with open account credit terms
Use insured receivables from export sales as collateral to obtain working capital



How Export Credit Insurance Works

Step 1:

You identify an international buyer and obtain an Export Credit Insurance policy.



Step 2:

You offer credit terms to your foreign buyer.

Step 3:

The buyer accepts the deal's terms.



Step 4:

You ship your product and invoice the buyer.

Step 5:

You report shipments and pay premiums on the amount shipped.



Step 6:

The buyer pays. If they fail to do so, EXIM pays.

Eligibility

- All industries welcome; military & defense exports are excluded (certain exceptions may apply for 'dual-use' items).
- At least 3-year operating history, a positive net worth (exceptions can be made on a case-by-case basis).
- Products shipped from the U.S. with at least 51% U.S. content including labor and overhead, but not mark-up.
- EXIM can support exports to most markets. However, there are some export destinations, that are not eligible for support. EXIM's Country Limitation Schedule provides an up-to-date listing of approved countries.
- A DUNS number with Dun & Bradstreet, and an active SAM.gov registration, including the issuance of a Unique Entity Identifier (UEI).

What is Covered?

Commercial Risks:

- ✓ Insolvency
- ✓ Bankruptcy
- ✓ Protracted Default

Political Risks:

- ✓ War, revolution, insurrection
- ✓ Currency transfer risk
- ✓ Cancellation of import or export license

⊘ Disputes with the buyer are **not** covered



Short-Term Export Credit Insurance

Short-term policies insure credit terms of up to 180 days and, in certain cases, up to 360 days for capital equipment and bulk ag commodities.

Export Policy Options

- › Multi-Buyer
 - Options to cover all or part of the company's export portfolio.
 - 95% coverage
- › Single-Buyer
 - Covers one buyer for a predetermined period and dollar amount.
 - 90% coverage
- › For unprocessed bulk agricultural commodities, coverage up to 98% and terms of up to 360 days, can be considered for all policy types

How Can EXIM Products Assist You?

You Need:

Extension of credit
Non-payment protection
Access to capital – expansion of
borrowing base

Funds to fulfill export orders

Our Solution:

Export Credit Insurance

Working Capital Loan Guarantee

How Can EXIM Products Assist You?

You Need:

Foreign Buyer Financing

Our Solution:

Medium and Long Term
Loan Guarantees

On/Reshoring or Expanding
Manufacturing Capacity in the
US



SUCCESS STORY

Sartori Company



Plymouth, WI



Small business



Exports to Europe,
Canada, Mexico,
Australia, China.



Uses Export Credit
Insurance



Working with EXIM since
2019

About the Exporter:

Sartori is a fourth-generation, family owned, Wisconsin cheese producer. They specialize in making and selling world award-winning cheese to domestic and international retailers, restaurants, and food manufacturers.

With EXIM's Support, Sartori Company:

- › Offered open accounts terms to foreign buyers, increasing their competitiveness in the global marketplace and allowing them to win sales.
- › Expanded into new markets, such as Israel, France, Guatemala, China, and Australia.
- › Exports reported in the 2022/2023 policy period more than doubled compared to the reported number in the prior policy period.



**Questions from
the audience?**





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SCHEDULE A CONSULTATION

<https://grow.exim.gov/ursula-wegrzynowicz>