

SUPPORTING STATEMENT FOR APPROVAL

A. Justification

1. Legal authority for this information collection is found in the Foreign Assistance Act (FAA) of 1961, as amended. Section 239(h) [22 U.S.C. § 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." In addition, Section 240A [22 U.S.C. § 2200a] requires OPIC to "submit to the Congress a complete and detailed report of its operations during such fiscal year. Such report shall include (1) an assessment, based upon the developmental impact profiles required by section 239(h), of the economic and social development impact and benefits of the projects..."

This application is sent to U.S. companies requesting financing or political risk insurance from OPIC. The information requested is required to determine the expected effects of proposed projects on the U.S. economy and employment, as well as the effects on the environment, economic development, and worker rights abroad. The information collected through the OPIC-248 form enables OPIC to comply with its congressional mandate to manage the program in a prudent manner and to ensure that projects that would have significant adverse effects on the U.S. economy and employment are identified and do not receive OPIC support.

The proposed changes to form 248 aim to clarify existing questions, incorporate sector-specific development impact questions, and eliminate ineffective questions in an effort to harmonize development impact indicators with other Development Finance Institutions ("DFIs"). OPIC is a signatory to a "Memorandum of Understanding" with 25 partnering DFIs to harmonize developmental impact metrics where possible. The goal of this effort is to reduce the burden on clients that seek financing from multiple DFIs and to instill best practices in the collection and the reporting on OPIC's developmental impacts.

2. On an annual basis, approximately 230 applications for OPIC products are deemed eligible for further evaluation and are thus referred for policy review and clearance. The information collected in OPIC-248 is reviewed by policy analysts to determine the expected effects of the projects on the U.S. economy and employment, as well as on the environment, economic development, and worker rights abroad. OPIC submits an analysis of the aggregated data to Congress at the end of each fiscal year in compliance with Section 240A [22 U.S.C. § 2200a].

3. This form 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 that data are submitted and accurately reflects the intent of the question asked. The 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. The information collected is not duplicated elsewhere. The information is not already available in any other electronic form and would not be requested by another federal agency, since it is applicable solely to projects being considered for OPIC financing or insurance. The information collected is not available from other lending institutions, even in cases where an applicant is seeking financing from other DFIs, given the significant differences in information systems, investment approval procedures that impact the timing of the data collection, and reporting requirements (e.g., OPIC is required to collect and report on projected impacts while other DFIs are not). Wherever relevant, Form 248 will be auto-filled with information from Form 115 (Application for Financing) which will reduce the data collection burden on investors.
5. Questions asked of applicants, regardless of whether they are large or small, require only brief answers. The burden of collecting information does not vary with the size of the business applying for financing. Form 248 will minimize the data collection burden for all of OPIC's clients because form responses will be auto-filled from Form 115 wherever relevant.
6. OPIC would not be able to fulfill its mandate to screen and report on projects if this information were not collected. If the information were not collected, OPIC could not assess the expected effects of proposed investment projects on the U.S. economy and employment, as well as the effects on the environment, economic development, and worker rights abroad, consistent with OPIC's authorizing legislation.
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 July 2, 2015. OPIC did not receive any public comments in response to this notice. The second Federal Register Notice was published on September 30, 2015.
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 law.

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:

230	respondents
x 1	per respondent
230	total annual responses
x 2.8	average hours to complete one response
644	total respondent hours
x \$75.00	per hour for personnel, record-keeping, overhead
\$48,300	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) (I) Total operation and maintenance costs: \$0.

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

14. The estimated annualized cost to the Federal government is as follows:

230	respondents
x 1	per respondents
230	total annual responses
x 2.4	average hours to review one response
552	federal hours
<u>x \$51.43</u>	<u>GS-14/1 (DCB) hourly wage</u>
\$28,389	total cost to Federal government

There is an increase in the cost to the Federal government due to the incorporation of two additional questions, a request to attach supplementary documents with the electronic submission of the form, and a slight increase in the GS scale.

15. The proposed changes to form 248 are expected to result in a change in public burden from 2.4 hours per form to 2.8 hours per form, resulting in a change in the total cost from \$41,400 to \$48,300. The proposed changes aim to clarify existing questions, incorporate sector-specific development impact questions, and eliminate ineffective questions in an effort to harmonize development impact indicators with other DFIs. OPIC is a signatory to a “Memorandum of Understanding” with 25 partnering DFIs to harmonize developmental impact metrics where possible. The goal of this effort is to reduce the burden on clients that seek financing from multiple DFIs and to instill best practices in the collection and the reporting on OPIC’s developmental impacts.

16. Not applicable. Individual project information provided in the application is not published or made public in any way. OPIC submits an analysis of the aggregated information to Congress at the end of each fiscal year in compliance with Section 240A [22 U.S.C. § 2200a]

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.