

OPIC 162
Self-Monitoring Questionnaire
For Insurance and Finance Projects

SUPPORTING STATEMENT FOR APPROVAL

A. JUSTIFICATION

1. The information requested is required to determine the effects of OPIC-assisted projects on the U.S. economy and employment, as well as the effects on the environment and economic development abroad. Section 231 (k) of the Foreign Assistance Act of 1961 [Title 22 USC 2191(k)(2)], as amended, requires OPIC to: “Monitor conformance with the representations of the investor on which the Corporation relied in making the determination [to assist the investor].” In addition, section 239(h) [Title 22 USC 2199(h)] requires OPIC to monitor developmental effects, stating: “...the Corporation shall prepare and maintain for each investment project it insures, finances, or reinsures a developmental impact profile consisting of data appropriate to measure the project and actual effects of such project on development.”

Proposed amendment to OPIC-162

OPIC currently maintains two Self Monitoring Questionnaires (SMQ), OPIC Insurance and Finance projects (OPIC-162) and OPIC Investment Funds subprojects (OPIC-217). **(OMB #'s 3420-0019 & 3420-0023)**

In an effort to make our internal data management processes more efficient and to make procedures as streamlined and clear as possible to OPIC investors, we have decided to combine OPIC-162 and OPIC-217 into one form (OPIC-162). Thus, on a going-forward basis, the Insurance and Finance SMQ and the Investment Funds SMQ will now be the same form (“the OPIC Self Monitoring Questionnaire”).

In addition to this change, we have improved the SMQ to better reflect the nature of OPIC’s supported projects while making the form more user-friendly.

As such, the SMQ is now divided into two sections. Users will be required to only complete one section, not both sections and in no case shall an OPIC investor have to complete both sections for the same project.

Section A is to be completed by all OPIC Finance and Insurance projects and by all OPIC Investment Funds and onlending facility/framework agreement subprojects.

While Section A basically contains the original content from OPIC-162 and OPIC-217, it has been improved to reduce the burden on the investor while making data analysis easier for OPIC officers. Specifically, Section A includes the following improvements:

- Addition of “check” boxes where the OPIC investor can simply mark the correct response instead of completing the answer in prose form. This step will significantly reduce the time it takes for the OPIC investors to complete the form while improving the accuracy of responses.
- Streamlining of U.S. Supplier and Procurement Information question (Section A – Part III). This page has been simplified by asking only for most recent fiscal year data. In addition, we have also added an example entry to facilitate OPIC investors’ ease of use.
- Addition of Environment and Workers and Human Rights questions. These questions have been added to better track compliance with conditions precedent in OPIC loan agreements and insurance contracts while improving the utility of the SMQ for the Environment and Workers Rights/Human Rights disciplines in the Office of Investment Policy (OIP).

Section B will be completed by OPIC-supported financial intermediary transactions as directed by OPIC staff. The term “financial intermediary” refers to, but is not limited to, general lending banks, specialized lending institutions, mortgage facilities, microfinance institutions, private equity funds, and other capital market transactions.

Section B was developed as it became evident that the current SMQ for “bricks and mortar” OPIC Finance and Insurance projects was not responsive to the growing number of OPIC-supported financial intermediary transactions. Section B also uses “check” boxes for the majority of its questions.

As before, in addition to the paper-based SMQ, sections A & B of the improved SMQ will be available for investor use on-line via the OPIC internet site. However, we anticipate that the online submission process will be much quicker with the implementation of the “check” box approach on the new SMQ form. In addition the quantitative responses received via the “check” box approach will make data analysis more robust and efficient for OPIC officers.

2. The form is used by OPIC’s staff and management as a basis for monitoring the effects of OPIC’s portfolio of projects and for reporting, in the aggregate, these results to Congress. The Congressional mandate could not be adequately satisfied without the use of the form.
3. The form is available via the OPIC website.
4. This information would not be required by any other Federal agency since it relates specifically to OPIC’s programs.

5. The burden of collecting information does not vary with the size of the business applying for assistance. OPIC officers make a special effort to assist small businesses in completing the questionnaire. No supporting documents are requested.
6. Eliminating the collection of information would obviate the oversight required by Congressional mandate. Each investor receives only one questionnaire per fiscal year. Conducting information collections less frequently would reduce the statistical confidence level of the sample to an unacceptably low level.
7. No special circumstances exist that require the information collection to be conducted in a manner inconsistent with the guidelines of the Paperwork Reduction Act or OMB's implementing regulations.
8. The first Federal Register Notice soliciting public comment of this form was published on 2/29/00, at 65 FR 40 (10822). No comments were received in response to this Notice. The second Federal Register Notice was submitted to the Federal Register Office on 5/3/00, for publication. The third Federal Register Notice was submitted to the Federal Register office on 4/8/03. The fourth Federal Register Notice was submitted to the Federal Register office on 5/25/04. Other than publication of the Federal Register Notice, other persons outside of OPIC and representatives of those from whom the information is to be collected have not been consulted. In order to comply with existing legislative requirements and the new OMB requests concerning developmental impacts, it is necessary to obtain all of the information requested in the questionnaire.
9. No payments or gifts are offered to respondents.
10. OPIC provides the respondents the assurance of confidentiality by labeling the top and bottom of each page of each form with the phrase "Privileged Business Information." Client information contained in this questionnaire will be deemed designated as privileged or confidential in accordance with OPIC's Freedom of Information Act (FOIA) regulations (22 CFR part 706) and will be treated as confidential to the extent permitted under FOIA.
11. Not applicable. None of the questions on this form are of a sensitive nature.
12. The estimated burden of collecting this information is as follows:
 - 350 respondents
 - x 1 per respondents
 - 350 total annual responses
 - x 6.5 hours per response
 - 2,275 Respondent Hours
 - x \$45 for personnel, record-keeping, overhead
 - \$102,375 Total cost to Respondents
13. The estimated annualized cost to respondent is as follows:

Total capital and start-up costs: \$0

Total operation and maintenance cost: \$0

All costs associated with this form are part of the normal cost of doing business.

14. The estimated annualized cost to the Federal government is 350 responses x 2 hours x \$50/hour = \$35,000.
15. The number of total respondents is based on the approximate number of OPIC insurance, finance, and investment funds clients. We note that the addition of “check” boxes and the streamlining of the U.S. procurement section will reduce the response time for respondents by two hours despite that fact that some environment and workers/human rights questions have been added to the Self-Monitoring Questionnaire. Moreover, the response time is also reduced as improvements to the online SMQ website have made the response process more efficient and less time consuming.
16. Not applicable. Information provided in the application is not published or made public in any way.
17. Not applicable. The OMB expiration date will be printed on each copy of the form.
18. Not applicable. No exceptions are being requested on the certification statement.