



USAID
FROM THE AMERICAN PEOPLE



John Irons,
USAID/E3/TRR

Brian O'Hanlon,
OPIC

Carl Kress,
TDA

Dan Thompson,
FCS

5.1 Linking US Companies with National Partners for Sales and Investment



Overseas Private Investment Corporation

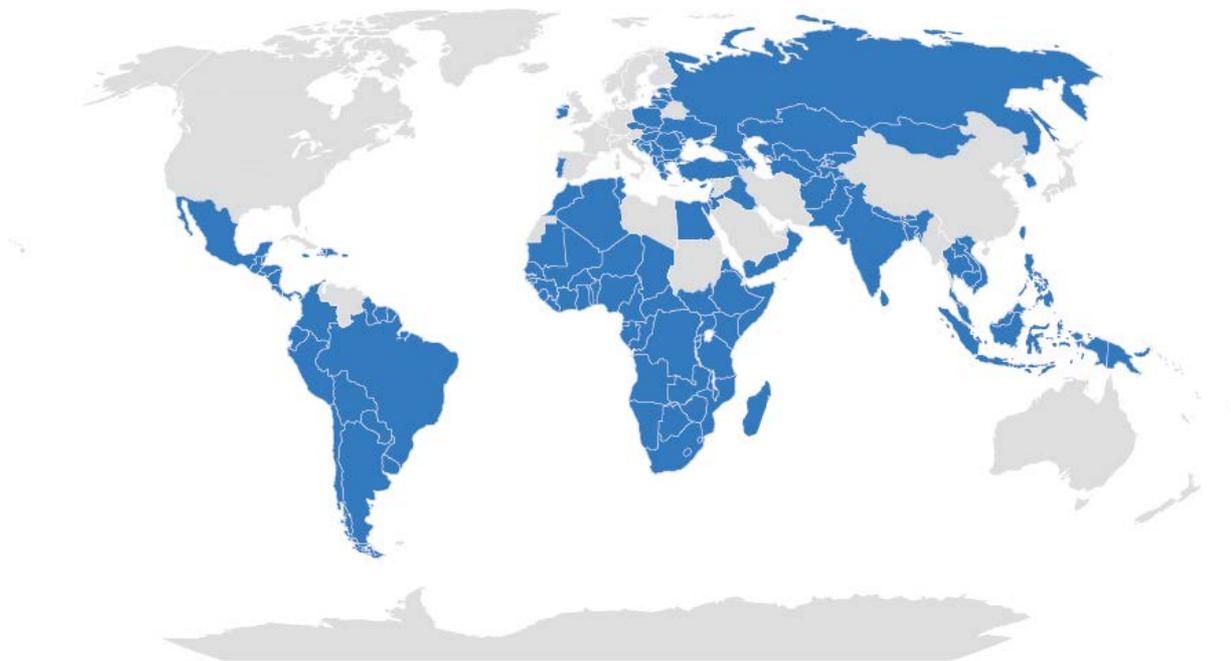
OPIC Overview

*Briefing for USAID FS Economic Growth
Officers*

July 12, 2013

Our Organization

As the U.S. Government's development finance institution, OPIC mobilizes U. S. private capital to help solve critical development challenges and in doing so, advances U.S. foreign policy.

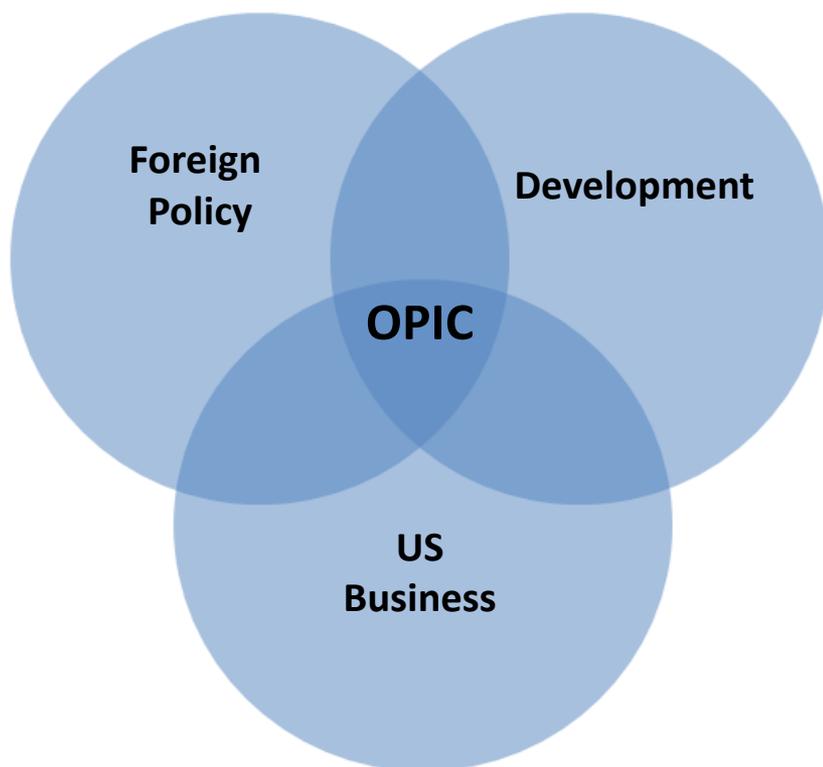


OPIC currently manages a \$16.4B portfolio of projects in 103 countries and operates on a self-sustaining basis at no net cost to the American taxpayer.

Administration Development Priorities

OPIC is uniquely positioned to support the administration's new development strategy.

OPIC's Unique Position



Administration Priorities

"We're changing how we define development...we need to harness all the tools at our disposal—from our diplomacy to our trade and investment policies."

~President Obama, 9/22/10

- **Support broad-based, sustainable economic growth**
- **Proactively target specific countries, regions, sectors, and technologies**
- **Mobilize private sector investment**
- **Elevate development as a central pillar of national security policy**

Our Solutions

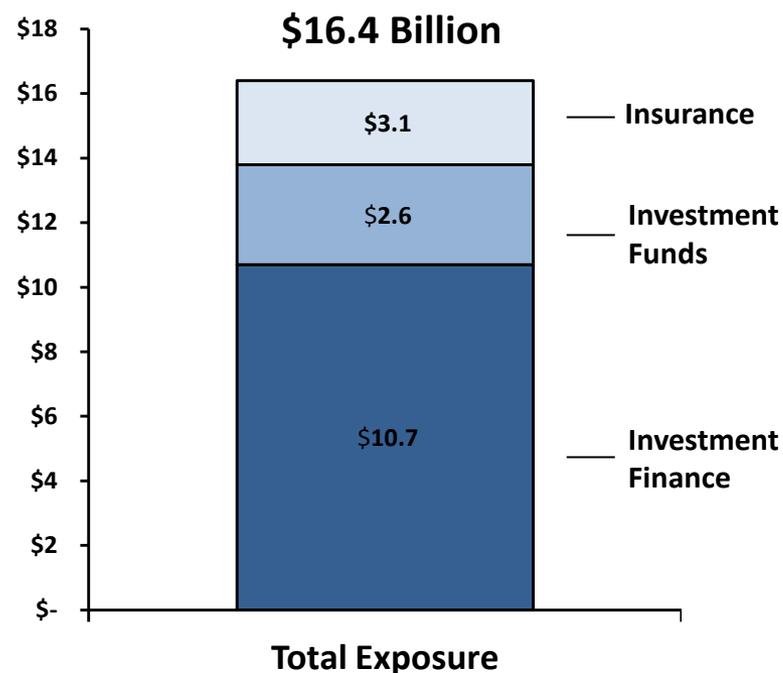
OPIC offers innovative financial solutions to support private investors including debt financing, insurance, and support for private equity investment funds.

Products

- **Investment Finance**
 - Limited recourse, long-term finance for private sector, commercial projects
 - Loan amounts up to \$250M per project
 - Specific programs for providing finance to small-and-medium-sized enterprises
- **Political Risk Insurance**
 - Protection against currency inconvertibility, expropriation and political violence, including terrorism
 - Policy coverage up to \$250M per project, up to 20 year term
 - Fixed premium, cancellable only by insured
- **Investment Funds**
 - Senior debt for private equity funds selected by competitive process
 - Investment decisions made independently by selected fund managers
 - Provide up to \$250M with bullet repayment, zero coupon structure

Current Portfolio*

Based on a \$29B Statutory Capacity



*As of September 30, 2012

Our Clients and Alliances

OPIC coordinates with other U.S. government agencies and international partners to provide financing and risk mitigation products to a wide range of clients.

Current Clients

Multinationals and Small/Medium Businesses



Nonprofits and Impact Investors



Strategic Alliances

U.S. Government

- Departments of State, Commerce, and Treasury
- USAID & USTDA
- Ex-Im Bank and SBA
- Millennium Challenge

Development Finance Institutions

- IFC and MIGA
- Regional Development Banks (IDB, ADB, AfDB, EBRD)
- Other Bilaterals (CDC, FMO, DEG)

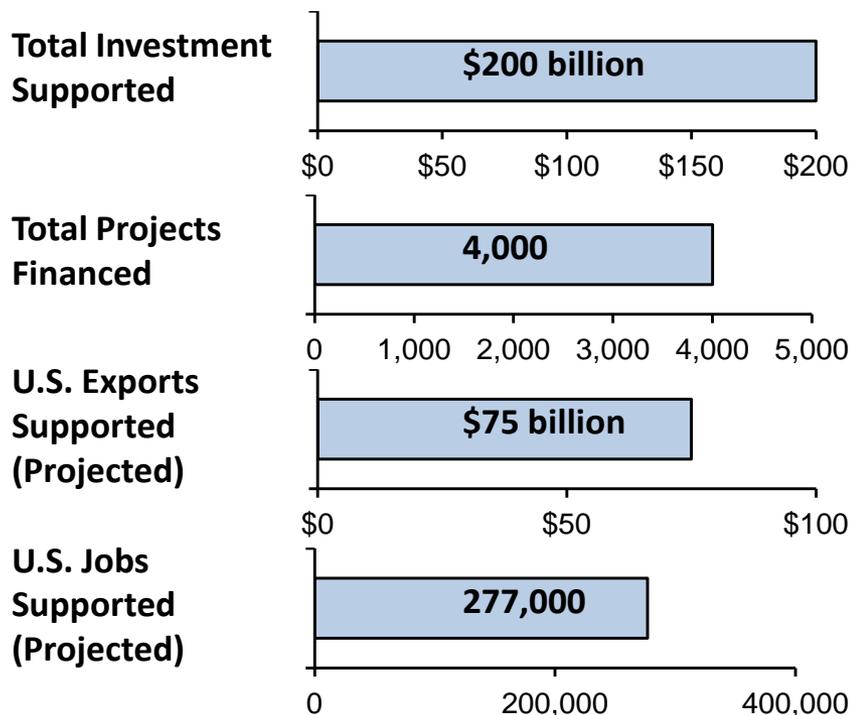
Other Partners

- Chambers of Commerce
- AmChams
- NGOs
- Financial Institutions

Our Impact

Over the past 41 years OPIC has supported over \$200 billion of investment in developing markets that is projected to support over 277,000 U.S. jobs.

OPIC By the Numbers*



*Since 1971

Success Stories



- **Haiti:** \$6 million loan to Haiti 360 to produce high-quality concrete to rebuild homes and other infrastructure destroyed in 2010 earthquake.



- **India:** \$3.5M loan to Healthpoint for water treatment facilities serving 400 communities to help prevent disease. *[photo: Soma Vatsa/for NPR]*



- **Iraq:** \$26M in financing to Claremont Erbil for affordable housing for hundreds of families in need.



- **Ghana:** \$150 million in political risk insurance to Belstar for a project that will increase clean water access and make the country's water treatment plants more efficient

Our Policy Standards

Investors and project proposals must satisfy certain policy criteria to receive OPIC financing and insurance.

Eligibility Criteria for Investors

To be eligible for OPIC financing and insurance, applicants must:

- ✓ Have a **commercially viable business plan** and successful track record
- ✓ **Involve the U.S. private sector** in a meaningful way in the project seeking OPIC support
- ✓ Maintain **private sector control** (<50% government ownership)

Policy Standards for Projects

OPIC supported projects must:

- ✓ Contribute to **sustainable development** goals
- ✓ Be located in one of our **~160 eligible countries**
- ✓ Comply with international **environmental standards**
- ✓ Support international **human rights** and **worker rights** regulations
- ✓ Cause **no loss of U.S. jobs** or adverse impact on the U.S. economy

Investment Priorities

<p>Renewable Resources</p>	<ul style="list-style-type: none"> ▪ Goal: Promote sustainable economic growth and meet the climate change challenge through clean energy investments and standards. ▪ OPIC commitments in renewable resources have grown from under \$10m in 2008 to \$1.6 billion in 2012.
<p>Economic Opportunity in MENA</p>	<ul style="list-style-type: none"> ▪ Goal: Mobilize private sector investment essential for security, stability, economic growth and job creation in the region. ▪ OPIC is halfway toward its public commitments to provide up to \$2 billion in financing for private sector investment in MENA and \$1 billion to support infrastructure and job creation in Egypt.
<p>Economic Opportunity in Strategic Priority Countries /Regions</p>	<ul style="list-style-type: none"> ▪ Goal: Create sustainable jobs and economic opportunity in key strategic regions including Afghanistan, Iraq, Pakistan, sub-Saharan Africa and SE Asia. ▪ OPIC supports a robust portfolio of projects in key strategic countries by catalyzing investment in critical infrastructure and industries, expanding access to capital for SMEs, and creating much needed jobs.
<p>Impact Investing</p>	<ul style="list-style-type: none"> ▪ Goal: Support and grow impact economy through investments that seek to have a social and/or environmental return as well as a financial return. ▪ Over 85% of our investments from 2008 to 2011 were in Impact sectors, representing over \$6.9 billion in new project commitments.

U.S. Connections in OPIC-Supported Projects

OPIC policy requires that finance and direct insurance projects have a meaningful connection to the U.S. private sector.

How Does OPIC Define U.S.?

Finance

- A U.S.-organized entity generally must be at least 25% U.S.-owned.
- A foreign organized entity generally must be at least majority U.S.-owned.

Insurance

- U.S. Citizens
- U.S.-organized corporations or other associations more than 50% beneficially owned by U.S. citizens
- Foreign corporations more than 95% owned by U.S. entities or citizens (other foreign entities must be 100% U.S. owned)

How Does OPIC Define U.S. Small Business?

- For OPIC to finance a project with a direct loan, the US involvement must come from US small business. A “small” business includes: a business with annual revenues during the last fiscal year of less than \$400M; entities/individuals without revenues, net worth of less than \$100M.
- Consistent with the U.S. Small Business Administration, OPIC also considers a business with 500 or fewer employees as “small.”

Terms for OPIC Financing

- Long-term financing (tenors from 3 to 20 years)
- Fixed interest rate available
- Accepts foreign collateral plus “project completion support”
- Finance from 50 to 75% of the total project cost
- Loans from \$350,000 to \$250 million
- Direct loans for projects involving U.S. small and medium – sized enterprises (SMEs):
 - U.S. SME or U.S. citizen/permanent resident owns at least 25% of project shares; OR
 - Other significant U.S. participation (e.g., U.S. contractor, U.S. operator, U.S. franchise).
 - No U.S. procurement requirements.



OPIC Political Risk Insurance

- PRI covers acts of political violence; expropriation; and currency inconvertibility (aka, currency conversion and transfer)
- Protection for different types of U.S. exposure: equity, debt, leases, performance/advance payment guaranties, contracts with governments, etc.
- Policies of all sizes, from very small up to \$250 million
- Up to 20-year tenors with fixed premium payments



Coverage for Risks in Infrastructure Projects



Type of Projects & Risks	Specialized Forms of Coverage
Infrastructure , including power, airports, ports, railways, etc.	- Creeping expropriation, including breach of contract, denial of justice, arbitral award default for long-term purchase or supply agreements with government owned and controlled companies.
Renewable Energy Infrastructure , including solar, wind, hydro, etc.	- Loss of business income due to “regulatory risks” or breach of “feed-in tariff” contract.
Projects Backed by a Sovereign Guaranty	- Insures banks, bank syndicates, and capital markets investors against the risk of defaults to non-honoring of a sovereign guarantee.
Breach of Contract for Lenders/Capital Markets	- Insures eligible debt financings, including syndicated loans, privately placed securities, and 144A issuances against non-payment of arbitral award.

I have a project. Where do I start?

1. Is my country of interest eligible?
2. Is this type of project eligible?
3. How do I register for insurance?
4. How do I apply for an OPIC loan?
5. Where can I get help with my business plan?

Please visit www.opic.gov



Resources & Contacts

Resources:

1. Review the website: www.opic.gov
2. Review *Applicant Screener*
3. Consult *Small Business Guide*:
<http://www.opic.gov/small-business>
4. Discuss your project with OPIC:
info@opic.gov or +1 (202) 336-8400
5. **Insurance:** Complete Form 50
6. **Finance:** Complete *Section 1a* of Form 115
7. Need assistance? Loan Originators:
www.ednaccess.com

OPIC Contact:

Justin Elswit
Manager
Sovereign and Political Risk Insurance

Overseas Private Investment
Corporation (OPIC)
1100 New York Avenue, N.W.
Washington, D.C. 20527 U.S.A.

Tel: +1 (202) 336-8461

Email: justin.elswit@opic.gov



Opening Markets, Generating Exports

U.S. Trade and Development Agency

Nathan Younge

Regional Director for Latin America and the Caribbean

July 12, 2013

www.ustda.gov

Mission Statement

USTDA helps companies create U.S. jobs through the export of U.S. goods and services for priority development projects in emerging economies.

USTDA links U.S. businesses to export opportunities by funding project planning activities, pilot projects, and reverse trade missions while creating sustainable infrastructure and economic growth in partner countries.



Priority Sectors/Teams

- **Energy**

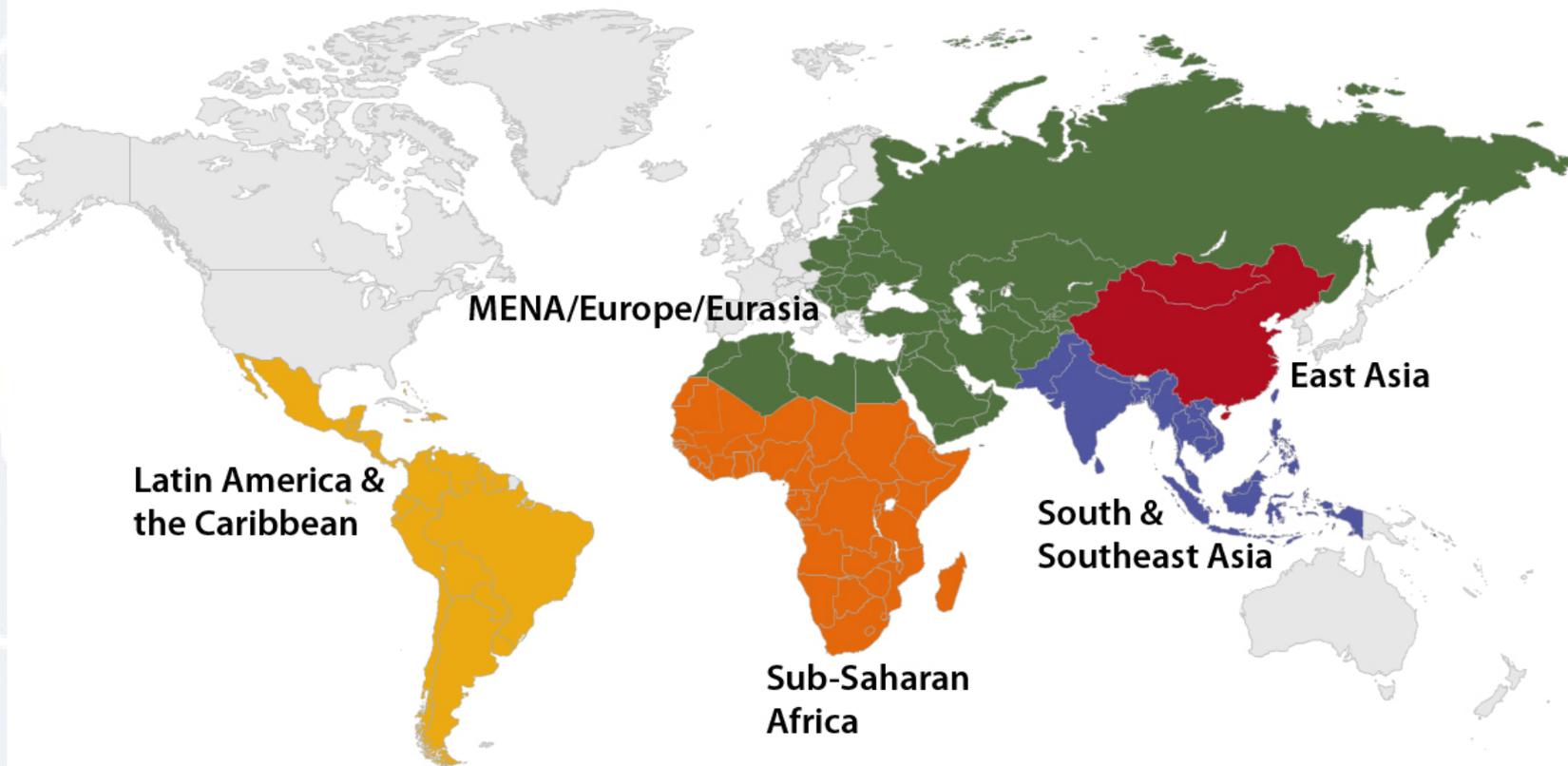
- Traditional Energy and Power
- Transmission and Distribution
- Renewable

- **Transportation**

- **Telecom Infrastructure**



USTDA Regions



USTDA Program Activities

Matching U.S. Commercial Interests
with Development Opportunities

International Business Partnership Program

- Reverse Trade Missions
- Conferences
- Workshops

Project Development Program

- Feasibility Studies
- Pilot Projects
- Technical Assistance
- Tied Training Grants

International Business Partnership Program

Reverse Trade Missions:

USTDA brings foreign project sponsors to the United States pending upcoming procurements to observe the design, manufacture, and operation of U.S. products and services.



International Business Partnership Program

Conferences/Workshops:

USTDA organizes these sector or region-specific events to connect U.S. firms with foreign buyers. They are designed to highlight upcoming projects overseas, as well as to showcase U.S. goods and services.



Project Development Program

Feasibility Studies:

USTDA-funded and U.S.-led feasibility studies link foreign project sponsors with U.S. businesses at the critical early stage of project development.

Analysis includes:

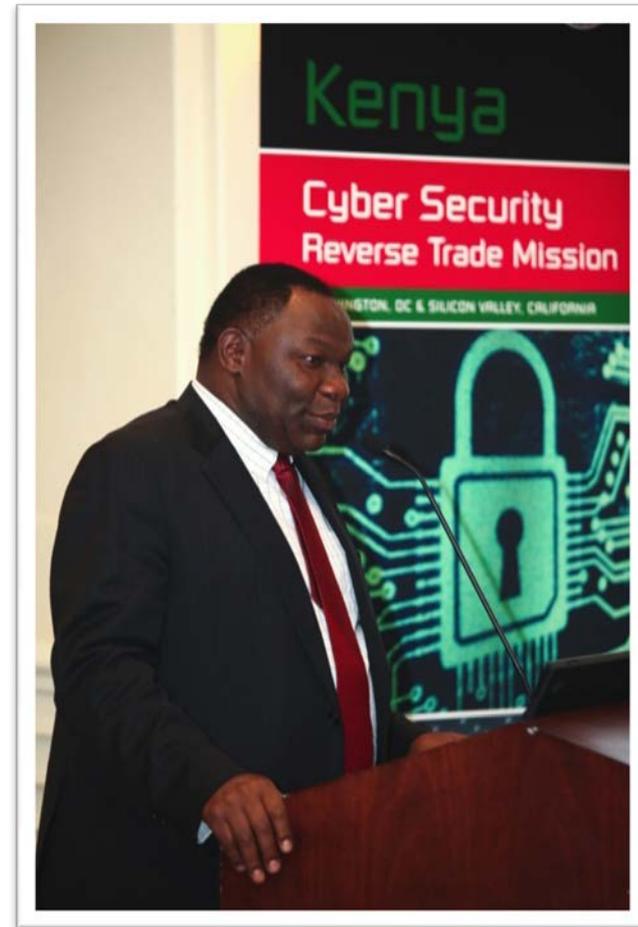
- Technical
- Financial
- Legal
- Environmental
- Lifecycle costing



Project Development Program

USTDA advances economic development in partner countries by funding technical assistance that:

- Supports legal and regulatory reform related to commercial activities and infrastructure development;
- Establishes key industry standards; and
- Opens other market activities.



Project Development Program

Training Grants:

- Flexible assistance that is tied to a procurement contract.
- A US company bidding on a contract that can show substantial competitive support from another government.
- Amount/content of training depends upon size of underlying contract and needs.
- Coordinate with DOC Advocacy Center.
- “Flag Wrapping.”

U.S.-Africa Clean Energy Development Finance Center (CEDFC)

- A coordinated U.S. government approach to clean energy project development in sub-Saharan Africa
- Assists sub-Saharan African energy developers in implementing clean energy projects while promoting U.S. private sector participation in sub-Saharan Africa's economic development.



U.S. - Africa Clean Energy
Development and Finance Center

U.S.-Africa Clean Energy Finance Initiative (US-ACEF)

- Aligns USTDA's project planning expertise and OPIC's financing and risk mitigation tools
- Supports private sector investment and increases support for U.S. businesses and exports in sub-Saharan Africa's clean energy sector

USTDA Funding Criteria

USTDA evaluates projects based on the following criteria:

- Developmental priority in the host country
- Likelihood of success receiving implementation financing
- Mutual benefits for the United States and partner country, including commercial opportunities for U.S. firms
- No Harm to U.S. Industry

Getting Involved



USTDA

UNITED STATES TRADE AND DEVELOPMENT AGENCY

[Site Map](#) | [Contact Us](#)

July 27, 2012

[Home](#)

[Program & Activities](#)

[Business Opportunities](#)

[News & Events](#)

[Photo Gallery](#)

[Publications & Resources](#)

[About USTDA](#)

[USTDA SUPPORTS SMART GRID IMPLEMENTATION EFFORTS IN MEXICO](#)

Google™ Custom Search

[Search](#)

**FEATURED IN JULY:
EAST ASIA &
EURASIA**

USTDA Features East Asia and Eurasia In July
Highlights Include Regional Export Opportunities, News and a Webinar

1 2 3 4 5

ARE YOU INTERESTED IN:

[CONTRACT OPPORTUNITIES WITH USTDA](#)

[WORKING WITH GRANT RECIPIENTS](#)

[OPPORTUNITIES FOR SMALL BUSINESS](#)

[USTDA EVENTS](#)

[CONTACTING USTDA'S STAFF](#)



USTDA: [en Español](#) | [en](#)

[Français](#)

[no Português](#) | [no русский](#)

Contact USTDA

U.S. Trade and Development Agency

1000 Wilson Boulevard
Suite 1600
Arlington, VA 22209

Telephone: (703) 875-4357

Fax: (703) 875-4009

Website: www.ustda.gov



www.Facebook.com/USTDA



www.Twitter.com/USTDA



INTERNATIONAL
TRADE
ADMINISTRATION

US & Foreign Commercial Service

ITA's Export Promotion Arm



CS Today

- US&FCS (CS) created to focus on key markets – originally 60 – but over time that stretched to 80
- CS reassessed priorities and developed a plan to reposition its limited resources more effectively
- CS regionalized operations in order to achieve efficiencies and place additional personnel and program resources in priority markets
- CS currently has offices in 72 country markets representing 94 percent of U.S. exports
- On October 1, 2013, CS will merge with Market Access and Compliance to form Global Markets

Overseas Presence: Current Locations by Region

CS has 112 offices in 72 country markets

CHINA	ASIA	EMEA (EUROPE , MIDDLE EAST AND AFRICA)		WESTERN HEMISPHERE
China China SAR (Hong Kong)	Australia India Indonesia Japan Korea Malaysia New Zealand Pakistan Philippines Singapore Taiwan Thailand Vietnam	Algeria Austria Belgium Bulgaria Croatia Czech Republic Denmark Egypt Finland France Germany Ghana Greece Hungary Iraq Ireland Israel Italy Jordan Kazakhstan Kenya Kuwait	Lebanon Libya Morocco Netherlands Nigeria Norway Poland Portugal Qatar Romania Russia Saudi Arabia Serbia Slovak Republic South Africa Spain Sweden Turkey UAE Ukraine United Kingdom	Argentina Brazil Canada Chile Colombia Costa Rica Dominican Republic El Salvador Guatemala Honduras Mexico Panama Peru Uruguay

*Countries in green represent markets where USAID is also present.
PPP with State for all other USAID countries except Burma, DRC, Kyrgyzstan, South Sudan, Tajikistan, Timor-Leste, Zimbabwe

Who we are:

Global Network of Trade Professionals

- **1400+ trade professionals**
- **Over 100 domestic offices**
- **Commercial offices located in U.S. Embassies and Consulates in more than 70 country markets**
- **Advocacy Center**
- **SelectUSA**

What we do:

- 1. Promote exports of U.S. goods and services, especially from SMEs**
- 2. Protect U.S. investment abroad**
- 3. Support inward investment**
- 4. Under GM, will also work to eliminate trade barriers**

Work one-on-one with U.S. companies to help them succeed internationally

How we do it:

- Trade Counseling
- **Market Intelligence**
- Business Matchmaking
- Trade Promotion Programs
- **Advocacy and Commercial Diplomacy**
- Promotion of Inward Investment
- **Partnerships**

Market Intelligence

- Country Commercial Guides (CCGs)
 - Reports prepared annually by U.S. Embassy staff, containing information on the business and economic situation.
- Market Research (BP, IO)
 - Early warning of market opportunities
 - Specific answers to specific business questions.
- Background Reports (ICP)
 - Learn about potential partners.
- Trade Data and Analysis.
 - Latest trade data including industry-specific data.



USG Advocacy is:

- Government-to-Government
- A counter weight to foreign government political pressure
- Promoting fairness and transparency in the tender processes
- Dealing with project-focused, and company specific issues

Advocacy and Commercial Diplomacy

- Overcome trade obstacles to successfully enter international markets.
- Access U.S. government trade advocacy for your foreign government procurement bids.
 - Visits to key foreign officials by high-ranking U.S. officials
 - Direct support from U.S. officials stationed overseas
 - Letters to foreign decision-makers

Partnerships

- District Export Councils
- Strategic Partnership Program
- State Governments
- SBA, EXIM, OPIC, USTDA
- USTR, State, FAS, ODC, FAA
USAID?
- MAC, MAS, BIS, PTO, NIST

Who Does What at Post?

What's There? _____ Service	Commercial Service	LES Head of Section	Partnership Post (PPP)	ECON only	Comments
Gold Key--GKS/PKS	CS	CS	ECON		
Int'l Partner Search	CS	CS	ECON		
Int'l Company Profile	CS	CS*			*Needs to be approved by a CS FSO
BFS	CS	CS	ECON		
IBP	CS	CS	ECON		
Trade Fairs	CS	CS			
Commerce TM	CS	CS/ECON	ECON		
State Gov't TM	CS	CS/ECON	ECON	ECON	
Bilateral Trade Policy	ECON/MAC	ECON/MAC	ECON	ECON	
Advocacy (Private-Gov't)	CS/ECON	ECON/CS	ECON	ECON	
Advocacy (Private-Private)	CS/ECON	CS/ECON	ECON	ECON	
Commercial Diplomacy	CS/ECON	ECON/CS	ECON	ECON	
Commercial Outreach	CS	CS/ECON	ECON		
Business Counseling	CS	CS/ECON	ECON	ECON	
Select USA	CS	CS/ECON			
Investment Host Country	ECON	ECON	ECON	ECON	
IPR	Post specific	ECON	ECON	ECON	
Standards	CS	CS	ECON	ECON	
TPCC Visitors/Codells (EXIM, OPIC, etc)	Post specific	ECON/CS	ECON	ECON	
AmCham Liaison	CS	ECON/CS	ECON	ECON	

US Commercial Service

- Questions?
- Thank You!