

## SUPPORTING STATEMENT FOR APPROVAL

### A. JUSTIFICATION

1. The information requested is required to elicit and record information on the developmental, environmental, and U.S. economic effects of projects assisted by OPIC. 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.” [emphasis added]

This request is for reinstatement of OPIC form 71 (Project Information Report). The form was last approved in 2004.

2. The information collected is used by OPIC as a basis for monitoring the effects of its portfolio of projects and for reporting these results, in aggregate, to Congress. This form is necessary in order to capture actual results of OPIC-assisted projects and to comply with Congress' mandate regarding reporting.
3. The Agency business practices allow approximately 75% of the Project information Report submissions to be collected electronically via email. This process enables OPIC to reduce the burden of tracking and analyzing the information collected.
4. This information is not required by any other Federal agency because it relates specifically to OPIC's programs. No duplication is foreseen.
5. The burden of collecting information does not vary with the size of the business. OPIC officers make a special effort, either in person, through email, or by telephone, to assist small businesses in completing the Project Information Report.

6. OPIC would not be able to fulfill its mandate to monitor its projects without the information collected on this form. The sample size is kept to a minimum, yet must remain large enough to maintain statistical confidence.
7. Not applicable. Information is collected in a manner consistent with the guidelines of the Paperwork Reduction Act and OMB's implementing regulations.
8. The first Federal Register Notice was published on June 22, 2004, 69 FR No. 119, p. 34712. No comments were received from this Notice. The second Federal Register Notice was published on or about August 25, 2004. Persons outside OPIC and representatives from whom information is to be collected have not been consulted. In order to comply with existing legislation, it is necessary to obtain all of the information requested in this form.
9. Not applicable. Payments and gifts are not offered to respondents.
10. OPIC provides respondents the assurance of confidentiality by labeling each page of the OPIC-71 form with the phrase "Business Sensitive Information - Protected According to 22 CFR 706.22". 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. Information is only reported in aggregate form, together with that of all projects monitored during a specified period.
11. Not applicable. No such sensitive questions are asked.
12. The estimated burden of completing this form is as follows:
  - Total respondents: 30
  - Frequency of response: 1 per investment
  - Total annual responses: 30
  - Hours per respondent: 15
  - Annual burden: 450 hours
  - Cost per hour for personnel, record-keeping and overhead: \$75

Estimated annualized cost to respondents ( $\$75/\text{hr} \times 450 \text{ hours}$ ) = \$33,750.  
Annual reporting is not required: information is collected only once per investment.
13. The estimated annualized cost to respondents is as follows:
  - Total capital and start-up costs: \$0
  - Total operational and maintenance costs: \$0
  - All costs associated with the form are part of the normal cost of doing business

Non-labor cost to clients completing this information collection is \$2.24 for administrative and storage expenses.

14. The estimated annualized cost to the Federal government is 30 responses x 2 hrs x \$50.41/hr = \$3,024.60. 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 hourly rate has been adjusted from \$46 per hour to \$50 per hour to account for inflation and rising labor costs. (This estimate was made in 2012 – previous estimate made in 2004).
16. Information provided in the Project Information Report will not be published, except in aggregate form. Aggregate figures are reported to Congress every three years. The next report will be submitted in the second quarter of 2013.
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.

## **B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS**

1. OPIC's monitoring is designed to evaluate a small, yet statistically significant, sample of active OPIC projects that were assisted over a three-year period. Projects are combined into a three-year period, or "round", in order to maximize sampling efficiency and minimize resources expended. The universe of projects for each round is about 280. Given this universe, and using a binomial probability sampling distribution, the number of projects requiring monitoring in a particular round (for a sample with a 95 percent confidence level) is minimized to about 30 annually (about 92 projects for the entire round). This number includes randomly selected projects, supplemented with the most U.S. employment sensitive projects not chosen randomly.
2. In addition to the statistical methodology and sampling procedures described above, the sample is stratified across five industrial sectors, including manufacturing, services, electronics, energy/mining, and banking.
3. OPIC sends the investor the Project information Report at least one month prior to a site visit by an analyst. The analyst contacts the investor about two weeks after the form has been sent to answer questions and provide assistance in filling out the form. The analyst visits the project site to verify the information in the report and assure that all information is complete.
4. When available, OPIC cross checks data provided by the investors with information in their audited financial statements.
5. James Gale and David Husband, of OPIC, designed the original statistical methodology for OPIC monitoring. Margaret Kuhlow, Director of Monitoring and Reporting, will direct the next round of monitoring. Essie Bryant will be the central contact for this project, and can be reached at (202) 336-8563 or [Essie.Bryant@opic.gov](mailto:Essie.Bryant@opic.gov).