

# OPIC Highlights

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## OPIC IN THE MIDDLE EAST AND NORTH AFRICA

### OPIC Supports U.S. Investment, Foreign Policy in Region

In the Middle East, North Africa, and around the world, OPIC leads the way for private-sector investment. OPIC's insurance, finance, and investment funds programs support U.S. businesses of all sizes, advance U.S. foreign policy, encourage economic development in emerging markets, and generate U.S. jobs and

export growth. Since committing support to its first project in the region in 1974, OPIC has committed nearly \$4.5 billion in political risk insurance and finance support to the region. As of September 30, 2000, OPIC's outstanding portfolio in the region was nearly \$700 million. •

#### OPIC Supports Jordan Transportation Project

OPIC approved \$6 million in political risk insurance to Wisconsin Central International, Inc. and Raytheon Infrastructure, Inc. for a railway project in Jordan. The Aqaba Railway Project is the privatization, extension, and upgrade of the Aqaba Railway. Built over 100 years ago, this railway is considered a national treasure in Jordan. Today, the sole use of this railway is to transport phosphate from mines in south central Jordan to fertilizer complexes and export facilities in the south at Aqaba. The export of phosphate and related products generates nearly two-thirds of Jordan's export earnings.

The Aqaba Railway Project is of strategic importance to Jordan, allowing the continued export of phosphate without dependence on more costly truck transportation. This project is the first privatization in Jordan, and it will bring the latest in transportation technology of safe, efficient, and reliable rail service to Jordan. The project also supports the Government of Jordan's program to promote foreign direct investment in the country, and over time, will increase the possibilities for economic growth and the creation of jobs in the region. The project supports the U.S. government's interest in assisting Jordan as part of a larger effort to promote peace in the region. •



#### Funds Provide Regional Investment

OPIC investment funds leverage investment in emerging-market businesses of all sizes, helping to develop all sectors of the economy. Several of these privately managed funds are eligible to invest in countries in the Middle East and North Africa. OPIC-supported funds have invested nearly \$29 million for projects in Israel. These include computer programming services, software, electronics, water supply, medical equipment, and process control instruments. In 1999 investments in Jordan leveraged by OPIC investment fund support have included a fish farm and a tomato farm. Through the Inter Arab Investment Fund and other eligible funds, OPIC will continue to support investment at all levels of the economy in the Middle East and North Africa. •

## OPIC Project Brings Water to the West Bank

In 1996 OPIC committed \$1.6 million in financing to Culligan Water Technologies of Northbrook, Illinois, to construct and operate a water-bottling facility in Jericho. OPIC's first project in the West Bank, the facility opened in 1998 and began to provide a new source of drinking water to the area. During the construction, start-up, and first five years of operation, the Culligan project has generated and is expected to continue to generate local goods and services procurement while creating dozens of local jobs. 🌐

## New OPIC Bilateral Agreement Helps Investment Cooperation

Long recognizing Egypt as an important partner for investment, OPIC signed a newly revised bilateral agreement with Egypt on July 1, 1999, enabling the agency to be more responsive to U.S. companies looking to invest there. OPIC's first bilateral agreement with Egypt dates back to 1963 and was last amended in 1989. OPIC has undertaken extensive efforts to update its existing bilateral agreements to streamline the process of investment. 🌐



OPIC is a self-sustaining U.S. agency that encourages private investment in some 140 developing nations and emerging markets worldwide. OPIC's political risk insurance, project financing and investment funds fill a commercial void, contribute to the development of emerging economies. Since 1971, OPIC has supported \$138 billion worth of investments that will generate \$64 billion in U.S. exports and create more than 250,000 American jobs. For general information, contact OPIC InfoLine at 202-336-8799. For information via the Internet go to [www.opic.gov](http://www.opic.gov). For more information on OPIC support for investment in North Africa and the Middle East, please contact Mr. Abed Tarbush at (202) 336-8632. 🌐

## OPIC Programs Support Economic Initiative for North Africa

Over the past 15 years, North African governments have undergone significant macroeconomic reforms in an attempt to stabilize and expand their economies. New economic partnerships have become an important element of these reforms. In June of 1998, former OPIC Board Member Ambassador Stuart Eizenstat announced the creation of a broad economic development plan for the region designed to promote U.S. economic activity in the three North African countries of Morocco, Tunisia, and Algeria by increasing trade and investment. 🌐

### OPIC Supports Gas Field Development in Algeria

In support of the regional initiative, the OPIC Board of Directors approved up to \$200 million in political risk insurance in June 1999 to cover the Sonatrach-BHP Ohanet Gas Processing Venture in Algeria. The project is the construction, development, production, and operation of the Ohanet gas fields in the southern desert of Algeria. This project is sponsored, in part, by Petrofac Resources International Inc., a small business headquartered in Tyler Texas. This environmentally sound project is expected to yield numerous benefits, including increasing net annual export earnings, generating local procurement, creating local jobs, and increasing gas production capacity. 🌐

### OPIC Supports Innovative Energy Project in Morocco

Along with the U.S. Export-Import Bank, another OPIC-supported project that is helping economic development in North Africa is the Jorf Lasfar Energy Company project in Morocco. Sponsored by CMS Generation Company of Michigan and supported by OPIC commitments of \$200 million in insurance and \$200 million in financing, the Jorf Lasfar project is providing Morocco with a large source of power generation and with a revenue generator. Not only will this facility provide tax revenue, generate local procurement, and create new jobs, Jorf Lasfar is expected to use \$644 million in U.S. goods and services and create 1,695 American jobs. Because of the economic benefits in the U.S. and in Morocco and because of the electricity need that this project will meet, Project Finance Magazine gave Jorf Lasfar its project of the year award in 1996. 🌐



*The Jorf Lasfar project provides secure energy resources and training to local workers.*

