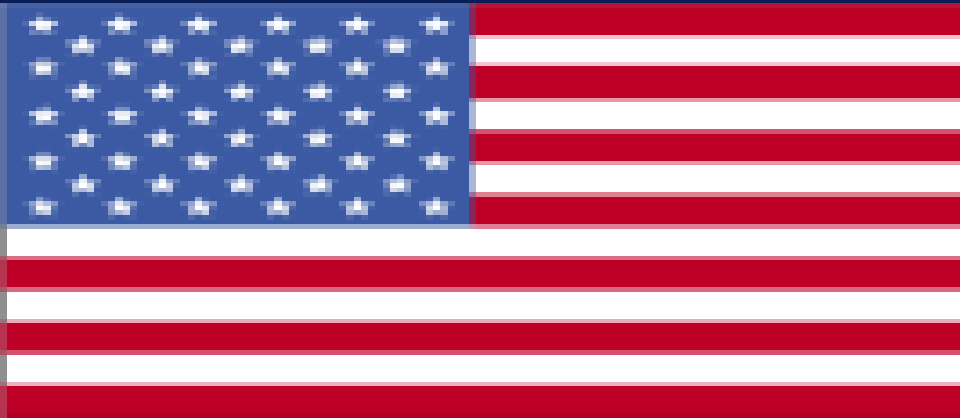


Doing Business with USA

International Buyers Programs and U.S. Financing Options

Chisinau, Moldova

Thursday, April 4th, 2013





U.S. Commercial Service



The U.S. Commercial Service is the primary export promotion agency of the U.S. Government's Department of Commerce.

Our Mission:

- ▶ To promote the export of goods & services from the United States, particularly by small and medium-sized businesses
- ▶ To represent U.S. business interests internationally
- ▶ To help U.S. businesses find qualified international partners
- ▶ To help foreign firms source U.S. technology, products & services



Our Network & What it can do for you

Our trade specialists in 108 U.S. cities and more than 140 U.S. Embassies and Consulates in 80 countries worldwide can:

- Locate U.S. products, services, or partners that meet your needs and identify the best U.S. companies qualified in your interest area
- Help you meet one-on-one with U.S. partners in person or via internet through Adobe Connect's Virtual Business Meetings
- Introduce your Moldovan organizations to qualified American partners in U.S. Pavilions at Romanian Exhibitions and Romanian-Moldovan Trade Missions to US DOC International Buyer Program



International Buyer Program (IBP)



- IBP is a joint U.S. government–industry effort that brings thousands of international buyers to USA for business-to-business matchmaking with U.S. exhibitors at major trade shows.
- Every year, we help facilitate nearly a billion dollars of new business between U.S. and international companies
- Whether you are looking to import for the 1st time from the USA or find additional U.S. suppliers, the IBP will help you optimize your trade show experience and connect with lucrative opportunities.



IBP Benefits To Meet Best U.S. Suppliers At U.S. Trade Shows



U.S. Commercial Service International Buyer Program

As a member of an official U.S. Embassy Delegation to IBP Trade Shows, you receive access to exclusive benefits, including :

- US Embassy travel assistance, including registration & visa procedures
- Waived or reduced trades show admission fees
- Complimentary access to networking events and receptions
- Pre-arranged meetings customized according to buying interests
- On-site and off-site technical tours to U.S. suppliers' production facilities
- Complimentary use of business facilities including private meeting space, translation assistance, internet access, and lounge areas
- A directory of U.S. exhibitors with an interest in international exporting



Romanian-Moldovan Agri-Business Trade Mission To Big Iron Farm Show Fargo, North Dakota, 2009



Two Moldovan Farms CAP “Agrocorsan” Birnova-Ocnita and SRL “Agropomfruct” Donduseni joined our trade mission to North Dakota Trade Office’s Big Iron Farm Show – International Visitors Program in 2009

The Romanian 8-member delegation included CNH’s Dealer New Holland AgroPartners Bucharest that reported 20 export successes after the Big Iron





Romanian-Moldovan Agri-Business Trade Missions To AgConnect IBP Show Orlando, Florida, 2010



U.S. Embassy's Economic & Commercial Assistant IULIAN BOGASIERU and AGCO's Moldovan Dealer "Agrofermotech" Chisinau CEO SERGIU SCLIFOS with a group of 10 farmers joined our Romanian 13-member delegation at Ag Connect

After this joint trade mission, U.S. Embassies in Moldova & Romania and AGCO Corporation's Fendt & Massey Fergusson Dealers reported 15 export successes





Romanian-Moldovan Agri-Business Seminar & Delegation To AgConnect IBP Show Atlanta, Georgia, 2011



U.S. Embassy's Economic & Commercial Assistant IULIAN BOGASIERU with his group of 2 farmers joined our Romanian 30-member delegation including CNH's Case IH & Steyr Balkans Business Manager - Romania, Bulgaria, Croatia & Serbia

The show sponsor U.S. Association of Equipment Manufacturers organized a Romanian-Moldovan Agri-Business Seminar for AgConnect Exhibitors and Case IH Balkans Manager guided the joint delegation to visit Case IH Agriculture Booth





Romanian Agri-Business Trade Mission To John Deere Fall Festival, Big Iron Farm Show and Case New Holland Tour Iowa & North Dakota, 2012



The Romanian 11-member delegation to Big Iron Farm Show enjoyed to have the tour guide VALENTIN CIUBOTAREANU, a U.S. Farmer of Moldovan origin

We had visits to John Deere Plants in Waterloo – IA to celebrate 175th anniversary of the firm's existence, Illinois Romanian-American Community in Chicago – IL, Big Iron Farm Show and Case New Holland Plant Tour in Fargo – North Dakota





Romanian-Moldovan Agri-Business Trade Mission to World Ag Expo Tulare, California, 2013



The Moldovan Farm S.C. NOTUS S.R.L. CHISINAU joined our delegation to attract US suppliers of equipment for animal husbandry farm development

The Romanian 9-member delegation was interested in partnering with US exporters of vegetable equipment and U.S. farmers for best practices.

World Ag Expo was a recruitment platform for a US Agri-Business Trade Mission to MoldAgroTech, Chisinau & IndAgra Bucharest , October 2013



U.S. Commercial Service Romania's Trade Missions To

U.S. IBP - Trade Shows and EU Showcase Events in 2013



U.S. Commercial Service Bucharest is interested in working with U.S. Embassy Chisinau & AmCham Moldova to promote Joint Romanian – Moldovan Trade Missions to the following 2013 U.S. IBP Trade Shows & EU Showcase Events:

- Regional US Water Trade Mission, Pomorie, Bulgaria, April 15-17
- Regional Aerospace & Defense Trade Mission to the Adriatic Sea Defense & Aerospace – ASDA Show, Split, Croatia, April 24-26
- WindPower Conference & Exhibition, Chicago, Illinois, May 4 -11
- National Restaurant Association Restaurant, Hotel-Motel Show, Chicago, Illinois, May 17-22
- Power Gen Europe Conference & Exhibition, Vienna, Austria, June 4-6
- American Water Works Association AWWA Trade Show, Denver, Colorado, June 9 – 13
- REMATEC - International Trade Fair for Remanufacturing, Amsterdam, Holland, June 16 - 18
- International Franchise Exposition, New York, June 20 – 22
- Romanian-Moldovan Agri-Finance Trade Mission to US Export-Import Bank's Trade Finance Training (Washington, Sept. 9-10) & Big Iron Farm Show (Fargo, North Dakota, Sept. 11-12)



U.S. Government's Trade Financing Options



U.S. Government's trade financing sources are supported by:

- **Export – Import Bank of the United States (Ex-Im Bank)**
 - ✓ **Romania**
- **U.S. Trade and Development Agency (USTDA)**
 - ✓ **Romania**
- **Overseas Private Investment Corporation (OPIC)**
 - ✓ **Moldova**
- **United States Agency for International Development (USAID)**
 - ✓ **Moldova**
- **Millennium Challenge Corporation (MCC)**
 - ✓ **Moldova**



The Export-Import Bank of the United States (Ex-Im Bank)

EXPORT-IMPORT BANK
of the UNITED STATES



Ex-Im Bank is the official export credit agency mandated by the Congress to support American exports and create U.S. jobs

❖ Ex-Im Financial Products:

➤ Export Credit Insurance

✓ Success Story: Miami, FL-Based Kimre, Inc.

➤ Loan Guarantees:

✓ Success Story: Radio Comunicatii SA Romania - RadioCom

➤ Direct Loans (Foreign Buyer Financing)

✓ Success Story: Environmental Export Financing Program



Export Credit Insurance

EXPORT-IMPORT BANK
of the UNITED STATES



Enables U.S. exporters to offer short- and medium-term credit directly to their creditworthy international buyers. Benefits:

- **Reduces non-payment risks:**
 - ✓ **Commercial risk (related to foreign buyer)**
 - Slow pay, currency devaluation, insolvency
 - ✓ **Political risk (related to foreign buyer's government):**
 - Cancellation of import license
 - Currency inconvertibility
 - War, insurrection, civil disobedience
 - Confiscation or expropriation of exported products
- **Enables U.S. exporter to extend competitive credit terms to buyers**
- **Helps U.S. suppliers exporting to new markets with more confidence**



Success Story: Miami, FL – Based Kimre, Inc.



***Kimre, Inc.* a maker of air pollution control filters used Ex-Im Bank's Short-Term Insurance to offer 60-day "open account" credit terms to new international customers in Europe. Benefits:**

- Reduced nonpayment political&commercial risks in new export markets
- Replaced costly local bank financing & payment by Letter of Credit - L/C
- Enabled the U.S. exporter to offer credit to new European importers
- According *Kimre's* Controller Ms. Elizabeth Mosca: "Ex-Im Bank's Insurance has provided us with the ability to offer open account credit instead of L/C's, which are costly and time consuming. Second, the Insurance on our foreign receivables has enabled our bank to increase our credit lines which we needed to grow our business."

Loan Guarantees



Guaranteed Loans are made by U.S. or international commercial banks to foreign buyers of U.S. products with an *unconditional* repayment guarantee from Ex-Im Bank

- Ex-Im Guarantee covers 85% of the U.S. content of the exported products
- U.S. or foreign banks often finance the 15% cash payment required from the buyer

Ex-Im Bank's guarantees help U.S. exporters secure competitive financing for their foreign buyers. Ex-Im guarantee term financing--generally up to 10 years--to creditworthy buyers in both the private and public sector, and finance local costs up to 30%. Benefits:

- Risk mitigation for a particular export-import transaction
- Financing for international buyers of U.S. capital goods and related services
- More secure entry to and development of the new European emerging markets
- Flexible lender financing options, backed by Ex-Im guarantee, for buyers of U.S. capital goods & services to start medium & long-term projects with flexible repayment terms
- Coverage for 100% of political and commercial risks with no limits on transaction size



Success Story: Radio Comunicatii S.A. Romania - RadioCom



U.S. Ex-Im Bank supported nearly \$85 million Loan Guarantees to finance Harris Corporation's project to manufacture and install a comprehensive broadcast network system.

- **The loan was made by Societe Generale Bank to Radiocomunicatii Romania S.A. - RadioCom**
- **Loan repayment term was for 10-years with a total term of 14.5-years.**
- **With Ex-Im Bank's Guarantee carrying the full faith and credit of the U.S. Government, Societe Generale Bank funded the loan at the lowest possible interest rates.**
- **Ex-Im Bank also supported the financing of local costs equal to the OECD maximum of 15% of the contract price or \$12.8 million.**



Direct Loans (Fixed-Rate Term Financing for Foreign Buyers)

Ex-Im Bank provides fixed-rate financing -- up to 12 years in general and up to 18 years for renewable energy projects-- to creditworthy international buyers in both the private and public sector, and finance local costs up to 30%.

Benefits:

- **Fixed-rate financing with interest rate set based on the Commercial Interest Reference Rates – CIRR.** *(They are calculated monthly and are based on government bonds issued in the country's domestic market for the country's currency. In the case of the US dollar, the CIRR is based on the U.S. Treasury bond rate.)*
- **Coverage for 100% of commercial and political risks with no limits on transaction size**
- **Financing of up to 30% of local costs in addition to the U.S. exports.**

Requirements:

- **Goods must be shipped from the U.S. or services must be provided by U.S. personnel**
- **Min. 50% U.S. content that can only be financed up to max. 85% of the export price**
- **Buyer must meet Ex-Im Bank's credit standards: Positive Operating Profit (last 2 years), Positive Net Income (last 2 years), Positive Cash-Flow-From-Operations (latest year), loan amount can't exceed 40% of tangible net worth, low leverage a.s.o.**

Success Story: Environmental Export Financing Program



It's a program mandated in Ex-Im Bank's Charter for environmentally-beneficial exports, including energy efficiency, renewable energy, water & waste treatment, air pollution etc.

- Ex-Im Bank has Environmental Standards and Guidelines applied to each project considered under its Loan and Guarantee Programs.
- Environmental Exports Program Consists of pro-active business development and enhancements to existing Ex-Im Bank Programs.
- Environmental projects are offered enhancements:
 - ❖ Maximum OECD repayment term for Long-Term Loans and Guarantees of 10-12 years after project completion
 - ❖ Capitalization of interest during construction
 - ❖ Up to 15% local cost support within the U.S. scope of supply
- RESULTS: Transactions approved under the Program grew from 10 in FY 1994, to a high of 68 in FY 2007, totaling over \$3 billion



United States Trade and Development Agency (USTDA)



TDA is a federal agency funded by the Congress to help create U.S. jobs through the export of U.S. products for priority projects to advance economic growth in emerging markets.

➤ **TDA Activities:**

✓ **Project Development Program:**

- Feasibility Studies
- Pilot Projects
- Technical Assistance

✓ **International Business Partnership Program:**

- Reverse Trade Missions / Orientation Visits in USA
- Conferences & Workshops / Trainings

➤ **TDA evaluates programs based on the potential for increasing the U.S. export of technologies, the development priority in the host country and the financing sources**

USTDA & Commercial Service Romania's Feasibility Study Success Story



Electronic Election Management System EEMS Project

USTDA is providing \$344,422 to the Permanent Electoral Authority of Romania to support a feasibility study that will develop an integrated IT-based solution to improve the accuracy of voting.

The study will develop a high-level assessment and implementation plan combining technical, managerial, and institutional recommendations.

EEMS implementation considerably improves Romanian citizens' experience with the voting process and build a higher level of trust in election results.



PERMANENT ELECTORAL
AUTHORITY



USTDA & Commercial Service Romania's Pilot Project Success Story



Motorola SCADA Water Management Project

USTDA is partnering with Motorola and one of the largest water companies in Romania, RAJA Constanta to conduct a water management pilot project focusing on the design and implementation of a Supervisory Control and Data Acquisition (SCADA) system.

The pilot project demonstrates SCADA system's capacity to reduce RAJA's operational and maintenance costs and monitor and control its water supply.

The success of this pilot project could encourage widespread adoption of these efficiency-improving U.S. technologies by other firms in Romania and neighbors.



MOTOROLA

intelligence everywhere™



USTDA & Commercial Service Romania's Technical Assistance Success Story

Integrated Network for Education and Technologies



USTDA is funding a \$366,841 technical assistance grant to the Ministry of Education, Research and Youth for the development of an Integrated Network for Education and Technologies (INET) project.

INET's design and implementation represent an upgrade to existing networks and IT infrastructure at schools, universities and research centers to help develop students' skills and satisfy growing needs of employers for improved innovation.

INET concluded with 5 initiatives: Broadband Through European Structural Fundis, Education Management Information System (EMIS), Virtual Library, Teachers' House and National Authority for Scientific Research (ANCS)



MINISTRY OF
NATIONAL
EDUCATION



AUTORITATEA NATIONALA PENTRU CERCETARE STIINTIFICA

USTDA & Commercial Service Romania's Technical Assistance Success Story Airports & Civil Aviation Sector

TDA – Grant for Romanian Civil Aviation Security Master Plan

- ▶ **Awarded \$547,790 grant to the Romanian Ministry of Transport, Construction and Tourism to provide Technical Assistance on the modernization and restructuring of the Romanian civil aviation security system. Master plan preformed by Booz Allen Hamilton.**



U.S. Government's Trade Financing Agencies in Moldova



Overseas Private Investment Corporation

<http://www.opic.gov>

OPIC Products:

- U.S. Financial Products
- Political Risk Insurance
- Private Equity Investment Funds
- Enterprise Development Network



USAID | MOLDOVA
FROM THE AMERICAN PEOPLE

U.S. Agency for International Development

<http://moldova.usaid.gov>

USAID Programs:

- Economic Growth (CEED, ACED, BRITE)
- Governing Justly and Democratically
- John Ogonowski "Farmer-to-Farmer"
- Western NIS Enterprise Fund



**MILLENNIUM
CHALLENGE CORPORATION**
UNITED STATES OF AMERICA

Millennium Challenge Corporation

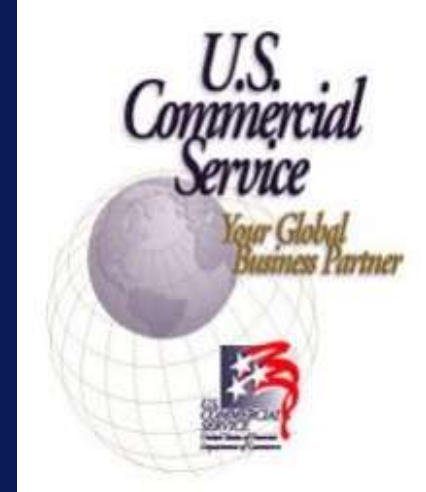
<http://www.mcc.gov>

MCC Moldova Compact Programs:

- Road Rehabilitation Project
- Transition to High-Value Agriculture Farms
 - Irrigation Reconstruction
 - Access to Agricultural Finance



Contact Person for U.S. Financial Services & Agricultural Equipment Sector



Commercial Specialist Gabriel Popescu

U.S. Commercial Service – Bucharest

American Embassy in Romania

4 – 6, Dr. Liviu Librescu Blvd.

Sector 1, Bucharest – 015118, Romania

Tel.:+4021 200 3312,Cell:+40722 467 130

Fax:+4021 316 0690

E-mail: gabriel.popescu@trade.gov

Website: www.export.gov/romania