



OPIC Highlights

OPIC and Transparency

Fighting corruption and ensuring transparency are deeply tied to OPIC's developmental mission. In order to better meet this goal, OPIC implemented a new Anti-Corruption and Transparency Initiative in 2006.

OPIC Anti-Corruption and Transparency Initiative

The OPIC Anti-Corruption and Transparency Initiative builds on efforts by the agency to enhance the clarity of OPIC's activities and its commitment to creating a level playing field for lawful business activities. By demonstrating that profitable international investment is compatible with evolving best practices for corporate social responsibility, the initiative also supports OPIC's developmental mandate, resulting in improved delivery of project benefits.

The initiative is the culmination of OPIC consultations with interested stakeholders, including members of Congress and the nongovernmental community.

Key Elements of the Initiative:

Anti-Corruption:

OPIC has formally endorsed the principles of the **Extractive Industries Transparency Initiative (EITI)** and posted its endorsement on its web site. OPIC will encourage its sponsors to voluntarily agree to the EITI guidelines in OPIC sponsored projects.

EITI supports improved governance in resource rich developing countries through the full publication and verification of company payments and government revenues from oil, gas and mining ventures. The goal is to ensure that the revenues from extractive industries in developing countries contribute to sustainable development and poverty reduction. Participation in EITI can reduce the risk associated with a project, and improve the likelihood of success in the most developmental markets while reducing associated costs.

OPIC has created and posted an **OPIC Anti-Corruption Handbook** that provides OPIC sponsors and other interested parties with a comprehensive approach to fight corruption. OPIC sponsors are required to certify that they have received, read and distributed the Handbook.

OPIC has established a dedicated telephone **Hotline** at **202-312-2153**, which is available to obtain compliance guidance and for the reporting of allegations of corruption and fraud in connection with OPIC supported projects.

Building on its existing best practices, OPIC is enhancing its due diligence procedures, to continue to ensure effective compliance programs exist in projects that the agency sponsors. OPIC reserves the right to decline prospectively doing business with any person or entity convicted of an FCPA violation.

Improved Information Disclosure:

OPIC has redesigned its web site to better organize a greater amount of information made available to the public.

OPIC will post on its web site non-business confidential summaries of OPIC supported projects. Projects approved by the Board of Directors will be posted immediately. Other project summaries will follow as templates and processes are established internally.

OPIC will require and post on its web site, non-business confidential versions of additional documentation required for Category A projects - the most environmentally sensitive projects that OPIC supports. These include Environmental Impact Assessments (EIA), Environmental Management and Monitoring Plans (EMMP) and Environmental Remediation Plans.

OPIC will disclose and post on its web site the auditor certifications for Category A projects.

OPIC will post on its web site its internal filing standards, established by the National Archives and Records Administration (NARA) to provide greater transparency into agency information and documentation storage.

OPIC will post on its web site public notices, including Board meetings, public hearings, Sunshine Act notices as well as Board meeting agendas, the public minutes of the Board meeting and Board resolutions.

OPIC will post on its website the standard environmental and social covenants used in Category A projects, as well as host country notifications for Category A projects, which are transmitted by OPIC to host governments when contracts are executed.

Improved Coordination with Locally Affected Communities:

For Category A projects with "significant social impacts", OPIC will require that project sponsors formally consult with the locally affected communities, by providing project information in a language, format and medium that is accessible.

For Category A projects, OPIC will require project sponsors to provide a local language translation of the Executive Summary of the project's Environmental Impact Assessment (EIA), making the summary available to local stakeholders.

For Category A projects, OPIC will require project sponsors to communicate contract conditions on workers rights to host country project employees, where appropriate.

Improved Information Collection:

OPIC will update its application and reporting forms with input from all stakeholders on the content of data required.

Support for the Rule of Law

Transparency International-USA (TI-USA), part of the global civil society organization leading the worldwide fight against corruption, welcomed OPIC's Anti-Corruption & Transparency Initiative as an important element of the Administration's anticorruption agenda. "OPIC's initiative recognizes the critical role of the private sector in reducing corruption and its provisions promise to enhance standards of international business conduct," said TI-USA Chairman Alan Larson. "By taking these steps, OPIC will send a clear signal that bribery will not be tolerated in its projects."

To learn more about OPIC's Anti-Corruption and Transparency Initiative, visit the web site at:
www.opic.gov/about/Transparency/index.asp

Office of Accountability

OPIC has established an Office of Accountability to assess and review complaints about OPIC-supported projects. The Office of Accountability gives local communities, which may be materially, directly and adversely affected by an OPIC-supported project, and project sponsors a means of raising complaints, independently from OPIC operations. Its mandate, established by OPIC's Board of Directors in response to guidance from the U.S. Congress, is to deliver problem-solving and compliance review services in a manner that is fair, objective and transparent, thereby enhancing OPIC's mission effectiveness. The office has two primary functions:

Problem-solving:

Review and attempt to resolve outstanding complaints of local communities, with or without allegations of non-compliance by OPIC. A problem-solving initiative may include independent fact-finding, dialogue facilitation or mediation.

Compliance review:

Assess and report on complaints regarding OPIC's compliance with its policies related to environment, social impacts, worker rights and human rights under an OPIC-supported project

The Office of Accountability is an independent office within OPIC's organizational structure. The Director, Office of Accountability, reports to OPIC's President & CEO. The Director coordinates all Office of Accountability processes and makes an initial assessment of complaints. If a problem-solving initiative is advisable, the Director or an independent facilitator will oversee the process. If a compliance review is warranted, the Director or an independent expert will conduct it.

To learn more about OPIC's Office of Accountability visit the web site at: www.opic.gov/doingbusiness/accountability/index.asp



OPIC President and CEO Robert Mosbacher, Jr., left, is joined by Julian Braithwaite, Counsellor for Global Issues at the Embassy of the United Kingdom to the United States, center, and Alan Larson, chairman of the U.S. Chapter of Transparency International, at the announcement of OPIC's Anti-Corruption and Transparency Initiative.



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 more than \$164 billion worth of investments that have generated over \$69 billion in U.S. exports and supported more than 264,000 American jobs. For more information please go to www.opic.gov.