



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 967 projects in financial services, manufacturing, energy and construction. OPIC's current finance and insurance support provides more than \$2 billion to 49 projects ranging from housing to manufacturing to construction.



Tapping Solar Power in Sri Lanka

The Solar Electric Light Company (SELCO) of California, will be able to expand their operations because of an OPIC loan of \$100,000. SELCO, will on-lend the funds to its subsidiary in Sri Lanka. The subsidiary will use those proceeds to guarantee local bank loans for financing sales of SELCO's solar home systems to Sri Lankans, through a local nonprofit microfinancing institution.

SELCO's solar systems, which sell for between \$450 and \$650, convert sunlight directly into electricity through roof- or pole-mounted solar photovoltaic modules, which charge deep-cycle batteries with DC current. The modules can produce power for up to 25 years, and are guaranteed by SELCO for a minimum of ten years. SELCO provides after-sales maintenance through its local network of sales and service centers.

SELCO is currently installing more

than 200 solar home systems per month in rural areas of Sri Lanka, thus providing a reliable source of electricity for homes not located on the country's main power grids, which serve only 50 percent of the population. The Sri Lankan government has declared a need to develop power production between 1999 and 2009; current reliance on hydroelectric sources for 70 percent of production puts the country at risk for shortfalls during periods of drought.



Providing Geothermal Power in the Philippines

With \$70 million in political risk insurance from OPIC, the California Energy Company is able to invest in a project for the construction and operation of a geo-thermal electrical power facility on Leyte Island in the Philippines.

Geothermal production wells tap into superheated water reservoirs thousands of feet beneath the Earth's surface to release tremendous pressure, caused by the hot water, which rushes to the surface. There, steam is sepa-

rated and used to drive turbines to generate electricity.

Since power generation is an essential element in encouraging economic growth, a reliable power supply attracts foreign investment that in turn creates jobs.

Expanding Tourism in Thailand

Pacific Subsea Saipan will develop an underwater submarine reef exploration tourism project located on the island town of Phuket in Thailand with a loan from OPIC. The project will involve the operation of the 48-seat state of the art submarine that will tour underwater reef sites and other attractions.

The OPIC loan will provide working capital as well as funds to construct the necessary docking and related facilities. The project is notable in that it is the first such tourism operation in Southeast Asia and it will help support Phuket's tourist industry, currently a primary engine of economic growth for the country.

Pacific Subsea Saipan also intends to duplicate its successful program of taking local school children on submarine rides to educate them about marine life, and to help inspire an appreciation for both the ocean itself and for environmental awareness.

The project is expected to create 44 permanent local jobs for Thai nationals by the fifth year of operations. The U.S. sponsor, Pacific Subsea Saipan, Inc., a small business, has operated an identical business in Saipan for over ten years.

Providing Energy in Bangladesh

The NEPC Power Consortium Limited operates a barge-mounted electric generating facility located in Haripur, Bangladesh bringing energy to that region because of \$87 million in political risk insurance provided by OPIC.

The Project's sponsors are El Paso Energy International, Covanta Energy Group, Inc. (f/k/a Odgen Energy) and Wartsila North America, Inc. (f/k/a Wartsila NSD North America, Inc.)

The Project aids the Government of Bangladesh in addressing its current and projected shortfall in meeting its electric power requirements and in meeting future demand, and thus supports the country's continued economic growth.

In addition, the Project generated employment in Bangladesh and contributed to the improvement of local infrastructure and services. Benefits to the U.S. economy included incremental employment through the provision of equipment and services, and net cash inflow from the return of capital and profit of the U.S. sponsors.

Ending Dependence on Imported Oil

With \$85 million in OPIC financing, InterOil Limited constructed a first-ever oil refinery on the island of



Papua New Guinea.

This refinery will end that nation's dependence on imported oil. Papua New Guinea endowed with ample natural resources has been unable until this project to refine products for local consumption, despite being an oil producing and exporting nation.

About half of the oil refined by the project will be sold domestically with the balance to be exported to Micronesia, Australia, and Japan. This refinery will also serve to attract foreign investment, particularly in developing the country's abundant natural resources.

The project will generate approximately 70 local jobs as well as extensive supply and procurement opportunities for the local businesses. A transfer of technical know-how and important managerial expertise will also be a result of this project.

OPIC Funds Invest in Asia

OPIC supports eight funds which invest more than \$420 million in 81

projects throughout the region. The funds invest in communications, construction, manufacturing, power, and service sectors.



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 nearly \$145 billion worth of investments that will generate \$65 billion in U.S. exports and create more than 254,000 American jobs.

For general information, contact OPIC's InfoLine at (202) 336-8799. For information via the Internet please go to <http://www.opic.gov>.