

OVERSEAS PRIVATE
INVESTMENT CORPORATION

Annual Report On Development Impact



FISCAL YEAR 2017

SUBMITTED PURSUANT TO
SECTION 240A OF THE
FOREIGN ASSISTANCE ACT OF 1961, AS AMENDED

October 2018

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OVERSEAS PRIVATE INVESTMENT CORPORATION

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Executive Summary*

\$8.2 BILLION

PRIVATE SECTOR CAPITAL MOBILIZED

Each year, the Overseas Private Investment Corporation provides the finance and insurance tools to help businesses invest in emerging markets. Below is a snapshot of the development impact projected for projects committed in FY17.

PROJECTS



MORTGAGES



ENTREPRENEURSHIP



MICRO-ENTERPRISES



JOBS



help wanted

OPIC/USAID/OPY 22773004

COUNTRIES



ENERGY



HOMES



HEALTHCARE



*THIS REPORT SUMMARIZES THE PROJECTED DEVELOPMENT IMPACT OF THE 112 NEW PROJECTS OPIC COMMITTED TO SUPPORT IN FY17 IN DEVELOPING AND EMERGING MARKETS

Environmental, Social, Labor, and Human Rights Impact

Projects supported by the Overseas Private Investment Corporation (OPIC) must meet international best practices for environmental and social sustainability, treatment of workers, and respect for human rights. OPIC reviews each project to identify potential adverse impacts and, if necessary, develop strategies to mitigate those impacts. Four of the 112 new projects that OPIC committed to support in FY17 were considered “Category A” due to heightened environmental and/or social risks. None of the 112 projects were designated “Special Consideration” because of their potential for heightened social, labor or human rights risks. Projects with either of these classifications require additional due diligence and monitoring.

OPIC completed its revision of the Environmental and Social Policy Statement in FY17 after a two-year process of consultation and review. During the policy revision, OPIC hosted several meetings and invited recommendations from civil society, non-governmental organizations, and the business community. This engagement actively informed the proposed revisions, including:

- ▶ Updating text to reflect updated financial intermediary procedures that enable faster approval of lower risk investments
- ▶ Emphasizing risk-based analysis which will enable OPIC to streamline procedures for small investments
- ▶ Increasing transparency on how OPIC addresses human rights concerns in project monitoring and review
- ▶ Updating GHG accounting methods to reflect Congressional directives to enable greater ability to finance thermal power retrofits

Fiscal Year Overview

OPIC offers its clients direct loans, investment guarantees, and political risk insurance. The 112 new projects committed in FY17 include:

- ▶ 50 Finance projects
- ▶ 7 Insurance projects
- ▶ 55 Investments in portfolio companies by OPIC-supported investments funds¹

Investing Around the Globe

OPIC-supported projects in FY17 covered a wide range of countries and regions, consistent with maintaining a diversified portfolio. Latin America and the Caribbean comprised the largest share of new projects, accounting for approximately 40%, followed by Sub-Saharan Africa at 28%.

Globally, projects in FY17 expect to generate nearly \$11 billion in total investment. In FY17, OPIC invested across a wide range of sectors. Financial services accounted for the largest share of OPIC's projects at 28%. 75% of the financial service projects support micro, small, and medium enterprise (MSME) lending.

Impact in Low-Income Countries²

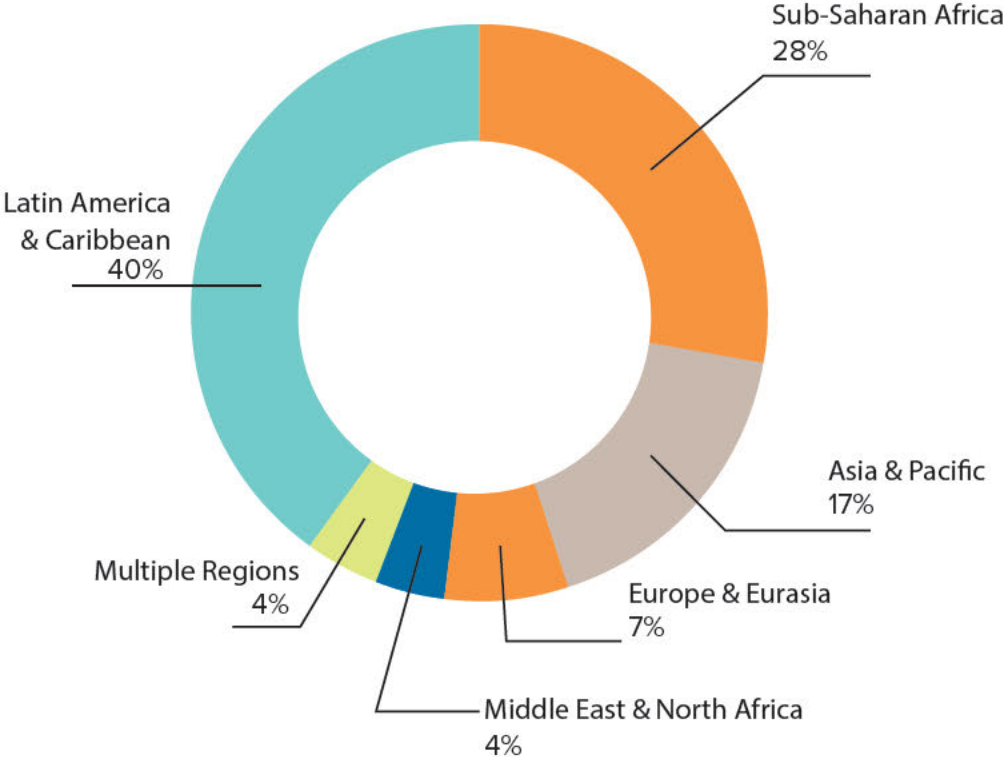
In FY17, the newly committed projects in low-income countries expect to create:

- ▶ Over 9,000 new host country jobs
- ▶ Over \$1.8 billion in additional local procurement of goods and services over the next five years
- ▶ Over \$1.8 billion in total private and public sector investment

¹ PORTFOLIO COMPANIES THAT WERE CLEARED, BUT MAY NOT HAVE RECEIVED FUNDING YET

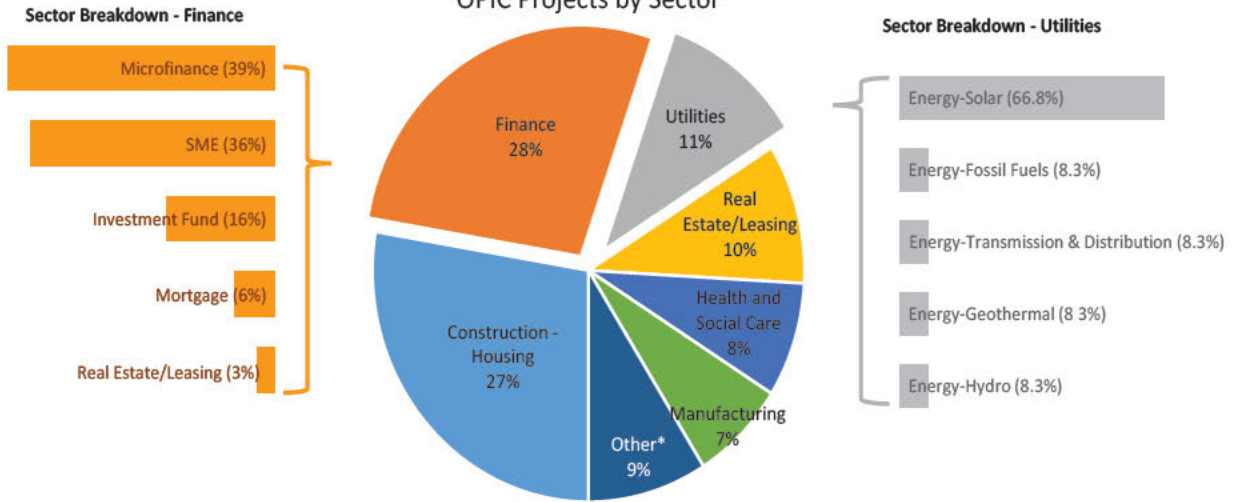
² PER OPIC STATUTE: LESS DEVELOPED COUNTRIES WITH PER CAPITA INCOMES OF \$984 (\$1,836 ADJUSTED FOR INFLATION) OR LESS IN 1986 U.S. DOLLARS

Figure 1
OPIC Projects By Region



N=112 SOURCE FY17 PROJECT COUNT

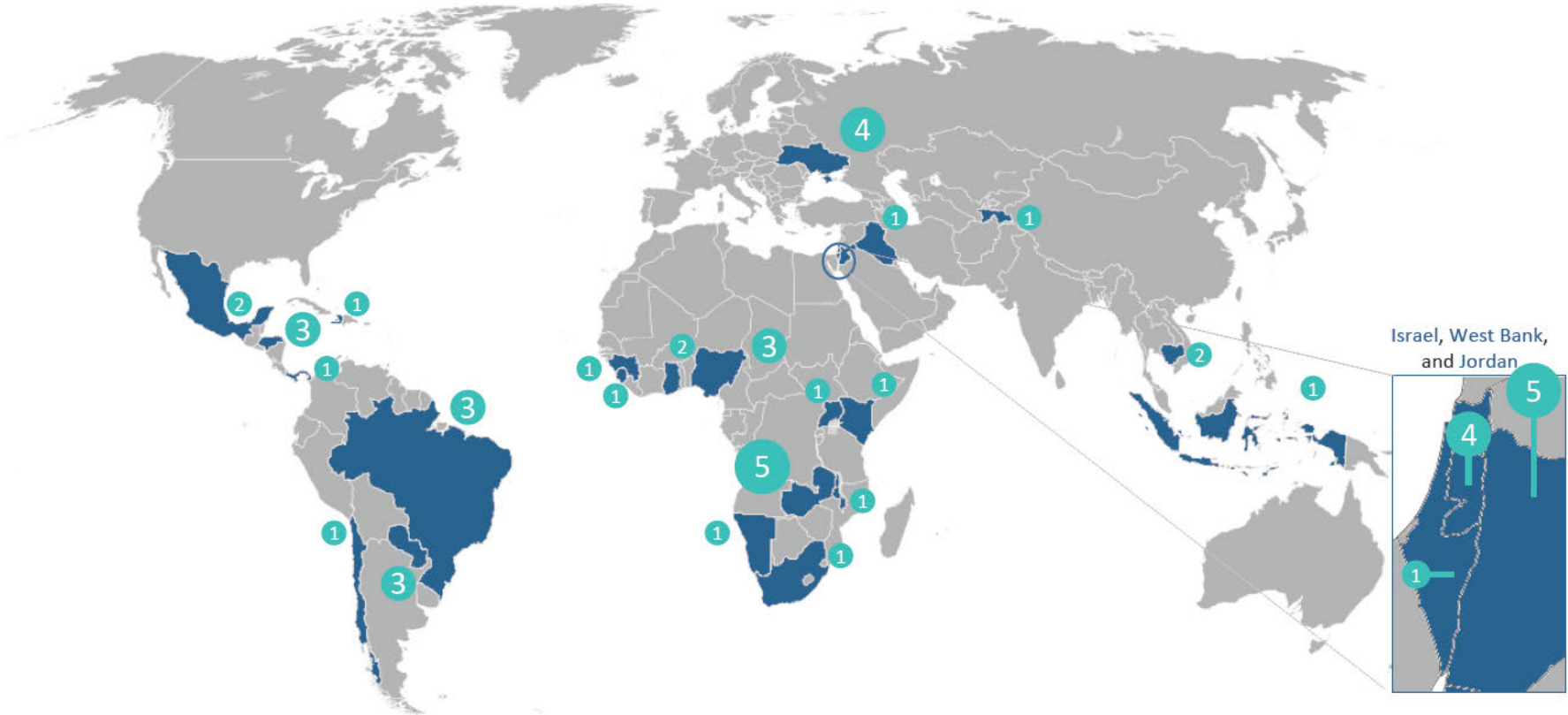
Figure 2
OPIC Projects by Sector



* includes: Administrative and Support and Waste Management and Remediation Services; Educational Services; Agriculture, Forestry, Fishing and Hunting; Retail Trade; Mining, Quarrying, and Oil and Gas Extraction

N=112 SOURCE FY17 PROJECT COUNT

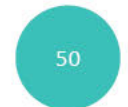
Site-Monitoring of OPIC-Supported Projects. Each year, OPIC visits projects it supports to ensure compliance with project loan covenants and to examine the resulting development impact. Projects that are site-monitored include those randomly selected from OPIC's active portfolio, as well as those designated as sensitive due to their potential effects on the environment and on the surrounding local community. The diagram below provides a breakdown of the 50 projects site-monitored by country and sector. Refer to Appendices 10 and 11 for detailed lists of the projects site-monitored.



Projects Site-Monitored by Sector



Total Projects Site-Monitored



Highlights from 23 Projects were Site-Monitored for Development Impact



OPIC Catalyzes Capital

IN FY17, OPIC COMMITTED TO 112 NEW PROJECTS IN 39 COUNTRIES. THESE PROJECTS ARE ESTIMATED TO RESULT IN \$10.6 BILLION IN TOTAL CAPITAL INVESTMENT IN DEVELOPING AND EMERGING MARKETS.

OPIC, the U.S. government's development finance institution, mobilizes private capital to address major world challenges and support the development and expansion of market economies through the provision of financing, political risk insurance and support for emerging market private equity. OPIC is committed to private sector investment as a driving force for development and has an appreciation for the importance of drawing private capital into developing and emerging markets.

As in previous years, OPIC's financing is expected to accelerate private sector financial investment from both host country and U.S. Investors. In FY17, it is anticipated that OPIC projects will support nearly \$10.6 billion in capital investment. Of that amount, \$8.2 billion will come from the private sector. The remaining \$2.4 billion represent investments between OPIC (\$1.9 billion) and other international development institutions and public entities (\$500 million).

Table 1
 Projected Development Impacts of
 New FY17 Projects

Managerial, Professional and Technical Jobs*	11,242
Unskilled labor*	1,967
Total	13,209

Initial host country procurement	\$6.75 billion
Host country operational procurement	\$1.47 billion

Net annual taxes, revenues and duties paid to the host country*	\$825.6 million
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Annual host country current account impact*

Exports generated*	\$1.84 million
Project-related imports*	\$0.28 million

*BY THE 5TH YEAR OF OPERATIONS

N=112 SOURCE FY17 PROJECT COUNT

Advancing Foreign Policy Interests

OPIC investments promote socioeconomic development overseas, support the growth of market economies, and fuel the advancement of U.S. foreign policy goals. These investments, a critical tool of diplomacy, lead to new infrastructure, access to new services and provision of energy resources that propel economic growth, catalyze job creation and enhance government revenues at home and abroad. OPIC works in many countries that are foreign policy priorities and its programs often support crucial economic growth and political stability.

Projects committed in FY17 will:

- Support the creation of almost 22,000 new housing units, 90% of which are expected to serve low- and middle-income families
- Finance more than 21,000 new mortgages, 14,000 of which are expected to be received by women
- Serve 2.2 million patients with nine new healthcare facilities
- Provide 465 students with educational facilities, and 35 scholarships
- Deliver 1,270 GWH of electricity to homes and businesses all over the world

An example of how even a small investment can influence a local economy is Alistair Group, a shipping and logistics company in Tanzania whose missions focus has enabled it to become a respected industry role model without resorting to corruption to meet its deadlines as is the norm in this field.



Alistair Group, started with two trucks, received a \$7 million OPIC loan to purchase an additional 150 trucks. They are now delivering goods reliably across Eastern and Southern Africa.

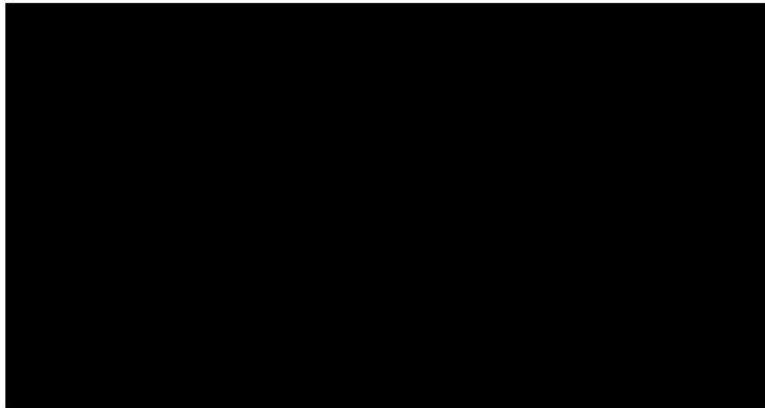
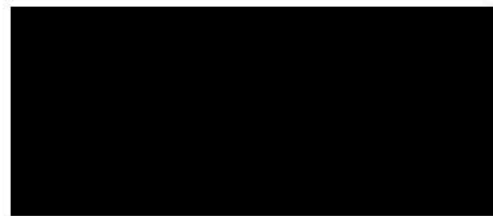
Alistair Group has created a new approach to business centered around: a) identifying and providing all documentation required at checkpoints b) developing an innovative 24/7 GPS system to ensure timely arrival while limiting the potential for graft and c) establishing real time problem solving teams to support drivers who face challenges along shipping routes. Moreover, Alistair Group has collaborated with local governments to identify logistical best practices and set an example by instituting international standards across its supply chain.

OPIC recently committed an additional \$30 million to Alistair Group as it continues to grow.

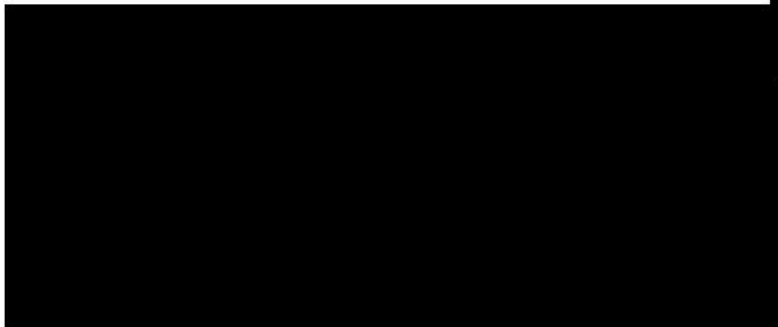
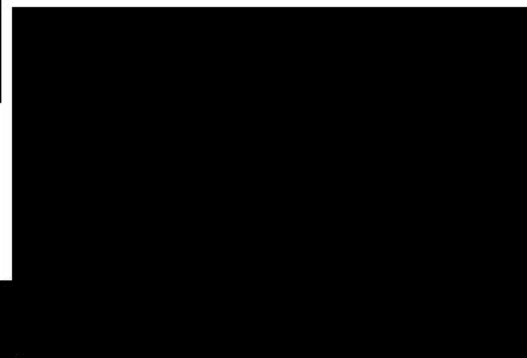


Quick Facts

- ▶ Population: 45 million
- ▶ GDP per capita: \$3,000
- ▶ Forecast GDP growth rate: 2.0%
- ▶ Unemployment Rate: 9.5%



OPIC's Risk
Mitigating Role



*Information has temporarily been redacted, including to protect the safety of implementing partners.

Women's Economic Empowerment

Enhancing the Role of Women in Developing Economies

In 2017, OPIC launched its global women's empowerment initiative, branded as "2X". The initiative builds on OPIC's strong track record of supporting women in emerging markets, primarily through micro-finance. 2X calls on the agency to use all of its financial tools to economically empower women in emerging markets. 2X commits OPIC to mobilize more than \$1 billion in capital to invest in the world's women and for the first-time, calls on OPIC investment officers to apply a gender lens to our existing investment strategy to ensure that every dollar OPIC invests contributes to gender equitable change.

OPIC has made empowering women a priority because it recognizes that women are key drivers to advancing both economic prosperity and global stability—the hallmarks of every transaction OPIC underwrites. With respect to economic prosperity, women represent an emerging market twice the size of India and China combined. In emerging markets today, women own 30% of small and medium enterprises, yet worldwide women face a \$320 billion shortfall in access to credit. Women face gaps in labor force participation ranging from 12% in non-OECD countries to 50% in the Middle East and North Africa. When women do participate, it is typically in low-paying, low-status jobs. By providing more equal access to capital and including women more equally in the workforce, women can unlock a massive potential for economic growth in developing economies.

With respect to global stability, we know that when women in emerging markets earn a competitive income, they spend 90% of it on their families, their children's education, and their aging parent's healthcare. By comparison, men spend between 30-40%. To tackle our most pressing challenges—from gender based violence and human trafficking, to education and healthcare—the most effective thing we can do is empower women.

"OPIC has prioritized investing in women because we understand that when women succeed, families succeed, communities succeed, and nations succeed. By launching 2X, committing to mobilize \$1 billion and adding a gender lens to our existing investment strategy, we are sending a powerful message to the markets that by investing in women we can change the world."

- KATHRYN KAUFMAN MANAGING DIRECTOR FOR
GLOBAL WOMEN'S ISSUES

As a start, following the 2X launch in 2017, OPIC committed financing to projects supporting lending to women from India to Costa Rica. For example, OPIC committed \$225 million to India's IndusInd Bank to support the expansion of the bank's micro, small, and medium lending programs across India, with at least a quarter of the facility targeting female entrepreneurs. In Costa Rica, OPIC committed \$65 million in financing to Banco BAC San José, S.A. with 20% of the OPIC loan going directly to female borrowers and a commitment from BAC to make institutional changes to be more inclusive going forward.

With the launch of 2X, OPIC has confirmed its commitment to providing women in the developing world access to finance, quality employment, and products and services that enhance economic opportunity. As a Development Finance Institution, OPIC invests to support private sector growth in the places where it is most needed. Our ability to mobilize capital and partnerships is a cornerstone of the 2X initiative. OPIC will scale our efforts to empower women by engaging our private sector clients and collaborating with global stakeholders to mobilize as much capital as possible to empower women around the world.

Supported Projects Benefit the U.S. Economy

While OPIC support primarily facilitates economic growth and job creation in the host countries, as noted above, many projects also have a positive impact on the U.S. economy. As a self-sustaining U.S. Government agency, OPIC operates at no net cost to American taxpayers and has generated money for U.S. deficit reduction for the past 40 years. OPIC supported private sector projects often lead to procurement of U.S. goods and services and help American businesses access some of the world's fastest growing markets.

OPIC carefully screens each new project to ensure that it does not have a negative effect on the U.S. economy. No project in FY17 expects to have a negative impact on U.S. jobs.

Table 2 describes the projected U.S. economic benefits of OPIC's FY17 projects. Of these projects, nine will have a positive impact on U.S. jobs. The remaining 103 will likely have a neutral impact.

OPIC creates opportunities for entrepreneurs and small businesses¹ to open new markets or expand their operations overseas. In FY17, over 80%² of all committed projects involved a small US business as a sponsor.

Projects committed in FY17 supported jobs at small businesses in eleven states and the District of Columbia. Procurement is expected to be nearly \$128 million in goods and services over the next five years from U.S. small businesses alone³.

Over the last eight years, OPIC has committed over \$12 billion in finance and insurance projects to almost 600 new projects that involve U.S. small businesses.

1 OPIC DEFINES SMALL BUSINESS AS COMPANIES WITH \$500 MILLION OR LESS IN REVENUE AND/OR 500 OR FEWER EMPLOYEES. OPIC ALSO INCLUDES PORTFOLIO INVESTMENTS BY OPIC-SUPPORTED INVESTMENT FUNDS THAT QUALIFY AS A U.S. SMALL BUSINESS.

2 88% OF PROJECTS REPRESENTED SMALL BUSINESSES. INCLUDING PORTFOLIO COMPANIES WHICH ARE COUNTED AS U.S. SMALL BUSINESS PROJECTS

3 THIS DATA REPRESENTS FROM PROCUREMENT FROM SMALL BUSINESSES ONLY WHICH IS A SUBSET OF THE LARGER PROJECTED PROCUREMENT OF 3.0 BILLION

Table 2:
Projected U.S. Economic Benefits of FY17 Projects

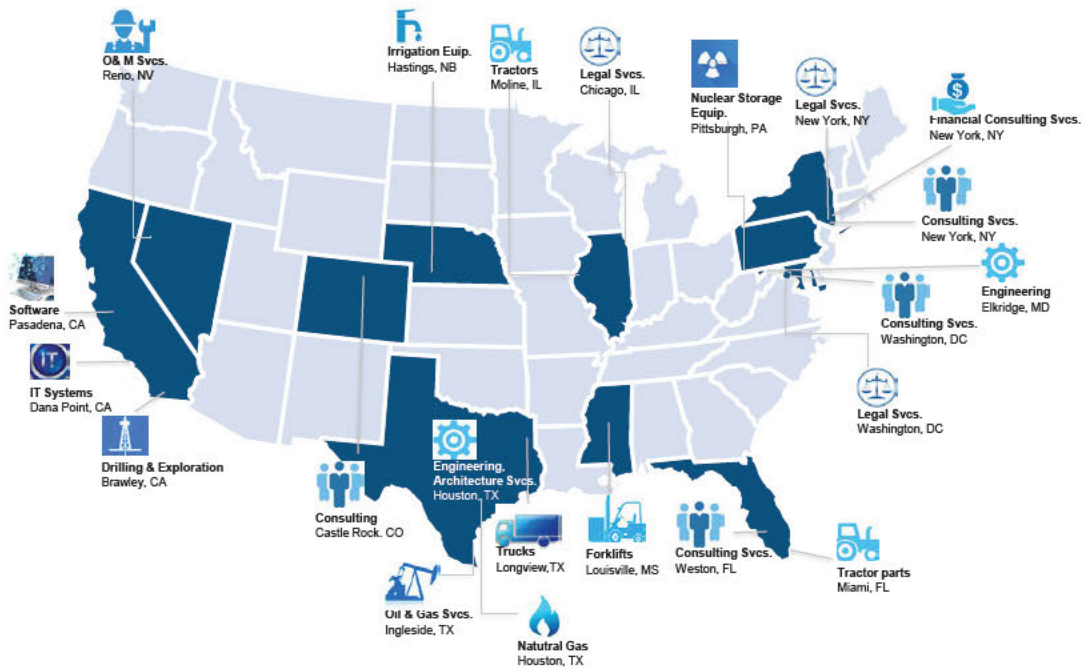
Total project investment	\$10.57 billion
U.S. investment in projects	\$5.38 billion
U.S. % of total	50.9%
U.S. exports*	\$3.10 billion
Initial procurement	\$1.94 billion
Operational procurement*	\$1.16 billion
U.S. jobs supported*	3,498

*TOTAL AMOUNT OVER A 5 YEAR PERIOD

N=112 SOURCE FY17 PROJECT COUNT

FY17 U.S. Goods and Services Procured

Figure 3
FY17 Sample of Products and Services Procured Overseas (Represents 16 states and Washington, D.C.)*



N=112 SOURCE FY17 PROJECT COUNT

* CURRENT DATA REFLECTS ONLY A SAMPLE OF PRODUCTS EXPECTED TO BE PROCURED BASED ON PRODUCTS COMMITTED IN FY17. IT REFLECTS PROCUREMENT FROM SMALL, MEDIUM AND LARGE FIRMS; INCLUDES FY17 SMALL BUSINESS PROCUREMENT OF \$128 MILLION

Noble's Leviathan: Driving Energy Independence & Expanding Markets



Quick Facts

- ▶ Population: 8 million
- ▶ GDP per capita: \$42,000
- ▶ Forecast GDP growth rate: 3.1%
- ▶ Unemployment Rate: 4.3%

Fifteen years ago, Israel relied on imports of oil, coal, and natural gas to meet its energy needs. That changed when Israel discovered natural gas off its coast in 2009 and 2010. The discovery of natural gas necessitated significant investment from Noble Energy and its partners to develop the fields and create related facilities. The investment represents the largest infrastructure investment in Israel's history.

Jordan faced a similar challenge when Jordan's National Electric Power Company sought a reliable energy source following the suspension of gas supplies from Egypt in 2012.

OPIC: Key to Regional Energy Security

OPIC committed to provide up to \$250 million in political risk insurance for two related investments. The OPIC political insurance covers Noble Energy's equity investment in the development of the Leviathan Field, an offshore gas field that will produce gas for Israel and neighboring countries¹. Among those neighbors is Jordan, a country with tremendous energy insecurity.

OPIC is also providing political risk insurance for the delivery of natural gas to Jordan's National Electric Power Company (NEPCO), the Jordanian state-owned utility responsible for procuring fuel for Jordan's power plant operations. This will enhance Jordan's ability to deliver power to its citizens.

Transforming Energy with the Help of US Technology

While the Leviathan field development will help transform Israel from an energy importer to a net exporter and enable Jordan to meet its energy demand, the project also provides secondary benefits to the US economy.

One notable example of a U.S. firm involved in this project is Gulfex Holdings based in South Houston, Texas. Gulfex is a 52-year-old company that provides a full range of engineering, design and fabrication services to the oil, gas and petrochemical industries.

¹TRANSACTION APPROVED AND COMMITTED BY OPIC; FOREIGN GOVERNMENT APPROVAL IS PENDING

Social Assessment: Labor and Human Rights

Project Screening and Assessment for Social Risk

OPIC implements policies consistent with its statutory requirements related to social risk identification and management, including respect for human rights and the rights of workers. OPIC screens all potential projects to identify labor-related and human rights impacts to determine eligibility¹. Some projects are not eligible for OPIC support because they are in categorically prohibited sectors². Potential projects undergo a full review for social risks.

Some projects may be classified as *Special Consideration*. In FY17, none of the potential projects reviewed were determined to be categorically prohibited on labor-related grounds or classified as *Special Consideration*. This designation requires additional oversight in the form of an independent audit, a project site visit, and annual reporting for projects with a heightened potential for social risks, including labor or human rights violations. As part of the update to OPIC's Environmental and Social Policy Statement, the designation for *Special Consideration* expanded to include heightened potential for adverse project-related risks to the workforce as well as potentially affected people. Projects with significant adverse social impacts or those under consideration in regions with recent conflicts, compromised regulatory systems, or the presence of vulnerable groups such as large numbers of contracted workers or Indigenous Peoples, may qualify as *Special Consideration*.

OPIC subjects every potential project to a human rights review process that ensures all OPIC-supported projects meet the statutory requirements of the Foreign Assistance Act. OPIC consults with the U.S. Department of State Bureau for Democracy, Human Rights, and Labor (DRL) on this review to ensure consistency between OPIC and DRL regarding relevant human rights matters in OPIC-eligible countries.

1 COUNTRY ELIGIBILITY FOR OPIC-SUPPORTED PROJECTS BASED ON LABOR-RELATED STATUTORY OBLIGATIONS IS FOUND IN APPENDIX 6 AND IN CHAPTER 9 OF THE OPIC ENVIRONMENTAL AND SOCIAL POLICY STATEMENT, AVAILABLE ON OPIC'S WEBSITE.

2 CATEGORICALLY PROHIBITED PROJECTS HAVE POTENTIAL ENVIRONMENTAL OR SOCIAL IMPACTS THAT PRECLUDE THE PROJECTS FROM RECEIVING OPIC SUPPORT. THEY ARE LISTED IN APPENDIX B OF THE OPIC ENVIRONMENTAL AND SOCIAL POLICY STATEMENT, AVAILABLE ON OPIC'S WEBSITE

OPIC Uses a Rigorous Methodology to Assess Potential Social Risks

OPIC uses its social assessment to evaluate the potential risk to workers at the project site or to other people or groups potentially impacted by project activities. OPIC identifies the means to improve the project by preventing and minimizing such risks as a condition of OPIC support. The process is as follows:

- Identification of potential risks to project-affected people, including individuals, workers, groups, or local communities
- Comparison of the project's expected performance in relation to internationally-accepted standards and practices
- Evaluation or design of project requirements necessary to enable OPIC support
- Evaluation or design of associated management and monitoring measures

Transaction Rejected On Labor Rights/Human Rights Grounds

OPIC works diligently to ensure that its policies regarding social risks, including those concerning labor rights and human rights, are well understood. Before formal applications are submitted, OPIC advises potential clients on projects that may be problematic from a social perspective. As a result, in FY17, OPIC did not have to reject any applications for finance or insurance on social grounds.

Environmental, Health, and Safety

Project Screening and Assessment

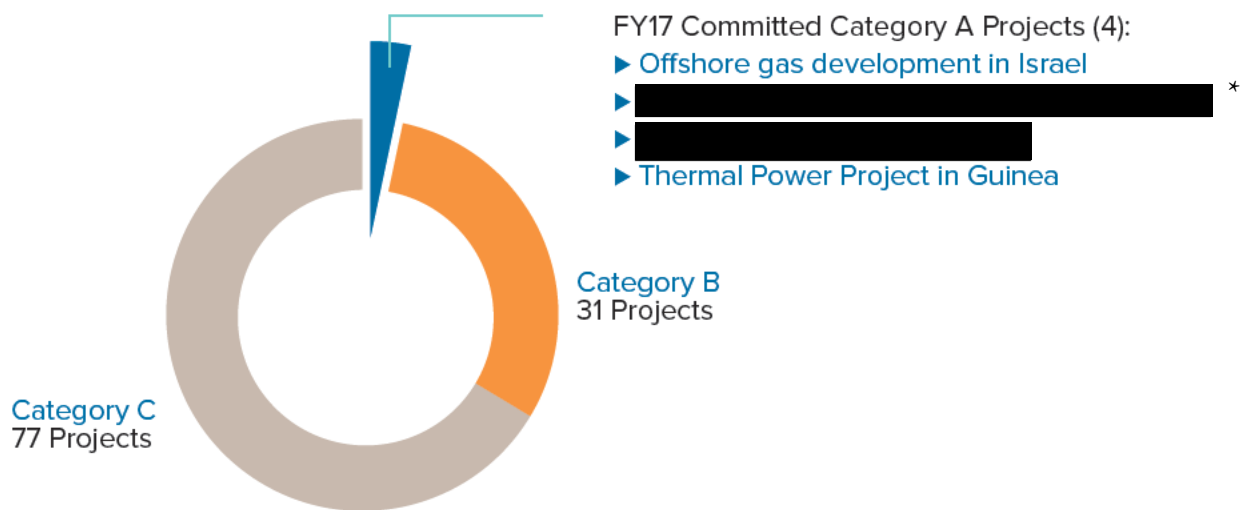
OPIC screens all potential projects to identify the risk of adverse environmental, health, and safety impacts, and to identify project impacts that could preclude OPIC support. For a project determined to be categorically ineligible¹ on environmental grounds, OPIC immediately informs the applicant to avoid unnecessary effort or expense on their part. If the project is eligible, OPIC categorizes the project to determine the requirements for documentation, disclosure, consultation, reporting and post-commitment monitoring. Projects may be categorized as A, B, C, or D depending on their potential risks and impacts.

Category A projects present the greatest potential for adverse environmental and/or social impacts, whereas Category C projects represent the least potential for adverse impact. Category D is reserved for certain projects involving financial intermediaries that take investments in or provide financing to projects or enterprises engaged in activities within categories A, B or C (“sub-projects”). OPIC screens, reviews, and provides prior written consent to sub-projects based on potential environmental and social risks. The figure on the next page illustrates the screening of projects approved in FY17.

¹ CERTAIN CATEGORIES OF PROJECTS HAVE POTENTIAL ADVERSE ENVIRONMENTAL OR SOCIAL IMPACTS THAT PRECLUDE THE PROJECT FROM RECEIVING OPIC’S SUPPORT. PROJECTS IN THESE PROHIBITED CATEGORIES ARE LISTED IN APPENDIX B OF OPIC’S ENVIRONMENTAL AND SOCIAL POLICY STATEMENT

Category A Projects

For FY17, four of the 112 projects OPIC committed to support were screened as Category A, which have the potential for significant adverse environmental and/or social impacts without adequate mitigation measures. Given these risks, OPIC requires all Category A projects to have a full environmental and social impact assessment (ESIA).



*Information has temporarily been redacted, including to protect the safety of implementing partners.

Transaction Rejected on Environmental, Health, or Safety Grounds

OPIC works diligently to ensure that its policies regarding environmental, health and safety are well understood upfront.

1. Before formal applications are submitted, OPIC endeavors to advise clients regarding project plans that could be problematic from an environmental, health or safety perspective.
2. In some cases, clients are able to modify projects to mitigate risks appropriately.
3. In other cases, they may withdraw the request for OPIC support.

As a result, OPIC did not reject any application for finance or insurance in FY17 on environmental, health or safety grounds.

Green House Gas Reporting

Pursuant to P.L. 111-117 Sec 7079(b) (12/16/2009) (Consolidated Appropriations Act. 2010) OPIC collects data on the Greenhouse Gas emissions. Under P.L. 111-117, OPIC is required to:

1. Reduce the direct greenhouse gas (GHG) emissions from projects in its active portfolio (using the calendar year 2007 direct GHG emissions from OPIC's active portfolio on June 20, 2008 as a baseline),
 - a. by 30% over a ten-year period
 - b. by 50% over a 15-year period
2. Make a substantial commitment to invest in renewable and other clean energy technologies.

Since FY08, the aggregate direct GHG emissions associated with projects in OPIC's active portfolio decreased by approximately 41.56 million short tons of CO₂e from 49.77 million short tons of CO₂e in FY08 to approximately 8.21 million short tons in FY17. This represents an 83.5% reduction in portfolio emissions¹. "Direct emissions" are defined as the result of the combustion of fuel by OPIC-supported projects.

¹ IN THE FY14 ANNUAL GHG REPORT, OPIC CORRECTED ITS FY08 BASELINE TO REMOVE GHG EMISSIONS THAT WERE EARMARKED FOR THE LATIN AMERICA POWER (LP) III FUND. IN FY14, LP III BECAME FULLY INVESTED WITHOUT HAVING INVESTED IN ANY PROJECTS THAT WERE SIGNIFICANT GHG SOURCES. THEREFORE, OPIC DECIDED TO RETROACTIVELY REMOVE THE LP III ALLOCATION FROM THE FY08-13 INVENTORIES (INCLUDING THE FY08 BASELINE). ADDITIONAL DETAILS ON THE FY16 GHG REPORT ARE AVAILABLE IN APPENDIX 7.

Compliance with OPIC Conditions and Covenants

- ◆ Social assessment monitoring activities focused on 20 projects with the potential for greatest social risk. During site monitoring, all 20 projects met material compliance with OPIC covenants and conditions regarding social and labor risks.
- ◆ The Environmental group focused on projects with the greatest environmental, health or safety risk. The environmental group monitored 23 projects in FY17. Seven of these projects were Category A, fifteen were Category B, and only one Category C monitored in FY17. All projects met material compliance with OPIC covenants and conditions pertaining to environmental considerations.

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Appendix¹ 1: U.S. Employment and Associated Effects

FY17 (Projections)*

Employment and associated effects listed below aggregated over first five years of project operation

All dollar values are in thousands

Effect on U.S. Employment	Sector	Number of Projects	Final Destination of Project Output			U.S. Procurement	Effect on U.S. Employment	Effect on U.S. Trade Balance
			Host Country	U.S.	3rd Country			
Positive								
	Finance and Insurance	2	\$65,686	\$0	\$0	\$17,495	24	\$15,310
	Real Estate and Rental and Leasing	2	\$19,078	\$0	\$0	\$61,279	86	\$61,279
	Other	5	\$1,588,498	\$0	\$815,332	\$3,010,549	3,383	\$3,010,549
Positive Total		9	\$1,673,262	\$0	\$815,332	\$3,089,323	3,493	\$3,087,138
Neutral								
	Finance and Insurance	30	\$177,139	\$7,520	\$0	\$1,117	2	(\$36,483)
	Real Estate and Rental and Leasing	9	\$55,884	\$1,300	\$0	\$805	1	(\$5,695)
	Utilities	11	\$132,076	\$0	\$0	\$1,410	2	\$1,410
	Manufacturing	8	\$285,944	\$164	\$116,748	\$0	0	(\$819)
	Constructions	31	\$380,664	\$0	\$0	\$0	0	\$0
	Healthcare and Social Assistance	9	\$228,662	\$0	\$12,200	\$100	0	\$100
	Other	5	\$23,869	\$0	\$6,871	\$0	0	\$0
Neutral Total		103	\$1,284,239	\$8,984	\$135,819	\$3,432	5	(\$41,487)
Negative Total		0	\$0	\$0	\$0	\$0	0	\$0
Grand Total		112	\$2,957,501	\$8,984	\$951,151	\$3,092,754	3,498	\$3,045,650

* Foreign Assistance Act of 1961 (P.L. 87-195), Sec. 240A(2)(b)

¹Appendix notes:

- Other: Includes Administration and Support and Waste Management and Remediation Services, Educational Services, Agriculture, Forestry, Fishing & Hunting, Retail Trade, Mining, Quarrying, and Oil and Gas extraction. Please note that Other includes Noble Leviathan. This transaction was approved and committed by OPIC; foreign government approval is pending
- "Positive" effect on U.S. employment includes projects with more than two jobs (greater than 10 person-years of employment during the first five years of project operation).
- "Neutral" effect on U.S. employment includes projects with two or fewer jobs (10 person-years or fewer of employment during the first five years of project operation).
- In FY17, 112 new OPIC-supported projects were classified using the North American Industry Classification System (NAICS).
- There is one project with positive U.S. employment effects in the utility sector. To maintain business confidentiality, the data for this project is included under the "Finance and Insurance" sector, of the Positive U.S. effects section of the table
- No projects supported in FY17 will result in the loss of U.S. employment.

Appendix² 2: Destination of Sales to Third Party Markets

FY17 (Projections)*

Third party annual sales listed below aggregated over first five years of project operation

Effect on U.S. Employment	Sector	Country	Annual Sales
Positive			
	Other		
		All OPIC countries	\$769,000,000
		Jordan	\$46,332,000
	Other Total		\$815,332,000
Positive Total			
\$815,332,000			
Neutral			
	Manufacturing		
		Afghanistan	\$50,000
		All OPIC countries	\$69,495,840
		Bahrain	\$1,354,865
		Bulgaria	\$193,683
		Europe Regional	\$509,600
		European Community	\$7,662,000
		Hong Kong	\$3,831,000
		India	\$13,662,000
		Mozambique	\$132,449
		Saudi Arabia	\$131,779
		Seychelles	\$400,823
		Turkey	\$168,737
		United Arab Emirates	\$19,155,000
	Manufacturing Total		\$116,747,776
	Health Care and Social Assistance	All OPIC countries	\$12,200,000
	Health Care and Social Assistance Total		\$12,200,000
	Other		
		All OPIC countries	\$581,442
		Europe Regional	\$1,200,000
		Germany	\$1,200,000
		Greece	\$390,000
		Poland	\$1,600,000
		Romania	\$1,900,000
	Other Total		\$6,871,442
Neutral Total			
\$135,819,218			
Negative Total			
\$0			
Grand Total			
\$951,151,218			

* Foreign Assistance Act of 1961 (P.L. 87-195), Sec. 240A(2)(b)

²Appendix notes:

- Other: Includes Administration and Support and Waste Management and Remediation Services, Educational Services, Agriculture, Forestry, Fishing & Hunting, Retail Trade, Mining, Quarrying, and Oil and Gas Extraction. Please note that Other includes Noble Leviathan. This transaction was approved and committed by OPIC; foreign government approval is pending

Third party" refers to countries that are neither the U.S. nor the host country.

- "Positive" effect on U.S. employment includes projects with more than two jobs (greater than 10 person-years of employment during the first five years of project operation).

- "Neutral" effect on U.S. employment includes projects with two or fewer jobs (10 person-years or fewer of employment during the first five years of project operation).

- In FY17, 112 new OPIC-supported projects were classified using the North American Industry Classification System (NAICS).

No projects supported in FY17 will result in the loss of U.S. employment.

Appendix³ 3: U.S. Employment Effects and Project Location

In FY17, OPIC supported 112 new projects in 39 countries and five regions. These 112 projects include four projects located in multiple regions*.

Of the 112 new projects committed in FY17, nine expect to have positive impact on U.S. jobs:

- One in finance and insurance: Sri Lanka
- Two projects in real estate and rental and leasing: Columbia and Africa Regional
- One in utilities: Honduras
- Five in other*: Ukraine, Israel, Tanzania, Zambia

Of the 112 new projects committed in FY17, 103 expect to have neutral impact on U.S. jobs:

- Thirty-one in construction: Brazil, Colombia, Mexico, Panama, Peru, Nigeria, South Africa
- Thirty in finance and insurance: Africa Regional, All OPIC countries, Asia Regional, Cambodia, Colombia, Costa Rica, Egypt, El Salvador, India, Lebanon, Liberia, Mexico, Mongolia, Myanmar, Nicaragua, Panama, South Africa, Ukraine and West Bank
- Nine in health care: Cameroon, Ethiopia India, Kenya, Nigeria and Pakistan,
- Eight in manufacturing: Botswana, India, Tajikistan and Turkey
- Nine in real estate and rental and leasing: Mexico, Mongolia, Nigeria, South Africa and Uganda
- Eleven in utilities: El Salvador, Guinea, India, Jamaica, Jordan, Senegal, Uganda and Zambia
- Five in other*: Bulgaria, Cambodia, Kenya, Mongolia and Ukraine

Of the 112 new projects committed in FY17, zero will have a negative impact on U.S. jobs. The 112 new projects committed in FY17 were in the following geographic regions:

- Thirty-one in Sub-Saharan Africa: three with positive U.S. job impact and twenty-eight with neutral U.S. job impact
- Forty-five in Latin America: two with positive U.S. job impact and forty-three with neutral U.S. job impact
- Nineteen in Asia: one with positive U.S. job impact and eighteen with neutral U.S. job impact
- Five in the Middle East & North Africa: one with positive U.S. job impact and four with neutral U.S. job impact
- Eight in Europe & Eurasia: two with positive U.S. job impact and six with neutral U.S. job impact
- Four in multiple regions: all with neutral U.S. job impact

* Foreign Assistance Act of 1961 (P.L. 87-195), Sec. 240A (2) (b)

³Appendix notes:

- Other: Includes Administration and Support and Waste Management and Remediation Services, Educational Services, Agriculture, Forestry, Fishing & Hunting, Retail Trade, Mining, Quarrying, and Oil and Gas extraction. Please note that Other includes Noble Leviathan. This transaction was approved and committed by OPIC; foreign government approval is pending
- "Positive" effect on U.S. employment includes projects with more than two jobs (greater than ten person-years of employment during the first five years of project operation).
- "Neutral" effect on U.S. employment includes projects with two or fewer jobs (ten person-years or fewer of employment during the first five years of project operation).
- In FY17, 112 new OPIC-supported projects were classified using the North American Industry Classification System (NAICS).
No projects supported in FY17 will result in the loss of U.S. employment.

Appendix 4: Methodology for Calculating U.S. Employment Effects

Each project seeking OPIC support is individually reviewed to estimate the potential impact on employment in the United States. OPIC uses procurement estimates provided by the investor to calculate expected initial and operational procurement from the United States (by value and specific type of good or service). The U.S. employment figure is generated by estimating a project's initial procurement, as well as its five-year operational procurement of goods and services. OPIC considers both the *direct and indirect* employment necessary to produce those goods and services. Therefore, the employment effects incorporate the direct employment necessary to produce the procured goods and services, as well as the indirect employment required for the production of the associated intermediate inputs.

OPIC details each type of U.S. good or service expected to be procured for each project and, using industry-specific data from the U.S. Bureau of Labor Statistics (BLS), calculates the employment effect in that industrial sector as well as in the sectors that supply necessary components or inputs. By using this standard employment effect methodology, OPIC is able to ascertain employment generation with greater precision than if it used an average for all U.S. exports. By including indirect effects, OPIC's employment figures present a more accurate picture of the benefits accruing to U.S. workers from the anticipated procurement of goods and services by OPIC-supported projects. Finally, to confirm employment effect estimates, OPIC monitors *actual* economic effects after project start-up and throughout the life of OPIC's involvement with the project. OPIC's monitoring is described in further detail in the Monitoring section of this report.

Appendix 5: OPIC's Development Matrix

As the U.S. Government's development finance institution, OPIC seeks to support projects that will produce strong positive developmental impact. While many of the direct benefits of these projects are clear from the start, these projects often produce indirect benefits including associated job creation, increased host country tax revenue and the related procurement of local goods and services.

Every proposed project is evaluated and scored based on a scale of 1 to 100. A project must score at least 25 points on the matrix to be considered developmental and clearly eligible for OPIC support. A score of over 60 qualifies a project as highly developmental. OPIC scores projects using two matrices — one tailored for financial services projects and the other for all other projects. Both matrices are comprised of the following five broad categories that measure a project's developmental impact, regardless of the project's industry, sector or the host country's level of development:

- **Development Reach:** measures a project's impact on basic infrastructure and/or its potential benefits to the poor and other underserved populations. For projects involving financial services, this factor measures the extent to which underdeveloped areas or underserved populations will be targeted by the financial institution.
- **Environmental and Community Benefits:** assesses a project's improvement of the environment and any philanthropic activities that benefit the local community.
- **Job Creation and Human Capacity Building:** includes the number of new jobs to be created, as well as training and employee benefits that go beyond local legal requirements.
- **Host Country Macroeconomic or Financial Benefits:** measures local procurement and fiscal and foreign exchange impacts. For projects involving financial services, this factor measures the amount of funds to be disbursed, as well as the impact on micro, small, and medium-sized enterprises, entrepreneurship, and home ownership.
- **Demonstration Effects:** includes technology and knowledge transfer, technical assistance to suppliers or borrowers, the introduction of new products (including financial products), the project's impact on regulatory and legal reform, and the adoption of internationally-recognized quality or performance standards.

Appendix 6: Country Eligibility

OPIC tracks country eligibility as part of its statutory obligations.

OPIC's Environmental and Social Policy Statement outlines OPIC's policies on country eligibility for OPIC-supported projects based on labor-related statutory obligations. To maintain consistency across the U.S. Government, where available, OPIC follows the worker rights determinations made by the President of the United States for the purpose of the Generalized System of Preferences (GSP) program, a trade benefits program overseen by the Office of the U.S. Trade Representative (USTR) that also requires beneficiary countries to take steps towards Internationally Recognized Worker Rights. During FY17, no additional countries lost their GSP or OPIC benefits on worker rights grounds.

In FY17, USTR initiated a formal GSP country practice review on worker rights grounds for Bolivia, and continued to conduct formal GSP country practice reviews of Georgia, Iraq, Thailand, and Uzbekistan on worker rights grounds. OPIC will adjust country eligibility status on the basis of the *President's* final determination in these countries.

Table 5

Countries in which OPIC does not operate due to Labor and/or Human Rights issues

Bangladesh	GSP status suspended as a result of workers' rights petitions, 8/2013
Belarus	Lost GSP eligibility on workers' rights grounds, 9/11/2000
Qatar	Non – GSP, lost OPIC eligibility through direct petition ⁴ , 1995
Saudi Arabia	Non – GSP, lost OPIC eligibility through direct petition, 1995
Sudan	Lost GSP eligibility on workers' rights grounds, 7/1/1991
Syria	GSP suspended due to workers' rights issues, 8/14/1992
UAE	Non – GSP, lost OPIC eligibility through direct petition, 1995
China	Non – GSP, lost OPIC eligibility on human rights grounds, 1990

⁴ <https://www.export.gov/article?id=Qatar-Project-Financing>

Appendix 7: OPIC's Greenhouse Gas Policy and Current Inventory

OPIC reports GHG emissions from all projects that have “significant” direct emissions, currently defined as more than 25,000 short tons per year (tpy) of CO₂e. In FY09 and FY10, the threshold for “significant” direct emissions was 100,000 short tons of CO₂e. The 25,000 tpy CO₂e threshold was selected to be consistent with the U.S. Environmental Protection Agency’s threshold criteria for significant GHG emissions.⁵

These projects are divided into three tiers. Tier A projects are fossil fuel-fired power generation projects that emit more than 100,000 tpy of CO₂e. Tier B projects are projects in the oil & gas, mining, transportation, manufacturing, construction, or other sectors which have a Potential To Emit (PTE) of more than 100,000 tpy CO₂e. Tier C projects are those projects that have a PTE of less than 100,000 tpy CO₂e, but more than 25,000 tpy CO₂e. Annual independent GHG audit reports for projects that are expected to emit more than 25,000 tons of CO₂e are available at www.opic.gov.

To account for emissions from non-reportable projects (i.e., projects below the current “significance” threshold for reporting of 25,000 tpy CO₂e), OPIC includes a GHG “buffer” to the total emissions from reportable projects (i.e., projects with direct emissions above 25,000 tpy CO₂e). OPIC has set the buffer equal to 5% of the total emissions from reportable projects.⁶ By accounting for these sources, OPIC is consistent with the GHG accounting methodology of The Climate Registry.⁷

OPIC calculates GHG emissions from projects in its active portfolio using methodologies and algorithms that rely on activity data such as fuel consumption or gas/oil throughput. In most cases, OPIC uses methodologies approved by The Climate Registry. For emissions from sources without Registry-approved methodologies, OPIC uses emission estimate methodologies provided by the U.S. Environmental Protection Agency.

Following the completion of an independent GHG audit of the FY16 emissions, OPIC provided investors the opportunity to comment on the Independent Auditor’s estimates, activity data, and methodology. The following table contains the final auditor estimates after consideration of investor input.

5 The U.S. Environmental Protection Agency’s threshold criterion for significant GHG emissions was set at 25,000 metric tons per year. To maintain consistency with units, OPIC uses 25,000 short tons, which is conservative – since 25,000 metric tons converted to short tons would equal a reporting threshold of approximately 27,500 short tons.

6 In FY 2009 and FY 2010, OPIC calculated the buffer as 5% of total emissions from reportable projects (i.e., projects emitting more than the significance threshold at the time of 100,000 tpy CO₂e).

For FY 2010 – FY 2014, OPIC calculated the buffer so that the buffer plus the estimated emissions for projects that emit between 25,000 and 100,000 short tons of CO₂e was equal to 5% of estimated emissions for projects that emit over 100,000 short tons (to maintain consistency with the previous buffer calculation).

Starting in FY 2015, OPIC updated this methodology so that the buffer again represents 5% of the total estimated emissions from reportable projects (using the current significance threshold for reporting of 25,000 tpy CO₂e). This results in a more conservative buffer and simpler calculation. OPIC retroactively updated the buffer and yearly GHG numbers for FY 2010 – FY 2014 in its FY 2015 GHG report. The updated buffer amounts for these years increased OPIC’s reported emissions by between 0.3% (in FY 2010 and FY 2012) and 2.3% (in FY 2014).

7 The Climate Registry is a nonprofit collaboration among North American states, provinces, territories, and Native Sovereign Nations that sets consistent and transparent standards to calculate, verify and publicly report greenhouse gas emissions into a single registry. The Registry supports both voluntary and mandatory reporting programs and provides comprehensive, accurate data to reduce greenhouse gas emissions. The 5% value is from The Climate Registry’s General Reporting Protocol, Version 1.1, May 2008, p. 58. Available online at: <http://www.theclimateregistry.org/downloads/GRP.pdf>.

Appendix 8: OPIC GHG Emissions Inventory Estimate by Project

Tier A Project Emissions (Short Tons CO₂e)

Project Name	Location	Maximum PTE	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
			CY2007 Baseline	CY2008 Emissions	CY2009 Emissions	CY2010 Emissions	CY2011 Emissions	CY2012 Emissions	CY2013 Emissions	CY2014 Emissions	CY2015 Emissions	CY2016 Emissions
Adapazari Elektrik Uretim	Turkey	2,706,499	2,106,754	2,106,754	2,441,657	2,426,053	2,309,241	R/C	R/C	R/C	R/C	R/C
AES Jordan [2]	Jordan	1,545,173	N/A	590,940	1,318,130	1,434,569	1,184,010	936,400	1,514,054	1,203,945	949,925	1,588,326
AES Levant	Jordan	1,409,533	N/A	N/A	N/A	N/A	N/A	N/A	N/A	467,262	685,110	228,994
AES Nigeria	Nigeria	1,603,307	1,166,398	1,341,157	988,271	949,754	949,754	949,754	R/C	R/C	R/C	R/C
Contour Global Cap Des Biches	Senegal	505,083	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	184,699
Contour Global - Togo	Togo	587,305	N/A	N/A	N/A	Below Threshold	46,561	126,192	161,830	55,467	210,901	496,564
Doga Enerji	Turkey	816,057	740,762	740,762	672,014	655,981	R/C	R/C	R/C	R/C	R/C	R/C
Gaza Private Generating PLC	Gaza	481,485	293,804	303,535	325,926	228,627	405,262	Below Threshold	161,215	193,406	253,808	246,460
Gebze Elektrik Uretim	Turkey	5,412,998	4,121,923	4,121,923	4,794,979	4,833,330	4,535,511	R/C	R/C	R/C	R/C	R/C
Grenada Electricity Services	Grenada	141,127 [1]	114,571	121,156	141,127	135,237	134,371	131,206	130,221	R/C	R/C	R/C
Habibullah Coastal Power	Pakistan	487,658	447,880	447,880	R/C	R/C	R/C	R/C	R/C	R/C	R/C	R/C
Izmir Elektrik Uretim	Turkey	5,412,998	4,694,380	4,694,380	4,300,376	4,739,787	4,824,511	R/C	R/C	R/C	R/C	R/C
Jorf Lasfar Energy	Morocco	14,268,496	14,268,496	R/C	R/C	R/C	R/C	R/C	R/C	R/C	R/C	R/C
NEPC Consortium Power	Bangladesh	383,159	245,795	343,581	255,734	297,068	297,068	R/C	R/C	R/C	R/C	R/C
Paiton Energy	Indonesia	10,045,869 [1]	9,553,044	9,553,044	9,624,125	9,854,076	10,045,869	R/C	R/C	R/C	R/C	R/C
Pakistan Water & Power Authority [3]	Pakistan	522,490	522,490	522,490	283,937	283,937	R/C	R/C	R/C	R/C	R/C	R/C
Power Finance Trust (aka Isagen)	Colombia	980,011 [1]	203,010	Below Threshold	300,706	305,181	305,181	305,181	775,357	980,011	963,992	963,992
Termovalle SCA [4]	Colombia	714,070	Below Threshold	Below Threshold	223,983	223,983	Below Threshold	R/C	R/C	R/C	R/C	R/C
Trakya Elektrik Uretim	Turkey	1,818,912	1,747,956	R/C	R/C	R/C	R/C	R/C	R/C	R/C	R/C	R/C

NOTE: "N/A" indicates that a project was not yet active in the OPIC Portfolio during that year, and "R/C" indicates that the project was either repaid (loan or guarantee) or cancelled (insurance) prior to the cutoff date for that year.

[1] Maximum PTE was calculated on the basis of a project's maximum operating capacity. When maximum operating capacity could not be properly determined, the maximum PTE was set equal to the highest annual emission level assessed in this or prior OPIC GHG inventories.

[2] Sharp emission increase due to ramped-up energy production from 10,103,603 MMBtu in CY 2007 to 22,536,748 MMBtu in CY 2008.

[3] CY 2009 emissions are significantly lower due to fewer reported operating hours.

[4] CY 2009 emissions are significantly higher due to increased reported operating hours
Tier B Project Emissions (Short Tons CO₂e)

Project Name	Location	Maximum PTE	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
			CY2007 Baseline	CY2008 Emissions	CY2009 Emissions	CY2010 Emissions	CY2011 Emissions	CY2012 Emissions	CY2013 Emissions	CY2014 Emissions	CY2015 Emissions	CY2016 Emissions
Accroven SRL	Venezuela	998,677	998,677	445,832	R/C	R/C	R/C	R/C	R/C	R/C	R/C	R/C
Acu Petroleo S A	Brazil	350,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Below Threshold
Baku-Tblisi-Ceyhan Pipeline	Azerbaijan	787,577 [1]	707,672	707,672	787,577	723,214	671,605	584,200	R/C	R/C	R/C	R/C
E P Interoil	Papua New Guinea	802,469	392,296	103,247	79,709	75,928	74,985	R/C	R/C	R/C	R/C	R/C
Equate Petrochemical	Kuwait	720,573	720,573	680,311	R/C	R/C	R/C	R/C	R/C	R/C	R/C	R/C
Foxtrot International [2]	Cote d'Ivoire	104,484 [1]	104,484	104,484	104,484	Below Threshold	27,746	R/C	R/C	R/C	R/C	R/C
Lukoil RPK Vysotsk [3]	Russia	107,184	70,767	70,767	76,339	97,117	91,143	92,696	95,070	99,423	R/C	R/C
Natural Gas Liquids II Financing	Nigeria	390,806	244,048	244,048	R/C	R/C	R/C	R/C	R/C	R/C	R/C	R/C
Pannonia Ethanol	Hungary	113,785 [1]	N/A	N/A	N/A	N/A	N/A	64,244	93,251	101,474	113,785	R/C
Various Egypt Subsidiaries (Apache) [4]	Egypt	4,438,554 [1]	3,071,932	3,244,189	3,294,654	3,465,842	4,438,554	4,178,447	4,056,437	4,012,346	3,891,093	4,007,937
West Africa Gas Pipeline	Ghana	189,800	N/A	N/A	189,800	70,925	86,617	86,617	86,617	86,617	68,281	68,281
Wilpro Energy Services (El Furrial)	Venezuela	289,106	289,106	289,106	R/C	R/C	R/C	R/C	R/C	R/C	R/C	R/C
Wilpro Energy Services (Pigap)	Venezuela	571,090 [1]	571,090	571,090	R/C	R/C	R/C	R/C	R/C	R/C	R/C	R/C

NOTE: "N/A" indicates that a project was not yet active in the OPIC Portfolio during that year, and "R/C" indicates that the project was either repaid (loan or guarantee) or cancelled (insurance) prior to the cutoff date for that year

[1] Maximum PTE was calculated on the basis of a project's maximum operating capacity. When maximum operating capacity could not be properly determined, the maximum PTE was set equal to the highest annual emission level assessed in this or prior OPIC GHG inventories

[2] Foxtrot maximum PTE corresponds to the peak emissions year when the project was active. In 2010, Foxtrot operated for a minimal period of time and thus had corresponding GHG emissions below the established threshold

[3] Lukoil had the Potential-to-Emit over 100,000 tons CO₂ annually, although emissions were consistently reported below this level

[4] In 2007 and 2008, Apache reported their emissions in relation to their equity share of the project (49%). OPIC accounts 100% of a project's emissions regardless of equity share. As a result, emissions data for 2007 and 2008 were revised up to conform to OPIC standards

Tier C Project Emissions (Short Tons CO₂e)

Project Name	Location	Description	Maximum PTE	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2015	FY2017
				CY2009 Emissions	CY2010 Emissions	CY2011 Emissions	CY2012 Emissions	CY2013 Emissions	CY2014 Emissions	CY2014 Emissions	CY2016 Emissions
Aga Khan Hospital & Medical College	Pakistan	Health Care	72,965	N/A	N/A	N/A	N/A	N/A	25,064	28,653	29,093
	Ukraine	Agriculture	38,404 [1]	N/A	N/A	Below Threshold	36,886	25,470	38,404	32,202	R/C
Dominica Electric Services	Dominican Republic	Power Generation	50,084 [1]	50,084	50,084	50,084	R/C	R/C	R/C	R/C	R/C
Jose Lindley	Peru	Manufacturing	25,000 [1]	25,000	25,000	R/C	R/C	R/C	R/C	R/C	R/C
Joshi Technologies / Parko Services	Colombia	Oil & Gas	91,861 [1]	30,398	57,826	43,564	52,894	73,685	91,861	91,224	R/C
Negev Energy	Israel	Power Generation	56,746	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Below Threshold
Qalaa Holdings (aka Citadel)	Egypt	Manufacturing	105,821	N/A	N/A	N/A	46,707	52,169	47,437	34,279	Below Threshold

NOTE: "N/A" indicates that a project was not yet active in the OPIC Portfolio during that year, and "R/C" indicates that the project was either repaid (loan or guarantee) or cancelled (insurance) prior to the cutoff date for that year.

[1] Maximum PTE was calculated on the basis of a project's maximum operating capacity. When maximum operating capacity could not be determined, the maximum PTE was set equal to the highest annual emission level assessed in this or prior OPIC GHG inventories.

*Information has temporarily been redacted, including to protect the safety of implementing partners.

Summary of OPIC Portfolio Emissions (Short Tons CO₂e)

	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Inventory Item	CY2007 Baseline	CY2008 Emissions	CY2009 Emissions	CY2010 Emissions	CY2011 Emissions	CY2012 Emissions	CY2013 Emissions	CY2014 Emissions	CY2015 Emissions	CY2016 Emissions
Tier A	40,227,263	24,887,602	25,670,965	26,367,582	25,037,339	2,453,314	2,742,677	2,900,090	3,063,735	3,709,035
Tier B	7,170,645	6,460,746	4,532,563	4,433,027	5,390,650	5,006,203	4,331,375	4,299,859	4,073,160	4,076,218
Tier C	NQ [3]	NQ [3]	105,482	132,910	93,648	136,486	151,325	202,766	186,358	29,093
Tier A, B, C Subtotal	47,397,908	31,348,348	30,309,010	30,933,519	30,521,637	7,596,003	7,225,377	7,402,715	7,323,253	7,814,346
Latin America Power III Fund [1]	0	0	0	0	0	0	0	0	0	0
5% Buffer for Additional Sources [2]	2,369,895	1,567,417	1,515,451	1,546,676	1,526,082	379,800	361,269	370,136	366,163	390,717
TOTAL:	49,767,803	32,915,765	31,824,461	32,480,195	32,047,719	7,970,993	7,586,646	7,772,851	7,689,416	8,205,063

[1] Per agreement between Latin American Power III and OPIC, the Fund agreed to “not make an investment in a Portfolio Company if, after such investment, the assets and operations of all Portfolio Companies then held by the Fund would emit (in the aggregate and on a calendar-year basis) in excess of 2,077,500 tpy CO₂e as calculated in accordance with the IPCC”. In FY14, OPIC determined that the Fund would not invest in any power-generating projects; therefore, the allocation for the Latin American Power III Fund was not included in the FY14 inventory and subsequent inventories. To ensure the reported emissions are accurate, OPIC retroactively removed this allocation from the FY 2008-2013 inventories.

[2] For the CY 2007 Baseline and CY 2008 inventories, the buffer was calculated as 5% of all carbon-intensive projects (i.e., those projects that emitted more than 100,000 tpy of CO₂e). For the original CY 2010, CY 2011, CY 2012, and CY 2013 emissions, (i.e., after the threshold for a carbon-intensive project was reduced from 100,000 tpy to 25,000 tpy CO₂e), the buffer was calculated so that the buffer plus the Tier C projects that emitted between 25,000 and 100,000 tpy of CO₂e was equal to 5% of emissions from projects that emitted more than 100,000 tpy of CO₂e. Starting with the CY 2014 inventory, the buffer for additional sources was calculated as 5% of all carbon-intensive projects under the new threshold of 25,000 tpy CO₂e (i.e., Tier A, B and C emissions combined). OPIC applied this calculation retroactively to the buffer for CY 2009 – CY 2013, which resulted in an increase in the buffer, and a subsequent increase in reported emissions of between 0.3% and 2.3%.

[3] Not quantified during that year.

Appendix 9: OPIC's Site-Monitoring Methodology

Environment, Social, Health, and Safety; U.S. Economic Impact, and Host Country Developmental Impact

OPIC performs comprehensive and integrated monitoring to evaluate the U.S. and host-country economic effects, as well as the environmental, social, health and safety, and general working conditions of the projects it supports. OPIC's integrated project monitoring is designed to ensure that each project complies with statutory and contractual requirements in these areas. Project monitoring consists of site visits to projects, in addition to analysis of information submitted annually by investors in the form of an online Self-Monitoring Questionnaire (SMQ). Since 1993, OPIC has required SMQs of all investors per the OPIC finance agreement or insurance contract.

Using a statistical sampling methodology combined with risk-based monitoring, OPIC identifies projects that staff from one or more disciplines will site-monitor. The projects selected for site-monitoring include: (1) a random sample of projects that have been active for five or more years and have not been monitored previously; (2) projects that are sensitive with respect to U.S. economic effects, environment, social, labor, health and safety issues; and (3) projects that fit in logistically with randomly selected or sensitive projects.

Environment, Social, Health, and Safety (E&S)

With respect to E&S issues, projects selected for site-monitoring in a given year are prioritized based on environmental and social risk. Environmental and social risks depend upon several factors including project sensitivity, host country context, project-level environmental and social management systems, and investor experience in implementing projects of similar complexity. OPIC assesses the E&S performance of a project against applicable benchmarks including contract conditions, international standards and guidelines, and industry best practices. Factors included in the performance assessment include an evaluation of the project's environmental and social management systems, the effectiveness of mitigation, including pollution controls in risk reduction, and the efficiency of the operations, including energy efficiency. Engagement with members of the project workforce and representatives of nearby communities is carried out where relevant. Certain areas of human or worker rights violations may be difficult to identify from a typical project site-monitoring visit. In those instances where OPIC determines further investigation is warranted, OPIC may contract specialists to perform a full project audit.

Economic Impact

OPIC monitors projects for their actual impact on the U.S. economy, including the U.S. employment generation effects. OPIC ensures that projects do not negatively impact the U.S. economy. This analysis includes verifying levels of exports to the U.S. or other countries (if any), calculating the U.S. balance of payments impact, and verifying compliance with any restrictions included in the OPIC loan agreement or insurance contract (e.g. restrictions on exporting to the United States. or significant U.S. export markets).

Development Impact

Regarding host country development impact, OPIC monitors projects using the same criteria used at the time of project approval. Thus, a one-to-one comparison can be made between original development impact projections and actual operations. For example, if a project originally expected to hire 100 local workers, actual employment numbers are verified and compared to this forecast. Additionally, if a project is expected, for example, to build a school for the children of its employees, this will be verified. Other developmental impacts not identified or anticipated at the time of application are also evaluated and quantified during site-monitoring. Finally, the project is re-evaluated using actual findings based on the same criteria used in the project's original OPIC review. OPIC conducted "lessons learned" exercises based on these and other findings.

Appendix 10: Projects Site-Monitored ⁸in FY17

	Project Name	Country, Region, or Territory	Economic	Environment	Social Assessment
1	AES Levant Psc ⁹	Jordan		✓	✓
2	African Leadership Academy	South Africa		✓	
3	Alto Maipo SpA ¹⁰	Chile		✓	✓ ¹¹
4	Amandi Energy Limited – Combined Cycle Gas Turbine Power Plant	Ghana		✓	
5	Amandi Energy Limited - Insurance	Ghana		✓	
6	American Embassy School of Lusaka	Zambia		✓	
7	Azura-Edo Power Project-Senior Loan	Nigeria			✓
8	Banco de America Central Honduras, S.A. ¹² (Tranche A)	Honduras	✓		
9	Banco de America Central Honduras, S.A. (Tranche B)	Honduras	✓		
10	Burn Manufacturing Company	Kenya		✓	
11	Centro de Serviços Internacionais de Saúde, LDA ¹³	Angola		✓	
12	Citibank Global Framework Facility Banco Atlas	Paraguay	✓		
13	Citibank Global Framework Facility – Banco del Pais S.A.	Honduras	✓		
14	Citibank Global Framework Facility – Chi Limited	Nigeria	✓		
15	Citibank Housing 2 – Banco Continental	Paraguay	✓		
16	Citi Housing 2 – Banco Regional	Paraguay	✓		
17	Compagnie des Bauxites de Guinee	Guinea			✓ ¹⁴
18	Continental Grain Company	Haiti	✓		
19	Disi Water	Jordan		✓	✓
20	████████████████████	Ukraine	✓		✓
21	Goldtree – Giraffe	Sierra Leone		✓	✓

⁸ Note: In FY17, OPIC site-monitored 50 projects. Projects can be monitored for Development impact, Social, and /or Environmental compliance. Please note a project can be visited by different teams and be counted as one project site-monitored.

⁹ “Psc” is the abbreviation for “private shareholding company”. It is often referred to as a “privately held company” in American English.

¹⁰ “SpA” is the Spanish abbreviation for “Sociedad por Acciones”. The equivalent in American English is “joint stock company”.

¹¹ Social Assessment Team visited this project three times in the most recent fiscal year.

¹² “S.A.” is the Spanish abbreviation for “Sociedad Anónima”. The equivalent in American English is “public limited company”.

¹³ “LDA” is the Portuguese abbreviation for “limited”. The equivalent in American English is “limited liability company”.

¹⁴ Social Assessment team visited this project twice in the most recent fiscal year

*Information has temporarily been redacted, including to protect the safety of implementing partners.

Project Name	Country, Region, or Territory	Economic	Environment	Social Assessment
22 [REDACTED]	Ukraine	✓		✓
23 IHS plc ¹⁵	Nigeria	✓		
24 Materiales Vista Bahia	Panama		✓	
25 Meridian Consolidated Investments Limited	Malawi		✓	
26 Millennium Energy Jordan	Jordan	✓		
27 Nafith International Limited	Iraq	✓		
28 [REDACTED]	Ukraine		✓	
29 Negev Energy	Israel		✓	
30 Paladin Realty Latin America Investors IV-CI, LP	Brazil	✓		✓
31 PT UPC Sidrap Bayu Energi	Indonesia		✓	
32 Silverlands Ranching Limited (Beef Cattle Ranching)	Zambia		✓	
33 Silverlands Ranching Limited (Agriculture)	Zambia		✓	
34 Silverlands Zambia Limited	Zambia		✓	
35 SilverStreet Private Equity Strategies	Zambia		✓	
36 Sindila (Butama)	Uganda		✓	✓
37 Siniora	Jordan	✓		
38 Siraj Nahkeel Dates	West Bank		✓	
39 Siraj National Bank	West Bank		✓	
40 Siraj PalGaz	West Bank		✓	
41 Siraj Pallease	West Bank		✓	
42 St. Marche	Brazil	✓		✓
43 TB Andrew & Williamson II	Mexico	✓		✓
44 Thaneakea Phum Cambodia (2 nd Tranche)	Cambodia	✓		
45 Thaneakea Phum Cambodia, LTD	Cambodia	✓		
46 University of Central Asia	Tajikistan		✓	✓
47 Vehículos Líquidos Financieros Sapi de C.V. ¹⁶	Mexico	✓		
48 [REDACTED]	Ukraine	✓		✓
49 YP Real Estate Amendment	Brazil	✓		✓
50 Zalatimo Sweets Company	Jordan	✓		
Projects Site-Monitored for Economic impact		23		
Projects Site-Monitored for Environmental compliance			25	
Projects Site-Monitored for Social (Labor) compliance				15

¹⁵ “plc” is an abbreviation for “public limited company”. LLC is a more common abbreviation in American English.

¹⁶ “C.V.” is a Spanish abbreviation for “sociedad anónima de capital variable”. Publicly traded company is the equivalent in American English.

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Appendix 11: Projects Site-Monitored for Development Impact in FY17

	Project Name	Country or Region	Projected Development Rating	Monitored Development Rating
1	Banco de America Central Honduras, S.A. (Tranche A)	Honduras	Highly Developmental	Highly Developmental
2	Banco de America Central Honduras, S.A. (Tranche B)	Honduras	Highly Developmental	Highly Developmental
3	Citibank Global Framework Facility - Banco Atlas	Paraguay	Developmental	Developmental
4	Citibank Global Framework Facility-Banco del País S.A.	Honduras	Developmental	Developmental
5	Citibank Global Framework Facility – Chi Limited	Nigeria	Highly Developmental	Highly Developmental
6	Citi Housing 2 - Banco Continental	Paraguay	Highly Developmental	Highly Developmental
7	Citi Housing 2 – Banco Regional	Paraguay	Highly Developmental	Highly Developmental
8	Continental Grain Company	Haiti	Not available	Highly Developmental
9	[REDACTED]	Ukraine	Highly Developmental	Highly Developmental
10	[REDACTED]	Ukraine	Highly Developmental	Highly Developmental
11	IHS Plc	Nigeria	Highly Developmental	Highly Developmental
12	Millennium Energy Jordan	Jordan	Highly Developmental	Highly Developmental
13	Nafith International Limited	Iraq	Developmental	Highly Developmental
14	Paladin Realty Latin America Investors IV-CI, LP*	Latin America	Not available	Not available
15	Siniora	Jordan	Highly Developmental	Highly Developmental
16	St. Marche	Brazil	Highly Developmental	Highly Developmental
17	TB Andrew & Williamson II	Mexico	Highly Developmental	Highly Developmental
18	Thaneakea Phum Cambodia (2 nd Tranche)*	Cambodia	Not available	Not available
19	Thaneakea Phum Cambodia, LTD	Cambodia	Highly Developmental	Highly Developmental
20	Vehículos Líquidos Financieros Sapi de C.V.	Mexico	Highly Developmental	Highly Developmental
21	[REDACTED]	Ukraine	Developmental	Highly Developmental
22	YP Real Estate Amendment	Brazil	Developmental	Developmental
23	Zalatimo Sweets Company	Jordan	Developmental	Developmental

* Some projects that were site monitored do not have a monitored development rating because the OPIC supported project – typically an investment fund – includes various sub-projects. If such a project is listed in Appendix 10, it means an OPIC employee site monitored one of the sub-projects. However, the evaluation of one specific sub-project does not necessarily reflect the development impact of the entire OPIC-supported project. Note: In FY17, OPIC site-monitored 50 projects. Projects can be monitored for Development impact, Social, and /or Environmental compliance. Please note projects can be visited by different teams and be counted as one project site-monitored.

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Appendix 12: Projects Site-Monitored for Environmental / Social Impact in FY17

	Project Name	Country, Region, or Territory	Environmental and or Social Performance in FY17
1	AES Levant Psc	Jordan	Environmental and Social performance is consistent with contract conditions.
2	African Leadership Academy	South Africa	Environmental performance is consistent with contract conditions.
3	Alto Maipo SpA	Chile	Environmental and Social performance is consistent with contract conditions.
4	Amandi Energy Limited – Combined Cycle Gas Turbine Plat	Ghana	Environmental performance is consistent with contract conditions.
5	Amandi energy Limited – Insurance	Ghana	Environmental performance is consistent with contract conditions.
6	American Embassy School of Lusaka	Zambia	Environmental performance is consistent with contract conditions.
7	Azura-Edo Power Project-Senior Loan	Nigeria	Social performance is consistent with contract conditions.
8	Burn Manufacturing Company	Africa	Environmental performance is consistent with contract conditions.
9	Centro de Serviços Internacionais de Saúde, LDA	Angola	Environmental performance is consistent with contract conditions.
10	Compagnie des Bauxites de Guinee	Guinea	Social performance is consistent with contract conditions.
11	Disi Water	Jordan	Environmental and Social performance is consistent with contract conditions.
12	[REDACTED]	Ukraine	Social performance is consistent with contract conditions *
13	Goldtree – Giraffe	Sierra Leone	Environmental and Social performance is consistent with contract conditions.
14	[REDACTED]	Ukraine	Social performance is consistent with contract conditions. *
15	Materiales Vista Bahia	Panama	Environmental performance is consistent with contract conditions.
16	Meridian Consolidated Investments Limited	Malawi	Environmental performance is consistent with contract conditions.
17	[REDACTED]	Ukraine	Environmental performance is consistent with contract conditions. *
18	Negev Energy	Israel	Environmental performance is consistent with contract conditions.
19	Paladin Realty Latin America Investors IV-CI, LP	Latin America	Social performance is consistent with contract conditions.

*Information has temporarily been redacted, including to protect the safety of implementing partners.

	Project Name	Country, Region, or Territory	Environmental and or Labor & Human Rights Status in FY17
20	PT UPC Sidrap Bayu Energi	Indonesia	Environmental performance is consistent with contract conditions.
21	Silverlands Ranching Limited (Beef Cattle Ranching)	Zambia	Environmental performance is consistent with consent conditions.
22	Silverlands Ranching Limited (Agriculture)	Zambia	Environmental performance is consistent with consent conditions.
23	Silverlands Zambia Limited	Zambia	Environmental performance is consistent with consent conditions.
24	SilverStreet Private Equity Strategies	Africa	Environmental performance is consistent with consent conditions.
25	Sindila (Butama)	Uganda	Environmental and Social performance is not consistent with contract conditions.
26	Siraj Nahkeel Dates	West Bank	Environmental performance is consistent with consent conditions.
27	Siraj National Bank	West Bank	Environmental performance is consistent with consent conditions.
28	Siraj PalGaz	West Bank	Environmental performance is consistent with consent conditions.
29	Siraj Pallease	West Bank	Environmental performance is consistent with consent conditions.
30	St. Marche	Brazil	Social performance is consistent with contract conditions.
31	TB Andrew & Williamson II	Mexico	Social performance is consistent with contract conditions.
32	University of Central Asia	Tajikistan	Environmental and Social performance is consistent with contract conditions.
33	[REDACTED]	Ukraine	Social performance is consistent with contract conditions. *
34	YP Real Estate Amendment	Brazil	Social performance is consistent with contract conditions.

Note: In FY17, OPIC site-monitored 50 projects. Projects can be monitored for Development impact, Social, and /or Environmental compliance. Please note projects can be visited by different teams and be counted as one project site-monitored.

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