OVERSEAS PRIVATE INVESTMENT CORPORATION

OPIC Highlights

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OPIC Supports Investment in the Frontline States

U.S. foreign economic policy, supported by OPIC efforts, helped to deliver increased private U.S. investment in these frontline states. Since the mid-1970's OPIC has provided more than $970 million in finance and insurance to support more than 100 projects in Pakistan and Afghanistan. OPIC's current finance and insurance support provides more than $165 million to seven projects ranging from housing to construction.

Afghan Minister of Foreign Affairs Abdullah Abdullah, left, and OPIC President and CEO Dr. Peter Watson conclude an agreement to build a five-start international hotel in Kabul.

Boosting Afghanistan's Recovery

At a March 2003 meeting with Afghan President Hamid Karzai, OPIC President and CEO Dr. Peter Watson increased OPIC's line of credit to Afghanistan from $50 million to a minimum of $100 million to support U.S. private sector investment in the country.

The increased line of credit follows OPIC's successful efforts to attract private investment in Afghanistan. In January 2002, President Bush announced that OPIC would establish a $50 million line of credit for Afghanistan.

Supporting Hotel Project

In June 2003, OPIC Executive Vice President Ross Connelly signed a commitment letter marking the start of construction on a 205-room hotel in Kabul - the largest U.S. private investment in Afghanistan in a generation. Connelly signed the letter at a conference on Afghanistan's reconstruction sponsored by the U.S. Trade and Development Agency (TDA) and the U.S. Department of Commerce.

OPIC will provide $40 million in support to the hotel project, comprising $24.5 million in financing and $15.5 million in political risk insurance. The hotel, to be called the Hyatt Regency Kabul, will be located in the heart of Kabul's business, government, and diplomatic district.

President Hamid Karzai, in a recent CNN interview, said the hotel project demonstrated "a vote of confidence in the stability of the government" by the Bush Administration.

Building Schools in Afghanistan

Helping to rebuild the education infrastructure in Kabul, OPIC will provide political risk insurance for the construction of three schools, at least one of them a girls' school.

OPIC will provide $35,000 in insurance to Vermeer Manufacturing Company, an Iowa-based industrial and agriculture equipment manufacturer for the transportation of a compressed earth block machine to Kabul, where it will be donated to Shelter for Life (SFL), a Wisconsin-based non-governmental organization.

SFL, which specializes in providing shelter to refugees and disaster victims worldwide will use the machine to construct the schools under the auspices of the U.S. Agency for International Development.

Establishing a Lending Facility in Pakistan

With a $100 million loan guaranty from OPIC, Citibank established a new lending facility which will deliver much-needed capital to businesses in Pakistan. By teaming with Citibank, OPIC leverages its ability to finance projects while helping the bank to expand its medium- and long-term lending in Pakistan.

The facility will help to alleviate an acute shortage of commercial financing.

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.

June 2003