

## Supporting Statement for Paperwork Reduction Act Submissions

**EIB 10-01A Long Term Transaction Questionnaire**

**EIB 10-01B Oil and Gas Company Questionnaire**

**OMB 3048-XXXX**

### General Instructions

A Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i)(iv) and its actual or estimated date of publication in the Federal Register, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain information specified in Section A below. If an item is not applicable, provide a brief explanation. OMB reserves the right to require the submission of additional information with respect to any request for approval.

### Specific Instructions

#### A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The Export-Import Bank of the United States (“Ex-Im Bank”) is the official export credit agency of the United States. Its mission is to create and sustain U.S. jobs by financing U.S. exports through direct loans, guarantees, insurance and working capital credit. The Consolidated Appropriations Act of 2010 (P.L. 111-117) (“the Act”), enacted December 16, 2009, provides for Ex-Im Bank’s FY2010 budget authorization. As part of the U.S. government’s efforts to strengthen sanctions against Iran, the Act contains language prohibiting Ex-Im Bank from:

Authoriz[ing] any new guarantee, insurance, or extension of credit for any project controlled by an energy producer or refiner that continues to: (A) provide Iran with significant refined petroleum resources; (B) materially contribute to Iran’s capability to import refined petroleum resources; or (C) allow Iran to maintain or expand, in any material respect, its domestic production of refined petroleum resources, including any assistance in refinery construction, modernization, or repair.

*See Sec. 7043 of the Act.*

The Act is effectively immediately and applies to all authorizations Ex-Im Bank may make with FY2010 funds.

2. Indicate how, by whom and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

This is a new collection. To ensure compliance with the Act, Ex-Im Bank developed the attached Long Term Transaction (“LTR”) Questionnaire and Oil and Gas Company Questionnaire (collectively the “Questionnaires”). Ex-Im Bank will send the LTR Questionnaire to participants (specifically, borrowers, purchasers, end-users, guarantors and sponsors, as applicable) in long term transactions. For purposes of the LTR Questionnaire, a long-term transaction is one that is more than seven years in loan tenor and requires approval by the Bank’s Board of Directors. If, based upon answers to the LTR Questionnaire, an entity either identifies itself as an oil and gas company or identifies its parent as an oil and gas company, Ex-Im Bank will send the Oil and Gas Company Questionnaire to said entity. The purpose of the Oil and Gas Company Questionnaire is to solicit information from potential Ex-Im Bank participants to ensure they are not a prohibited energy producer or refiner (or affiliated with the same) under the Act. A state-owned company may be required to complete the Questionnaires, but not a foreign government itself or foreign government entity that does not operate as a business enterprise.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

Participants will be able to receive the Questionnaires and submit responses to Ex-Im Bank electronically. Ex-Im Bank will retain a signed original to ensure misrepresentations are not made with regard to prohibited business with Iran.

4. Describe effort to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The attached Questionnaires have not been used. The information sought by the Questionnaires is not readily available to Ex-Im Bank from any source other than the Questionnaire’s intended recipient.

5. If the collection of information impacts small businesses or other small entities describe any methods used to minimize burden.

The Questionnaires will not impact small businesses or other small entities because it is intended for foreign oil and gas companies, not U.S. persons or exporters, to

include small businesses. The anticipated impact on small businesses is slight and would only occur if a foreign party was delayed in completing the Questionnaires or its responses indicated it may be a prohibited party. In the vast majority of cases, these concerns would not arise unless the foreign entity involved is a prohibited energy producer or refiner.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

Collection of the information sought in the Questionnaire is essential to Ex-Im Bank's mission: to finance U.S. exports in a manner consistent with Congressional intent. Furthermore, if Ex-Im Bank cannot collect the information required by the Questionnaires it cannot ensure compliance with the Act. Use of the Questionnaires is critical to Ex-Im Bank's due diligence efforts to ensure it is not conducting business with prohibited parties.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner
  - \*requiring respondents to report information to the agency more often than quarterly;
  - \*requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
  - \*requiring respondents to submit more than an original and two copies of any document;
  - \*in connection with a statistical survey, that is not designed to produce valid or reliable results that can be generalized to the universe of study;
  - \*requiring the use of statistical data classification that has not been reviewed and approved by OMB;
  - \*that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
  - \*requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

The only applicable situation above would be a possible requirement to respond to the Questionnaire within 30 days. Moreover, this would not be an Ex-Im Bank requirement per se, but dictated by timeliness requirements of the transaction at issue.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in

response to these comments.

A prior version of the Questionnaires (in the form of one Questionnaire) was published in the Federal Register on March 15, 2010 (Vol. 75, No. 49, Page 12238). That Questionnaire, devised to ensure immediate compliance with the Act, and the procedures governing its submission vary greatly from the current Questionnaires. The current Questionnaires are the result of a collaborative, interagency process that involved outside stakeholders and, as such, comments received on the old Questionnaire are inapplicable. Nevertheless, they are summarized below.

Ex-Im Bank received six comments on the prior version of the Questionnaire. Submitters stated that they believed the information captured by the old Questionnaire was overly broad and could have the unintended effects of interfering with foreign policy and slowing economic growth. While one submitter concluded that the OMB should disapprove the old Questionnaire “in its entirety,” others commented that it should be narrowed. All submitters stated that the old Questionnaire imposed due undue time burdens and costs on U.S. companies.

The comments above are inapplicable to the new Questionnaires. As stated above, the new Questionnaires are designed to probe into any potential prohibited activity by oil and gas companies that participate in Ex-Im Bank programs. The only burden on a non-oil and gas company that seeks to participate in a long-term Ex-Im Bank transaction is to complete the LTR Questionnaire merely asking if it or its parent is an oil and gas company. Only relevant oil and gas companies will receive the Oil and Gas Company Questionnaire inquiring about potential prohibited activity. Thus, comments concerning the burden and scope of the old Questionnaire are inapplicable to the current Questionnaires. Furthermore, foreign policy or other international concerns are also inapplicable to the current Questionnaires because only state-owned entities that operate as a business enterprise – not the state or any arm thereof – may be required to complete the Questionnaires.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There will not be any payments or gifts to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

There will not be any assurance of confidentiality provided to respondents.

11. Provide additional justification for any question of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are

commonly considered provides. This justification should include the reasons why the agency considered the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature included in the questionnaire.

12. Provide estimates of the hour burden of the collection of information. The statement should include:

The number of respondents for EIB 10-01A: 350

The frequency of response for EIB 10-01A: As needed to request support for Ex-Im Bank financing

Annual hour burden for EIB 10-01A: 175 hours

The number of respondents for EIB 10-01B: 12

The frequency of response for EIB 10-01B: As needed to request support for Ex-Im Bank financing

Annual hour burden for EIB 10-01B: 12 hours

An explanation of how the burden was estimated:

The number of respondents is based on the approximately 70 long-term transactions approved in CY2009 multiplied by five, to represent the approximate number of potential participants (borrower, purchaser, end-user, guarantor and sponsor). Note that the resulting 350 figure is artificially high because an LTR Questionnaire would not necessarily be required in each of the 70 transactions (e.g., one set of Questionnaires may suffice for multiple transactions with the same parties approved on the same date) and because participants often serve in multiple capacities in a transaction (e.g., one entity can be the borrower, purchaser and end user). It is likely that an entity completing the LTR Questionnaire will need little time to verify whether it is an oil and gas company (or directly related to one) and the LTR Questionnaire should take no more than 30 minutes to complete. Thus, the annual burden for EIB 10-01A was calculated as 350 respondents \*.5 hours = 175 hours.

With regard to the Oil and Gas Company Questionnaire (EIB 10-01B), we expanded the estimated time to complete to allow a submitter time to verify that it does not conduct any prohibited activity. The number of respondents for the Oil and Gas Company Questionnaire, however, will be far less than for the LTR Questionnaire because it would only be sent to an oil and gas company controlling a proposed long-term transaction, not all participants in the transaction. Since energy projects are long-term transactions an oil and gas company is most likely to control, the number of respondents was calculated by multiplying the approximate number of long-term energy projects approved in CY2009 (12) by the number of controlling participants (1). The annual burden for EIB 10-01B was then calculated as 12 respondents \* 1

hour = 12 hours.

13. Provide an estimate for the total annual cost burden to respondents or records keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in items 12 and 14).

Not applicable

14. Provide estimates of annualized costs to the Federal government (combined for both EIB 10-01A and 10-01B)

Reviewing time per hour:	15 minutes
Combined Responses per year:	362
Reviewing time per year	90.5 hours
Average Wages per hour	\$36.00
Average cost per year (time * wages)	\$3258.00
Benefits and overhead	100%
Total Government Cost	\$6516.00

15. Explain the reasons for any program changes or adjusted reported in items 13 or 14 of OMB Form 83-1.

This is a new collection.

16. For collection of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The collected information will not be published.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

Ex-Im Bank is not seeking approval to not display the expiration date.

18. Explain each exception to the certification statement identified in Item 19 "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-1.

There are no exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods

The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results. When Item 17 on OMB Form 83-1 is checked, "Yes" the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed:

Statistical methods are not used in this collection. The Bank requires information specific to participants of each transaction in order to comply with the Act.

1. Describe (including numerical estimate) the potential respondent universe and any sampling or other respondent section methods to be used.
2. Describe the procedures used for the collection of information including:
  - \*Statistical methodology for stratification and sample selection,
  - \*Estimation procedure,
  - \*Degree of accuracy needed for the purpose described in the justification,
  - \*Unusual problems requiring specialized sampling procedures, and
  - \*Any use of periodic (less frequent than annual) data collection cycles to reduce burden.
3. Describe methods to maximize response rate and to deal with issues of non-response.
4. Describe any tests of procedures or methods to be undertaken.
5. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.