

What is OPIC?

The **Overseas Private Investment Corporation (OPIC)** is the U.S. Government's development finance institution. It mobilizes private capital to help solve critical development challenges and in doing so, advances U.S. foreign policy and national security priorities. Because OPIC works with the private sector, it helps U.S. businesses gain footholds in emerging markets, catalyzing revenues, jobs and growth opportunities both at home and abroad. OPIC achieves its mission by providing investors with financing, guarantees, political risk insurance, and support for private equity investment funds.

Is OPIC part of the U.S. Government?

Yes, OPIC was established in 1971 as an agency of the U.S. Government. Organized as a corporation with a corporate structure, it is governed by a Board of Directors, President and CEO, and Executive Vice President, all nominated by the President of the United States and approved by the U.S. Senate. Although it operates on a self-sustaining basis at no net cost to American taxpayers, OPIC is appropriated administrative funding, and reauthorized on a regular basis, by the U.S. Congress.

Why is OPIC important to the U.S. Government?

OPIC supports U.S. foreign policy objectives by encouraging development in regions that have experienced instability or conflict, yet offer promising growth opportunities, such as the Middle East and North Africa, Sub Saharan Africa and Southeast Asia. OPIC's work contributes to stability and economic opportunity, which helps mitigate risk to U.S. companies investing abroad, and promotes a positive developmental effect for the host countries. To date, OPIC has supported more than \$200 billion of investment in over 4,000 projects, generated an estimated \$75 billion in U.S. exports and supported more than 277,000 American jobs.

What does OPIC offer?

Financing: Medium- to long-term funding through direct loans and loan guarantees to eligible investment projects in developing countries and emerging markets. By complementing the private sector, OPIC can provide financing in countries where conventional financial institutions often are reluctant or unable to lend.

OPIC's Small and Medium-sized Enterprise Financing is available for businesses with annual revenues under \$400 million, spanning sectors from renewable energy and housing to agriculture and consumer goods . OPIC's Structured Financing supports large-scale projects that require significant amounts of capital, in such sectors as infrastructure, telecommunications, power, water, housing, airports, hotels, financial services and natural resource extraction.

Political Risk Insurance: OPIC's insurance enables U.S. businesses to take advantage of commercially attractive opportunities in emerging markets, mitigating risk and helping them compete in a global marketplace. OPIC helps U.S. investors protect their investments in a variety of situations, including political violence, expropriation or other government interference, and currency inconvertibility.

Investment Funds: OPIC provides support for the creation of privately owned and managed investment funds. These funds make direct equity and equity related investments in new, expanding or privatizing emerging market companies. OPIC-supported funds help emerging market economies to access long-term growth capital, management skills, and financial expertise, all of which are key factors in expanding economic development for people in developing nations.

Who can qualify for OPIC support?

OPIC requires that its projects have a meaningful connection to the U.S. private sector. For financing, this means a U.S.-organized entity 25 percent or more U.S.-owned or a majority U.S.-owned foreign organized entity; U.S. citizens, lawful permanent residents and U.S.-organized non-governmental organizations. OPIC does not support projects that will negatively affect the U.S. economy. For more information on requirements for political risk insurance and investment funds, visit www.opic.gov.

How does OPIC support U.S. small businesses?

American small businesses are an OPIC priority, comprising on average 80 percent of projects supported by the agency annually. OPIC's Department of Small and Medium-sized Enterprise Finance offers qualified small businesses a streamlined approval process and direct loans from \$350,000 to \$10 million with terms from three to 15 years. While the eligible U.S. small business must own at least 25 percent of the overseas project, OPIC may be able to finance up to 65 percent of the total project cost. OPIC has conducted more than a dozen small business workshops around the United States since 2006, educating nearly 1600 business owners about OPIC products and services.

What standards are OPIC-supported projects expected to meet?

OPIC projects must meet Congressionally-mandated requirements regarding protection of the environment, social impacts, health, and safety. The guidelines and procedures are based in large part on environmental and social impact assessment procedures applied by organizations such as the World Bank Group, the European Bank for Reconstruction and Development, the Inter-American Development Bank and the U.S. Export Import Bank. Projects that are likely to have significant adverse environmental or social impacts are disclosed to the public for a comment period of 60 days.

What types of projects does OPIC support?

OPIC supports projects in a range of industries - from energy to housing, agriculture and financial services. It focuses on regions where the need is greatest and in sectors that can have the greatest developmental impact. OPIC has increasingly focused on projects that encourage the use of renewable resources, which represent not only an urgent global need but also a significant investment opportunity. Another key priority is impact investing, which aims to produce positive social impacts while generating financial returns sufficient to make these projects sustainable.

OPIC also responds quickly to shifts in the political landscape. Recent events have led to increased commitments throughout the Middle East and North Africa. OPIC has also strengthened its focus on Southeast Asia, in addition to its longstanding emphasis on Sub-Saharan Africa.

Where does OPIC operate?

OPIC services are available for new and expanding U.S. business enterprises in more than 150 emerging countries worldwide.

Access link for a list of the countries: <https://www.opic.gov/doing-business-us/OPIC-policies/where-we-operate>

Are OPIC services U.S. taxpayer-funded?

OPIC operates on a self-sustaining basis at no net cost to American taxpayers. In fact, it generated net income of \$269 million in Fiscal Year 2011, helping to reduce the federal budget deficit for the 34th consecutive year.