

SBA loans to small business exporters surpass \$1 billion

by Bend_Weekly_News_Sources

Record Lending Doubles Number of Loans Since 2003

WASHINGTON - The U.S. Small Business Administration made a record number of export loans in FY 2006 and surpassed the \$1 billion mark for the first time in the history of the program.

The SBA Office of International Trade reported 3,302 loans for \$1.03 billion to small business exporters in FY 2006, doubling the number of export loans made in FY 2003. The dramatic increase in export lending reflects the general trend for SBA loan volume in FY 2006, which closed out a record year in its two most popular loan programs, 7(a) and 504.

During the year, small businesses exported a record \$375 billion, more than \$1 billion a day, which means exports grew three times as fast as the overall economy. With exports growing faster than the economy as a whole, U.S. production is shifting to the export sector. This will continue to be an important source of growth and job creation for small business. As much as one-quarter of U.S. growth is now attributable to exports.

Through its Export Assistance Program, the SBA has played an important role in helping more small businesses grow and expand their export operations or break into the international trade game. Not only did the SBA set a record in export financing, it also:

- supported \$2.1 billion in export sales;
- counseled and trained close to 10,000 small businesses;
- trained 2,853 export lenders;
- initiated 30 Export Trade Assistance Partnership programs with 561 small business participants; and
- co-guaranteed with the Export-Import Bank 14 small business export loans of up to \$2 million.

Through its Office of International Trade, the SBA also is actively involved in the promotion and support of international trade and economic policies of the United States as they relate to small business. In that framework, the SBA has participated in numerous global efforts, among them:

- initiating the SME Congress of the Americas;
- providing expertise to the U.S. Trade Representative on small business issues in negotiations such as CAFTA, AGOA and the FTA with Thailand;
- providing trade linkages between U.S. and Mexican businesses under the Partnership for Prosperity;
- participating in U.S. diplomatic efforts with many different countries, e.g. Egypt, Nigeria, Russia, to help them stimulate

development and growth of their small business sectors;

- signing letters of intent on small business trade and development with government agencies in China, Brazil, Mexico, Korea and India. These activities have resulted in increased export opportunities for U.S. small businesses. Economic forecasters expect export growth to exceed general economic growth for years to come. SBA assistance to exporters will remain a key ingredient in fostering economic growth and job creation.

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