EX-IM BANK | MARAD U.S. SHIPPING STUDY - PILOT

Purpose of the Pilot Program Study

To study the effects of the U.S.-flag shipping requirement on the Ex-Im Bank Program with respect to shipping costs and process. Among others, the data to be collected will provide information on:

- U.S.-flag vs. non-U.S.-flag rate differentials
- Cost (as a percentage of U.S. export value) represented by ocean transportation
- · Rate negotiation models
- Determinations of vessel availability (with outcome and rationale)
- Determinations (other than vessel availability)
- Use of MarAd reconsideration process

Basic Data Elements

Identification of Export Transaction:

- U.S. exporter
- Borrower
- Country
- Contract value of U.S. exports financed by Ex-Im Bank
- Type of facility (direct loan or loan guarantee)
- Ex-Im Bank AP0 reference
- MarAd reference

Cargo Data:

- · Date Shipments began
- Non-U.S. flag shipments of U.S. goods
- Estimated cargo to move (revenue tons)
- Estimated Shipments (number and value)
- Supplier Origin
- Port of Loading
- Destination Country
- Discharge port
- Commodities
- Other information/comments

Cost Data:

- Total cost of ocean transport for U.S. exports to be financed by Ex-Im Bank
- Transportation cost as percentage of contract value of U.S. exports shipped
- U.S.-flag rate per revenue ton (including source of data quoted, e.g., U.S. carriers, exporters/shippers, MarAd)
- Foreign flag rate(s) per revenue tons (including source of data, e.g., exporters/shippers, MarAd)
- Relevant historical cost data
- MarAd guideline rate calculation (if applicable and available)
- Rate differential calculations

Process Data:

- Date of application for Ex-Im loan or guarantee
- Any previous Ex-Im Bank-financed shipments on non-U.S. flag?
- How far in advance of shipment did exporter/shipper request U.S. flag bids?
- Advance shipping plan presented?
- Booking subject to completion?
- Evidence of good faith efforts to comply with U.S. shipping requirements?
- General determination country?
- Did the exporter/shipper obtain foreign flag bids?
- Facilitation by MarAd requested? Description of facilitation activities and outcome.
- Shipped U.S.-flag or foreign-flag?
- Transshipment required to allow portion of transportation to be provided by U.S. flag vessel? Delay caused (Length of delay)?
- If determination requested type, rationale
- Determination outcome (including timing, outcome, details of basis for decision)
- If determination denied, was there a request for reconsideration? (If so, timing, outcome, details of basis for decision)
- Outcome: (1) all U.S. exports shipped U.S. flag, (2) partial U.S. flag shipping (details), and/or (3) request for Ex-Im Bank support for U.S. exports dropped/refused
- Any unusual circumstances