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, and worker rights 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 revisions to OPIC-162 Self-Monitoring Questionnaire ("SMQ"):

Improved Application Efficiency

We have undertaken a thorough review of the language used throughout the SMQ to make it both more readable and consistent. Please see justification for Form 116 for further details on these changes.

Host Country Development Effects

The new SMQ reflects the revised development impact questionnaire, which has been streamlined and shortened from the previous questionnaire. Efforts have been made to clarify both the wording of the questions and the format to make the developmental information easier for the applicant to fill out and easier for OPIC to interpret. As before, we have retained a separate set of questions that are applicable to financial services and financial intermediaries, a category to which OPIC is increasingly lending as a means of extending its reach and programs to small- and medium-sized enterprises. Both sets of questions have been simplified and reduced, which should save time for investors.

- 2. On an annual basis, OPIC receives approximately 450 SMQs from U.S. investors. The SMQ 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 statutory monitoring and reporting requirements could not be adequately satisfied without the use of the form.
- 3. The form is available via the OPIC website. The collection of development information enables OPIC to track data in a consistent manner, improve internal information management procedures and more efficiently respond to each applicant.

The new SMQ enables applicants to submit information electronically to minimize the burden and reduce expenses. The use of a web-based application also enables valuable pop-up definitions and explanations and webpage links that should both facilitate the applicant's answers and help assure the data submitted accurately reflects the intent of the question asked. The new smart form takes advantage of web technology to tailor questions for each investor according to the specific OPIC product for which they are seeking financing.

- 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. However, the new SMQ will minimize the data collection burden for OPIC's small business clients.
- 6. Each investor receives only one questionnaire per fiscal year. OPIC would not be able to fulfill its mandate to monitor projects if this information were not collected. If the information were not collected, OPIC could not adequately assess the effects of OPIC-supported projects on the U.S. economy and employment, as well as the effects on the environment, economic development, and worker rights abroad.
- 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 []. No comments were received in response to this Notice. The second Federal Register Notice was submitted to the Federal Register Office on [] for publication. 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:
 - 450 respondents x 1 per respondents 450 total annual responses x 4 hours per response 1,800 Respondent Hours x \$50.41 for personnel, record-keeping, overhead = \$90,738 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 450 responses x 2.0 hours x \$50.41/hour = \$45,369.
- 15. The number of total respondents is based on the approximate number of SMQs are submitted annually by OPIC insurance, finance, and investment funds clients.
- 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.