

OPIC ANTI-CORRUPTION & TRANSPARENCY INITIATIVE

FACT SHEET

“Corrupt practices undermine government institutions, impede economic and social development, and cast shadows of lawlessness that erode the public trust.”

—*President George W. Bush*

Background:

Over the past five years, OPIC has been working with interested stakeholders on measures to combat corrupt practices and to improve transparency of its operations. The agency was commended for its efforts in this area in its 2003 reauthorization.

The OPIC Anti-Corruption & Transparency Initiative is designed to support a level playing field for lawful business practices, improve OPIC’s transparency, while preserving the confidential business information and commercial efficiency of OPIC’s sponsors, and promoting evolving best practices in corporate social responsibility. The Initiative complements the National Strategy Against High Level Corruption, announced by President Bush on August 20th.

In launching the Initiative, OPIC recognizes its uniqueness as a U.S. government agency, subject to oversight by the U.S. Congress, the U.S. judicial system, as well as existing federal guidelines for the protection and disclosure of business confidential information. Other multilateral lending organizations are not subject to these provisions.

Key Elements of the Initiative:

Anti-Corruption:

OPIC has formally endorsed the principles of the Extractive Industries Transparency Initiative (EITI) and posted its endorsement on its website. OPIC will encourage its sponsors to voluntarily agree to the EITI guidelines in OPIC sponsored projects.

EITI supports improved governance in resource rich developing countries through the full publication and verification of company payments and government revenues from oil, gas and mining ventures. The goal is to ensure that the revenues from extractive industries in developing countries contribute to sustainable development and poverty reduction. Participation in EITI can reduce the risk associated with a project, and improve the likelihood of success in the most developmental markets while reducing associated costs.

- OPIC has created and will post an OPIC Anti-Corruption Handbook that provides OPIC sponsors and other interest parties with a comprehensive approach to fight corruption. OPIC sponsors will be required to certify that they have received, read and distributed the Handbook.
- OPIC has established a dedicated telephone Hotline which will be available to obtain compliance guidance and for the reporting of allegations of corruption and fraud in connection with OPIC supported projects.
- Building on its existing best practices, OPIC will enhance its due diligence procedures, to continue to ensure effective compliance programs exist in projects that the agency sponsors. OPIC reserves the right to prospectively decline business with any person or entity convicted of an FCPA violation.

Improved Information Disclosure:

- OPIC has redesigned its website to better organize a greater amount of information made available to the public.
- OPIC will post on its website non-business confidential summaries of OPIC supported projects. Projects approved by the Board of Directors will be posted immediately. Other project summaries will follow as templates and processes are established internally.
- OPIC will require and post on its website, non-business confidential versions of additional documentation required for Category A projects – the most environmentally sensitive projects that OPIC supports. These include Environmental Impact Assessments (EIA), Environmental Management and Monitoring Plans (EMMP) and Environmental Remediation Plans.
- OPIC will disclose and post on its website the auditor certifications for Category A projects.
- OPIC will post on its website its internal filing standards, established by the National Archives and Records Administration (NARA) to provide greater transparency into agency information and documentation storage.
- OPIC will post on its website public notices, including Board meetings, public hearings, Sunshine Act notices as well as Board meeting agendas, the public minutes of the Board meeting and Board resolutions.
- OPIC will post on its website the standard environmental and social covenants used in Category A projects.
- OPIC will post on its website host country notifications for Category A projects, which are transmitted by OPIC to host governments when contracts are executed.

Improved Coordination with Locally Affected Communities:

- For Category A projects with “significant social impacts”, OPIC will require that project sponsors formally consult with the locally affected communities, by providing project information in a language, format and medium that is accessible.
 - For Category A projects, OPIC will require project sponsors to provide a local language translation of the Executive Summary of the project’s Environmental Impact Assessment (EIA), making the summary available to local stakeholders.
 - For Category A projects, OPIC will require project sponsors to communicate contract conditions on workers rights to host country project employees, where appropriate.

Improved Information Collection:

- OPIC will update its application and reporting forms with input from all stakeholders on the content of data required.