

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 apply for political risk insurance in order to obtain insurance from the United States International Development Corporation (“DFC”). The DFC-003 serves as proof of the investor’s request for insurance, and is used by the DFC to determine eligibility for insurance, and assess the risks of the project in the host country. The information collected by the DFC-003 with respect to each proposed project enables the DFC to comply with its congressional mandate to manage the insurance program in a prudent manner, ensure that projects meet all conditions and requirements of the insurance program and meet the mission of the DFC. DFC-003 enables the DFC insurance officer to review the proposed investment and make a determination as to the eligibility of the project for DFC political risk insurance coverage.
2. The Application for Political Risk Insurance will be the principal document used by the agency to determine the investor’s and the project’s eligibility for political risk insurance and will collect information for underwriting analysis. 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. 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 the DFC’s political risk insurance program.
3. The burden of collecting information does not vary with the size of the business requesting political risk insurance from the DFC. DFC officers make a special effort, either in person or by telephone, to assist small businesses in completing the DFC-003.
4. Without this information, the DFC would be unable to effectively evaluate new requests for political risk insurance. For example, the DFC is unable to support projects where the risks are unacceptable to the DFC. DFC-003 enables the DFC to make a determination of project risks and whether the DFC can support the project. 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. Without a form to collect the information, the amount of DFC staff time needed to gather the requisite information would be significantly greater and would result in multiple requests for information for program users. This would reduce the amount of time that could be devoted to underwriting and marketing DFC programs, thereby reducing the productivity and administrative efficiency of the insurance program.

5. No special circumstances exist that require the information collection to be conducted in a manner inconsistent with the guidelines of the Paper Reduction Act and OMB's implementing regulations.
6. The first Federal Register Notice was published on June 9, 2023 in 88 FR 37868. The agency did not receive any public comments in response to this notice. The second Federal Register Notice was published on August 14, 2023 in 88 FR 55018.
7. No payments or gifts are offered to respondents.
8. 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.
9. Not applicable. None of the questions on DFC-003 are sensitive in nature.

10. The estimated hourly burden of collecting this information from respondents is as follows:

100	respondents per year
x 1	per respondent
x 1.666667	average time for applicant to complete one response (1.5 hours per response)
166.667	total respondent hours
x \$75.00	Per hour for personnel, record keeping, overhead
\$12,500.25	Total costs to respondents

The DFC collects one response per project.

11. 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.

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

100	total number of responses
x 1	per respondent
100	total annual responses
1	average time to review one response (1hour)
100	total Federal hours
x \$63.43	GS-14 step 1 hourly rate in DC metro area
\$6,343	total cost to Federal government

13. This form incorporates questions from the DFC-002, which will be eliminated pending approval of the DFC-003.

14. Not applicable. DFC will not publish this information.

15. Not applicable. The OMB expiration date will be printed on each copy of the form.

16. Not applicable. No exceptions are being requested on the certification statement.