



OPIC Projects

OPIC Supports Financial Services

OPIC's present commitment to the financial services sector includes commitments to 54 projects totalling an investment of \$3.9 billion. Historically, OPIC has invested in 561 projects totalling more than \$10 billion in more than 150 countries worldwide.

Microfinancing in Romania

An OPIC loan of \$2.5 million will help both CHF International, a non-governmental organization (NGO) and Romanian entrepreneurs expand their productive capacity.

Through its Romanian office, CHF will use the OPIC loan to on-lend funds, either directly or through Romania NGO's, to individuals or small businesses, primarily for microfinancing purposes. CHF Romania anticipates that over the next five years it will extend more than 1500 loans with an aggregate \$12 million loan value.

By working with a partner such as CHF International, OPIC can help Romanian small businesses gain access to more formalized, long-term financing that in turn will set the stage for further economic development.



One of the ways in which CHF's Romania program is enhancing community development is through loans and business development services to clients, such as this bakery, which expand local businesses.

Insuring a Mortgage Project in Guatemala

By providing political risk insurance for a mortgage securitization project in Guatemala, OPIC will help to inject much-needed long-term capital into the industry while alleviating a housing shortage and standardizing mortgage procedures.

OPIC will provide \$15 million in insurance coverage to Mercury Mortgage Finance-Guatemala, Ltd., a financial entity with offices in Miami, in connection with a project which will raise \$100 million through a bond offering in the U.S. capital markets for the acquisition and securitization of new home mortgages originated by local private banks in Guatemala.

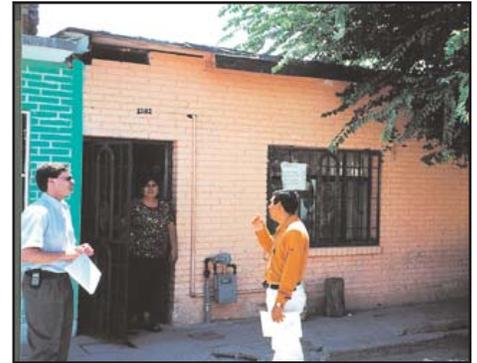
The mortgage notes will then be used as collateral and primary source of repayment for mortgage-backed securities to be issued by a Mercury Mortgage-created trust and sold in the U.S. to qualified institutional buyers.

Guatemala's housing market is characterized by little liquidity and an estimated housing shortage of over 750,000 units, according to the Guatemalan housing insurance agency.

Guaranty to Provide Homes in South Africa

By providing a \$15 million guaranty OPIC will help build 90,000 homes for low-income families in South Africa.

OPIC's guaranty will enable a U.S. for-profit company to support a local South African bank, which in conjunction with an affiliate of South Africa's National Urban Reconstruction and House



Agency (NURCHA). NURCHA will continue to on-lend Rand to private developers and contractors working with NURCHA that have contracts with various local governments to construct low-income houses and associated infrastructure.

In addition to addressing an acute shortage of adequate shelter, this initiative will also stimulate South Africa's construction sector with value-added benefits for builders, contractors and subcontractors, increasing skills and training in this sector of the South African economy.

Bringing Access to Capital in sub-Saharan Africa

By approving a \$125 million guaranty facility, OPIC will support Citibank's lending efforts throughout the region.

This lending facility will enable Citibank to provide additional U.S. dollar and local currency project and corporate loans in sub-Saharan Africa. Citibank will originate and structure all individual loans. A portion of the facility will be reserved for small and medium-sized enterprises.

Access to long-term capital among entrepreneurs in sub-Saharan Africa is at odds with their vitality and capabilities.

Citibank first established a presence in Africa in 1958 and has grown to be one of the region's largest financial institutions.

Increasing Credit Availability in Russia

A \$150 million OPIC guaranty will support Citibank's U.S. dollar and local currency projects in Russia. The guaranty is designed to help Citibank expand availability of credit in Russia. Citibank and OPIC will share the risk of individual loans originated under this facility, each of which will be cleared by OPIC for U.S. effects, environmental, human and workers' rights.

Investment Fund Aimed at Fast-Growing Businesses

OPIC will be supporting fast-growing businesses in consumer services industries by providing a \$70 million investment guaranty to the \$210 million investment fund for Russia.

The fund will make direct investments in mid-sized companies that are new, expanding, or in the process of being privatized. It will focus on industries that provide basic goods and services to Russian consumers, including telecommunications, cement and construction materials, forest products, broadcasting, and food processing.

This fund will help promising Russian companies gain access to much-needed capital, which in turn will stimulate further economic growth in that country.

Expanding Lending to Middle-Market Businesses

OPIC's \$35 million guaranty will enable the National City Bank of Cleveland to expand its medium and long-term lending to middle-market businesses--those with annual revenues between \$35 million and \$350 million--in more than 150 OPIC-eligible countries globally.

National City operates 1200 branch offices throughout six states and Canada and provides cross-border loans to U.S. small and medium-sized businesses and overseas banks. In the past two years, National City has substantially expanded its international banking activities, focusing on the delivery of international trade, investment, and treasury services to its corporate customer base.

The growth of medium-sized businesses depends on the availability of banking capital, which is typically difficult to obtain in emerging markets.



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>.