

OPIC Highlights

OPIC Supports U.S. Investment in North Africa and the Middle East

Historically, OPIC has provided more than \$5 billion in finance and insurance to support nearly 400 projects in the services, manufacturing and energy sectors. OPIC's current investment portfolio provides more than \$840 million to projects in the region.

OPIC Insures Largest U.S. Investor in Egypt

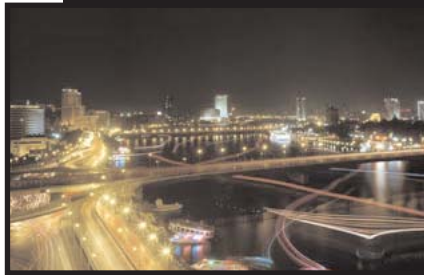
OPIC is providing up to \$300 million in political risk insurance to a U.S. company that is helping Egypt shift the emphasis of its energy production from oil to more environmentally-friendly natural gas.

Houston-based Apache Corporation, the largest U.S. investor in Egypt, is using the political risk insurance to develop various oil and gas concessions in Egypt. Apache's natural gas discoveries in the Western Desert have already played a significant role in helping Egypt to convert much of its thermal power generation capacity from oil to natural gas, and in providing the resources necessary to meet growing local energy needs as well as expanding Egypt's hydrocarbon exports. Egypt's production of crude oil from maturing oil fields is declining, while large discoveries of gas have emerged in the Western Desert and Nile Delta.

"Since 2000, Apache has doubled its production in Egypt and has considerable running room for additional investment," said G. Steven Farris, Apache's president, chief executive officer and chief operating officer. "With the Egyptian General Petroleum Corporation as our partner and now with OPIC's substantial support, we look forward to further developing Egypt's considerable hydrocarbon potential."



Apache Corporation, the largest U.S. investor in Egypt, is using OPIC political risk insurance to develop various oil and gas concessions in Egypt. Photos Courtesy of Apache Corporation



OPIC Supports Innovative Energy Project in Morocco

OPIC is providing over \$70 million in financing to CMS Generation Company of Dearborn, Michigan to help provide Morocco with over half the country's annual domestic electrical energy production. CMS and its partner ABB Energy Ventures, are privatizing and expanding the state-owned Jorf Lasfar power plant near Casablanca, in what was named "Project of the Year" by Project Finance Magazine in 1998. "Jorf Lasfar is an essential step to prove that Morocco is serious about private projects and in creating terms and conditions that are good for the market," said Joseph Tomasik, CMS Vice President and Chief Development Officer.

OPIC Approves Desalination Project in Algeria

An OPIC loan to Hamma Water Desalination SpA, sponsored by Ionics Incorporated of Watertown, MA, is helping to bring urgently needed potable water to 25 percent of the population in Algeria's capital city. Currently, half of the city receives water only one out of every three days. This project will enable distribution of potable water to a higher proportion of the greater Algiers population on a more frequent and reliable basis.

The OPIC loan of up to \$200 million is being used for the construction and operation of a reverse osmosis sea-water desalination facility that will deliver 200,000 cubic meters of potable water daily to Algiers through a joint venture with the state-owned Algeria Energy Company. This project is creating the first private reverse osmosis potable water desalination plant in Algeria.

OPIC Helps Renovate American School in Tunisia

OPIC is providing \$4.5 million in political risk insurance to the American Cooperative School of Tunis (ACST) Association, a U.S. nonprofit corporation, for renovations to an American school in Tunisia which provides primary and secondary education to both American and Tunisian students.

The 46-year-old school offers an educational program equivalent to an American university preparatory school, from pre-kindergarten through grade twelve, for students of all nationalities. Approximately one fourth of the student population is American.

In addition to providing support to American expatriates with dependent children living in Tunisia and providing valuable educational opportunities to Tunisian children, the school also generates local salaries, fees and expenses in U.S. dollars, thereby bringing hard currency into Tunisia.



OPIC political risk insurance is being used for renovations to an American school in Tunisia which provides primary and secondary education to both American and Tunisian students.



OPIC and Citigroup Establish Lending Facility to Revive SMEs in Iraq

OPIC and Citigroup have established a \$131 million lending facility designed to revitalize small and medium-sized enterprises (SMEs) in Iraq.

Arranged by OPIC, Citigroup Export and Agency Finance and the Dubai-based Citigroup Representative Office, the facility will provide loans to Iraqi financial institutions, which in turn will lend the funds to Iraqi SMEs to finance their investment and working capital requirements.

The project will comprise a \$92.8 million facility provided by Citigroup, backed by an investment guaranty from OPIC; a \$23.2 million grant from the Coalition Provisional Authority and a \$15 million syndicated bank facility arranged by Citigroup. BNP Paribas and HBK will participate in the syndicate along with Citigroup.

Nadeem Hussain, head of Citigroup's Iraq Representative Office, said, "We are delighted to contribute towards the re-establishment of small to medium enterprises in Iraq and to provide working capital for these corporations. OPIC's involvement has been instrumental in finalizing the facility. We look forward to concluding other deals in Iraq with OPIC."

OPIC Supports Power Project in Gaza

OPIC is providing \$48 million in political risk insurance to a subsidiary of Morganti Group, Inc., a Connecticut-based construction company, to help operate a power plant in the Gaza Strip, the first such plant under the regulatory control of the Palestinian Energy Authority (PEA).

This plant is expected to benefit people in the Gaza Strip by reducing dependence on imported power, and is an integral part of establishing regional linkages in electricity, water and natural gas infrastructure in the region.



OPIC is a U.S. government agency that helps U.S. businesses invest overseas, fosters economic development in new and emerging markets, complements the private sector in managing risks associated with foreign direct investment, and supports U.S. foreign policy. Because OPIC charges market-based fees for its products, it operates on a self-sustaining basis at no net cost to taxpayers. Since 1971, OPIC has supported more than \$164 billion worth of investments that have generated over \$69 billion in U.S. exports and supported more than 264,000 American jobs. For more information please go to www.opic.gov.