

THE SEAFOOD INDUSTRY

Tools & Opportunities
for U.S. Exporters



A GROWING INDUSTRY

Fisheries in the United States are sharing their catch with the international market, exporting their products to feed families around the globe. In return, buyers are biting—global fish production reached 186.6 million metric tons in 2023, increasing 1.08% from 2022. As one of the world's most widely consumed foods, fish continues to grow in popularity.

The U.S. fishing and seafood sector has generated more than \$200 billion in annual sales and supported 1.7 million jobs in recent years, according to NOAA Fisheries. Top markets for U.S. fish and seafood exports include:

| <i>Importers of U.S.A. Seafood in 2023</i> | <i>Total Sales</i> |
|--|--------------------|
| Canada | \$1.06 billion |
| China | \$1.02 billion |
| European Union | \$981.4 million |
| Japan | \$568 million |
| South Korea | \$342 million |
| Hong Kong | \$139.3 million |
| Mexico | \$123.5 million |
| Thailand | \$87 million |
| Vietnam | \$64.3 million |
| United Kingdom | \$56 million |

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

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

U.S. Seafood Product Facts at a Glance:



\$4.93B

total fish and seafood export sales in 2024



10th Largest
seafood exporter
in the world in 2022



968

food fish farms operating
in the U.S. in 2023

[fas.usda.gov/data/commodities/
fish-and-seafood](https://fas.usda.gov/data/commodities/fish-and-seafood)

[statista.com/statistics/264577/total-world-fish-
production-since-2002/](https://statista.com/statistics/264577/total-world-fish-production-since-2002/)

[www.seafoodsource.com/news/supply-trade/us-
seafood-trade-deficit-hit-usd-20-3-billion-in-2023](https://www.seafoodsource.com/news/supply-trade/us-seafood-trade-deficit-hit-usd-20-3-billion-in-2023)

[www.nass.usda.gov/Publications/AgCensus/2022/
Online_Resources/Aquaculture/aqua_1_013_013.pdf](https://www.nass.usda.gov/Publications/AgCensus/2022/Online_Resources/Aquaculture/aqua_1_013_013.pdf)



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 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

“Lund’s business was expanding and we were concerned about the issues of going global, so we were able to partner with EXIM to get that confidence level and that comfortable feel that we could continue to grow and extend terms.”

Matt Viall, CFO of Lund’s Fisheries Inc.

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 global 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:

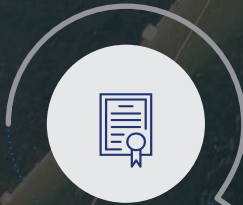
- ✓ War, Revolution, Insurrection
- ✓ Currency Transfer Risk
- ✓ Cancellation of an Import or Export License



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 global 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



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.