OVERSEAS PRIVATE INVESTMENT CORPORATION

OPIC Highlights

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Supporting Private Sector Investment in Yugoslavia

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. To support this effort, OPIC has established a regional office in Southeast Europe to work with U.S. investors looking at opportunities in Yugoslavia.

A new bilateral agreement between OPIC and the Federal Republic of Yugoslavia was signed in July 2001 so that both governments can work together to expand U.S. investment into the country's two constituent republics, Serbia and Montenegro.

Additionally, in August 2001, OPIC convened a meeting between top ministers of the Federal Republic of Yugoslavia and leaders of American industry to discuss the economic reform program and investment opportunities.

Historically, OPIC has committed $100 million in political risk insurance and financing in the region, primarily in tourism, manufacturing, services and agriculture.

OPIC Project in Belgrade

OPIC has committed $8.8 million in political risk insurance coverage to the Hyatt International Corporation's 308-room hotel project in Belgrade.

The Hyatt Regency Belgrade is located in the modern business and residential area of New Belgrade.

OPIC's Southeast Europe Fund

OPIC-backed investment funds leverage financial support for local businesses of all sizes, helping to develop the host economy. The Soros Investment Capital, Ltd. Fund managed by Soros Private Funds Management, offers equity financing to commercially attractive projects in Southeast Europe.

Over the past twelve months, this fund made the following investments:

In conjunction with a group of leading international institutions, including the European Bank for Reconstruction and Development, acquired a controlling stake in Eksimbanka d.d., a private commercial bank in the Republic of Serbia. The bank focuses on providing a broad range of commercial banking products, including trade and term financing to small and medium-sized enterprises.

It also financed the start-up and rapid development of Serbia Broadband Networks, the leading cable television and broadband services company in the Republic of Serbia.

The Fund continues to evaluate additional projects throughout the Southeast Europe region, and the Fund's recently increased size (to a total capital of $200 million) will enable it to participate in larger-sized financings as appropriate.

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

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