

The Export-Import Bank Reauthorization Act of 2012 (HR. 2072) included 18 sections of reforms, which the Bank has worked to implement over the past two years. After an analysis of reform implementation, the summary below provides an update as to the status of each initiative as of September 2014.

As part of its reform process, the Ex-Im Bank must:	Outcome	Progress
<p>Submit a written report to Congress with a business plan, providing an estimate of appropriate exposure limits and anticipated growth by industry sector, product and key markets. The Bank must also provide analysis of 1) the potential for increased/decreased risk to the Bank as a result of the recommended exposure limit and 2) of its ability to meet Congressional mandates, like the mandate for small business transactions.</p> <p>GAO must provide to Congress an analysis of the business plan, with recommendations. <i>(Section 4)</i></p>	<p>Ex-Im Submitted Business Plan September 28, 2012</p> <p>GAO Report <a href="#">GAO-13-620</a> (Published May 30, 2013)</p>	✓
<p>Respond to a Comptroller General report on the history of the Bank's rate of growth, the effectiveness of the Bank's risk management, the Bank's use of historical default and recovery rates to calculate future program costs, the fees charged by the Bank, and the Bank's loan loss reserves policy.</p> <p>Submit a report on the implementation of GAO recommendations to Congress. <i>(Section 5)</i></p>	<p>Ex-Im Report Submitted March 26, 2013</p> <p>GAO Testimony <a href="#">GAO-13-703T</a> (Published June 13, 2013)</p> <p>GAO Report <a href="#">GAO-14-708T</a> (Published June 25, 2014)</p>	✓
<p>Calculate its default rate quarterly -- by types of loans, Bank product, key markets and industry sector -- and provide a report to Congress. If the Bank equals or exceeds a 2% default rate, the Bank must submit a detailed report to Congress within 45 days to explain the circumstances and provide a plan to reduce the default rate. <i>(Section 6)</i></p>	<p>Ex-Im is filing default rate reports quarterly. As of March 31, 2014, the default rate was 0.211% (<a href="#">CRS Report R43581</a>).</p>	✓
<p>Set due diligence standards for its delegated lenders and participants, applied across all programs. <i>(Section 7)</i></p>	<p>Ex-Im established "Know your Customer" &amp; Due Diligence <a href="#">standards</a> in May 2014.</p>	✓
<p>Seek creditor status that is not subordinate to other creditors. <i>(Section 8)</i></p>	<p><a href="#">Implemented policy</a> in June 2012.</p>	✓
<p>Increase transparency for transactions that exceed \$100 million, providing a Federal Register Notice and comment period on long-term transactions that exceed \$100 million before any final decision by the Board of Directors. <i>(Section 9)</i></p>	<p>Federal Register Notices are <a href="#">published</a> regularly at <a href="http://federalregister.gov">federalregister.gov</a>.</p>	✓
<p>Categorize its transactions in its annual report. <i>(Section 10)</i></p>	<p>Transactions categorized in <a href="#">2013 Annual Report</a>.</p>	✓
<p>Develop guidelines for conducting economic impact analyses. <i>(Section 12)</i></p>	<p>Ex-Im <a href="#">published</a> new economic impact procedures and guidelines in November 2012 and April 2013.</p>	✓

Submit a report to Congress on the implementation – or rejection – of recommendations in the 2007 GAO Report. (Section 13)	Ex-Im sent the required report to Congress. The <a href="#">Fall 2013 Semi-Annual Report to Congress</a> also addresses GAO recommendations.	✓
Report to Congress on its products, programs and policies that support small businesses. (Section 14)	Ex-Im sent the required report to Congress on November 26, 2012. In FY13, the Bank authorized \$5.2 billion in small business support (nearly 90% of its transactions, but 19% of its authorizations).	✓
Review its domestic content policy, evaluating the effectiveness of its policies in maintaining or creating U.S. jobs, and provide a report to Congress. (Section 15)	Ex-Im submitted a review of its content policy on May 30, 2013. Ex-Im's Inspector General <a href="#">published a report</a> on its review of the content policy on December 11, 2013	✓
Not approve transactions to any person unless they certify their compliance with various sanctions laws and regulations. (Section 18)	Ex-Im Bank implemented new forms and certification process that customer is not a sanctionable entity.	✓
Use a portion of its surplus to upgrade IT systems. (Section 19)	Upgrades in process.	✓
Include representation from the textile industry on the Bank's Advisory Committee. (Section 20)	At the December 2012 Advisory Committee meeting, Ex-Im appointed the CEO of Frontier Spinning Mill.	✓
Conduct a study on whether the Bank's current financing tools are useful for manufacturers that export textile and apparel goods/components. The Bank's annual report must include a section on its success in providing effective financing options for textile and apparel exporters. (Section 21)	Ex-Im sent the required report to Congress. According to the 2013 Annual Report, Ex-Im provided \$105 million to provide liquidity and risk protection to U.S. textile mills.	✓
<b>Ex-Im Bank Reforms Related To Other Agencies</b>		
The Treasury Secretary must initiate negotiations with other major exporting countries, including OECD members, to substantially reduce -- and eventually eliminate -- export financing programs. The Treasury Secretary must also initiate negotiations with all countries that finance air carrier aircraft to substantially reduce -- and eventually eliminate -- aircraft export credit financing for all aircraft covered by the Aircraft Sector Understanding (ASU). (Section 11)	Treasury Department submitted annual reports on negotiation to Congress in 2012 and 2013 on negotiations. According to <a href="#">CRS</a> , the International Working Group on Export Credits (IWG) has met several times since November 2012.	✓
The Comptroller General must study the process and methodology used to calculate the impact of the Bank on creating or sustaining jobs and make recommendations. (Section 16)	GAO Report <a href="#">GAO-13-446</a> (Published May 23, 2013)	✓
The Comptroller General must conduct a periodic audit of the Bank's transactions, guidelines, policies and procedures as well as its fraud controls. (Section 17)	GAO Report <a href="#">GAO-14-574</a> (Published September 9, 2014)	✓