



OPIC Highlights

Supporting Private Sector Investment in Russia

In 2001, the Overseas Private Investment Corporation (OPIC) and the U.S. Department of Commerce led an American delegation, which included representatives from 14 American businesses, that met with Russian counterparts in the government and private sector. The objective of the mission was to help American businesses explore trade and investment opportunities resulting from the positive political and economic changes that have taken place. OPIC has led the way for private sector investment in Russia. Since 1992, OPIC has provided more than \$3 billion in finance and insurance to 111 projects ranging from telecommunications projects to fiber optics. OPIC's current finance and insurance investments provide more than \$338 million to 17 projects in the manufacturing, financial services and energy sectors.

OPIC Supports Small Business Expansion

OPIC will provide \$777,000 in political risk insurance for a U.S. small business to expand its optical components manufacturing facility in Russia.

International Scientific Products Corporation (ISP) of New York will use OPIC's insurance to increase production and quality control at ISP's operation in St. Petersburg. The Russian enterprise, ISP Optics Sankt Petersburg, produces optical components such as lenses, domes, prisms, polarizers and wave plates that are sold to markets in the United States and worldwide.

OPIC expects this project to generate 20 local jobs as well as tax revenue for the country. Additionally, ISP has ensured that senior management of the enterprise will receive MBA coursework and that its opticians will receive professional training in the United States.

OPIC Supports Expanded Availability of Credit

OPIC approved a \$150 million guaranty to support Citibank's U.S. dollar and local currency projects in Russia. The guaranty is designed to help Citibank expand availability of credit and its facilities in the region.

The OPIC facility would enable Citibank to expand its presence by helping to close the gap between loan

opportunities and the limited amount of financing available in Russia.

OPIC believes that the growth of private enterprise is dependent upon the availability of banking capital, which is typically difficult to obtain in emerging markets.

OPIC Loan Helps Micro and Small Banking Customers

OPIC has committed to provide a \$30 million loan to Russia's leading micro and small finance bank, Small Business Credit Bank (KMB Bank), enabling KMB Bank to make small loans to micro, small and medium-sized customers investing in Russia.

Sponsored by the Soros Economic Development Fund (SEDF), the OPIC loan will be used for short and medium-term financing of projects involving investment in industrial and production facilities for its micro and small-sized customers. KMB's loans will range in size from \$200 to \$300,000. KMB is Russia's leading small business banking institution with a current loan portfolio of \$125 million.

In addition, KMB management will provide intensive on-the-job training for loan officers, as well as formal training seminars and workshops.



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.

For information please visit our Web site at: <http://www.opic.gov>.