



**EXPORT TOOLS &
OPPORTUNITIES**

— *for* —

**AMERICAN
MANUFACTURERS**



EXIM
EXPORT-IMPORT BANK
OF THE UNITED STATES

AMERICAN MADE

In the United States, manufacturers contribute 10.70% to the nation’s total economic output and employ 8.41% of the U.S. workforce. The manufacturing sector generated [\\$2.29 trillion in output in 2023](#). American manufacturers, especially small and medium-sized enterprises in key national security sectors, often struggle to secure financing for global sales. EXIM is ready to address this challenge and support American jobs.

To boost domestic manufacturing, EXIM provides medium- and long-term loans, loan guarantees, and insurance to export-focused projects. By expanding its international buyer financing programs, EXIM will enhance the growth and security of critical supply chains, while continuing to support U.S. jobs throughout the export lifecycle.

<i>U.S.A. Top Manufactured Goods in 2023</i>	<i>Total Sales</i>
Chemical Products	\$424.2 billion
Food, Beverage, and Tobacco	\$300.9 billion
Computer & Electronic Products	\$298.5 billion
Motor Vehicle Parts	\$223 billion
Other Transportation Equipment	\$187.1 billion
Machinery	\$151.7 billion
Fabricated Metal Products	\$121.5 billion
Miscellaneous Manufactures	\$102.7 billion
Primary Metals	\$92.5 billion
Petroleum & Coal Products	\$83.9 billion

In this guide, you’ll learn about various EXIM programs that empower American manufacturers by securing working capital and payment protection for their exports.

Manufacturing Industry Facts at a Glance



\$1.6T

U.S.-manufactured goods exported in 2022



234,931

U.S. manufacturing firms are considered small (less than 500 employees)



8,000

jobs created by manufacturing in May 2024

www.bea.gov/itable/gdp-by-industry

nam.org/manufacturing-in-the-united-states/facts-about-manufacturing-expanded/

THE POWER OF MANUFACTURING:



Valued Employees

Manufacturing boasts one of the [highest rates of workers](#) eligible for employer-provided health benefits. In fact, 93% of manufacturing employees were eligible for health insurance benefits in 2023.



Job Availability & Career Growth

The manufacturing sector is projected to require [3.8 million new jobs](#) over the next decade. Of these positions, 2.8 million will be due to retirements, and 760,000 will result from industry growth.



Increased Global Competitiveness

Exports of manufactured goods have [more than doubled](#) in the past twenty years. U.S.A.-made products are highly sought after globally due to their superior quality.

EXIM Support Offsets Manufacturing Challenges

Manufacturers face significant challenges, particularly high regulatory costs and energy consumption. They incur an average of \$29,100 per employee for regulatory compliance, with small manufacturers facing upwards of \$50,100 per employee annually. Additionally, industrial energy consumption was 33.25 quadrillion Btu in 2022, projected to rise by 2.9% by 2030. Despite these pressures, manufacturing construction investment has surged, [increasing by 25.8%](#) over the past year, driven by industrial policy and efforts to enhance domestic production capacity.

EXIM supports export manufacturers by providing Working Capital Loan Guarantees to help offset the costs associated with operations.



WHAT IS A WORKING CAPITAL LOAN GUARANTEE?

International markets can represent both tremendous opportunities and special challenges for U.S. exporters. A primary obstacle is the inability to secure financing.

The risks associated with international sales can prevent lenders from providing the working capital needed to fulfill export orders. A Working Capital Loan Guarantee from EXIM often gives these lenders the confidence to provide U.S. exporters with the financing to take on new business abroad.

EXIM works with a U.S. company's lender to provide a loan guarantee that backs the exporter's debt. With this guarantee in place, the lender can extend a working capital loan to improve the company's cash flow.



TIP: The funds from this EXIM-guaranteed working capital loan can be used to cover the costs of labor, materials, overhead, and other items required to fulfill export sales.



BENEFITS FOR YOUR BUSINESS:



Including Export-Related Assets As Collateral

Lenders may be unwilling to use export-related assets as a borrowing basis because the international market risk would be beyond the lender's comfort level. An EXIM Working Capital Loan Guarantee allows U.S. businesses to borrow against assets that lenders would otherwise be unwilling to include as collateral. Assets such as international accounts receivable and export-related inventory including raw materials, work-in-progress, and finished goods can become part of the borrowing base.



Increasing Advance Rates

When an EXIM Working Capital Loan Guarantee is in place, the advance rates (the percentage of the collateral value a lender is willing to extend for a loan) are higher. These increased advance rates give the U.S. company a larger borrowing base and more access to the funds the company requires.



Supporting Standby Letters of Credit

Exporters can find themselves in need of standby letters of credit serving as a bid bond, performance bond, or advance payment guarantee. Supporting these standby letters of credit requires cash collateral. An EXIM Working Capital Loan Guarantee enables exporters get a loan from their lender to support these bonding needs at 25 percent collateralization.

The ability to provide international buyers with bid bonds, performance bonds, or advance payment guarantees can give the U.S. exporter an advantage over the competition.

INCREASE YOUR BORROWING POWER

Below is an example of how a lender may evaluate export-based collateral. When a working capital loan is guaranteed by EXIM, lender advance rates tend to be higher. This creates a larger borrowing base.

A larger borrowing base means more borrowing power for your company!



		Without EXIM Guarantee		With EXIM Guarantee	
<i>Export Inventory</i>	<i>Value</i>	<i>Advance Rate</i>	<i>Borrowing Base</i>	<i>Advance Rate</i>	<i>Borrowing Base</i>
Raw Materials	\$200,000	20%	\$40,000	75%	\$150,000
Work-in-Progress Inventory	\$200,000	0%	\$0	75%	\$150,000
Finished Goods	\$600,000	50%	\$300,000	75%	\$450,000

Export Accounts Receivable

On Open Account	\$400,000	0%	\$0	90%	\$360,000
By Letter of Credit	\$600,000	70%	\$420,000	90%	\$540,000
Total	\$2,000,000		\$760,000		\$1,650,000

Source: Trade Finance Guide, U.S. Department of Commerce



HOW DOES A LOAN GUARANTEE **WORK?**

Step 1:

You export and want to grow export sales, but need to finance export accounts receivable & inventory destined for export.



Step 2:

You apply for a working capital loan, but your lender won't approve it because your collateral is export-related.



Step 3:

Lenders with delegated authority process your working capital loan under established EXIM criteria.



Step 4:

Your lender loans you the money. You use the funds to fulfill your export sale.



APPLICATION PROCESS

Basic Eligibility Requirements:

- ✓ Must be a U.S. company with at least one year of operating history and a positive net worth
- ✓ Exports must be shipped from the United States
- ✓ Exports must have a minimum of 50 percent U.S. content based on all direct and indirect costs (e.g., labor, materials, administrative costs)
- ✓ Services must be performed by U.S.A.-based personnel
- ✓ EXIM cannot support exports of military/defense products and services (with some exceptions), or purchases made by military buyers

How to Apply:

A small business exporter may apply through any [lender that has been granted delegated authority](#) from EXIM.

Most lenders with whom we have established working relationships have been granted discretionary pre-approved credit status (after rigorous screening) known as *delegated authority*—allowing them to process your working capital loan under established criteria without pre-approval from EXIM.





MAKE MORE **IN AMERICA**

The Make More In America initiative is open to all sectors, with priority given to environmentally beneficial projects, small businesses, and transformational exports like semiconductors, biotech, renewable energy, and energy storage. This initiative will rejuvenate American manufacturing, strengthen supply chains, and level the global playing field for U.S. companies.

Make More in America allows for long-term loans for capital investment: building new factories, purchasing equipment, and other expenses related to manufacturing capacity. These loans could be processed on a corporate, structured or limited recourse project finance basis, and may or may not require a security interest in the asset(s) being financed.

Make More In America is a revolutionary initiative that rejuvenates American manufacturing and strengthens supply chains.





In addition to EXIM's standard due diligence procedures and additionality requirements, EXIM will follow two core criteria in assessing project eligibility:

Export Nexus

Transaction eligibility will be determined by the "export nexus"—the percentage of production or shipments tied to exports.

- ✓ For small businesses (including minority and women-owned business), transformational export areas, and climate-related transactions, the required nexus is 15 percent.
- ✓ For projects in other sectors, 25 percent of output exported (or expected to be exported) will be required.
- ✓ This tool will also be open to export suppliers as well, if EXIM criteria are met regarding the export nexus standards.

Jobs

The amount of EXIM financing made available for individual projects will be scaled based on the number of U.S. jobs supported, both during construction and over the life of EXIM's financing.

- ✓ Each job-year (e.g., one job over five years is five job-years) allows for up to \$205,336 in financing.
- ✓ This standard will replace the U.S. content required in traditional EXIM transactions to international buyers.

Reasonable Assurance of Repayment

EXIM is directed by Congress to underwrite to a "reasonable assurance of repayment" standard. For non-project finance transactions, EXIM will generally require:

- ✓ A minimum three-year revenue producing history in the same line of business.
- ✓ Proven debt service capacity, based on prior financial performance and ability to meet EXIM's credit standards.
- ✓ A loan amount not disproportionate to the size of the company (in terms of financial resources and business operations); in general the loan should not be more than 40% of tangible net-worth of the borrower.

For project finance transactions, please see [EXIM's Approach to Project Finance](#) for details.

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



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



Learn Exporting Basics

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

grow.exim.gov/export-guide



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.