

# OPIC Highlights

## OPIC Supports U.S. Investment and Development Needs in Asia

Historically, OPIC has provided more than \$11 billion in finance and insurance to support 997 projects in tourism, manufacturing, energy and construction. OPIC's current investment portfolio provides more than \$2 billion to 59 projects ranging from housing and construction to financial services.

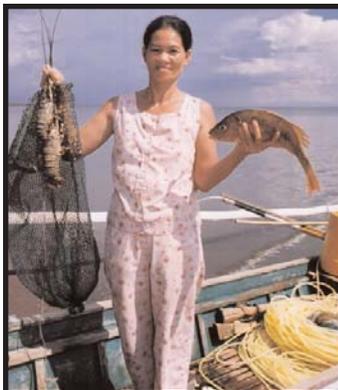
### OPIC Supports Investment in Mongolia

Recently named one of 16 countries eligible for Millennium Challenge Corporation (MCC) assistance, Mongolia is also the destination of a \$50 million OPIC support facility meant to encourage U.S. private sector investment in the country.

The facility will be available to projects that mobilize U.S. private capital and promise significant benefits to the economic and social development of Mongolia.

OPIC financing will also be used by a U.S. small business for the construction and operation of a resort focused on adventure tourism activities that take advantage of Mongolia's unique terrain such as trekking, rock climbing, horseback riding, rafting and all terrain vehicle riding. The resort facilities are being designed to be self-sustainable and environmentally friendly.

Additionally, OPIC has approved a \$15 million co-lending facility with the Mongolia Trade and Development Bank to assist in extending the bank's individual lending limits. The facility supports privatization of the bank by Gerald Metals, Inc., a privately held U.S. corporation located in Stanford, Connecticut.



The lending facility is expected to provide much needed capital to small entrepreneurs in the region.

### OPIC Helps Expand Lending in Asia

OPIC has established a lending facility that will enable Citibank to expand its lending in eight Asian countries. In the facility, Citibank will share credit risk with OPIC in project loans to companies in Bangladesh, India, Indonesia, Malaysia, Philippines, Sri Lanka, Thailand, and Vietnam, with an emphasis on lending to smaller companies. OPIC will review and provide its clearance with respect to worker rights issues, environmental effects, and U.S. effects for each downstream project loan.

### OPIC Provides Support for Tsunami Reconstruction Efforts

In response to the massive destruction caused by the December 26 tsunami, OPIC is establishing a special line of credit up to \$150 million to mobilize U.S. private sector investment in the reconstruction of nations devastated by the tsunami. The credit line will be part of an OPIC Tsunami Reconstruction Finance Initiative that aims to help speed the rehabilitation of housing and infrastructure in affected countries, with special emphasis on Indonesia, Sri Lanka and Thailand.

Through the Tsunami Reconstruction Finance Initiative, OPIC will:

- Work with U.S. businesses to support long-term reconstruction with loans and guarantees for physical infrastructure projects, including power supply, clean water supply and distribution, and transportation projects;
- Support a combined housing construction and long-term finance program to deliver quality housing units for rent or sale on a lease/purchase basis; and
- Work with nongovernmental organizations to launch micro-financing facilities to promote the growth of local industries.

Additionally, OPIC will establish an internal task force to manage the Tsunami Reconstruction Finance Initiative, as well as implement expedited approval processes to speed reconstruction projects.



**OPIC** is a U.S. government agency that helps U.S. businesses invest overseas, fosters economic development in new and emerging markets, complements the private sector in managing risks associated with foreign direct investment, and supports U.S. foreign policy. Because OPIC charges market-based fees for its products, it operates on a self-sustaining basis at no net cost to taxpayers. Since 1971, OPIC has supported more than \$164 billion worth of investments that have generated over \$69 billion in U.S. exports and supported more than 264,000 American jobs. For more information please go to [www.opic.gov](http://www.opic.gov).

## **OPIC Loan to Establish Franchise in South Korea**

A U.S. small business will use an OPIC loan to establish the first Ruby Tuesday franchise restaurant in South Korea. The \$1.5 million loan to Majestic Group Korea, Ltd., a wholly-owned subsidiary of Majestic Group, Inc. of Maryland, will be used to establish a Ruby Tuesday franchise restaurant in Seoul, South Korea. The project will also give Majestic Group exclusive rights to operate the Ruby Tuesday franchise throughout South Korea, foreseeing the development of additional stores in the country.

Among the project's advantages will be to provide significant, much-needed employment opportunities for South Korean women - a significant achievement in a country where it is typically difficult for women to gain employment. Additionally, the project is expected to help accelerate South Korea's economic development, in part by introducing the high-standard business practices of a successful U.S. franchise.

## **OPIC Loan Helps Philippines Meet Need for Safe Drinking Water**

A \$348,000 OPIC loan to a small business will help the Philippines meet a growing demand for bottled water. Golden Cypress Water Company, a bottled water manufacturer and distributor which is owned in part by two U.S. citizens, will use the loan to finance the start-up of an operation which will sell purified water to both residential and commercial customers in the country.

The company will pump water from an on-site aquifer; purify it through a reverse osmosis membrane system; then bottle, market, sell, and distribute it.

## **OPIC Supports Indonesian Energy Projects**

Two offshore oil and natural gas projects in Indonesia will receive up to \$350 million in OPIC financing. The projects, sponsored by California-based Unocal Corporation and Pertamina, the Indonesian state oil and gas company, will develop the West Seno offshore crude oil and natural gas fields in the Makassar Straits off East Kalimantan.

OPIC's financing nearly single-handedly fulfills a 2001 joint initiative of OPIC, the U. S. Export-Import Bank and the U.S. Trade and Development Agency to provide \$400 million in loans and guarantees to finance U.S. investments in Indonesia, specifically in the oil and gas sector.

The projects are expected to yield 145 million barrels of oil, which will be sold in Indonesia and in the general Asian petroleum market.

West Seno I, the first project, features construction of a deep-water production platform, a floating processing unit, and two 60-kilometer oil and gas pipelines from the platform to an existing terminal at Santan; and the drilling of more than 20 production wells. OPIC is providing a \$300 million loan to this project.

West Seno II, which will receive a \$50 million loan from OPIC, involves construction of a second deep-water drilling platform and the drilling of an additional 20+ production wells. The second project will share processing and transportation infrastructure with the first.

## **Two Investment Funds Support Economic Growth in Asia**

OPIC has committed up to \$90 million in investment guaranties for the establishment of two private equity investment funds intended to support the growth of businesses in Asia. The combined target capitalization of the two funds is between \$250 million and \$300 million.

The first fund will invest in the credits of small and medium-sized enterprises (SMEs) in Asia. Through the purchase and restructuring of these credits, and for recapitalization of these businesses, the fund will enable companies to fix their balance sheets and allow banks to redeploy capital in the form of new loans. The fund's activities will substantially enhance each target country's financial infrastructure. The fund will focus its investments in South Korea, India, Indonesia, Malaysia, Thailand and the Philippines, with a target capitalization of \$100 million.

OPIC selected as fund manager Clearwater Capital Partners, LLC, a privately-owned firm founded in 2001, with offices in New York, Hong Kong, Seoul and Singapore.

The second fund will pursue expansion, management buy-outs/buy-ins, and private investments in public equities, privatizations, consolidations and infrastructure investments. The fund will in particular seek investments in high-growth sectors such as pharmaceutical products, health care, manufacturing, consumer goods, retail, oil and gas, and financial services.

The capitalization target of the fund is \$150 million, and will target investments in Pakistan, Bangladesh, India and Sri Lanka.

OPIC selected Actis Capital LLP, a fund management company focused on managing capital primarily in Africa and South Asia, to manage the fund.