

## Why GAO Did This Study

The Export-Import Bank (Ex-Im) provides financing to support U.S. exports, and its support for environmentally beneficial exports has been of long-standing congressional interest. In fiscal year 2008, Congress directed Ex-Im to allocate 10 percent of its annual financing to renewable energy and environmentally beneficial products and services. For fiscal years 2009 and 2010, it directed Ex-Im to allocate 10 percent to renewable energy and energy efficient end-use technologies. In 2009, it directed GAO to conduct a review of Ex-Im's efforts to meet congressional directives concerning environmental exports financing. This report addresses (1) the extent of Ex-Im's financing of renewable energy, energy efficient end-use technologies, and other environmentally beneficial exports; (2) Ex-Im's definitions for, and its reporting on, these exports; and (3) the extent to which Ex-Im has followed strategic planning key practices in its planning efforts in these areas. GAO analyzed Ex-Im transaction data and planning documents and interviewed officials from Ex-Im, other U.S. agencies, state-level trade promotion agencies, environmental industry associations, and other industry experts.

## What GAO Recommends

GAO recommends that Ex-Im (1) Develop clear definitions for its subcategories of environmentally beneficial exports—specifically energy efficient end-use exports—and report its financing in these areas, and (2) Consistently implement key strategic planning practices in this area.

View [GAO-10-682](#) or key components. For more information, contact Loren Yager at (202) 512-4347 or [yagerl@gao.gov](mailto:yagerl@gao.gov).

## EXPORT-IMPORT BANK

### Reaching New Targets For Environmentally Beneficial Exports Presents Major Challenges for Bank

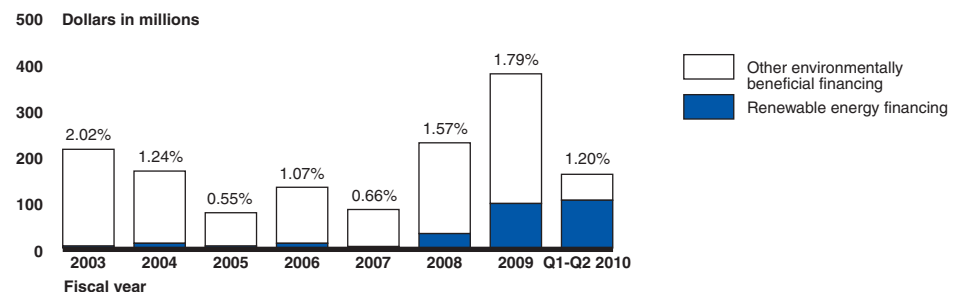
## What GAO Found

Ex-Im's financing of exports it identified as environmentally beneficial was 1.3 percent of its total financing from fiscal year 2003 through the first half of fiscal year 2010. Ex-Im's environmentally beneficial exports include renewable energy, energy efficient exports including energy efficient end-use technologies, and a mix of other products with beneficial effects on the environment. Renewable energy was 0.23 percent of overall Ex-Im financing during the period. Ex-Im did not specifically report its energy efficient end-use financing through 2009, but officials stated the bank provided very little such financing over the period. Thus, Ex-Im financing for environmentally beneficial exports in general, and the smaller renewable energy and energy efficient end-use portion, has been well short of the 10 percent congressional target.

Ex-Im needs to further clarify its definitions and improve its reporting on environmentally beneficial exports. Ex-Im recently began tracking its financing of energy-efficient end-use technologies in its internal data. In March 2010 the bank released a list of examples for identifying the broader category of energy efficient technologies and services, but the list does not clearly identify the energy efficient end-use examples. Defining energy efficiency products and services is inherently challenging overall, and agencies sometimes use terms differently depending on their organizational needs. Thus, clear Ex-Im definitions are important for communicating with Congress, potential exporters, and others.

Ex-Im could benefit from more consistently following strategic planning key practices in its environmentally beneficial financing efforts. These include, for example, involving stakeholders, assessing internal and external environments, and realigning resources if needed. For example, while Ex-Im routinely shares information with stakeholders, such as other trade promotion agencies, industry associations, and lenders, it has not clearly communicated that it has a target requiring substantial increases in financing for this area.

**Ex-Im Financing of Renewable Energy and Other Environmentally Beneficial Exports as Values and as Percentages of Total Ex-Im Financing, Fiscal Year 2003—Second Quarter 2010**



Source: GAO analysis of Ex-Im Bank data.