



# Overseas Private Investment Corporation (OPIC)

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# Introduction to OPIC

- Independent agency of the U.S. government
- Established in 1971
- Mission: Facilitate and support U.S. private investment in developing countries
- Offers financial products to help U.S. companies access new markets where private capital may be difficult to obtain
- Supports commercially-viable projects on commercial terms



# OPIC Products

- **Political Risk Insurance**
  - Protects investors against a variety of risks
- **Long-term financing**
  - Provides loans and loan guaranties
- **Investment Funds**
  - Supports private equity funds that invest in projects abroad

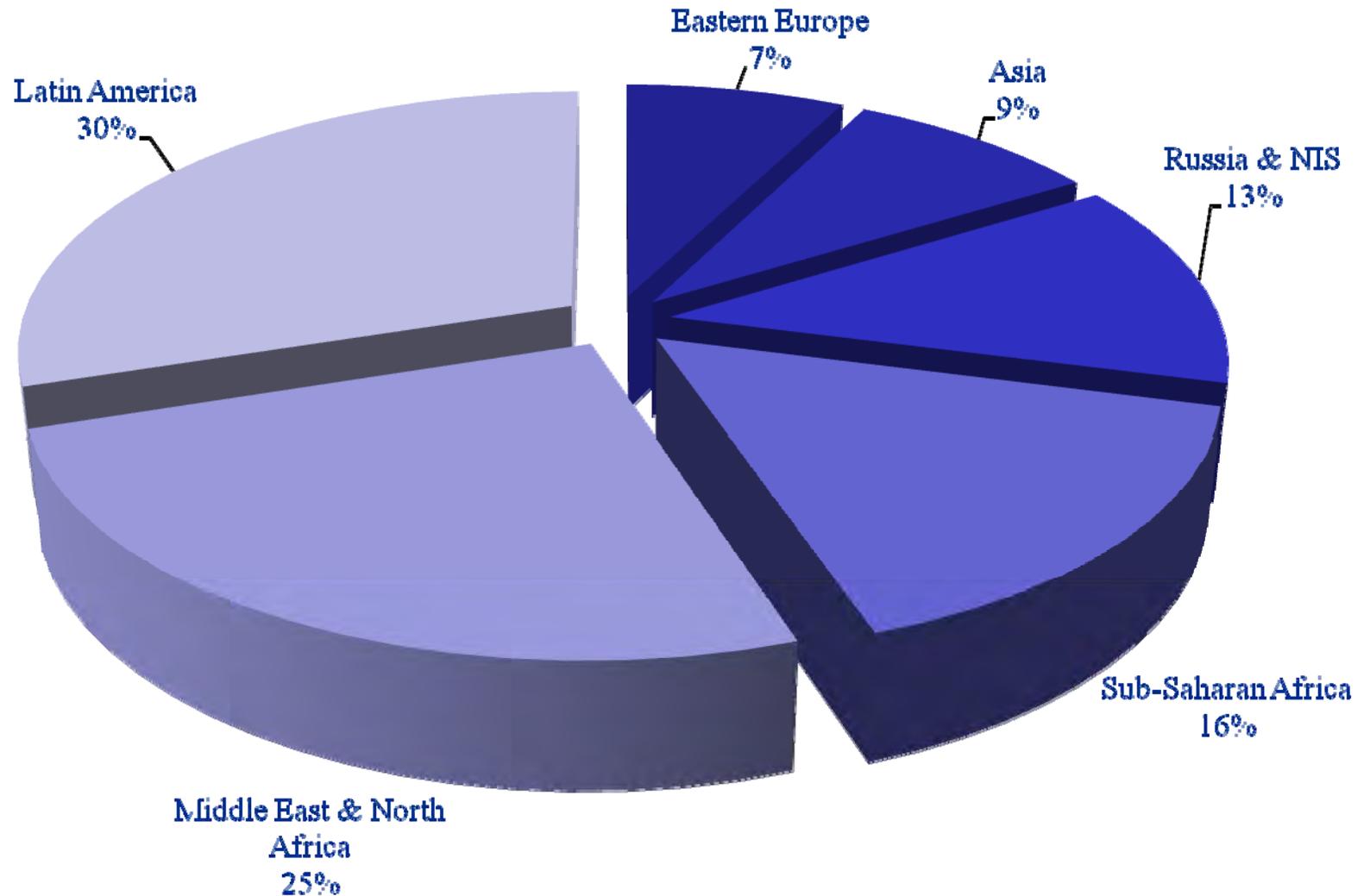


# What are the benefits of OPIC?

- Opens and expands markets for U.S. businesses
  - Since 1971, has generated \$72 billion in U.S. exports and supported more than 273,000 American jobs.
  - Helping companies access markets in over 150 countries.
- Promotes sustainable development abroad
  - Since 1971, supported \$188 billion worth of investment in diverse sectors such as infrastructure, renewable energy, and housing.
  - Supporting reconstruction in places like Haiti, Afghanistan, etc.
- Supports U.S. best practices
  - Projects must have no adverse effects on the host country's development or environment
  - Must uphold internationally-recognized human and worker rights
  - Cause no loss of U.S. jobs or adverse impact on the U.S. economy
- OPIC is self-sustaining = no net cost to taxpayers



# OPIC Around the World



# OPIC Political Risk Insurance

- Protects against three political risks:
  - Political Violence
  - Currency Inconvertibility
  - Expropriation
- The need for political risk insurance:
  - Cover possible damage or loss to tangible assets, the value of investment, or earnings
  - Obtain or attract financing in the face of risk
  - Deter long-term losses through OPIC advocacy



# Eligibility and Terms

- Available to U.S. investors, contractors, exporters, financial institutions, and NGOs
- Coverage for various types of investment:
  - Equity, debt, leases, technical assistance agreements, performance/advance payment guaranties, contracts with a foreign government



- Coverage up to 90% of investment
- Up to \$250 million per project, no minimum
- Up to 20-year tenors, fixed premium

# OPIC Finance

- Financing based on a Total Project Cost:
  - Total Project Cost includes land acquisition, construction, equipment, overseas working capital, etc.
- Direct loans and loan guaranties
  - Direct loans reserved for small and medium-sized investors/companies that own at least 25% of the project.
  - Loan guaranties require other significant long-term U.S. participation in the project.
- Repayment through project cash flow



# Eligibility and Terms

- Finance up to 60% of the total project cost
  - Up to 75% of the cost to expand an existing project
- Sponsors should raise remaining funds in equity
- Sponsors/management must have experience in the same or a similar industry



- Loans from \$100,000-\$250 million
- Loan tenors from 5-15 years
- Small Business Center (SBC) offers specialized, streamlined loans for U.S. businesses with annual revenues under \$35 million

# OPIC Investment Funds

- OPIC supports the creation of privately-owned and managed investment funds with debt capital
- These funds make direct equity & equity-related investments in new, expanding, or privatizing companies abroad
- These funds have a regional or sector focus
- Funds can be contacted directly:

<http://www.opic.gov/investment-funds/full-list>



# Getting Started with OPIC

1. Review the website: [www.opic.gov](http://www.opic.gov)  
(Hint: For financing, review *SME Finance Eligibility Checklist*)
2. Consult *Small Business Guide*:  
<http://www.opic.gov/small-business>
3. Contact the Public Information Officer:  
[info@opic.gov](mailto:info@opic.gov) or +1 (202) 336-8400
4. Insurance: Complete Form 50  
Finance: Complete *Section 1a* of Form 115
5. Need an advisor? Loan Originators: [www.ednaccess.com](http://www.ednaccess.com)





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