



Overseas Private Investment Corporation

An OPIC Overview

November 2014

Our Organization

As the U.S. Government's premier development finance institution, OPIC mobilizes the participation of U. S. private capital to support sustainable economic development in emerging markets.

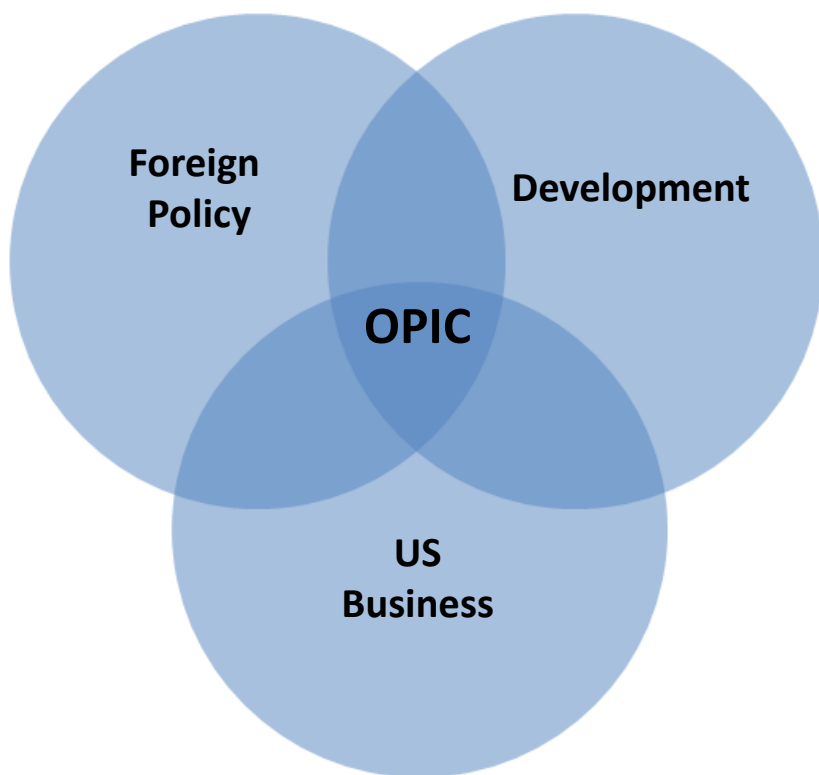


OPIC currently manages a \$16.5B portfolio of projects in over 150 countries and operates on a self-sustaining basis at no net cost to the American taxpayer.

Administration Development Priorities

OPIC is uniquely positioned to support the administration's new development strategy

OPIC's Unique Position



Administration Priorities

"We're changing how we define development...we need to harness all the tools at our disposal—from our diplomacy to our trade and investment policies."

~President Obama, 9/22/10

- Supporting broad-based, sustainable economic growth
- Proactively targeting specific countries, regions, sectors, and technologies
- Mobilizing private sector investment
- Elevating development as a central pillar of national security policy

Our Clients and Alliances

OPIC partners with other U.S. government agencies and international partners to provide financing and risk mitigation products to a wide range of clients

Current Clients

Multinationals and Small/Medium Businesses



Nonprofits and Impact Investors



Strategic Alliances

US Gov't

- Departments of State, Commerce, and Treasury
- USAID & USTDA
- Ex-Im Bank and SBA
- Millennium Challenge

Development Finance Institutions

- IFC and MIGA
- Regional Development Banks (IDB, ADB, AfDB, EBRD)
- CDC, FMO, DEG

Other Partners

- Chambers of Commerce
- AmChams
- NGOs
- Financial Institutions

Our Impact

Over the past 41 years OPIC has supported over \$200 billion of investment in developing markets that is projected to support over 277,000 U.S. jobs.

OPIC By the Numbers*

Total Investment Supported

\$200 billion

Total Projects Financed

4,000

U.S. Exports Supported (Projected)

\$75 billion

U.S. Jobs Supported (Projected)

277,000

*Since 1971

Success Stories



- **South Africa:** \$250 M to SunEdison for development of a 60 MW solar PV power plant, creating hundreds of new jobs.



- **India:** \$3.5 M loan to Healthpoint for water treatment facilities serving 400 communities to help prevent disease. [Project was featured on NPR.](#)



- **Jamaica:** \$43 M to Blue Mountain Renewables for the second wind power plant in Jamaica. The 34 MW power project will contribute to Jamaica's 2030 renewable energy goals.



- **Israel:** \$250 M to Negev Energy for the construction and operation of OPIC's first concentrated solar power (CSP) deal.

Our Solutions

OPIC offers innovative financial solutions to support private investors, including debt financing, insurance, and investment funds

Products

■ Debt financing

- Support to large structured deals, project finance, SME, micro-finance
- Significant infrastructure and power expertise
- Up to \$250M with terms of 20+ years
- Guarantees of loans or capital market bonds
- Local and off-shore lending capacity
- No syndication or market disruption risk; OPIC retains full credit risk

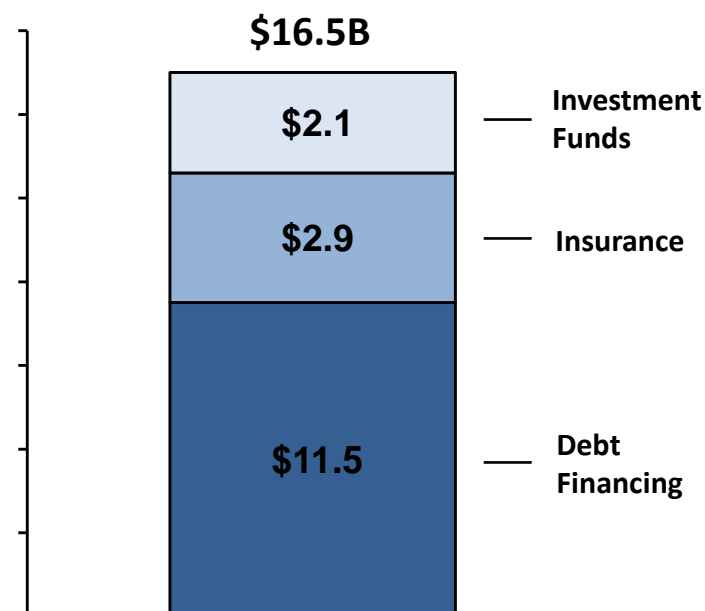
■ Insurance

- Offers coverage for risk of expropriation, political violence, and currency inconvertibility

■ Investment funds

- Provides debt that is matched by privately raised equity to support funds investing in emerging markets

Current Portfolio



Our Policy Standards

Investors and project proposals must satisfy certain policy criteria to receive OPIC financing

Eligibility Criteria for Investors

To be eligible for OPIC financing, applicants must:

- ✓ Have a **commercially viable business plan** and successful track record
- ✓ **Involve the U.S. private sector** in a meaningful way in the project seeking OPIC support
- ✓ Maintain **private sector control** (<50% government ownership)

Policy Standards for Projects

OPIC supported projects must:

- ✓ Contribute to **sustainable development** goals
- ✓ Be located in one of our **~150 eligible countries**
- ✓ Comply with international **environmental standards**
- ✓ Support international **human rights** and **worker rights** regulations
- ✓ Cause **no loss of U.S. jobs** or adverse impact on the U.S. economy

U.S. Connections in OPIC-Supported Projects

OPIC policy requires that finance and direct insurance projects have a meaningful connection to the U.S. private sector.

How Does OPIC Define U.S.?

- A U.S.-organized entity generally must be at least 25% U.S.-owned.
- A foreign organized entity generally must be at least majority U.S.-owned.

How Does OPIC Measure U.S. Involvement?

- OPIC requires U.S. involvement in the project company in an amount that is equivalent to 25% of the project company's equity, which may be met with equity, long-term debt or other U.S. contracts or, by combining these types of involvement.
- OPIC will support investment funds if the fund has raised U.S. equity equal to 25% of OPIC's loan support or if the fund is managed by a U.S. manager.

U.S. Connections in OPIC-Supported Projects

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How Does OPIC Measure the Duration of U.S. Involvement?

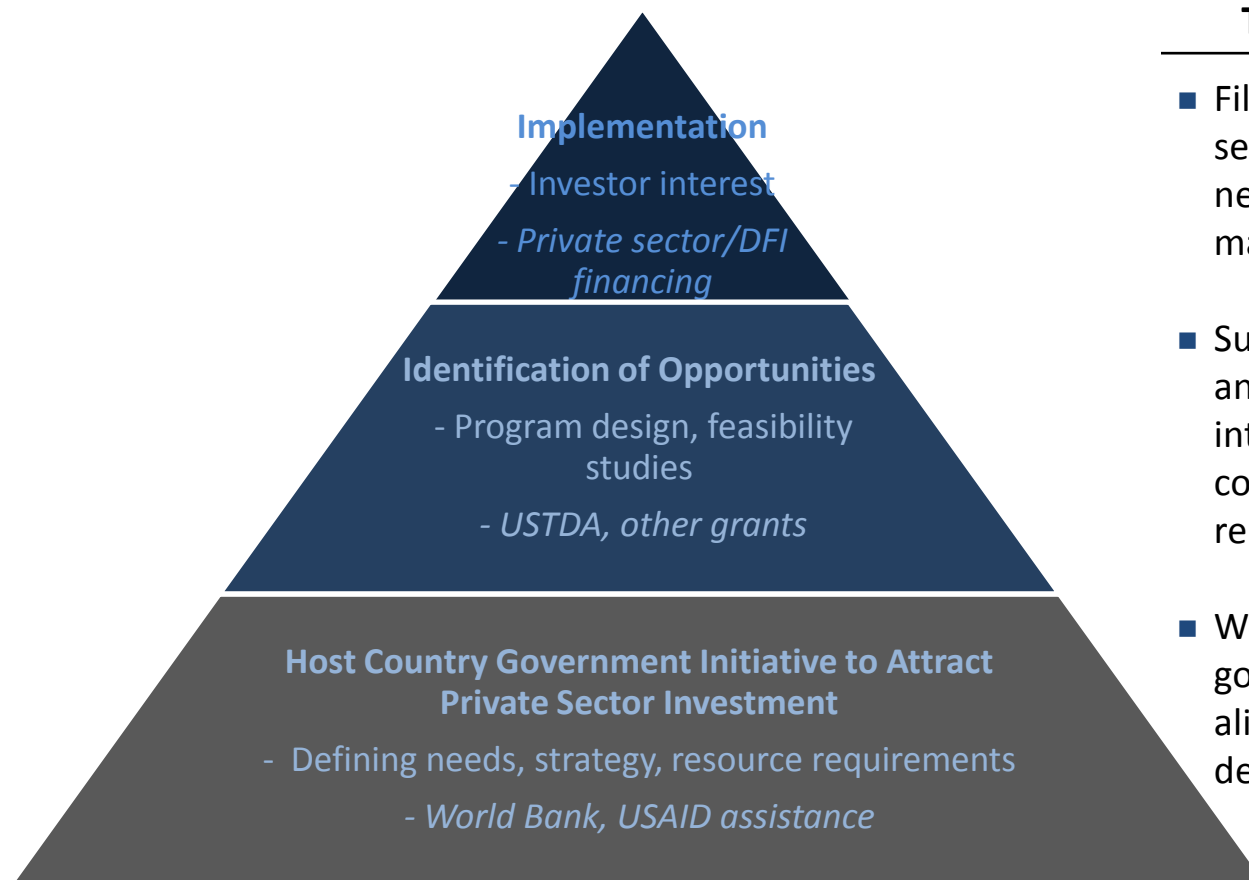
- For an ongoing project, U.S. entities need to retain a 25% interest in the project through final disbursement of the OPIC loan. In the case of a start-up or 'greenfield' project, the U.S. entities need to retain a 25% interest through physical completion of the project.
- OPIC must approve any proposed transferee of the interest.

How Does OPIC Define U.S. Small Business?

- For OPIC to finance a project with a direct loan, the US involvement must come from US small business. A "small" business includes: a business with annual revenues during the last fiscal year of less than \$400M; entities/individuals without revenues, net worth of less than \$100M.
- Consistent with the U.S. Small Business Administration, OPIC also considers a business with 500 or fewer employees as "small."

When Does OPIC Get Involved?

OPIC brings investment capital, through financing, political risk insurance and private equity solutions, once private sector investors have determined that a project is commercially viable

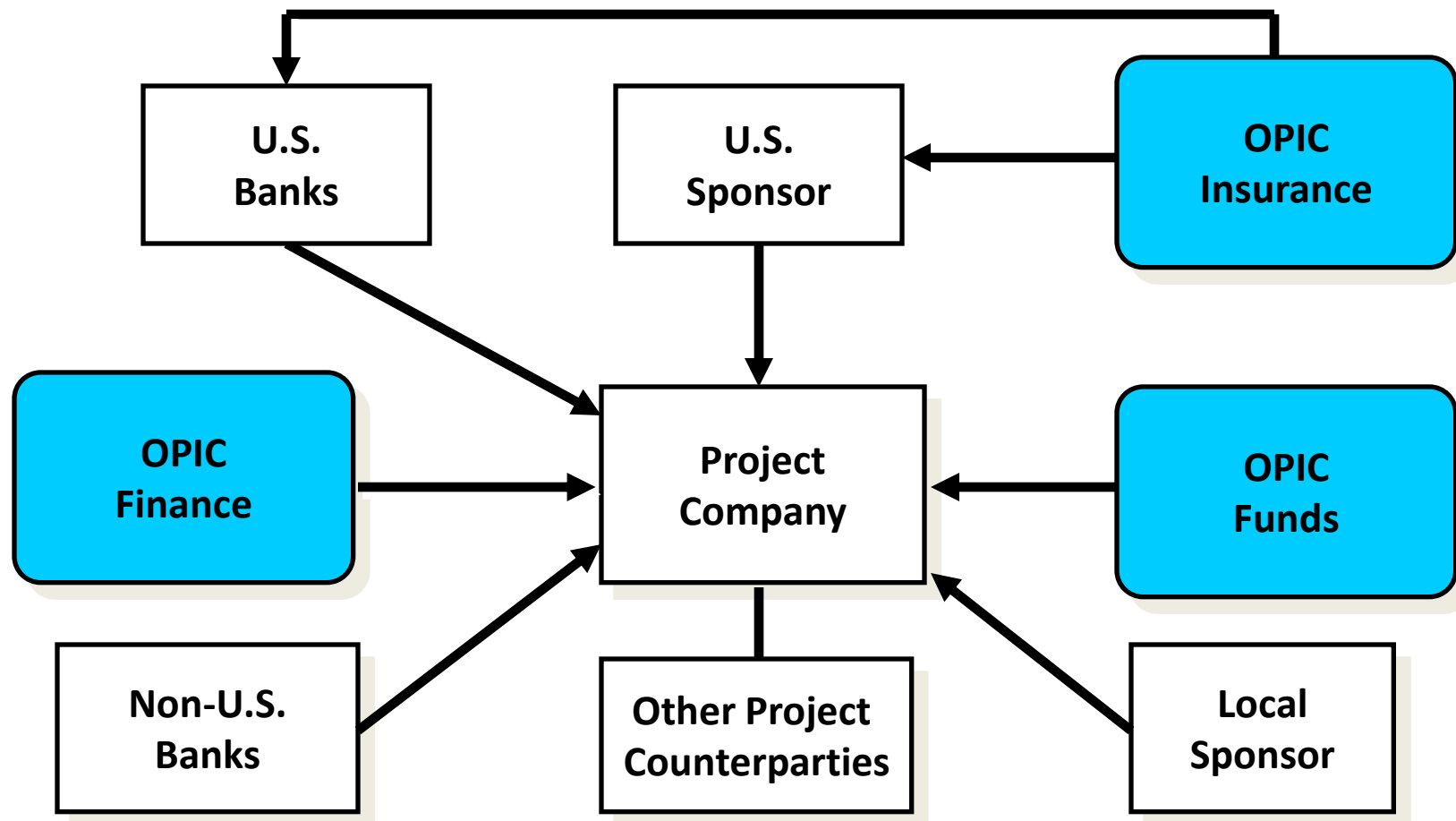


Themes of Involvement

- Fill in gaps where the private sector is unable to meet the needs of a project in order to make it sustainable
- Support only viable projects and thus not only provide the intended benefits to the host country but also ensure repayments to OPIC
- Work with host country government to confirm alignment of interests and development objectives

Where Does OPIC Get Involved?

OPIC can support a project through debt financing, political risk insurance and private equity solutions, depending on its needs and U.S. nexus



OPIC Project Lifecycle



Asia Pacific Exposure

Asia now comprises less than 20% of OPIC's current portfolio

- Since 1974 OPIC has committed more than \$6.6 billion to advance over 438 projects in Asia
- Much of this investment was and is focused on infrastructure, energy (including renewable energy), and microfinance and small business lending
- The Agency currently supports 26 projects with \$1 billion of commitments in the Asia Pacific region
- OPIC is committed to growing in Asia Pacific and rebalancing its portfolio: Asia Pacific is underweight relative to other geographies.



Asia Pacific Clean Energy Program

\$1 billion of support for clean and renewable energy investments in the Asia Pacific region

- U.S. Asia Pacific Comprehensive Energy Partnership announced in 2012
- \$6 billion of U.S. support for clean energy investments in the region, of which \$1 billion is to come from OPIC
- New OPIC Asia Pacific office will implement the Asia Pacific Clean Energy Program (co-managed with USTDA)
- The agency committed over \$1.2 billion in financing to clean energy projects in emerging markets during fiscal year 2013
 - Technologies supported to date include solar, wind, geothermal and biomass
 - Projects in Caribbean, Latin America, Eastern Europe, MENA, and Africa

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