

SUPPORTING STATEMENT FOR APPROVAL

A. Justification

1. Legal authority for this information collection is found in the Better Utilization of Investments Leading to Development Act of 2018 (the “BUILD ACT”), Public Law 115-254. Investors are required to register their intention to apply for political risk insurance prior to making an irrevocable investment. DFC-002 serves as proof of this intention and investments made prior to the submission of DFC-002 may be ineligible for DFC political risk insurance coverage from the United States International Development Corporation (“DFC”).
2. The Registration for Political Risk Insurance will be used by the agency to screen investors and projects for political risk insurance. Investors will be asked to register their intention to apply for insurance prior to making an irrevocable investment. DFC-002 will serve as proof of this intention and any investments made prior to the submission of a DFC-002 may be ineligible for political risk from the agency.
3. This form is completed with the use of a web-based application. This provides a secure and efficient means for applicants to transmit the required information to the agency.
4. The information collection 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 DFC’s insurance program.
5. The burden of collecting information does not vary with the size of the business requesting registration for DFC political risk insurance. DFC officers make a special effort, either in person or by telephone, to assist small businesses in completing the DFC-002.
6. DFC-002 will enable the DFC to make that determination at an early stage, before DFC and the applicant have invested significant time in pursuing coverage that the applicant may be unqualified to receive. This information will also enable DFC to compare the level of interest and development of an applicant at the registration stage against the application stage. This information also enables the DFC to compare the level of interest and development of a project at the registration stage (DFC-002) against the application stage (DFC-003). This information allows the DFC to collect information to evaluate the effectiveness of the political risk insurance products in meeting the DFC’s mission, and to adjust its programs as necessary. The DFC would not be able to fulfill its mandate to evaluate projects if this information were not collected.

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 May 13, 2022 (87 FR 30209). The agency did not receive any public comments in response to this notice. The second Federal Register Notice was published on July 22, 2022 in 87 FR 43799.
9. No payments or gifts are offered to respondents.
10. When trade secrets or confidential commercial or financial information are submitted to the agency in this collection, they will be held in confidence to the extent permitted by applicable law including the Freedom of Information Act (“FOIA”) at 5 U.S.C. section 552(b)(4) and the agency’s implementing regulations at 22 C.F.R. Part 706.
11. Not applicable. None of the questions on this form are sensitive in nature.
12. The estimated hourly burden of collecting this information from respondents is as follows:

220	respondents
x 1	per respondent
=220	total annual responses
x 0.50	average time for applicant to complete one response (1/2 hour per response)
=110	total respondent hours
x \$75.00	per hour for personnel, record keeping, overhead
\$8,250	total costs to respondents

Respondents only complete the form once per request for insurance.

13. The estimated annualized cost to respondents is as follows:
 - a. Total capital and startup costs: \$0
 - b. Total operation and maintenance costs: \$0

All costs associated with the form are part of normal cost of doing business. Since all submissions will be electronic and stored on the DFC’s secure servers, there will be no postage costs.

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

220	respondents per year
x 1	per respondent
220	total annual responses
x 0.50	average hours to review one response
110	total federal hours
x \$60.49	GS-14/1 (DCB) hourly wage
\$6653.39	total cost to Federal government

15. This is a new information collection.
16. Not applicable. Information provided in the application is not published.
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.