



# OPIC Highlights

## OPIC Supports Investment in the Andean Region

### Overview

In these countries, OPIC has led the way for private-sector investment. OPIC'S insurance, finance, and investment funds program support U.S. businesses of all sizes, advancing U.S. foreign policy, encouraging economic development in developing countries and emerging markets, and generating U.S. jobs and export growth.

### Bolivia

Since committing support to its first project in 1974, OPIC has committed nearly \$787 million in political risk insurance and finance support in Bolivia.

### Colombia

Over the last three decades, OPIC has committed over \$5 billion in political risk insurance and finance support in Colombia.

### Ecuador

Since committing support to its first project in 1976, OPIC has committed nearly \$230 million in political risk insurance and finance support in Ecuador.

### Peru

Since OPIC first signed a bilateral investment incentive agreement in 1955, it has committed nearly \$3.0 billion in political risk insurance and finance support in Peru.

### OPIC Projects

Here are some examples of recent OPIC-supported projects in the Andean Region:

#### ***Supporting a Power Generation Plant in Bolivia***

With OPIC's political risk insurance, Constellation Energy International Investments, Ltd. (CEI) investment in Empresa Electrica Valle Hermosos (EVH) is one of three privatization transactions in the Bolivian power sector where U.S. utility companies have had a strong presence. This project involved the privatization, expansion and retrofitting of EVH, a power generating plant near Cochabamba, Bolivia. With OPIC's assistance EVH was able to sell power to independent distributors where prices are based on short-term marginal costs of electricity.

#### ***Expanding Telecommunications in Colombia***

OPIC approved \$200 million in political risk insurance for the expansion and refinancing of the cellular telecommunications systems for one of Colombia's leading cellular companies, Celumovil. The company, which is two-thirds owned by BellSouth Corporation, has 500,000 subscribers primarily in the northern and eastern regions of the country, including the capital of Bogota.

The company operates a wireless digital telecommunications network in the northern and eastern regions of Colombia including Bogotá. The project will expand the capacity of Celumovil's wireless network through improved switching and interconnection equipment. Celumovil will also construct additional cellular sites in order to enhance coverage to currently under-served areas and to extend service to new areas.



## ***OPIC is Providing Loan Guaranty to Lima Airport***

OPIC is providing a \$106 million loan guaranty to Lima Airport Partners for the privatization and rehabilitation of the Jorge Chávez International Airport in Lima, Peru. Through an indirect shareholding interest, Bechtel Enterprises of San Francisco is partnering with Peruvian, German and Singaporean companies to undertake the privatization.

OPIC's loan, which will support the first three and one-half years of the first phase of privatization, will help improve the quality of existing services at the airport and further Peru's privatization program. The project will also benefit local businesses involved in the import and export of goods, and facilitate expansion of tourism. Total cost of the first phase is \$178 million.

The Jorge Chávez airport is Peru's largest and most active, accounting for virtually all of the international air traffic and cargo, and one-third of the domestic passengers as well.

The project will generate a positive net impact on the US balance of payments of \$51.6 million, as well as \$65 million annual revenue for Peru and 70 permanent local jobs.



## ***Insuring a Tea Project in Ecuador***

Tea Importers, Inc., a small business located in Westport, Connecticut, rehabilitated a tea property in Ecuador with help from OPIC. A repeat client, Tea Importers bought \$500,000 in political risk insurance in 1998 to support production and trading operations at a tea plantation in Ecuador.

This investment is Tea Importers' first in Latin America and follows a long-standing project supported by OPIC in Rwanda. Joseph H. Wertheim, President of Tea Importers, has credited OPIC for enabling his company to make the investments. "OPIC has been a great help to us, and we can state unequivocally that without their assistance we would not have considered making the investments in the two tea plantations."



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. 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.

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