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OPIC

*Overseas Private Investment Corporation
An Agency of the United States Government*

*Making a
difference*

What is OPIC?

The Overseas Private Investment Corporation (OPIC) is the primary U.S. government agency focused on supporting private sector investment in the developing world. OPIC 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.

What Does OPIC Do?

OPIC helps U.S. businesses compete in emerging markets and meet the challenges of investing overseas when private sector support is not available. OPIC offers up to \$250 million in long-term financing and/or political risk insurance to U.S. companies investing in over 150 emerging markets and developing countries. Backed by the full faith and credit of the U.S. government, OPIC advocates for U.S. investment, offers experience in risk management, and draws on an outstanding record of success.

Why Is OPIC Important?

OPIC mobilizes America's private sector to advance U.S. foreign policy and development initiatives. Projects supported by OPIC expand economic development, which encourages political stability and free market reforms. OPIC projects also help support American jobs and generate exports. At the same time, OPIC promotes U.S. best practices by requiring projects to adhere to international standards on the environment, worker rights, and human rights.

What Is OPIC Political Risk Insurance?

OPIC insures U.S. investors, contractors, exporters, and financial institutions against political violence such as terrorism and war, nationalization or expropriation by a foreign government, or the inability to convert local currency and repatriate profits. OPIC can insure up to

\$250 million per project and has no minimum investment size requirements. Insurance is available for investments in new ventures, expansions of existing enterprises, privatizations, and acquisitions with positive developmental benefits.

What Is OPIC Finance?

OPIC provides financing through direct loans and loan guaranties for medium and long-term private investment. Loans range from \$100,000 to \$250 million for projects sponsored by U.S. companies, and financing can be provided on a project finance or corporate finance basis. In most cases, the U.S. sponsor is expected to contribute at least 25 percent of the project equity, have a track record in the industry, and have the means to contribute to the financial success of the project.

What Is OPIC'S Investment Funds Program?

To address the lack of sufficient equity investment in emerging markets, OPIC has supported the creation of regional or sectoral funds that make direct investments in new, expanding, or privatizing companies. These investment funds, which are privately owned and managed, provide long-term growth capital, serve as a catalyst for private sector economic activity, and encourage the creation of new markets and opportunities for American companies.

How Does OPIC Help Small Businesses?

OPIC recognizes that small businesses looking to invest overseas have unique requirements. That's why the Small Business Center (SBC) was created. For businesses with annual revenues of less than \$35 million, the SBC offers a streamlined approval process, flexible coverage, and enhanced customer service. Loan amounts range from \$100,000 to \$10 million. Businesses receiving SBC loans can utilize OPIC's 'insurance wrap,' which provides political risk insurance at a reduced rate.