



THE **ENERGY INDUSTRY**

Tools & Opportunities
for U.S. Exporters

A GROWING INDUSTRY

The U.S. is one of the largest producers and exporters of energy in the world. In 2024, over \$320 billion in energy-related products were exported—including oil, liquefied natural gas (LNG), coal, and nuclear fuel technologies.

While major corporations continue to lead in crude oil and LNG exports, small and mid-sized businesses are playing a growing role in supporting global demand for coal, gas processing equipment, and components for nuclear energy systems. Top importers in 2024 included:

Importers of Energy Products	Total Sales
Canada	\$35.1 billion
China	\$31.6 billion
Mexico	\$25.7 billion
Japan	\$15.4 billion
India	\$12.9 billion

However, despite these opportunities, energy exporters are often faced with the same exporting challenges: offering open account credit terms to international buyers and making sure they get paid on international receivables generated from these transactions.

With the help of Export Credit Insurance for small businesses, many businesses have the support they need to compete globally.

Energy Industry: 2024 Facts



\$321.6B
total value of energy
products exported



\$218.3B
total value of energy
exports from Texas



\$77.1B
total energy product
export sales in Asia



[www.trade.gov/data-visualization/
tradestats-express-us-trade-product](https://www.trade.gov/data-visualization/tradestats-express-us-trade-product)

[www.bls.gov/mxp/publications/
regional-publications/charts/energy-
top-states.htm](https://www.bls.gov/mxp/publications/regional-publications/charts/energy-top-states.htm)



WHAT'S STOPPING YOU FROM EXPORTING?

Imagine this: your U.S. business has identified an international buyer for its product, you have agreed on pricing, and your buyer wants open account credit terms. How will your company manage the risk of nonpayment by your international buyer? Insuring the receivables generated by international sales with EXIM's Export Credit Insurance is a great place to start.

Export Credit Insurance is an insurance policy that covers international receivables.

Export Credit Insurance mitigates the risk of nonpayment and empowers you to meet, or beat, your competitors by offering attractive credit terms. Your business can use open account credit terms to win new customers and increase sales to existing buyers.

Another benefit to insuring international receivables is that lenders will often accept them as collateral, expanding your borrowing base and improving cash flow.

Export Credit Insurance:

- ✓ Increases your ability to compete in international markets
- ✓ Protects your international receivables from nonpayment
- ✓ Expands your borrowing base for improved liquidity



BENEFITS INCLUDE:

Increased Sales

Every business wants to be more competitive. Providing open account credit terms can be the difference between winning and losing a deal. With more time to pay, customers have the financial flexibility to increase the size of their orders. Open account credit terms speed up the delivery of goods by avoiding delays associated with a letter of credit or cash in advance.

Risk Prevention

The challenge for exporters, particularly small businesses, is clear. Selling to international buyers on open account credit terms can be risky. If the buyers don't pay, there is very little recourse for the U.S.-based company and the financial hit can be significant. Export credit insurance mitigates the risk of nonpayment by insuring international receivables.

Cash Management

When your business needs cash to fulfill orders or pay for operations, you often look to your local lender. These lenders are more likely to include international receivables and inventory in your borrowing base when those receivables are insured, giving you access to additional financing and improving cash flow.

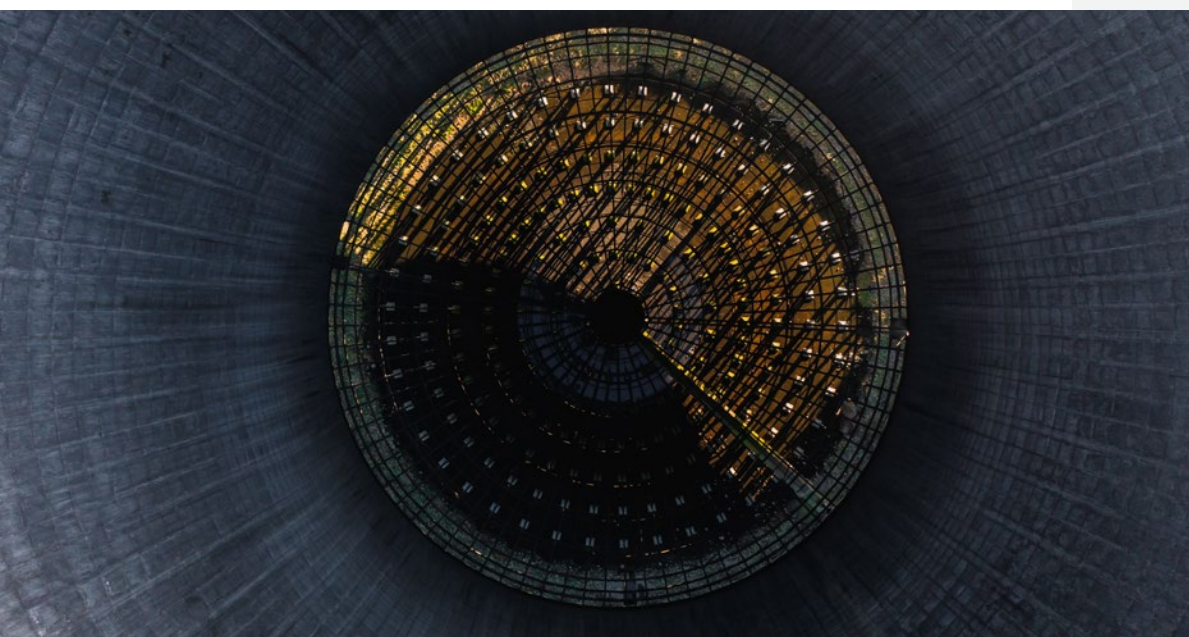
What Does Export Credit Insurance Cover?

Commercial Risks:

- ✓ Insolvency
- ✓ Bankruptcy
- ✓ Protracted Default

Political Risks:

- ✓ War, Revolution, Insurrection
- ✓ Currency Transfer Risk
- ✓ Cancellation of an Import or Export License



EXPORTER SPOTLIGHT

NOVAK Technologies

Novak Technologies wanted to expand their global market by exporting petroleum equipment for gas stations and security projects for international governments, ports, and airports, but they needed to offer viable credit terms to their international buyers.

Working with EXIM, Novak Technologies secured an Export Credit Insurance policy that enabled them to offer open account terms to customers abroad, helping to drive growth in global sales. With added confidence in their international transactions, they expanded their reach into new markets, ultimately generating nearly \$1 million in export sales within two years.

“EXIM’s prices are less expensive and more competitive than private export insurance. Through EXIM’s support, we were able to double our sales from the previous year.”

Tony Lizarraga
Sales Manager of NOVAK Technologies

NSM (dba Cornerstone Valve)

NSM/Cornerstone Valve, a manufacturer of precision valves serving various energy industries, recognized the need to expand its international footprint to support its annual sales of approximately \$3.5 million. With a strong foundation in highly specialized markets, the company saw global growth as essential to long-term success. To navigate the complexities of exporting, Cornerstone identified working capital financing and Export Credit Insurance as key resources.

In 2020, the company secured an Export Credit Insurance policy, gaining the financial confidence to pursue new international markets.

With EXIM’s Support, NSM/Cornerstone Valve:

- ✓ Has the insurance on foreign receivables to support acquiring working capital lending
- ✓ Has mitigated nonpayment risk at affordable prices



HOW DOES EXPORT CREDIT INSURANCE WORK?

Step 1:

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



Step 2:

You offer credit terms to your international 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 & pay premiums on the amount shipped.



Step 6:

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



WHAT POLICY OPTIONS ARE OFFERED?

Express Insurance

Most attractive to small businesses with limited or no prior export experience.

Features Include:

- ✓ 95% coverage
- ✓ No deductible
- ✓ Pay-as-you-go premiums
- ✓ Streamlined application

Multi-Buyer Insurance

Options to cover all or part of your export portfolio.

Features Include:

- ✓ 95% coverage
- ✓ No deductible
- ✓ Pay-as-you-go premiums

Single-Buyer Insurance

Covers one buyer for a predetermined period of time and dollar amount.

Features Include:

- ✓ 90% coverage
- ✓ No deductible
- ✓ Individual policies for each deal
- ✓ Policies to cover all the deals from a single buyer

TIP: With Single-Buyer Insurance, you can have multiple policies for the same buyer covering different deals.



WHAT'S NEXT?

EXIM is here to support you on your exporting journey. We offer a wide range of financing tools for your company's unique needs, as well as free consultations, educational material, exporter resources, and more. You can:



Get Started

Request a free consultation with an EXIM specialist in your area to determine your eligibility.

grow.exim.gov/consultationrequest



Learn Exporting Basics

Learn the basic fundamentals of trade finance and turn export opportunities into sales.

grow.exim.gov/export-guide



Get Helpful Advice

Do you have questions about account terms and financing for exporters? Our experts are here to help:

grow.exim.gov/export-financing-faqs



Guide to Working Capital Loan Guarantee

Find out how EXIM can unlock your cash flow by working with your lender.

grow.exim.gov/wclg-guide



This is a descriptive summary to be used only as a general introductory reference tool. The complete terms and conditions of the policy are set forth in the policy text, applications, and endorsements.