



# ENVIRONMENTAL EXPORTS FINANCING

## ENERGY-EFFICIENCY TECHNOLOGIES AND SERVICES

Energy efficiency offers a low-cost solution for achieving a sustainable energy future while reducing greenhouse-gas emissions. Moreover, energy efficiency can decrease the need for investment in energy infrastructure and diminish fuel cost and consumption while maintaining the same level of energy service to users.

Although energy efficiency has many benefits, financing end-use energy-efficiency projects remains a challenge. The Export-Import Bank of the United States (Ex-Im Bank) has placed an enhanced focus on providing export finance for energy-efficiency projects in markets where commercial lenders are hesitant to assume the risk.

Ex-Im Bank's Environmental Exports Program offers enhancements such as greater risk protection, capitalization of interest during construction and financing for local cost up to 30 percent of the U.S. contract price for U.S. goods and services that measurably reduce the consumption, production and utilization of energy while maintaining the same benefits or level of energy service to end users. These include:

**Buildings:** design, engineering or architectural services for new and existing buildings (retrofit), energy audits, energy-efficient insulation, building envelopes, solar-radiant barriers, advanced windows, energy-efficient lighting, water heating (including solar water heaters), refrigeration technologies and smart meters

**Industries:** improvements in industrial design or process to reduce energy utilization, including combined heating, cooling, and power (CHP); waste-heat recovery; preheating and efficient drives (motor, pump, compressors); and other technologies designed to reduce energy intensity

**Power-Generation Facilities:** refurbishment and repowering (including hydropower), improved operation and maintenance practices, and better resource utilization (higher plant load factors and availability)

**Reduced Transmission and Distribution Losses:** high-voltage power lines, better insulated conductors, capacitors, efficient and low-loss transformers, and improved metering systems and instrumentation

**Smart-Grid Technologies:** smart meters, remote sensors, energy-management systems and energy-storage devices

**Transportation:** hybrid and electric vehicles; high miles-per-gallon (MPG) vehicles; compressed natural-gas (CNG) vehicles; and public-transportation projects, including urban mass-transport systems, modal shifts to city and intercity rail and water transport, and improved fleet usage

(overview of Ex-Im Bank products on back)

EXPORT-IMPORT BANK OF THE UNITED STATES



# ENERGY-EFFICIENCY TECHNOLOGIES AND SERVICES

## Overview of Ex-Im Bank's Products

### WORKING CAPITAL

Lack of working capital is one of the biggest barriers facing U.S. small businesses trying to produce goods or provide services for export. Despite their creditworthiness, these exporters sometimes find that their local bank is reluctant to make such financing available due to various international risks.

Ex-Im Bank's working capital guarantee provides commercial lenders with greater confidence to make working capital loans to U.S. energy-efficiency technology manufacturers and service companies for various export-related activities by substantially reducing the risks associated with these loans. The exporter may use the guaranteed loan to purchase raw materials and finished goods for export; pay for materials, labor and overhead to produce goods for export, and cover stand-by letters of credit and bid and performance bonds.

### SHORT-TERM FINANCING

The ability to offer credit terms is often the most critical element in competing for and winning export sales. Increasingly, international buyers expect the U.S. exporter to offer "open-account" or unsecured credit terms rather than pay by letters of credit, cash in advance or even credit cards. Ex-Im Bank's environmental export-credit insurance protects against commercial and political risks and also enables U.S. environmental exporters of energy-efficiency technology and services to offer open-account financing to their international customers.

### MEDIUM- AND LONG-TERM FINANCING

Ex-Im Bank provides loans or loan guarantees that offer a 100 percent unconditional U.S. government repayment guarantee to lenders for loans made to creditworthy international customers to purchase U.S.-made energy-efficiency goods and services. The Bank's loan or loan guarantee can be used to finance up to 30 percent of the local costs within the U.S. scope of supply.

With Ex-Im Bank's guarantee, the repayment term is longer and the interest rates charged to customers are lower than what would typically be available in the local markets. Loans can be guaranteed in dollars, euros and other currencies. In addition, Ex-Im Bank can support capitalization of interest during construction.

(financing energy-efficiency technologies and services details on front)

