

SUPPORTING STATEMENT FOR APPROVAL

A. Justification

1. Legal authority for this information collection is found in 22 U.S.C, Sections 231, 234(a), 234 (d), and 240A of the Foreign Assistance Act (FAA) of 1961, as amended. The OPIC-129 is sent to U.S. companies and individuals requesting financing under OPIC's finance program (Structured Finance and Small and Medium Enterprise Finance). The information provided is reviewed by OPIC finance officers to determine a sponsor's qualifications for receiving OPIC financial assistance. The information collected through the OPIC-129 form enables OPIC to perform due diligence on sponsors and comply with its congressional mandate to manage the program in a prudent manner.

Amendments to OPIC-129's applicability:

- Applicants required to respond based on a 10% threshold.
Previously, the OPIC-129 form required any person (individual or legal) who, directly or indirectly, beneficially owned, in the aggregate, 5% or more of the borrower to complete such OPIC-129 form. The threshold has been changed from 5% to 10% in order to make OPIC's due diligence process more efficient and less resource intensive without significantly increasing the reputational and project risks associated with OPIC transactions.
2. On an annual basis, it is anticipated that the proposed amendment will cause OPIC to receive approximately 630 completed OPIC-129 forms (down from 700). The information provided in the OPIC-129 form is used by OPIC as a part of the Character Risk Due Diligence/background check procedure (similar to a commercial bank's Know Your Customer procedure) that it performs on each party that has a significant relationship (10% or more beneficial ownership, provision of significant credit support, significant managerial relationship) to the projects that OPIC finances.
 3. Using a standard form, the collection of information enables OPIC to "log" and track all applicant data in a consistent manner, improve internal information management procedures and more efficiently respond to each applicant. The agency is performing business process and technical re-engineering on all business practices and information submissions to minimize the burden and reduce expenses for both the applicants and OPIC. Through OPIC's Forms Portal the applicant can complete the OPIC-129 on-line, which links to other OPIC forms so that information provided in one form will auto-populate certain sections of other forms, and make forms into "smart forms" so that applicants will only see questions that are applicable to them.

4. The information collected is not duplicated on other OPIC information collections. The information is not already available in another document as it specifically relates to the types of credit and background checks that must be performed on a potential borrower. OPIC cannot rely on similar checks done by another potential lender.
5. OPIC's applicants include both large and small businesses. The same questions are asked of all applicants and require only brief answers. Significant efforts have been made to make questions clearer and information input easier, reducing the burden on the applicant.
6. If OPIC was unable to collect the information, OPIC would be unable to comply with laws that prohibit lending to certain types of parties. For example, OPIC would be unable to check if sponsors have been barred from doing business with the federal government or if sponsors have been investigated for violations of the Federal Corrupt Practices Act.
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 first Federal Register Notice was published on February 26, 2015. OPIC did not receive any public comments in response to this notice. The second Federal Register Notice was published on May [redacted], 2015.

In making the decision to change the threshold from 5% to 10%, OPIC staff had discussions with relevant representatives of certain U.S. governmental agencies (MCC, Exim, SBA), international organizations (IFC and EBRD), and a commercial bank (Citibank) to compare notes regarding their due diligence procedures.

9. No payments and gifts are offered to respondents.
10. Client information contained in this questionnaire will be deemed designated as confidential commercial information 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:
630 respondents
x 1 per respondent
630 total annual responses
x 3.00 hours per average respondent
1890 respondent hours
x \$75/hour for personnel, record-keeping, overhead
\$141,750.00 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:
 - (a) Total capital and start-up costs: \$0
 - (b) Total operation and maintenance costs: \$0.All costs associated with the form are part of the normal cost of doing business. Since all submissions will be electronic and stored on OPIC's secure servers, there will be no postage or storage costs.
14. The estimated annualized cost to the Federal government is 630 responses x 2 hours. Using an average cost of \$51.43 (a GS-14/1 DCB) to review these applications, the total cost to the Federal government is estimated to be \$64,801.80 (630 x 2.0 x \$51.43).
15. The number of total respondents is based on the approximate number of companies applying for OPIC finance each year and how many sponsors are involved in a given project.
16. Not applicable. Information provided in the application is not.
17. Not applicable. The OMB expiration date will be printed on each form.
18. Not applicable. No exceptions are being requested on the certification statement.