

**U.S. DEPARTMENT OF COMMERCE
INTERNATIONAL TRADE ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE TRADE FINANCE ADVISORY COUNCIL
CHARTER**

- 1. Committee's Official Designation (Title).** U.S. Department of Commerce Trade Finance Advisory Council.
- 2. Authority.** The Secretary of Commerce (Secretary) established the U.S. Department of Commerce Trade Finance Advisory Council (TFAC), pursuant to duties imposed by 15 U.S.C. 1512 upon the Department of Commerce (Department), in accordance with the Federal Advisory Committee Act (FACA), as amended, 5 U.S.C. App.
- 3. Objectives and Scope of Activities.** The TFAC shall advise the Secretary in identifying effective ways to help (1) expand access to finance for U.S. exporters, including small- and medium-sized enterprises (SMEs), and their foreign buyers, and (2) remove obstacles to such finance, capital and related resources. The TFAC members shall provide advice and actively solicit input, as needed, from others in the private sector to help the Department address these objectives.
- 4. Description of Duties.** The TFAC functions solely as an advisory committee in accordance with the provisions of FACA, as amended, 5 U.S.C. App.

The TFAC shall provide a forum to facilitate discussion among a diverse group of stakeholders such as banks, non-bank financial institutions, other trade finance related organizations, and exporters, for the purpose of gaining a better understanding of current challenges facing U.S. exporters and their foreign buyers in accessing financing and capital.

The TFAC shall develop actionable recommendations for the Secretary to help achieve the objectives stated in this charter.

The TFAC shall address access to private sector trade finance by identifying proactive and effective ways for the Department to support and collaborate with private sector trade finance providers, which facilitate 98 percent of U.S. export transactions, to contribute to the growth of U.S. exports.

The TFAC shall recommend effective ways for the Department to expand use of U.S. government export finance programs by increasing awareness of programs offered by the U.S. Export-Import Bank (EXIM Bank) and the Small Business Administration (SBA), and promoting their use among U.S. exporters, especially SMEs, which are unable to obtain financing in the private-sector due to credit, commercial and/or country risks.

The TFAC shall draw upon the experience of its members to identify how new financial technologies and other innovative solutions can expand access to trade finance for U.S. exporters.

The TFAC shall report to the Secretary on its activities and recommendations. In creating its reports, the TFAC shall: (1) evaluate current credit conditions and specific financing challenges faced by U.S. exporters, including SMEs, and their foreign buyers; (2) identify emerging financing sources that could address these gaps; (3) explore actions U.S. exporters can take to manage various risks more effectively, thus minimizing risk of non-payment or delayed payment to help enhance their ability to obtain financing; and (4) address any other noteworthy issues raised by the public or by stakeholders represented by the membership.

- 5. Agency or Official to Whom the Committee Reports.** The TFAC shall report to the Secretary through the Under Secretary for International Trade and the Assistant Secretary for Industry and Analysis.
- 6. Support.** The International Trade Administration (ITA), on behalf of the Department, shall provide administrative and staff services, support, and facilities for the TFAC.
- 7. Estimated Annual Operating Costs and Staff Years.** The estimated annual operating cost of the TFAC is \$65,000, which includes 0.5 full-time equivalents of staff support. Members of the TFAC will not be compensated for their services or reimbursed for their travel expenses.
- 8. Designated Federal Officer.** The Assistant Secretary of Commerce for Industry and Analysis (I&A), shall serve as the Executive Director of the TFAC. The Executive Director shall designate the Designated Federal Officer (DFO) from among the employees of the Office of Finance and Insurance Industries (OFII) of ITA's I&A unit, and, as appropriate, shall designate a Secondary DFO from OFII's or I&A's staff. The DFO or Secondary DFO shall approve or call all of the TFAC and subcommittee meetings, prepare and approve all meeting agendas, attend all the TFAC and subcommittee meetings, as well as chair, when directed to do so by the Secretary, and adjourn any meeting when the DFO or Secondary DFO determines doing so to be in the public interest. The DFO will also serve as the Executive Secretary of the TFAC.
- 9. Estimated Number and Frequency of Meetings.** The TFAC shall meet as often as necessary as determined by the DFO, but not less than, to the extent practical, two times a year. Members are required to attend a majority of the TFAC and subcommittee meetings. If this requirement is not met, service on the TFAC can be terminated at the discretion of the Secretary.
- 10. Duration.** Continuing.

11. Termination. This charter will terminate two years from the date of its filing with the appropriate U.S. Senate and House of Representatives oversight committees unless earlier terminated or renewed by proper authority.

12. Membership and Designation. The TFAC shall consist of no more than twenty members appointed by the Secretary. Members may be drawn from:

- U.S. companies that are exporters of goods and services;
- U.S. commercial banks that provide trade finance products, cross-border payment services, or foreign exchange solutions;
- Non-bank U.S. financial institutions that provide trade finance products, cross-border payment services, or foreign exchange solutions;
- Associations that represent: (a) U.S. exporters; and (b) U.S. commercial banks or non-bank financial institutions or other professionals that facilitate international trade transactions;
- U.S. companies or entities whose business includes trade-finance-related activities or services;
- U.S. scholars, academic institutions, or public policy organizations with expertise in global business, trade finance, and international banking related subjects; and
- Economic development organizations and other U.S. regional, state and local governmental and non-governmental organizations whose missions or activities include the analysis, provision, or facilitation of trade finance products/services.

Membership shall include a broad range of companies and organizations in terms of products and services, company size, and geographic location of both the source and destination of trade finance. Members will be selected based on their ability to carry out the objectives of the TFAC, in accordance with applicable U.S. Department of Commerce guidelines, in a manner that ensures that the TFAC is balanced in terms of points of view.

Members, with the exception of those that serve as experts from academia and public policy organizations, serve in a representative capacity and representing their own views and interests and those of their particular sector, not as special government employees. The members that serve as experts (rather than as representatives) from academia and public policy organizations are Special Government employees (SGEs) and shall be subject to the ethical standards applicable to SGEs.

Members shall not reference or otherwise utilize their membership in TFAC in connection with public statements made in their personal capacities without a disclaimer that the views expressed are their own and do not represent the views of TFAC, ITA, or the Department.

Each member shall be appointed for a term of two years and will serve at the pleasure of the Secretary. The Secretary may at his/her discretion reappoint any member to an additional term or terms, provided that the member proves to work effectively on the TFAC and his/her knowledge and advice is still needed.

In addition, designees from EXIM Bank, SBA, and the Trade Promotion Coordinating Committee Secretariat will serve on the TFAC as *ex officio*, non-voting, members.

The TFAC chair and vice chair and subcommittee chairs shall be selected from the members of the TFAC by the DFO after consulting with the members. Their term of service will not exceed the duration of this charter and they may be reselected and reappointed for additional periods should the charter be renewed, and should they remain on the TFAC.

- 13. Subcommittees.** The Executive Director, acting through the DFO, may establish subcommittees or working groups from among the TFAC members, in order to perform specific functions within the jurisdiction of the TFAC, subject to the provisions of FACA, the FACA implementing regulations, and applicable U.S. Department of Commerce guidance. Subcommittees must report back to the parent committee and do not provide advice or work product directly to the Secretary.
- 14. Recordkeeping.** The records of the TFAC, formally and informally established subcommittees, or other subgroups of the TFAC, shall be handled in accordance with the General Records Schedule 6.2 or other approved agency records disposition schedule. These records shall be available for public inspection and copying, subject to the Freedom of Information Act, 5 U.S.C. 552.