

SUPPORTING STATEMENT FOR APPROVAL

A. Justification

1. Legal authority for this information collection is found in 22 U.S.C, Section 234 (d) of the Foreign Assistance Act (FAA) of 1961, as amended. OPIC must screen each applicant for investment insurance to determine the eligibility for OPIC programs of the investor and the project, and assess the political risks of the project in the host country.

The information collected through the OPIC-247 form enables OPIC to comply with its congressional mandate to manage the program in a prudent manner. The OPIC-247 will only be used in conjunction with a completed application for OPIC financing, thereby reducing the burden on the investor to fill out duplicative information concerning developmental effects of the project already requested in the application for OPIC financing.

The information provided by the applicant falls into two areas. First, information concerning the investor is necessary to determine eligibility for OPIC insurance as required by the Foreign Assistance Act. Second, the proposed investment must be explained in detail so OPIC can determine the amount and type of investment to be covered, as well as the underwriting risks associated with insuring the U.S. investor against losses due to political events.

2. The information collected is used by OPIC insurance officers and analysts to determine the eligibility of the investor, the project, and the risks associated with underwriting the investment against political events. OPIC collects one response per project. OPIC continues to rely on the material representations provided by the investor in the OPIC-247 in its determinations.

3. Improved data processing and management information systems enable OPIC to reduce the burden of tracking and analyzing the information collected on these applications. OPIC has automated the application process to enable applicants to submit the information electronically to minimize the burden and reduce expenses to applicants.

4. Political risk insurance for long-term investments is not available from any other government agency. Because this is a unique government service, the information requested on this form is not duplicated elsewhere.

5. The burden of collecting information does not vary with the size of the business applying for insurance. OPIC officers make a special effort, either in person or by telephone, to assist small businesses in completing the application.

6. OPIC would not be able to fulfill its mandate to screen projects if this information were not collected. If the information were not collected, OPIC could not be assured of the eligibility of applicants for political risk insurance, the quality of their projects, or the risks associated with their investments. This would result in increased claims against OPIC and additional expense to the Federal Government.

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 and OMB's implementing regulations.

8. The 60 day notice will be sent to the Federal Register March 15, 2011.

The average public reporting burden for the collection of information was estimated to be 2 hours.

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

10. OPIC provides respondents the assurance of confidentiality by labeling the top and bottom of each page of the OPIC 247 form with the phrase, "Business Confidential 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. No such sensitive questions are asked.

12. The estimated burden of collecting this information is as follows:

50 respondents
x 1 per respondent
50 total annual responses
x 2 hours per response
100 respondent hours
x \$75 for personnel, record-keeping, overhead
\$ 7,500 total cost to respondents

Annual reporting is not required. Information is only collected once per investment.

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

Total capital and start-up costs: \$0

Total operation and maintenance costs: \$0.

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

Non-labor Costs to OPIC clients completing this information collection is as follows:

Administrative and storage expenses for electronic & paper-based submissions: \$2.40

Postage costs for paper-based submissions: \$1.06

14. The estimated annualized cost to the Federal government is 50 responses x 2 hours x \$50/hr = \$5,000. No other costs are annualized as this information collection supports the mission of the Agency; all operating expenses are part of the cost of doing business.

15. The number of total respondents is based on the approximate number of companies applying for OPIC insurance each year. Given the response time the OPIC review time is 2 hours per application.

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

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.