

## **SUPPORTING STATEMENT FOR APPROVAL**

### A. Justification

1. In order for OPIC to be certain that investments it insures are in some way facilitated by the availability of political risk insurance, it requires investors to register their intention to apply for insurance prior to making an irrevocable commitment to an investment (Section 231 & 234(a) of the FAA of 1961, as amended). The OPIC-50 enables prospective investors to obtain their eligibility for OPIC Insurance.
2. Form 50s are used by insurance officers and management as indications of future business, as well as for the purpose provided in A.1. Without registration, OPIC would be unable to determine the degree to which insurance encouraged investors to undertake new investments.
3. OPIC has automated the registration process to enable filers to submit this form electronically through an online database. The forms are available on OPIC's website ([www.opic.gov](http://www.opic.gov)) and in Word on disk, at the investor's request.
4. One form is generated for each investment, so no duplication is possible.
5. The burden of collecting information does not vary with the size of the business requesting Registration for Political Risk Insurance. OPIC officers make a special effort, either in person or by telephone, to assist small businesses in completing the Request.
6. The collection of the information on the form demonstrates the incentive effect of OPIC Insurance. Without the form, OPIC would be unable to determine the degree to which OPIC Insurance encourages investors to undertake investment. Because the form is only collected once per project, it is not possible to collect it less frequently.
7. Not applicable. Information is collected in a manner consistent with the guidelines of the Paperwork Reduction Act and OMB's implementing regulations.

Although there have not been formal discussions with investors about the form, in client meetings it is often presented and discussed as the first step in seeking OPIC Insurance. Based on these discussions, it does not appear that the form is considered to be burdensome by investors.

8. Not applicable. Payments and gifts are not offered to respondents.

9. OPIC provides respondents the assurance of confidentiality by labeling the top and bottom of each page of the OPIC 50 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.

10. No sensitive questions of this nature are asked.

11. The estimated hourly burden of collecting this information from respondents is:

Total respondents: 247

Frequency of response: 1 per investor, per project

Annual burden: 123.5 (based on ½ hour per response).

12. The estimated annualized cost to respondents is as follows:

Total capital and start –up costs: \$0

Controllers (\$75hr. x ½ hrs. x 247 responses = \$ 9, 262.50). Annual reporting is not required. Information is collected once per investor, per project.

The Non-labor Costs to OPIC clients completing this information collection is as follows. OPIC estimates that it receives 60% of information requested electronically (i.e. via email and email attachments). Clients with Internet access can download complete and resubmit the form via email or clients can fill out the form via the online database available on the OPIC website. The recordkeeping costs associated with electronic submissions for this two-page form (no attachments or supporting documents required) are negligible. OPIC estimates that clients incur an average of \$.50 for administrative and storage expenses associated with electronic submissions. With respect to the other 40% of paper-based forms that clients submit, we estimate postage costs of \$.44 per registration form and \$.50 of administrative and recordkeeping costs.

13. The estimated annualized cost to the Federal Government is: \$2,841.00

Data from registration must be logged onto master files. The labor involved in transferring data amounts is equal to one-half hour per form or 123.5 hours per year (247 forms per year x ½ hour). The estimated annual cost is approximately \$2,841.00. No other costs are annualized as this information collection supports the mission of the Agency; all operating expenses are part of the normal cost of doing business.

14. The time estimated to complete the OPIC 50 form has remained the same because no additional questions are asked. The only changes to the form are 1) the addition of a toll free telephone number on the cover page; 2) deletion of the words "as well as on disk" on the cover page; 3) the deletion of the words "Applications Officer" on the cover page; and 4) the change of the phone number for the Insurance Department on the cover page..

15. Not applicable. There are no plans to publish this information for statistical use.

16. Not applicable. The OMB expiration date will be printed on each copy of the form.

17. Not applicable. No exceptions are being requested on the certification statement.

B. Not applicable.